

**The Union Light, Heat and Power Company
d/b/a Duke Energy Kentucky
Case No. 2006-00172
Forecasted Test Period Filing Requirements
Table of Contents**

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**PUBLIC SERVICE
COMMISSION**

Vol. #	Tab #	Filing Requirement	Description	Sponsoring Witness
1	1	KRS 278.180	30 days' notice of rates to PSC.	Sandra P. Meyer
1	2	807 KAR 5:001 Section 8 (1)	Full name and P.O. address of applicant and reference to the particular provision of law requiring PSC approval.	Sandra P. Meyer
1	3	807 KAR 5:001 Section 8 (2)	The original and 10 copies of application plus copy for anyone named as interested party.	Sandra P. Meyer
1	4	807 KAR 5:001 Section 10 (1)(b)(1)	Reason adjustment is required.	Paul G. Smith
1	5	807 KAR 5:001 Section 10 (1)(b)(2)	Statement that utility's annual reports, including the most recent calendar year, are filed with PSC. 807 KAR 5:006, Section 3 (1).	Dwight L. Jacobs
1	6	807 KAR 5:001 Section 10 (1)(b)(3) and (5)	If utility is incorporated, certified copy of articles of incorporation and amendments or out of state documents of similar import. If they have already been filed with PSC refer to the style and case number of the prior proceeding and file a certificate of good standing or authorization dated within 60 days of date application filed.	Sandra P. Meyer
1	7	807 KAR 5:001 Section 10 (1)(b)(4)	If applicant is limited partnership, certified copy of limited partnership agreement. If agreement filed with PSC refer to style and case number of prior proceeding and file a certificate of good standing or authorization dated within 60 days of date application filed.	Sandra P. Meyer
1	8	807 KAR 5:001 Section 10 (1)(b)(6)	Certified copy of certificate of assumed name required by KRS 365.015 or statement that certificate not necessary.	Sandra P. Meyer
1	9	807 KAR 5:001 Section 10 (1)(b)(7)	Proposed tariff in form complying with 807 KAR 5:011 effective not less than 30 days from date application filed.	Jeffrey R. Bailey
1	10	807 KAR 5:001 Section 10 (1)(b)(8)	Proposed tariff changes shown by present and proposed tariffs in comparative form or by indicating additions in italics or by underscoring and striking over deletions in current tariff.	Jeffrey R. Bailey
1	11	807 KAR 5:001 Section 10 (1)(b)(9)	Statement that notice given, see subsections (3) and (4) of 807 KAR 5:001, Section 10 with copy.	Sandra P. Meyer
1	12	807 KAR 5:001 Section 10 (2)	If gross annual revenues exceed \$1,000,000, written notice of intent filed at least 4 weeks prior to application. Notice shall state whether application will be supported by historical or fully forecasted test period.	Sandra P. Meyer
1	13	807 KAR 5:001 Section 10 (4) (a)	Sewer utilities shall give the required typewritten notice by mail to all of their customers pursuant to KRS 278.185.	Sandra P. Meyer
1	14	807 KAR 5:001 Section 10 (4)(b)	Applicants with twenty (20) or fewer customers affected by the proposed general rate adjustment shall mail the required typewritten notice to each customer no later than the date the application is	Sandra P. Meyer

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			filed with the commission.	
1	15	807 KAR 5:001 Section 10 (4)(c)	Except for sewer utilities, applicants with more than twenty (20) customers affected by the proposed general rate adjustment shall give the required notice by one (1) of the following methods: 1. A typewritten notice mailed to all customers no later than the date the application is filed with the commission; 2. Publishing the notice in a trade publication or newsletter which is mailed to all customers no later than the date on which the application is filed with the commission; or 3. Publishing the notice once a week for three (3) consecutive weeks in a prominent manner in a newspaper of general circulation in the utility's service area, the first publication to be made within seven (7) days of the filing of the application with the commission.	Sandra P. Meyer
1	16	807 KAR 5:001 Section 10 (4)(d)	If notice is published, an affidavit from the publisher verifying that the notice was published, including the dates of the publication with an attached copy of the published notice, shall be filed with the Commission no later than forty-five (45) days of the filed date of the application.	Sandra P. Meyer
1	17	807 KAR 5:001 Section 10 (4)(e)	If notice is mailed, a written statement signed by the utility's chief officer in charge of Kentucky operations verifying the notice was mailed shall be filed with the Commission no later than thirty (30) days of the filed date of the application.	Sandra P. Meyer
1	18	807 KAR 5:001 Section 10 (4)(f)	All utilities, in addition to the above notification, shall post a sample copy of the required notification at their place of business no later than the date on which the application is filed which shall remain posted until the commission has finally determined the utility's rates.	Sandra P. Meyer
1	19	807 KAR 5:001 Section 10 (5)	Notice of hearing scheduled by the commission upon application by a utility for a general adjustment in rates shall be advertised by the utility by newspaper publication in the areas that will be affected in compliance with KRS 424.300.	Sandra P. Meyer
1	20	807 KAR 5:001 Section 10 (8)(a)	Financial data for forecasted period presented as pro forma adjustments to base period.	William Don Wathen, Jr.
1	21	807 KAR 5:001 Section 10 (8)(b)	Forecasted adjustments shall be limited to the 12 months immediately following the suspension period.	William Don Wathen, Jr.
1	22	807 KAR 5:001 Section 10 (8)(c)	Capitalization and net investment rate base shall be based on a 13 month average for the forecasted period.	William Don Wathen, Jr.

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1	23	807 KAR 5:001 Section 10 (8)(d)	After an application based on a forecasted test period is filed, there shall be no revisions to the forecast, except for the correction of mathematical errors, unless such revisions reflect statutory or regulatory enactments that could not, with reasonable diligence, have been included in the forecast on the date it was filed. There shall be no revisions filed within thirty (30) days of a scheduled hearing on the rate application.	William Don Wathen, Jr.
1	24	807 KAR 5:001 Section 10 (8)(e)	The commission may require the utility to prepare an alternative forecast based on a reasonable number of changes in the variables, assumptions, and other factors used as the basis for the utility's forecast.	William Don Wathen, Jr.
1	25	807 KAR 5:001 Section 10 (8)(f)	Reconciliation of rate base and capital used to determine revenue requirements.	William Don Wathen, Jr.
1	26	807 KAR 5:001 Section 10 (9)(a)	Prepared testimony of each witness supporting its application including testimony from chief officer in charge of Kentucky operations on the existing programs to achieve improvements in efficiency and productivity, including an explanation of the purpose of the program.	All witnesses
1	27	807 KAR 5:001 Section 10 (9)(b)	Most recent capital construction budget containing at minimum 3 year forecast of construction expenditures.	Jim L. Stanley John J. Roebel
1	28	807 KAR 5:001 Section 10 (9)(c)	Complete description, which may be in prefiled testimony form, of all factors used to prepare forecast period. All econometric models, variables, assumptions, escalation factors, contingency provisions, and changes in activity levels shall be quantified, explained, and properly supported.	Brian P. Davey
1	29	807 KAR 5:001 Section 10 (9)(d)	Annual and monthly budget for the 12 months preceding filing date, base period and forecasted period.	Brian P. Davey
1	30	807 KAR 5:001 Section 10 (9)(e)	Attestation signed by utility's chief officer in charge of Kentucky operations providing: 1. That forecast is reasonable, reliable, made in good faith and that all basic assumptions used have been identified and justified; and 2. That forecast contains same assumptions and methodologies used in forecast prepared for use by management, or an identification and explanation for any differences; and 3. That productivity and efficiency gains are included in the forecast.	Sandra P. Meyer
1	31	807 KAR 5:001 Section 10 (9)(f)	For each major construction project constituting 5% or more of annual construction budget within 3 year forecast, following information shall be filed: 1. Date project began or estimated starting date;	Jim L. Stanley John J. Roebel

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			2. Estimated completion date; 3. Total estimated cost of construction by year exclusive and inclusive of Allowance for Funds Used During construction ("AFUDC") or Interest During construction Credit; and 4. Most recent available total costs incurred exclusive and inclusive of AFUDC or Interest During Construction Credit.	
1	32	807 KAR 5:001 Section 10 (9)(g)	For all construction projects constituting less than 5% of annual construction budget within 3 year forecast, file aggregate of information requested in paragraph (f) 3 and 4 of this subsection.	Jim L. Stanley John J. Roebel
1	33	807 KAR 5:001 Section 10 (9)(h)	Financial forecast for each of 3 forecasted years included in capital construction budget supported by underlying assumptions made in projecting results of operations and including the following information: 1. Operating income statement (exclusive of dividends per share or earnings per share); 2. Balance sheet; 3. Statement of cash flows; 4. Revenue requirements necessary to support the forecasted rate of return; 5. Load forecast including energy and demand (electric); 6. Access line forecast (telephone); 7. Mix of generation (electric); 8. Mix of gas supply (gas); 9. Employee level; 10. Labor cost changes; 11. Capital structure requirements; 12. Rate base; 13. Gallons of water projected to be sold (water); 14. Customer forecast (gas, water); 15. MCF sales forecasts (gas); 16. Toll and access forecast of number of calls and number of minutes (telephone); and 17. A detailed explanation of any other information provided.	Brian P. Davey Lynn J. Good #6, #13, #16 & #17 Not applicable
1	34	807 KAR 5:001 Section 10 (9)(i)	Most recent FERC or FCC audit reports.	Dwight L. Jacobs
1	35	807 KAR 5:001 Section 10 (9)(j)	Prospectuses of most recent stock or bond offerings.	Lynn J. Good
1	36	807 KAR 5:001 Section 10 (9)(k)	Most recent FERC Form 1 (electric), FERC Form 2 (gas), or the Automated Reporting Management Information System Report (telephone) and PSC Form T (telephone).	Dwight L. Jacobs
2	37	807 KAR 5:001 Section 10 (9)(l)	Annual report to shareholders or members and statistical supplements for the most recent 5 years prior to application filing date.	Dwight L. Jacobs

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3	38	807 KAR 5:001 Section 10 (9)(m)	Current chart of accounts if more detailed than Uniform System of Accounts charts.	Dwight L. Jacobs
3	39	807 KAR 5:001 Section 10 (9)(n)	Latest 12 months of the monthly managerial reports providing financial results of operations in comparison to forecast.	Brian P. Davey
3	40	807 KAR 5:001 Section 10 (9)(o)	Complete monthly budget variance reports, with narrative explanations, for the 12 months prior to base period, each month of base period, and subsequent months, as available.	Brian P. Davey
4-7	41	807 KAR 5:001 Section 10 (9)(p)	SEC's annual report for most recent 2 years, Form 10-Ks and any Form 8-Ks issued during prior 2 years and any Form 10-Qs issued during past 6 quarters.	Dwight L. Jacobs
8	42	807 KAR 5:001 Section 10 (9)(q)	Independent auditor's annual opinion report, with any written communication which indicates the existence of a material weakness in internal controls.	Dwight L. Jacobs
8	43	807 KAR 5:001 Section 10 (9)(r)	Quarterly reports to the stockholders for the most recent 5 quarters.	Dwight L. Jacobs
8	44	807 KAR 5:001 Section 10 (9)(s)	Summary of latest depreciation study with schedules itemized by major plant accounts, except that telecommunications utilities adopting PSC's average depreciation rates shall identify current and base period depreciation rates used by major plant accounts. If information has been filed in another PSC case, refer to that case's number and style.	John J. Spanos
8	45	807 KAR 5:001 Section 10 (9)(t)	List all commercial or in-house computer software, programs, and models used to develop schedules and work papers associated with application. Include each software, program, or model; its use; identify the supplier of each; briefly describe software, program, or model; specifications for computer hardware and operating system required to run program	William Don Wathen, Jr.

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8	46	807 KAR 5:001 Section 10 (9)(u)	If utility had any amounts charged or allocated to it by affiliate or general or home office or paid any monies to affiliate or general or home office during the base period or during previous 3 calendar years, file: 1. Detailed description of method of calculation and amounts allocated or charged to utility by affiliate or general or home office for each allocation or payment; 2. method and amounts allocated during base period and method and estimated amounts to be allocated during forecasted test period; 3. Explain how allocator for both base and forecasted test period was determined; and 4. All facts relied upon, including other regulatory approval, to demonstrate that each amount charged, allocated or paid during base period is reasonable.	Carol E. Shrum
9	47	807 KAR 5:001 Section 10 (9)(v)	If gas, electric or water utility with annual gross revenues greater than \$5,000,000, cost of service study based on methodology generally accepted in industry and based on current and reliable data from single time period.	Paul F. Ochsner
10	48	807 KAR 5:001 Section 10 (9)(w)	Local exchange carriers with fewer than 50,000 access lines need not file cost of service studies, except as specifically directed by PSC. Local exchange carriers with more than 50,000 access lines shall file: 1. Jurisdictional separations study consistent with Part 36 of the FCC's rules and regulations; and 2. Service specific cost studies supporting pricing of services generating annual revenue greater than \$1,000,000 except local exchange access: a. Based on current and reliable data from single time period; and b. Using generally recognized fully allocated, embedded, or incremental cost principles.	Not applicable
10	49	807 KAR 5:001 Section 10 (10)(a)	Jurisdictional financial summary for both base and forecasted periods detailing how utility derived amount of requested revenue increase.	William Don Wathen, Jr.
10	50	807 KAR 5:001 Section 10 (10)(b)	Jurisdictional rate base summary for both base and forecasted periods with supporting schedules which include detailed analyses of each component of the rate base.	William Don Wathen, Jr.
10	51	807 KAR 5:001 Section 10 (10)(c)	Jurisdictional operating income summary for both base and forecasted periods with supporting schedules which provide breakdowns by major account group and by individual account.	William Don Wathen, Jr.

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10	52	807 KAR 5:001 Section 10 (10)(d)	Summary of jurisdictional adjustments to operating income by major account with supporting schedules for individual adjustments and jurisdictional factors.	William Don Wathen, Jr.
10	53	807 KAR 5:001 Section 10 (10)(e)	Jurisdictional federal and state income tax summary for both base and forecasted periods with all supporting schedules of the various components of jurisdictional income taxes.	Keith G. Butler
10	54	807 KAR 5:001 Section 10 (10)(f)	Summary schedules for both base and forecasted periods (utility may also provide summary segregating items it proposes to recover in rates) of organization membership dues; initiation fees; expenditures for country club; charitable contributions; marketing, sales, and advertising; professional services; civic and political activities; employee parties and outings; employee gifts; and rate cases.	William Don Wathen, Jr.
10	55	807 KAR 5:001 Section 10 (10)(g)	Analyses of payroll costs including schedules for wages and salaries, employee benefits, payroll taxes, straight time and overtime hours, and executive compensation by title.	William Don Wathen, Jr.
10	56	807 KAR 5:001 Section 10 (10)(h)	Computation of gross revenue conversion factor for forecasted period.	William Don Wathen, Jr.
10	57	807 KAR 5:001 Section 10 (10)(i)	Comparative income statements (exclusive of dividends per share or earnings per share), revenue statistics and sales statistics for 5 calendar years prior to application filing date, base period, forecasted period, and 2 calendar years beyond forecast period.	Brian P. Davey
10	58	807 KAR 5:001 Section 10 (10)(j)	Cost of capital summary for both base and forecasted periods with supporting schedules providing details on each component of the capital structure.	Lynn J. Good
10	59	807 KAR 5:001 Section 10 (10)(k)	Comparative financial data and earnings measures for the 10 most recent calendar years, base period, and forecast period.	Brian P. Davey
10	60	807 KAR 5:001 Section 10 (10)(l)	Narrative description and explanation of all proposed tariff changes.	Jeffrey R. Bailey
10	61	807 KAR 5:001 Section 10 (10)(m)	Revenue summary for both base and forecasted periods with supporting schedules which provide detailed billing analyses for all customer classes.	Jeffrey R. Bailey
10	62	807 KAR 5:001 Section 10 (10)(n)	Typical bill comparison under present and proposed rates for all customer classes.	Jeffrey R. Bailey

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10	63	807 KAR 5:001 Section (10)(3)	Amount of change requested in dollar amounts and percentage for each customer classification to which change will apply. a. Present and proposed rates for each customer class to which change would apply. b. Electric, gas, water and sewer utilities-the effect upon average bill for each customer class to which change would apply. c. Local exchange companies-include effect upon average bill for each customer class for change in basic local service.	Jeffrey R. Bailey
10	64	807 KAR 5:001 Section 10 (4)(c)(d)(e)(f)	If copy of public notice included, did it meet requirements?	Sandra P. Meyer
10	65	807 KAR 5:001 Section 6(1)	Amount and kinds of stock authorized.	Lynn J. Good
10	66	807 KAR 5:001 Section 6(2)	Amount and kinds of stock issued and outstanding.	Lynn J. Good
10	67	807 KAR 5:001 Section 6(3)	Terms of preference of preferred stock whether cumulative or participating, or on dividends or assets or otherwise.	Lynn J. Good
10	68	807 KAR 5:001 Section 6(4)	Brief description of each mortgage on property of applicant, giving date of execution, name of mortgagor, name of mortgagee, or trustee, amount of indebtedness authorized to be secured thereby, and the amount of indebtedness actually secured, together with any sinking fund provisions.	Lynn J. Good
10	69	807 KAR 5:001 Section 6(5)	Amount of bonds authorized, and amount issued, giving the name of the public utility which issued the same, describing each class separately, and giving date of issue, face value, rate of interest, date of maturity and how secured, together with amount of interest paid thereon during the last fiscal year.	Lynn J. Good
10	70	807 KAR 5:001 Section 6(6)	Each note outstanding, giving date of issue, amount, date of maturity, rate of interest, in whose favor, together with amount of interest paid thereon during the last fiscal year.	Lynn J. Good
10	71	807 KAR 5:001 Section 6(7)	Other indebtedness, giving same by classes and describing security, if any, with a brief statement of the devolution or assumption of any portion of such indebtedness upon or by person or corporation if the original liability has been transferred, together with amount of interest paid thereon during the last fiscal year.	Lynn J. Good
10	72	807 KAR 5:001 Section 6(8)	Rate and amount of dividends paid during the five (5) previous fiscal years, and the amount of capital stock on which dividends were paid each year.	Lynn J. Good
10	73	807 KAR 5:001 Section 6(9)	Detailed income statement and balance sheet.	William Don Wathen, Jr.

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11	-	807 KAR 5:001 Sction 10(10) (a) through (k)	Schedule Book (Schedules A-K)	Various
12	-	807 KAR 5:001 Sction 10(10) (l) through (n)	Schedule Book (Schedules L-N)	Various
13	-	-	Work papers	Various
14	-	807 KAR 5:001 Section 10(9)(a)	Testimony (Volume 1 of 2)	-
15	-	807 KAR 5:001 Section 10(9)(a)	Testimony (Volume 2 of 2)	-
16	-	KRS 278.2205(6)	Cost Allocation Manual	-
17	-	807 KAR 5:056 Section 1(7)	Coal Contracts	-

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

IN THE MATTER OF THE ADJUSTMENT
OF ELECTRIC RATES OF THE UNION
LIGHT, HEAT AND POWER COMPANY
D/B/A DUKE ENERGY KENTUCKY

CASE NO. 2006- 00172

FILING REQUIREMENTS

VOLUME 9

DUKE ENERGY KENTUCKY
CASE NO. 2006-00172
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR 10(9)(v)

807 KAR 5:001, SECTION 10(9)(v)

Description of Filing Requirement:

If the utility provides electric, gas or water utility service and has annual gross revenues greater than \$5,000,000, a cost of service study based on a methodology generally accepted within the industry and based on current and reliable data from a single time period.

Response:

See attached FR 9v-1 for the Average of the 12 Coincident Peaks cost of service study by rate class. Also attached as FR 9v-2 and 3 are class cost of service studies that utilize the Average and Excess and Summer / Non-summer demand methodologies. See attached FR 9v-4 through Fr 9v-18 for functional cost of service studies by rate class.

Sponsoring Witness: Paul F. Ochsner

CLASS COST OF SERVICE STUDY

12 CP

FR 10(9)(v)-1

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-1 KW (12 COIN PEAK)													
6	ELECTRIC CASE NO: 2008-00172													
7					RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC_RTP	DT_PRI	DT_PRI_RTP
8		ITEM	ALLO	TOTAL	RESIDENTIAL	SECONDARY	INCR.	SECONDARY	SECONDARY	SECONDARY	SECONDARY	INCR.	PRIMARY	INCR.
9				ELECTRIC		DISTRIBUTION	SEC. DISTR.	DISTRIBUTION	DISTRIBUTION	DISTRIBUTION	DISTRIBUTION	SEC. DISTR.	DISTRIBUTION	PRI. DISTR.
10	SUMMARY OF RESULTS Schedule 1													
11	NET INCOME COMPUTATION													
12		GP19		1,122,822,000	525,502,483	290,575,522	244,115	1,236,650	3,895,718	123,048	161,351,823	1,808,678	85,204,777	3,913,630
13		DR19		(540,093,766)	(251,204,608)	(139,382,371)	(116,405)	(600,203)	(1,861,549)	(58,475)	(77,237,576)	(865,961)	(40,969,108)	(1,882,441)
14		RB71		8,213,167	2,289,340	1,804,851	2,347	19,881	26,324	783	1,902,083	20,147	1,271,246	55,802
15		RB99		590,941,401	276,587,215	152,998,002	130,057	656,328	2,060,493	65,356	86,016,330	962,864	45,506,915	2,086,991
16														
17		ECAP		557,080,702	260,738,880	144,231,279	122,605	618,721	1,942,428	61,611	81,087,630	907,692	42,899,388	1,967,407
18														
19	OPERATING EXPENSES													
20		OM39		197,699,516	84,777,855	50,298,708	23,989	276,379	665,421	21,181	32,226,154	176,817	18,780,539	418,582
21		DE49		33,172,220	15,567,749	8,619,041	7,262	36,406	115,549	3,665	4,794,986	53,663	2,532,838	116,305
22		LS91		7,634,509	3,752,832	1,924,521	1,606	8,254	26,108	888	1,061,419	11,495	547,338	23,980
23		OP69		238,506,245	104,098,436	60,842,270	32,857	321,039	807,078	25,734	38,082,559	241,975	21,860,715	558,867
24		IB79		16,566,971	6,087,437	5,819,928	12,969	56,423	30,351	4,120	2,555,921	52,924	822,850	115,658
25		J979		2,930,903	1,079,408	1,027,484	2,281	9,929	5,408	727	451,933	9,327	146,144	20,380
26		LO33	CW29	(373,481)	(208,413)	(85,362)	(83)	(285)	(1,457)	(46)	(46,953)	(587)	(16,319)	(745)
27		OPEX		257,630,638	111,056,868	67,604,320	48,024	387,106	841,380	30,535	41,043,460	303,639	22,813,390	694,160
28														
29		R751		48,805,840	20,120,212	15,372,021	27,871	123,561	119,452	9,789	7,242,001	126,225	2,832,423	274,568
30				(1,978,260)	(902,661)	(523,189)	(470)	(2,582)	(6,636)	(236)	(293,587)	(3,119)	(153,759)	(6,802)
31		CS09		304,458,218	130,274,419	82,453,152	75,425	508,085	954,196	40,088	47,991,874	426,745	25,492,054	961,926
32														
33		R602		304,457,899	130,273,914	82,456,013	72,568	508,085	954,202	40,088	48,554,797	354,772	25,161,199	801,971
34		XREV		(319)	(505)	2,861	(2,857)	0	6	0	562,923	(71,973)	(330,855)	(159,955)
35														
36		RETE		48,805,645	20,119,906	15,373,773	26,121	123,561	119,456	9,789	7,586,723	82,150	2,629,814	176,615
37		RORE		-0.087609649	0.077164963	0.106591116	0.213050039	0.199703905	0.061498290	0.158883966	0.093562027	0.090504268	0.061301900	0.089770444
38		RORA		0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761
39		REOE		0.12356	0.10303	0.16086	0.37009	0.34386	0.07224	0.26364	0.13526	0.12925	0.07186	0.12781
40		AROE		0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499
41														
42		R600		237,897,726	97,639,085	66,709,383	70,100	471,911	694,501	35,117	38,378,456	343,715	19,862,321	782,491
43		RJD		66,560,492	32,635,334	15,743,769	5,325	36,174	259,695	4,971	9,613,418	83,030	5,629,733	179,435
44		RUP		0.27979	0.33424	0.23601	0.07596	0.07665	0.37393	0.14156	0.25049	0.24157	0.28344	0.22931
45		RIRD		66,560,173	32,634,829	15,746,630	2,468	36,174	259,701	4,971	10,176,341	11,057	5,298,878	19,480
46		RIRP		0.27978	0.33424	0.23605	0.03521	0.07665	0.37394	0.14156	0.26516	0.03217	0.26678	0.02489
47														

	A	B	C	O	Q	R	S	U	V	W	
1	DUKE ENERGY KENTUCKY										
2	COST OF SERVICE STUDY										
3	TWELVE MONTHS ENDING DECEMBER 31, 2007										
4	FR-9v-1 KW (12 COIN PEAK)										
5	ELECTRIC CASE NO: 2006-00172										
6			DP	TT	TT_RTP	LT	OTHER	TOTAL			
7			PRIMARY	TRANSMISSION	INCR. TRANS		WATER	AT			
8			DISTRIBUTION	TIME OF DAY	TIME OF DAY	LIGHTING	PUMPING	ISSUE		ALL	
9	ITEM	ALLO								OTHER	
10	SUMMARY OF RESULTS Schedule 1										
11	NET INCOME COMPUTATION										
12	GROSS ELECTRIC PLANT IN SERVICE	GP19	8,074,446	26,485,125	1,667,763	12,644,599	93,623	1,122,822,000		0	
13	TOTAL DEPRECIATION RESERVE	DR19	(3,905,280)	(13,585,511)	(655,956)	(7,523,065)	(45,257)	(540,093,766)		0	
14	TOTAL RATE BASE ADJUSTMENTS	RB71	72,189	583,387	36,166	127,878	743	8,213,167		0	
15	TOTAL RATE BASE	RB99	4,241,355	13,483,001	847,973	5,249,412	49,109	590,941,401		0	
16											
17	CAPITALIZATION ALLOC TO ELECTRIC OPER	ECAP	3,998,327	12,710,431	799,385	4,948,623	46,295	557,080,702		0	
18											
19	OPERATING EXPENSES										
20	TOTAL O&M EXPENSE	OM39	1,557,898	7,181,749	210,495	1,067,874	15,875	197,699,516		0	
21	TOTAL DEPRECIATION EXPENSE	DE49	239,182	755,949	47,579	279,309	2,737	33,172,220		0	
22	TOTAL OTHER TAX & MISC EXPENSE	LS91	50,409	139,227	8,113	77,664	655	7,634,509		0	
23	TOTAL OP EXP EXC INC & R TAX	OP69	1,847,489	8,076,925	266,187	1,424,847	19,267	238,506,245		0	
24	NET FED INCOME TAX ALLOWABLE	I879	101,772	507,430	58,888	340,586	(286)	16,566,971		0	
25	NET STATE INCOME TAX ALLOWABLE	J979	18,024	89,531	10,366	60,009	(48)	2,930,903		0	
26	AFUDC OFFSET	LO33	(1,243)	6,183	393	(18,519)	(45)	(373,481)		0	
27	TOTAL OPERATING EXPENSE	OPEX	1,966,042	8,680,069	335,834	1,806,923	18,888	257,630,638		0	
28											
29	RETURN ON CAPITALIZATION	R751	311,747	1,314,477	132,726	797,854	913	48,805,840		0	
30	TOTAL OTHER OPERATING REVENUES		(14,279)	(50,294)	(2,902)	(17,594)	(150)	(1,978,260)		0	
31	TOTAL ELECTRIC COST OF SERVICE	CS99	2,263,510	9,944,252	465,658	2,587,183	19,651	304,458,218		0	
32											
33	PROPOSED REVENUES	R602	2,263,509	10,000,112	409,837	2,587,182	19,650	304,457,899		0	
34	EXCESS REVENUES	XREV	(1)	55,860	(55,821)	(1)	(1)	(319)		0	
35											
36	TOTAL RETURN EARNED	RETE	311,746	1,348,684	98,542	797,853	912	48,805,645		0	
37	RATE OF RETURN EARNED ON CAPITALIZATION	RORE	0.077969111	0.106108440	0.123272266	0.161227275	0.019699752	0.087609649	0.000000000		
38	TOTAL RATE OF RETURN ALLOWABLE	RORA	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761		
39	RETURN EARNED ON COMMON EQUITY	ROE	0.10461	0.15992	0.19365	0.26824	(0.00991)	0.12356	0.00000		
40	ALLOWED RETURN ON COMMON EQUITY	AROE	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499		
41											
42	PRESENT REVENUES	R600	1,764,802	8,534,952	404,272	2,194,212	12,408	237,897,726		0	
43	REVENUE INCREASE JUSTIFIED	RJD	498,708	1,409,300	61,386	392,971	7,243	66,560,492		0	
44	PER UNIT PRES REV	RUP	0.28259	0.18512	0.15184	0.17909	0.58374	0.27979	0.00000		
45	REVENUE INCREASE REQUESTED	RIRD	498,707	1,465,160	5,565	392,970	7,242	66,560,173		0	
46	PER UNIT PRES REV	RIRP	0.28259	0.17167	0.01377	0.17909	0.58366	0.27978	0.00000		
47											

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-1 KW (12 COIN PEAK)													
6	ELECTRIC CASE NO: 2006-00172													
7				TOTAL	RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC_RTP	DT_PRI	DT_PRI_RTP
8	ITEM	ALLO	ELECTRIC	RESIDENTIAL	SECONDARY	INCR.	SEC. DISTR.	SECONDARY	SECONDARY	SECONDARY	SECONDARY	INCR.	PRIMARY	INCR.
9					DISTRIBUTION	SEC. DISTR.		DISTRIBUTION	DISTRIBUTION	DISTRIBUTION	DISTRIBUTION	SEC. DIST.	DISTRIBUTION	PRI. DIST.
48	Schedule 2													
49	GROSS ELECTRIC PLANT IN SERVICE													
50	PRODUCTION PLANT													
51	PRODUCTION - STEAM	P100 K201	\$501,176,000	\$224,090,599	\$133,260,343	\$109,030	\$587,783	\$1,698,350	\$53,117	\$74,193,419	\$817,724	\$41,590,696	\$1,919,904	
52	PRODUCTION - OTHER	P106 K201	277,834,000	124,227,790	73,874,755	60,442	325,846	941,504	29,446	41,130,171	453,317	23,056,390	1,064,326	
53	PRODUCTION PLANT IN SERVICE	P129	779,010,000	348,318,389	207,135,098	169,472	913,629	2,639,854	82,563	115,323,590	1,271,041	64,647,086	2,984,230	
54	TRANSMISSION PLANT													
56	MAIN STEP-UP TRANSFORMERS	T100 K201	0	0	0	0	0	0	0	0	0	0	0	
57	OTHER TRANSMISSION	T102 K201	23,766,000	10,626,479	6,319,268	5,170	27,873	80,537	2,519	3,518,287	38,777	1,972,250	91,043	
58	TRANSMISSION PLANT IN SERVICE	T129	23,766,000	10,626,479	6,319,268	5,170	27,873	80,537	2,519	3,518,287	38,777	1,972,250	91,043	
59	DISTRIBUTION PLANT													
60	TOTAL PROD & TRANS PLANT	PT29	802,776,000	358,944,868	213,454,366	174,642	941,502	2,720,391	85,082	118,841,877	1,309,818	66,619,336	3,075,273	
61	DISTRIBUTION PLANT													
63	SUBSTATIONS	D100 K215	37,605,000	16,967,803	10,113,411	9,581	39,501	133,491	3,961	6,041,616	66,799	3,433,565	158,112	
64	POLES, TOWERS & FIXTURES	D102 K205	48,820,000	22,398,721	13,350,433	12,648	52,145	176,218	5,229	7,975,369	88,180	3,807,334	175,299	
65	CONDUCTORS	D104 K205	109,042,000	50,028,708	29,818,883	28,249	116,468	393,591	11,678	17,813,401	196,954	8,503,877	391,540	
66	TRANSFORMERS	D106 K203	47,561,000	31,439,413	10,699,352	10,576	27,969	246,908	5,271	4,788,363	88,686	0	0	
67	SERVICES	D108 K217	12,487,000	11,138,071	1,127,362	0	13,481	32,740	2,476	139,396	0	0	0	
68	METERS	D110 K407	13,862,000	11,980,490	1,640,700	0	0	48,377	4,050	125,563	0	42,435	0	
70	STREET LIGHTS	D114 K401	7,297,000	0	0	0	0	0	0	0	0	0	0	
71	CONSTRUCTION NOT CLASSIFIED	D116 K209	18,840,000	9,802,432	4,545,323	4,157	16,994	70,228	2,224	2,511,581	30,004	1,075,024	49,365	
72	DISTRIBUTION PLANT IN SERVICE	D149	295,514,000	153,755,638	71,295,464	65,211	266,558	1,101,553	34,889	39,395,289	470,623	16,862,235	774,316	
73	GENERAL & INTANGIBLE PLANT													
74	TOTAL TRANS & DIST PLANT	TD29	319,280,000	164,382,117	77,614,732	70,381	294,431	1,182,090	37,408	42,913,576	509,400	18,834,485	865,359	
75	TOTAL GROSS PTD PLANT	PD29	1,098,290,000	512,700,506	284,749,830	239,853	1,208,060	3,821,944	119,971	158,237,166	1,780,441	83,481,571	3,849,589	
76	GENERAL & INTANGIBLE PLANT													
78	PRODUCTION-DEMAND	G100 A300	1,445,000	646,102	384,219	314	1,695	4,897	153	213,916	2,358	119,915	5,536	
79	PRODUCTION-ENERGY	G102 A302	627,000	238,860	163,526	49	982	2,215	63	114,477	393	66,288	971	
80	TRANSMISSION	G104 A304	93,000	41,584	24,728	20	109	315	10	13,768	152	7,718	356	
81	DISTRIBUTION	G106 A306	603,000	291,171	157,655	143	624	2,166	72	91,426	1,013	45,116	2,072	
82	CUSTOMER ACCOUNTING	G108 A308	598,000	529,324	64,040	54	332	525	84	2,157	28	159	23	
83	CUSTOMER SERVICE & INFORMATION	G110 A310	69,000	45,634	21,523	17	261	211	49	311	10	57	9	
84	SALES	G112 A312	0	0	0	0	0	0	0	0	0	0	0	
85	GENERAL & INTANGIBLE PLANT IN SERVICE	G129	3,435,000	1,792,675	815,691	597	4,003	10,329	431	436,055	3,954	241,253	8,967	
86	COMMON & OTHER PLANT													
88	PRODUCTION-DEMAND RELATED	C100 A300	8,873,000	3,967,381	2,359,289	1,931	10,406	30,068	940	1,313,547	14,477	736,337	33,991	
89	PRODUCTION-ENERGY RELATED	C102 A302	3,853,000	1,467,840	1,004,887	301	6,033	13,612	390	703,476	2,415	419,639	5,964	
90	TRANSMISSION	C104 A304	569,000	254,419	151,294	123	668	1,928	60	84,234	928	47,219	2,180	
91	DISTRIBUTION	C106 A306	3,708,000	1,790,489	969,461	876	3,839	13,321	441	562,199	6,226	277,429	12,744	
92	CUSTOMER ACCOUNTING	C108 A308	3,671,000	3,249,416	393,128	329	2,039	3,224	513	13,241	173	978	142	
93	CUSTOMER SERVICE & INFORMATION	C110 A310	423,000	279,757	131,942	105	1,602	1,292	302	1,905	64	351	53	
94	SALES	C112 A312	0	0	0	0	0	0	0	0	0	0	0	
95	COMMON & OTHER PLANT IN SERVICE	C129	21,097,000	11,009,302	5,010,001	3,665	24,587	63,445	2,646	2,678,602	24,283	1,481,953	55,074	
96	GROSS ELECTRIC PLANT IN SERVICE													
97		GP19	1,122,822,000	525,502,483	290,575,522	244,115	1,236,650	3,895,718	123,048	161,351,823	1,808,678	85,204,777	3,913,630	

	A	B	C	O	Q	R	S	U	V	W	
1	DUKE ENERGY KENTUCKY										11/16/05 8:34 AM
2	COST OF SERVICE STUDY										
3	TWELVE MONTHS ENDING DECEMBER 31, 2007										
4	FR-9v-1 KW (12 COIN PEAK)										
5	ELECTRIC CASE NO: 2006-00172										
6				DP	TT	TT_RTP	LT	OTHER	TOTAL		
7				PRIMARY	TRANSMISSION	INCR. TRANS		WATER	AT		
8				DISTRIBUTION	TIME OF DAY	TIME OF DAY	LIGHTING	PUMPING	ISSUE	ALL	
9										OTHER	
48	ITEM	ALLO									
49	GROSS ELECTRIC PLANT IN SERVICE Schedule 2										
50	PRODUCTION PLANT										
51	PRODUCTION - STEAM	P100	K201	\$4,033,406	\$16,169,267	\$1,023,902	\$1,590,718	\$37,742	\$501,176,000	\$0	
52	PRODUCTION - OTHER	P106	K201	2,235,976	8,963,662	567,615	881,837	20,923	277,834,000	0	
53	PRODUCTION PLANT IN SERVICE	P129		6,269,382	25,132,929	1,591,517	2,472,555	58,665	779,010,000	0	
54	TRANSMISSION PLANT										
55	MAIN STEP-UP TRANSFORMERS	T100	K201	0	0	0	0	0	0	0	
57	OTHER TRANSMISSION	T102	K201	191,266	766,754	48,554	75,433	1,790	23,766,000	0	
58	TRANSMISSION PLANT IN SERVICE	T129		191,266	766,754	48,554	75,433	1,790	23,766,000	0	
59	TOTAL PROD & TRANS PLANT										
60		PT29		6,460,648	25,899,683	1,640,071	2,547,988	60,455	802,776,000	0	
61	DISTRIBUTION PLANT										
62	SUBSTATIONS	D100	K215	296,688	0	0	337,421	3,051	37,605,000	0	
64	POLES, TOWERS & FIXTURES	D102	K205	328,977	0	0	445,420	4,027	48,820,000	0	
65	CONDUCTORS	D104	K205	734,788	0	0	994,868	8,995	109,042,000	0	
66	TRANSFORMERS	D106	K203	0	0	0	243,394	11,068	47,561,000	0	
67	SERVICES	D108	K217	0	0	0	31,456	2,018	12,487,000	0	
68	METERS	D110	K407	4,789	14,751	0	845	0	13,862,000	0	
70	STREET LIGHTS	D114	K401	0	0	0	7,297,000	0	7,297,000	0	
71	CONSTRUCTION NOT CLASSIFIED	D116	K209	92,966	1,004	0	636,712	1,986	18,840,000	0	
72	DISTRIBUTION PLANT IN SERVICE	D149		1,458,208	15,755	0	9,987,116	31,145	295,514,000	0	
73	TOTAL TRANS & DIST PLANT										
74		TD29		1,649,474	782,509	48,554	10,062,549	32,935	319,280,000	0	
75	TOTAL GROSS PTD PLANT										
76		PD29		7,918,856	25,915,438	1,640,071	12,535,104	91,600	1,098,290,000	0	
77	GENERAL & INTANGIBLE PLANT										
78	PRODUCTION-DEMAND	G100	A300	11,629	46,619	2,952	4,586	109	1,445,000	0	
79	PRODUCTION-ENERGY	G102	A302	5,375	27,276	538	3,936	51	627,000	0	
80	TRANSMISSION	G104	A304	748	3,000	190	295	7	93,000	0	
81	DISTRIBUTION	G106	A306	3,950	2,798	174	4,573	47	603,000	0	
82	CUSTOMER ACCOUNTING	G108	A308	61	59	18	1,086	50	598,000	0	
83	CUSTOMER SERVICE & INFORMATION	G110	A310	21	19	6	853	19	69,000	0	
84	SALES	G112	A312	0	0	0	0	0	0	0	
85	GENERAL & INTANGIBLE PLANT IN SERVICE	G129		21,784	79,771	3,878	15,329	283	3,435,000	0	
86	COMMON & OTHER PLANT										
87	PRODUCTION-DEMAND RELATED	C100	A300	71,409	286,266	18,127	28,163	668	8,873,000	0	
89	PRODUCTION-ENERGY RELATED	C102	A302	33,027	167,612	3,304	24,187	313	3,853,000	0	
90	TRANSMISSION	C104	A304	4,579	18,357	1,162	1,806	43	569,000	0	
91	DISTRIBUTION	C106	A306	24,289	17,204	1,073	28,119	290	3,708,000	0	
92	CUSTOMER ACCOUNTING	C108	A308	373	360	111	6,664	309	3,671,000	0	
93	CUSTOMER SERVICE & INFORMATION	C110	A310	129	117	37	5,227	117	423,000	0	
94	SALES	C112	A312	0	0	0	0	0	0	0	
95	COMMON & OTHER PLANT IN SERVICE	C129		133,806	489,916	23,814	94,166	1,740	21,097,000	0	
96	GROSS ELECTRIC PLANT IN SERVICE										
97		GP19		8,074,446	26,485,125	1,667,763	12,644,599	93,623	1,122,822,000	0	

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-1 KW (12 COIN PEAK)													
6	ELECTRIC CASE NO: 2006-00172													
7				TOTAL	RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC_RTP	DT_PRI	DT_PRI_RTP
8	ITEM	ALLO	ELECTRIC	RESIDENTIAL	SECONDARY DISTRIBUTION	INCR. SEC. DISTR.	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	INCR. SEC. DISTR.	PRIMARY DISTRIBUTION	INCR. PRI. DISTR.
98	DEPRECIATION RESERVE													
99	Schedule 3													
100	PRODUCTION PLANT													
101	PRODUCTION - STEAM	P150 K201	275,391,000	123,135,454	73,225,173	59,911	322,980	933,225	29,187	40,768,512	449,331	22,853,655	1,054,967	
102	PRODUCTION - OTHER	P152 K201	126,716,000	56,658,469	33,693,189	27,567	148,613	429,406	13,430	18,758,866	206,751	10,515,680	485,423	
103	TOTAL PROD DEPREC RESERVE	P171	402,107,000	179,793,923	106,918,362	87,478	471,593	1,362,631	42,617	59,527,378	656,082	33,369,335	1,540,390	
104	TRANSMISSION PLANT													
105	MAIN STEP-UP TRANSFORMERS	K201	0	0	0	0	0	0	0	0	0	0	0	
107	OTHER TRANSMISSION	T150 K201	10,203,000	4,562,063	2,712,930	2,220	11,966	34,575	1,081	1,510,438	16,647	846,708	39,086	
108	TOTAL TRANS DEPREC RESERVE	T171	10,203,000	4,562,063	2,712,930	2,220	11,966	34,575	1,081	1,510,438	16,647	846,708	39,086	
109	DISTRIBUTION PLANT													
110	TOTAL PROD & TRANS DEPREC RESERVE		412,310,000	184,355,986	109,631,292	89,698	483,559	1,397,206	43,698	61,037,816	672,729	34,216,043	1,579,476	
111	DISTRIBUTION PLANT													
112	SUBSTATIONS	D150 K215	8,437,000	3,806,870	2,269,029	2,150	8,862	29,950	889	1,355,488	14,987	770,349	35,474	
113	POLES, TOWERS & FIXTURES	D152 K205	18,994,000	8,714,489	5,194,144	4,921	20,287	68,560	2,034	3,102,912	34,307	1,481,288	68,202	
114	CONDUCTORS	D154 K205	41,040,000	18,829,244	11,222,895	10,632	43,835	148,135	4,395	6,704,407	74,127	3,200,593	147,363	
115	TRANSFORMERS	D158 K203	23,329,000	15,421,251	5,248,106	5,188	13,719	121,110	2,585	2,348,725	43,501	0	0	
116	SERVICES	D158 K217	8,196,000	7,310,616	739,958	0	8,848	21,489	1,625	91,494	0	0	0	
117	METERS	D160 K407	2,791,000	2,412,174	330,341	0	0	9,740	816	25,281	0	8,544	0	
118	DEPRECIATION EXPENSE ADJUSTMENT	D162 K209	227,766	118,506	54,951	50	205	849	27	30,364	363	12,996	597	
119	STREET LIGHTS	D164 K401	5,133,000	0	0	0	0	0	0	0	0	0	0	
120	COMPLETED CONSTRUCTION NOT CLASSIFIED	D162 K209	9,164,000	4,768,019	2,210,899	2,022	8,266	34,160	1,082	1,221,663	14,594	522,904	24,012	
121	RETIREMENT WORK IN PROGRESS	D168 K209	(1,581,000)	(822,592)	(381,431)	(349)	(1,426)	(5,893)	(187)	(210,765)	(2,518)	(90,213)	(4,143)	
122	TOTAL DIST DEPREC RESERVE	D191	115,730,766	60,558,577	26,886,892	24,614	102,596	428,100	13,266	14,669,569	179,361	5,906,461	271,505	
123	GENERAL & INTANGIBLE PLANT													
124	TOTAL TRANS & DIST DEPREC RESERVE		125,933,766	65,120,640	29,601,822	26,834	114,562	462,675	14,347	16,180,007	196,008	6,753,169	310,591	
125	TOTAL GROSS PTD PLANT DEPREC RESERVE		528,040,766	244,914,563	136,520,184	114,312	586,155	1,825,306	56,964	75,707,385	852,090	40,122,504	1,850,981	
126	GENERAL & INTANGIBLE PLANT													
127	PRODUCTION-DEMAND	G150 A300	768,000	343,395	204,208	167	901	2,602	81	113,694	1,253	63,733	2,942	
128	PRODUCTION-ENERGY	G152 A302	334,000	127,241	87,109	26	523	1,180	34	60,981	209	36,377	517	
129	TRANSMISSION	G154 A304	49,000	21,909	13,029	11	57	166	5	7,254	80	4,066	188	
130	DISTRIBUTION	G156 A306	321,000	155,003	83,926	76	332	1,153	38	48,669	539	24,017	1,103	
131	CUSTOMER ACCOUNTING	G158 A308	318,000	281,481	34,055	28	177	279	44	1,147	15	85	12	
132	CUSTOMER SERVICE & INFORMATION	G160 A310	37,000	24,471	11,541	9	140	113	26	167	6	31	5	
133	SALES	G162 A312	0	0	0	0	0	0	0	0	0	0	0	
134	TOTAL GEN & INTANGIBLE DEPREC RES.	G171	1,827,000	953,500	433,868	317	2,130	5,493	228	231,912	2,102	128,309	4,767	
135	COMMON & OTHER PLANT													
136	PRODUCTION-DEMAND	C150 A300	4,301,000	1,923,105	1,143,616	936	5,044	14,575	456	636,714	7,017	356,924	16,476	
137	PRODUCTION-ENERGY	C152 A302	1,868,000	711,634	487,186	146	2,925	6,599	189	341,057	1,171	203,448	2,892	
138	TRANSMISSION	C154 A304	276,000	123,409	73,387	60	324	935	29	40,859	450	22,904	1,057	
139	DISTRIBUTION	C156 A306	1,796,000	867,236	469,566	424	1,860	6,452	214	272,306	3,016	134,375	6,173	
140	CUSTOMER ACCOUNTING	C158 A308	1,780,000	1,575,583	190,620	159	988	1,563	249	6,420	84	474	69	
141	CUSTOMER SERVICE & INFORMATION	C160 A310	205,000	135,578	63,944	51	777	626	146	923	31	170	26	
142	SALES	C162 A312	0	0	0	0	0	0	0	0	0	0	0	
143	TOTAL COM & OTHER PLT RESERVE	C171	10,226,000	5,336,545	2,428,319	1,776	11,918	30,750	1,283	1,298,279	11,769	718,295	26,693	
144	TOTAL DEPRECIATION RESERVE													
145		DR19	540,093,766	251,204,608	139,382,371	116,405	600,203	1,861,549	58,475	77,237,576	865,961	40,969,108	1,882,441	

	A	B	C	O	Q	R	S	U	V	W
1	DUKE ENERGY KENTUCKY									
2	COST OF SERVICE STUDY									
3	TWELVE MONTHS ENDING DECEMBER 31, 2007									
4	FR-9v-1 KW (12 COIN PEAK)									
5	ELECTRIC CASE NO: 2006-00172									
6				DP	TT	TT_RTP	LT	OTHER	TOTAL	
7				PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT	ALL
8	ITEM	ALLO		DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE	OTHER
96	DEPRECIATION RESERVE Schedule 3									
100	PRODUCTION PLANT									
101	PRODUCTION - STEAM	P150	K201	2,216,315	8,884,844	562,624	874,083	20,739	275,391,000	0
102	PRODUCTION - OTHER	P152	K201	1,019,796	4,088,194	258,881	402,193	9,542	126,716,000	0
103	TOTAL PROD DEPREC RESERVE	P171		3,236,111	12,973,038	821,505	1,276,276	30,281	402,107,000	0
104	TRANSMISSION PLANT									
106	MAIN STEP-UP TRANSFORMERS		K201	0	0	0	0	0	0	0
107	OTHER TRANSMISSION	T150	K201	82,113	329,176	20,845	32,384	768	10,203,000	0
108	TOTAL TRANS DEPREC RESERVE	T171		82,113	329,176	20,845	32,384	768	10,203,000	0
109	DISTRIBUTION PLANT									
110	TOTAL PROD & TRANS DEPREC RESERVE			3,318,224	13,302,214	842,350	1,308,660	31,049	412,310,000	0
111	DISTRIBUTION PLANT									
113	SUBSTATIONS	D150	K215	66,565	0	0	75,703	684	8,437,000	0
114	POLES, TOWERS & FIXTURES	D152	K205	127,993	0	0	173,296	1,567	18,994,000	0
115	CONDUCTORS	D154	K205	276,551	0	0	374,437	3,386	41,040,000	0
116	TRANSFORMERS	D156	K203	0	0	0	119,386	5,429	23,329,000	0
117	SERVICES	D158	K217	0	0	0	20,646	1,324	8,196,000	0
118	METERS	D160	K407	964	2,970	0	170	0	2,791,000	0
119	DEPRECIATION EXPENSE ADJUSTMENT	D162	K209	1,124	12	0	7,698	24	227,766	0
120	STREET LIGHTS	D164	K401	0	0	0	5,133,000	0	5,133,000	0
121	COMPLETED CONSTRUCTION NOT CLASSIFIED	D162	K209	45,220	489	0	309,704	966	9,164,000	0
122	RETIREMENT WORK IN PROGRESS	D166	K209	(7,801)	(84)	0	(53,431)	(167)	(1,581,000)	0
123	TOTAL DIST DEPREC RESERVE	D191		510,616	3,387	0	6,160,609	13,213	115,730,766	0
124	GENERAL & INTANGIBLE PLANT									
125	TOTAL TRANS & DIST DEPREC RESERVE			592,729	332,563	20,845	6,192,993	13,981	125,933,766	0
126	TOTAL GROSS PTD PLANT DEPREC RESERVE			3,828,840	13,305,601	842,350	7,469,269	44,262	528,040,766	0
127	GENERAL & INTANGIBLE PLANT									
128	PRODUCTION-DEMAND	G150	A300	6,181	24,778	1,569	2,438	58	768,000	0
130	PRODUCTION-ENERGY	G152	A302	2,863	14,530	286	2,097	27	334,000	0
131	TRANSMISSION	G154	A304	394	1,581	100	156	4	49,000	0
132	DISTRIBUTION	G156	A306	2,103	1,489	93	2,434	25	321,000	0
133	CUSTOMER ACCOUNTING	G158	A308	32	31	10	577	27	318,000	0
134	CUSTOMER SERVICE & INFORMATION	G160	A310	11	10	3	457	10	37,000	0
135	SALES	G162	A312	0	0	0	0	0	0	0
136	TOTAL GEN & INTANGIBLE DEPREC RES.	G171		11,584	42,419	2,061	8,159	151	1,827,000	0
137	COMMON & OTHER PLANT									
138	COMMON & OTHER PLANT									
139	PRODUCTION-DEMAND	C150	A300	34,614	138,761	8,787	13,651	324	4,301,000	0
140	PRODUCTION-ENERGY	C152	A302	16,012	81,261	1,602	11,726	152	1,868,000	0
141	TRANSMISSION	C154	A304	2,221	8,904	564	876	21	276,000	0
142	DISTRIBUTION	C156	A306	11,765	8,333	520	13,620	140	1,796,000	0
143	CUSTOMER ACCOUNTING	C158	A308	181	175	54	3,231	150	1,780,000	0
144	CUSTOMER SERVICE & INFORMATION	C160	A310	63	57	18	2,533	57	205,000	0
145	SALES	C162	A312	0	0	0	0	0	0	0
146	TOTAL COM & OTHER PLT RESERVE	C171		64,856	237,491	11,545	45,637	844	10,226,000	0
147	TOTAL DEPRECIATION RESERVE									
148	TOTAL DEPRECIATION RESERVE	DR19		3,905,280	13,585,511	855,956	7,523,065	45,257	540,093,766	0

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-1 KW (12 COIN PEAK)													
6	ELECTRIC CASE NO: 2006-00172													
7				RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC_RTP	DT_PRI	DT_PRI_RTP	
8	ITEM	ALLO	TOTAL ELECTRIC	RESIDENTIAL	SECONDARY DISTRIBUTION	INCR. SEC. DISTR.	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	INCR. SEC. DIST	PRIMARY DISTRIBUTION	INCR. PRI. DIST	
149	NET ELECTRIC PLANT IN SERVICE Schedule 4													
151	PRODUCTION PLANT													
152	PRODUCTION - STEAM		225,785,000	100,955,145	60,035,170	49,119	264,803	765,125	23,930	33,424,907	368,393	18,737,041	864,937	
153	PRODUCTION - OTHER		151,118,000	67,569,321	40,181,566	32,875	177,233	512,098	16,016	22,371,305	246,566	12,540,710	578,903	
154	TOTAL PROD	P229	376,903,000	168,524,466	100,216,736	81,994	442,036	1,277,223	39,946	55,796,212	614,959	31,277,751	1,443,840	
155	TRANSMISSION PLANT													
157	MAIN STEP-UP TRANSFORMERS		0	0	0	0	0	0	0	0	0	0	0	0
158	OTHER TRANSMISSION		13,563,000	6,064,416	3,606,338	2,950	15,907	45,962	1,438	2,007,849	22,130	1,125,542	51,957	
159	TOTAL TRANSMISSION	T229	13,563,000	6,064,416	3,606,338	2,950	15,907	45,962	1,438	2,007,849	22,130	1,125,542	51,957	
160	NET PROD & TRANS PLANT													
161			390,466,000	174,588,882	103,823,074	84,944	457,943	1,323,185	41,384	57,804,061	637,089	32,403,293	1,495,797	
162	DISTRIBUTION PLANT													
164	SUBSTATIONS	S249	29,168,000	13,160,933	7,844,382	7,431	30,639	103,541	3,072	4,686,128	51,812	2,663,216	122,638	
165	POLES, TOWERS & FIXTURES	PL49	29,826,000	13,684,232	8,156,289	7,727	31,858	107,658	3,195	4,872,457	53,873	2,326,046	107,097	
166	CONDUCTORS	SL49	68,002,000	31,199,464	18,595,988	17,617	72,633	245,456	7,283	11,108,994	122,827	5,303,284	244,177	
167	TRANSFORMERS	F249	24,232,000	16,018,162	5,451,246	5,388	14,250	125,798	2,686	2,439,638	45,185	0	0	
168	SERVICES	SV49	4,291,000	3,827,455	387,404	0	4,633	11,251	851	47,902	0	0	0	
169	METERS	M249	11,071,000	9,568,316	1,310,359	0	0	38,637	3,234	100,282	0	33,891	0	
170	OTHER	O249	(227,766)	(118,506)	(54,951)	(50)	(205)	(849)	(27)	(30,364)	(363)	(12,996)	(597)	
171	STREET LIGHTS	L249	2,164,000	0	0	0	0	0	0	0	0	0	0	
172	CONSTRUCTION NOT CLASSIFIED	CN49	9,676,000	5,034,413	2,334,424	2,135	8,728	36,068	1,142	1,289,918	15,410	552,120	25,353	
173	RETIREMENT WORK IN PROGRESS		1,581,000	822,592	381,431	349	1,426	5,893	187	210,765	2,518	90,213	4,143	
174	TOTAL DIST	D249	179,783,234	93,197,061	44,406,572	40,597	163,962	673,453	21,623	24,725,720	291,262	10,955,774	502,811	
175	NET TRANS & DIST PLANT													
176		NT29	193,346,234	99,261,477	48,012,910	43,547	179,869	719,415	23,061	26,733,569	313,392	12,081,316	554,768	
177	NET PTD PLANT	NT39	570,249,234	267,785,943	148,229,646	125,541	621,905	1,996,638	63,007	82,529,781	928,351	43,359,067	1,998,608	
178	GENERAL & INTANGIBLE PLANT													
180	PRODUCTION-DEMAND		677,000	302,707	180,011	147	794	2,295	72	100,222	1,105	56,182	2,594	
181	PRODUCTION-ENERGY		293,000	111,619	76,417	23	459	1,035	29	53,496	184	31,911	454	
182	TRANSMISSION		44,000	19,675	11,699	9	52	149	5	6,514	72	3,652	168	
183	DISTRIBUTION		282,000	136,168	73,729	67	292	1,013	34	42,757	474	21,099	969	
184	CUSTOMER ACCOUNTING		280,000	247,843	29,985	26	155	246	40	1,010	13	74	11	
185	CUSTOMER SERVICE & INFORMATION		32,000	21,163	9,982	8	121	98	23	144	4	26	4	
186	SALES		0	0	0	0	0	0	0	0	0	0	0	
187	TOTAL GENERAL AND INTANGIBLE PLANT	G229	1,608,000	839,175	381,823	280	1,873	4,836	203	204,143	1,852	112,944	4,200	
188	COMMON & OTHER PLANT													
190	PRODUCTION-DEMAND		4,572,000	2,044,276	1,215,673	995	5,362	15,493	484	676,833	7,460	379,413	17,515	
191	PRODUCTION-ENERGY		1,985,000	756,206	517,701	155	3,108	7,013	201	362,419	1,244	216,191	3,072	
192	TRANSMISSION		293,000	131,010	77,907	63	344	993	31	43,375	478	24,315	1,123	
193	DISTRIBUTION		1,912,000	923,253	499,895	452	1,979	6,869	227	289,893	3,210	143,054	6,571	
194	CUSTOMER ACCOUNTING		1,891,000	1,673,833	202,508	170	1,051	1,661	264	6,821	89	504	73	
195	CUSTOMER SERVICE & INFORMATION		218,000	144,179	67,998	54	825	666	156	982	33	181	27	
196	SALES		0	0	0	0	0	0	0	0	0	0	0	
197	TOTAL COM & OTHER PLT	C229	10,871,000	5,672,757	2,581,682	1,889	12,669	32,695	1,363	1,380,323	12,514	763,658	28,381	
198	TOTAL ELECTRIC PLANT IN SERVICE													
199		NP29	582,728,234	274,297,875	151,193,151	127,710	636,447	2,034,169	64,573	84,114,247	942,717	44,235,669	2,031,189	

	A	B	C	O	Q	R	S	U	V	W	
1	DUKE ENERGY KENTUCKY										11/16/05 8:34 AM
2	COST OF SERVICE STUDY										
3	TWELVE MONTHS ENDING DECEMBER 31, 2007										
4	FR-9v-1 KW (12 COIN PEAK)										
5											
6	ELECTRIC CASE NO: 2006-00172										
7			DP	TT	TT_RTP	LT	OTHER	TOTAL			
8	ITEM	ALLO	PRIMARY DISTRIBUTION	TRANSMISSION TIME OF DAY	INCR. TRANS TIME OF DAY	LIGHTING	WATER PUMPING	AT ISSUE	ALL OTHER		
149											
150	NET ELECTRIC PLANT IN SERVICE	Schedule 4									
151	PRODUCTION PLANT										
152	PRODUCTION - STEAM		1,817,091	7,284,423	461,278	716,635	17,003	225,785,000	0		
153	PRODUCTION - OTHER		1,216,180	4,875,468	308,734	479,644	11,381	151,118,000	0		
154	TOTAL PROD	P229	3,033,271	12,159,891	770,012	1,196,279	28,384	376,903,000	0		
155											
156	TRANSMISSION PLANT										
157	MAIN STEP-UP TRANSFORMERS		0	0	0	0	0	0	0		
158	OTHER TRANSMISSION		109,153	437,578	27,709	43,049	1,022	13,563,000	0		
159	TOTAL TRANSMISSION	T229	109,153	437,578	27,709	43,049	1,022	13,563,000	0		
160											
161	NET PROD & TRANS PLANT		3,142,424	12,597,469	797,721	1,239,328	29,406	390,466,000	0		
162											
163	DISTRIBUTION PLANT										
164	SUBSTATIONS	S249	230,123	0	0	261,718	2,367	29,168,000	0		
165	POLES, TOWERS & FIXTURES	PL49	200,984	0	0	272,124	2,460	29,826,000	0		
166	CONDUCTORS	SL49	458,237	0	0	620,431	5,609	68,002,000	0		
167	TRANSFORMERS	F249	0	0	0	124,008	5,639	24,232,000	0		
168	SERVICES	SV49	0	0	0	10,810	694	4,291,000	0		
169	METERS	M249	3,825	11,781	0	675	0	11,071,000	0		
170	OTHER	O249	(1,124)	(12)	0	(7,698)	(24)	(227,766)	0		
171	STREET LIGHTS	L249	0	0	0	2,164,000	0	2,164,000	0		
172	CONSTRUCTION NOT CLASSIFIED	CN49	47,746	515	0	327,008	1,020	9,676,000	0		
173	RETIREMENT WORK IN PROGRESS		7,801	84	0	53,431	167	1,581,000	0		
174	TOTAL DIST	D249	947,592	12,368	0	3,826,507	17,932	179,783,234	0		
175											
176	NET TRANS & DIST PLANT	NT29	1,056,745	449,946	27,709	3,869,556	18,954	193,346,234	0		
177	NET PTD PLANT	NT39	4,090,016	12,609,837	797,721	5,065,835	47,338	570,249,234	0		
178											
179	GENERAL & INTANGIBLE PLANT										
180	PRODUCTION-DEMAND		5,448	21,841	1,383	2,148	51	677,000	0		
181	PRODUCTION-ENERGY		2,512	12,746	252	1,839	24	293,000	0		
182	TRANSMISSION		354	1,419	90	139	3	44,000	0		
183	DISTRIBUTION		1,847	1,309	81	2,139	22	282,000	0		
184	CUSTOMER ACCOUNTING		29	28	8	509	23	280,000	0		
185	CUSTOMER SERVICE & INFORMATION		10	9	3	396	9	32,000	0		
186	SALES		0	0	0	0	0	0	0		
187	TOTAL GENERAL AND INTANGIBLE PLANT	G229	10,200	37,352	1,817	7,170	132	1,608,000	0		
188											
189	COMMON & OTHER PLANT										
190	PRODUCTION-DEMAND		36,795	147,505	9,340	14,512	344	4,572,000	0		
191	PRODUCTION-ENERGY		17,015	86,351	1,702	12,461	161	1,985,000	0		
192	TRANSMISSION		2,358	9,453	598	930	22	293,000	0		
193	DISTRIBUTION		12,524	8,871	553	14,499	150	1,912,000	0		
194	CUSTOMER ACCOUNTING		192	185	57	3,433	159	1,891,000	0		
195	CUSTOMER SERVICE & INFORMATION		66	60	19	2,694	60	218,000	0		
196	SALES		0	0	0	0	0	0	0		
197	TOTAL COM & OTHER PLT	C229	68,950	252,425	12,269	48,529	896	10,871,000	0		
198											
199	TOTAL ELECTRIC PLANT IN SERVICE	NP29	4,169,166	12,899,614	811,807	5,121,534	48,366	582,728,234	0		

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-1 KW (12 COIN PEAK)													
6	ELECTRIC CASE NO: 2006-00172													
7					RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC_RTP	DT_PRI	DT_PRI_RTP
8	ITEM	ALLO	TOTAL	RESIDENTIAL	SECONDARY	INCR.	SEC. DISTR.	SECONDARY	SECONDARY	SECONDARY	SECONDARY	INCR.	PRIMARY	INCR.
9			ELECTRIC		DISTRIBUTION	SEC. DISTR.		DISTRIBUTION	DISTRIBUTION	DISTRIBUTION	DISTRIBUTION	SEC. DIST.	DISTRIBUTION	PRI. DIST.
200	NET ELECTRIC PLANT													
201	Schedule 4a													
202	PRODUCTION PLANT													
203	PRODUCTION PLANT IN SERVICE	P129	779,010,000	348,318,389	207,135,098	169,472	913,629	2,639,854	82,563	115,323,590	1,271,041	64,647,086	2,984,230	
204	TOTAL PROD DEPRC RESERVE	P171	(402,107,000)	(179,793,923)	(106,918,362)	(87,478)	(471,593)	(1,362,631)	(42,617)	(59,527,378)	(656,082)	(33,369,335)	(1,540,390)	
205	NET PRODUCTION PLANT	P229	376,903,000	168,524,466	100,216,736	81,994	442,036	1,277,223	39,946	55,796,212	614,959	31,277,751	1,443,840	
206	TRANSMISSION PLANT													
208	TRANSMISSION PLANT IN SERVICE	T129	23,766,000	10,626,479	6,319,268	5,170	27,873	80,537	2,519	3,518,287	38,777	1,972,250	91,043	
209	TOTAL TRANS DEPREC RESERVE	T171	(10,203,000)	(4,562,063)	(2,712,930)	(2,220)	(11,966)	(34,575)	(1,081)	(1,510,438)	(16,647)	(846,708)	(39,086)	
210	NET TRANSMISSION PLANT	T229	13,563,000	6,064,416	3,606,338	2,950	15,907	45,962	1,438	2,007,849	22,130	1,125,542	51,957	
211	NET PROD & TRANS PLANT													
212			390,466,000	174,588,882	103,823,074	84,944	457,943	1,323,185	41,384	57,804,061	637,089	32,403,293	1,495,797	
213	DISTRIBUTION PLANT													
215	DISTRIBUTION PLANT IN SERVICE	D149	295,514,000	153,755,638	71,295,464	65,211	266,558	1,101,553	34,889	39,395,289	470,623	16,862,235	774,316	
216	TOTAL DIST DEPREC RESERVE	D191	(115,730,766)	(60,558,577)	(26,888,892)	(24,614)	(102,598)	(428,100)	(13,266)	(14,669,569)	(179,361)	(5,906,461)	(271,505)	
217	NET DISTRIBUTION PLANT	D249	179,783,234	93,197,061	44,406,572	40,597	163,962	673,453	21,623	24,725,720	291,262	10,955,774	502,811	
218	NET TRANS & DIST PLANT													
219			193,346,234	99,261,477	48,012,910	43,547	179,869	719,415	23,061	26,733,569	313,392	12,081,316	554,768	
220	NET PTD PLANT	NT39	570,249,234	267,785,943	148,229,646	125,541	621,905	1,996,638	63,007	82,529,781	928,351	43,359,067	1,998,608	
221	GENERAL & INTANGIBLE PLANT													
222	GEN & INTANG PLANT IN SERVICE													
223			3,435,000	1,792,675	815,691	597	4,003	10,329	431	436,055	3,954	241,253	8,967	
224	TOTAL GEN & INTG DEPREC RESERVE	G171	(1,827,000)	(953,500)	(433,868)	(317)	(2,130)	(5,493)	(228)	(231,912)	(2,102)	(128,309)	(4,767)	
225	NET GENERAL & INTANG PLANT	G229	1,608,000	839,175	381,823	280	1,873	4,836	203	204,143	1,852	112,944	4,200	
226	COMMON & OTHER PLANT													
227	COMMON & OTH PLT IN SERVICE													
228			21,097,000	11,009,302	5,010,001	3,665	24,587	63,445	2,646	2,678,602	24,283	1,481,953	55,074	
229	TOTAL COM & OTH DEPREC RESERVE	C171	(10,226,000)	(5,336,545)	(2,428,319)	(1,776)	(11,918)	(30,750)	(1,283)	(1,298,279)	(11,769)	(718,295)	(26,693)	
230	NET COMMON & OTHER PLANT	C229	10,871,000	5,672,757	2,581,682	1,889	12,669	32,695	1,363	1,380,323	12,514	763,658	28,381	
231	NET ELECTRIC PLANT IN SERVICE													
232			582,728,234	274,297,875	151,193,151	127,710	636,447	2,034,169	64,573	84,114,247	942,717	44,235,669	2,031,189	
233														
234														

	A	B	C	O	Q	R	S	U	V	W
1	DUKE ENERGY KENTUCKY									
2	COST OF SERVICE STUDY									
3	TWELVE MONTHS ENDING DECEMBER 31, 2007									
4	FR-9v-1 KW (12 COIN PEAK)									
5	ELECTRIC CASE NO: 2006-00172									
6			DP	TT	TT_RTP	LT		OTHER	TOTAL	
7			PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING		WATER	AT	ALL
8	ITEM	ALLO	DISTRIBUTION	TIME OF DAY	TIME OF DAY			PUMPING	ISSUE	OTHER
200	Schedule 4a									
201	NET ELECTRIC PLANT									
202	PRODUCTION PLANT									
203	PRODUCTION PLANT IN SERVICE	P129	6,269,382	25,132,929	1,591,517	2,472,555	58,665	779,010,000	0	
204	TOTAL PROD DEPRC RESERVE	P171	(3,236,111)	(12,973,038)	(821,505)	(1,276,276)	(30,281)	(402,107,000)	0	
205	NET PRODUCTION PLANT	P229	3,033,271	12,159,891	770,012	1,196,279	28,384	376,903,000	0	
206										
207	TRANSMISSION PLANT									
208	TRANSMISSION PLANT IN SERVICE	T129	191,266	766,754	48,554	75,433	1,790	23,766,000	0	
209	TOTAL TRANS DEPREC RESERVE	T171	(82,113)	(329,176)	(20,845)	(32,384)	(768)	(10,203,000)	0	
210	NET TRANSMISSION PLANT	T229	109,153	437,578	27,709	43,049	1,022	13,563,000	0	
211										
212	NET PROD & TRANS PLANT		3,142,424	12,597,469	797,721	1,239,328	29,406	390,466,000	0	
213										
214	DISTRIBUTION PLANT									
215	DISTRIBUTION PLANT IN SERVICE	D149	1,458,208	15,755	0	9,987,116	31,145	295,514,000	0	
216	TOTAL DIST DEPREC RESERVE	D191	(510,816)	(3,387)	0	(6,160,609)	(13,213)	(115,730,766)	0	
217	NET DISTRIBUTION PLANT	D249	947,592	12,368	0	3,826,507	17,932	179,783,234	0	
218										
219										
220	NET TRANS & DIST PLANT	NT29	1,056,745	449,946	27,709	3,869,556	18,954	193,346,234	0	
221	NET PTD PLANT	NT39	4,090,016	12,609,837	797,721	5,065,835	47,338	570,249,234	0	
222										
223	GENERAL & INTANGIBLE PLANT									
224	GEN & INTANG PLANT IN SERVICE	G129	21,784	79,771	3,878	15,329	283	3,435,000	0	
225	TOTAL GEN & INTG DEPREC RESERVE	G171	(11,584)	(42,419)	(2,081)	(8,159)	(151)	(1,827,000)	0	
226	NET GENERAL & INTANG PLANT	G229	10,200	37,352	1,817	7,170	132	1,608,000	0	
227										
228	COMMON & OTHER PLANT									
229	COMMON & OTH PLT IN SERVICE	C121	133,806	489,916	23,814	94,166	1,740	21,097,000	0	
230	TOTAL COM & OTH DEPREC RESERVE	C171	(64,856)	(237,491)	(11,545)	(45,637)	(844)	(10,226,000)	0	
231	NET COMMON & OTHER PLANT	C229	68,950	252,425	12,269	48,529	896	10,871,000	0	
232										
233	NET ELECTRIC PLANT IN SERVICE	NP29	4,169,166	12,899,614	811,807	5,121,534	48,366	582,728,234	0	
234										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	TWELVE MONTHS ENDING DECEMBER 31, 2007													
4	FR-9v-1 KW (12 COIN PEAK)													
5	ELECTRIC CASE NO: 2006-00172													
6	SUBSIDY EXCESS													
7				TOTAL	RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC_RTP	DT_PRI	DT_PRI_RTP
8		ITEM	ALLO	ELECTRIC	RESIDENTIAL	SECONDARY	INCR.	SECONDARY	SECONDARY	SECONDARY	SECONDARY	SEC. DIST	PRIMARY	SEC. DIST
235	RATE BASE ADJUSTMENTS Schedule 5													
236	SUBTRACTIVE ADJUSTMENTS													
237	ACCUM DEF INC TAXES (282)													
238		B200	NP29	41,005,203	19,301,691	10,639,103	8,987	44,785	143,140	4,544	5,918,920	66,337	3,112,759	142,930
242		B208	NP29	331,400	155,993	85,984	73	362	1,157	37	47,836	536	25,157	1,155
247		B221		41,336,603	19,457,684	10,725,087	9,060	45,147	144,297	4,581	5,966,756	66,873	3,137,916	144,085
248	ACCUM DEF INC TAXES (283/284)													
254		B234	NP29	(34,872)	(16,414)	(9,048)	(8)	(38)	(122)	(4)	(5,034)	(56)	(2,647)	(122)
256		B243		(34,872)	(16,414)	(9,048)	(8)	(38)	(122)	(4)	(5,034)	(56)	(2,647)	(122)
257		B287		41,301,731	19,441,270	10,716,039	9,052	45,109	144,175	4,577	5,961,722	66,817	3,135,269	143,963
264	ADDITIVE ADJUSTMENTS													
266	ACCUM DEF INC TAXES (190)													
272		V212	A315	1,295,808	676,218	307,719	225	1,510	3,897	163	164,517	1,491	91,021	3,383
273		V215		1,295,808	676,218	307,719	225	1,510	3,897	163	164,517	1,491	91,021	3,383
274														

	A	B	C	D	Q	R	S	U	V	W
1	DUKE ENERGY KENTUCKY									
2	COST OF SERVICE STUDY									
3	TWELVE MONTHS ENDING DECEMBER 31, 2007									
4	FR-9v-1 KW (12 COIN PEAK)									
5	ELECTRIC CASE NO: 2006-00172									
6				DP	TT	TT RTP	LT	OTHER	TOTAL	
7				PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT	ALL
8		ITEM	ALLO	DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE	OTHER
235	RATE BASE ADJUSTMENTS Schedule 5									
236	SUBTRACTIVE ADJUSTMENTS									
237	ACCUM DEF INC TAXES (282)									
238		B200	NP29	293,374	907,715	57,125	360,390	3,403	41,005,203	0
242		B208	NP29	2,371	7,336	462	2,913	28	331,400	0
247		B221		295,745	915,051	57,587	363,303	3,431	41,336,603	0
248										
249	ACCUM DEF INC TAXES (283/284)									
254		B234	NP29	(249)	(772)	(49)	(306)	(3)	(34,872)	0
256		B243		(249)	(772)	(49)	(306)	(3)	(34,872)	0
257										
263		B287		295,496	914,279	57,538	362,997	3,428	41,301,731	0
264										
265	ADDITIVE ADJUSTMENTS									
266	ACCUM DEF INC TAXES (190)									
272		V212	A315	8,218	30,092	1,463	5,784	107	1,295,808	0
273		V215		8,218	30,092	1,463	5,784	107	1,295,808	0
274										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-1 KW (12 COIN PEAK)													
6	ELECTRIC CASE NO: 2006-00172													
7	ITEM	ALLO	TOTAL ELECTRIC	RS RESIDENTIAL	DS SECONDARY DISTRIBUTION	DS_RTP INCR. SEC. DISTR.	GSFL SECONDARY DISTRIBUTION	EH SECONDARY DISTRIBUTION	SP SECONDARY DISTRIBUTION	DT_SEC SECONDARY DISTRIBUTION	DT_SEC_RTP INCR. SEC. DIST	DT_PRI PRIMARY DISTRIBUTION	DT_PRI_RTP INCR. PRI. DIST	
8	Schedule 5a													
286	CONSTRUCTION WORK IN PROGRESS													
287	PRODUCTION	V232 P129	(3,443,000)	(1,539,467)	(915,478)	(749)	(4,038)	(11,667)	(365)	(509,697)	(5,618)	(285,722)	(13,189)	
288	TRANSMISSION	V234 T129	1,245,000	556,675	331,040	271	1,460	4,219	132	184,308	2,031	103,318	4,769	
289	DISTRIBUTION	V238 D149	6,461,000	3,361,651	1,558,776	1,426	5,828	24,084	763	861,323	10,290	368,669	16,929	
290	GENERAL	V238 G129	0	0	0	0	0	0	0	0	0	0	0	
291	COMMON	V240 C129	0	0	0	0	0	0	0	0	0	0	0	
292	TOTAL RATE BASE CWIP	V255 CW29	4,263,000	2,378,859	974,338	948	3,250	16,636	530	535,934	6,703	186,265	8,509	
293														
294	TOTAL ADDITIVE ADJUSTMENTS	V289	5,558,808	3,055,077	1,282,057	1,173	4,760	20,533	693	700,451	8,194	277,286	11,892	
295														
296	NET ORIGINAL COST RATE BASE	RB29	546,985,311	257,911,682	141,759,169	119,831	596,098	1,910,527	60,689	78,852,976	864,094	41,377,686	1,899,118	
297														

	A	B	C	D	Q	R	S	U	V	W
1	DUKE ENERGY KENTUCKY									
2	COST OF SERVICE STUDY									
3	TWELVE MONTHS ENDING DECEMBER 31, 2007									
4	FR-9v-1 KW (12 COIN PEAK)									
5	ELECTRIC CASE NO: 2006-00172									
6				DP	TT	TT_RTP	LT	OTHER	TOTAL	
7			ALLO	PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT	ALL
8		ITEM		DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE	OTHER
286	CONSTRUCTION WORK IN PROGRESS	Schedule 5a								
287	PRODUCTION	V232	P129	(27,709)	(111,080)	(7,034)	(10,928)	(259)	(3,443,000)	0
288	TRANSMISSION	V234	T129	10,020	40,167	2,544	3,952	94	1,245,000	0
289	DISTRIBUTION	V236	D149	31,882	344	0	218,354	681	6,461,000	0
290	GENERAL	V238	G129	0	0	0	0	0	0	0
291	COMMON	V240	C129	0	0	0	0	0	0	0
292	TOTAL RATE BASE CWIP	V255	CW29	14,193	(70,569)	(4,490)	211,378	516	4,263,000	0
293										
294	TOTAL ADDITIVE ADJUSTMENTS	V289		22,411	(40,477)	(3,027)	217,162	623	5,558,808	0
295										
296	NET ORIGINAL COST RATE BASE	R829		3,896,081	11,944,858	751,242	4,975,699	45,561	546,985,311	0
297										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	TWELVE MONTHS ENDING DECEMBER 31, 2007													
4	FR-9v-1 KW (12 COIN PEAK)													
5	ELECTRIC CASE NO: 2006-00172													
6	SUBSIDY EXCESS													
7				TOTAL	RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC RTP	DT_PRI	DT_PRI RTP
8	ITEM	ALLO	ELECTRIC	RESIDENTIAL	SECONDARY	SECONDARY	INCR.	SECONDARY	SECONDARY	SECONDARY	SECONDARY	INCR.	PRIMARY	INCR.
9					DISTRIBUTION	DISTRIBUTION	SEC. DISTR.	DISTRIBUTION	DISTRIBUTION	DISTRIBUTION	DISTRIBUTION	SEC. DIST.	DISTRIBUTION	PRI. DIST.
288	WORKING CAPITAL													
289	MATERIALS & SUPPLIES													
300	FUEL INVENTORIES													
301	FUEL	W640	K301	8,873,933	3,357,250	2,298,382	2,230	13,799	31,134	892	1,608,995	17,881	959,800	44,163
302	EMISSION ALLOWANCES	W642	K301	5,919,968	2,239,684	1,533,294	1,488	9,206	20,770	595	1,073,391	11,929	640,301	29,462
303	TOTAL FUEL STOCKS	W644		14,793,901	5,596,934	3,831,676	3,718	23,005	51,904	1,487	2,682,386	29,810	1,600,101	73,625
304	PLANT MATERIALS & SUPPLIES													
309	OTHER	W648	NP29	8,467,889	3,985,948	2,197,056	1,856	9,249	29,559	938	1,222,302	13,699	642,809	29,516
310	TOTAL PLANT MATERIALS & SUPPLIES	W650		8,467,889	3,985,948	2,197,056	1,856	9,249	29,559	938	1,222,302	13,699	642,809	29,516
311	TOTAL MATERIALS & SUPPLIES													
312		W669		23,261,790	9,582,882	6,028,732	5,574	32,254	81,463	2,425	3,904,688	43,509	2,242,910	103,141
313	PREPAYMENTS													
315	INSURANCE	W670	A315	394,000	205,610	93,564	68	459	1,185	49	50,023	453	27,676	1,028
316	COAL, SYNFUEL AND MARGIN DEPOSITS	W684	K301	6,305,569	2,385,568	1,633,166	1,585	9,805	22,123	634	1,143,307	12,706	682,007	31,381
317	TOTAL PREPAYMENTS	W689		6,699,569	2,591,178	1,726,730	1,653	10,264	23,308	683	1,193,330	13,159	709,683	32,409
322	AUTO CALC (O&M-F-PP)/8													
323		W719		13,994,731	6,501,473	3,483,371	2,999	17,712	45,195	1,559	2,065,336	22,102	1,176,636	52,323
324	TOTAL WORKING CASH	W729		13,994,731	6,501,473	3,483,371	2,999	17,712	45,195	1,559	2,065,336	22,102	1,176,636	52,323
325	TOTAL WORKING CAPITAL													
326		WC79		43,956,090	18,675,533	11,238,833	10,226	60,230	149,966	4,667	7,163,354	78,770	4,129,229	187,873
327	PRELIMINARY SUMMARY													
328	TOTAL SUBTRACTIVE ADJUSTMENTS	B287		(41,301,731)	(19,441,270)	(10,716,039)	(9,052)	(45,109)	(144,175)	(4,577)	(5,961,722)	(66,817)	(3,135,269)	(143,963)
329	TOTAL ADDITIVE ADJUSTMENTS	V289		5,558,808	3,055,077	1,282,057	1,173	4,760	20,533	693	700,451	8,194	277,286	11,892
330	TOTAL WORKING CAPITAL	WC71		43,956,090	18,675,533	11,238,833	10,226	60,230	149,966	4,667	7,163,354	78,770	4,129,229	187,873
331	TOTAL RATE BASE ADJUSTMENTS	RB71		8,213,167	2,289,340	1,804,851	2,347	19,881	26,324	783	1,902,083	20,147	1,271,246	55,802
332	RATE BASE CALCULATION													
334	NET ELECTRIC PLANT IN SERVICE	NP21		582,728,234	274,297,875	151,193,151	127,710	636,447	2,034,169	64,573	84,114,247	942,717	44,235,669	2,031,189
335	TOTAL RATE BASE ADJUSTMENTS	RB71		8,213,167	2,289,340	1,804,851	2,347	19,881	26,324	783	1,902,083	20,147	1,271,246	55,802
336	TOTAL RATE BASE	RB99	JR99	590,941,401	276,587,215	152,998,002	130,057	656,328	2,060,493	65,356	86,016,330	962,864	45,506,915	2,086,991
337	CAPITALIZATION ALLOC TO ELECTRIC OPER													
338		ECAP	RB99	557,080,702	260,738,880	144,231,279	122,605	618,721	1,942,428	61,611	81,087,630	907,692	42,899,388	1,967,407
339	TOTAL RATE OF RETURN ALLOWABLE													
340		RORA		0.08761000	0.07716695	0.10657897	0.22732285	0.19970422	0.06149609	0.15888616	0.08931080	0.13906196	0.06602478	0.13955853
341	RETURN ON CAPITALIZATION	R751		48,805,840	20,120,212	15,372,021	27,871	123,561	119,452	9,789	7,242,001	126,225	2,832,423	274,568
342														

	A	B	C	O	Q	R	S	U	V	W	
1	DUKE ENERGY KENTUCKY										11/16/05 8:34 AM
2	COST OF SERVICE STUDY										
3	TWELVE MONTHS ENDING DECEMBER 31, 2007										
4	FR-9v-1 KW (12 COIN PEAK)										
5	ELECTRIC CASE NO: 2006-00172										
6				DP	TT	TT_RTP	LT	OTHER	TOTAL		
7				PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT	ALL	
8	ITEM	ALLO		DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE	OTHER	
298	WORKING CAPITAL										
299	MATERIALS & SUPPLIES										
300	FUEL INVENTORIES										
301	FUEL	W640	K301	75,540	383,362	24,468	55,322	715	8,873,933	0	
302	EMISSION ALLOWANCES	W642	K301	50,394	255,748	16,323	36,906	477	5,919,968	0	
303	TOTAL FUEL STOCKS	W644		125,934	639,110	40,791	92,228	1,192	14,793,901	0	
304											
305	PLANT MATERIALS & SUPPLIES										
309	OTHER	W648	NP29	60,584	187,450	11,797	74,423	703	8,467,889	0	
310	TOTAL PLANT MATERIALS & SUPPLIES	W650		60,584	187,450	11,797	74,423	703	8,467,889	0	
311											
312	TOTAL MATERIALS & SUPPLIES	W669		186,518	826,560	52,588	166,651	1,895	23,261,790	0	
313											
314	PREPAYMENTS										
315	INSURANCE	W670	A315	2,499	9,150	445	1,759	32	394,000	0	
316	COAL, SYNFUEL AND MARGIN DEPOSITS	W684	K301	53,676	272,407	17,386	39,310	508	6,305,569	0	
317	TOTAL PREPAYMENTS	W689		56,175	281,557	17,831	41,069	540	6,699,569	0	
318											
322											
323	AUTO CALC (O&M-F-PP)8	W719		102,581	430,026	26,312	65,993	1,113	13,994,731	0	
324	TOTAL WORKING CASH	W729		102,581	430,026	26,312	65,993	1,113	13,994,731	0	
325											
326	TOTAL WORKING CAPITAL	WC79		345,274	1,538,143	96,731	273,713	3,548	43,956,090	0	
327	PRELIMINARY SUMMARY										
328	TOTAL SUBTRACTIVE ADJUSTMENTS	B287		(295,496)	(914,279)	(57,538)	(362,997)	(3,428)	(41,301,731)	0	
329	TOTAL ADDITIVE ADJUSTMENTS	V289		22,411	(40,477)	(3,027)	217,162	623	5,558,808	0	
330	TOTAL WORKING CAPITAL	WC71		345,274	1,538,143	96,731	273,713	3,548	43,956,090	0	
331	TOTAL RATE BASE ADJUSTMENTS	RB71		72,189	583,387	36,166	127,878	743	8,213,167	0	
332											
333	RATE BASE CALCULATION										
334	NET ELECTRIC PLANT IN SERVICE	NP21		4,169,166	12,899,614	811,807	5,121,534	48,366	582,728,234	0	
335	TOTAL RATE BASE ADJUSTMENTS	RB71		72,189	583,387	36,166	127,878	743	8,213,167	0	
336	TOTAL RATE BASE	RB99	JR99	4,241,355	13,483,001	847,973	5,249,412	49,109	590,941,401	0	
337											
338	CAPITALIZATION ALLOC TO ELECTRIC OPER	ECAP	RB99	3,998,327	12,710,431	799,385	4,948,623	46,295	557,080,702	0	
339											
340	TOTAL RATE OF RETURN ALLOWABLE	RORA		0.07796942	0.10341715	0.16603527	0.16122738	0.01971807	0.08761000	0.08761000	
341	RETURN ON CAPITALIZATION	R751		311,747	1,314,477	132,726	797,854	913	48,805,840	0	
342											

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-1 KW (12 COIN PEAK)													
6	ELECTRIC CASE NO: 2006-00172													
7				RS	DS	DS RTP	GSFL	EH	SP	DT_SEC	DT_SEC RTP	DT_PRI	DT_PRI RTP	
8	ITEM	ALLO	TOTAL ELECTRIC	RESIDENTIAL	SECONDARY DISTRIBUTION	INCR. SEC. DISTR.	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	INCR. SEC. DIST	PRIMARY DISTRIBUTION	INCR. PRI. DIST	
343	O&M EXPENSES	Schedule 6												
344	PRODUCTION O&M													
345	ENERGY RELATED PRODUCTION O&M													
346	FUEL	P300 K302	85,741,670	32,766,069	22,431,737	0	134,680	303,863	8,707	15,703,466	0	9,367,454	0	
347	MISCELLANEOUS	P302 K301	0	0	0	0	0	0	0	0	0	0	0	
348	EMISSION ALLOWANCES	P306 K301	5,436,451	2,056,756	1,408,061	1,366	8,454	19,074	547	985,721	10,954	588,004	27,056	
350	ELIMINATE EMISSION ALLOW & OTHER VAR CO:	P308 K301	8,104,357	3,066,097	2,099,059	2,037	12,603	28,434	815	1,469,458	16,330	876,563	40,333	
351	OTHER PRODUCTION EXPENSE - MAINTENANCI	P310 K301	13,120,712	4,963,922	3,398,313	3,298	20,403	46,034	1,319	2,379,009	26,438	1,419,130	65,298	
352	MISO TRANSMISSION CHARGES ACCT IN 555	P312 K301	12,047,693	4,557,969	3,120,397	3,028	18,735	42,269	1,211	2,184,452	24,276	1,303,073	59,958	
353	TOTAL ENERGY RELATED	P349	124,450,883	47,410,813	32,457,567	9,729	194,875	439,674	12,599	22,722,106	77,998	13,554,224	192,645	
354														
355	DEMAND RELATED PROD O&M													
358	ELIMINATE MISCELLANEOUS	P344 K201	0	0	0	0	0	0	0	0	0	0	0	
359	OTHER PRODUCTION EXPENSE - OPERATIONS	P346 K201	19,373,154	8,662,309	5,151,231	4,215	22,721	65,650	2,053	2,867,976	31,609	1,607,705	74,215	
360	TOTAL DEMAND RELATED	P349	19,373,154	8,662,309	5,151,231	4,215	22,721	65,650	2,053	2,867,976	31,609	1,607,705	74,215	
361														
362	TOTAL PRODUCTION O&M	P459	143,824,037	56,073,122	37,608,798	13,944	217,596	505,324	14,652	25,590,082	109,607	15,161,929	266,860	
363														
364	TRANSMISSION O & M													
365	TRANSFORMER LEASE PAYMENTS	K201	1,933,776	864,646	514,182	421	2,268	6,553	205	286,274	3,155	160,477	7,408	
366	OTHER TRANSMISSION	T300 K201	17,816,229	7,966,162	4,737,252	3,876	20,895	60,374	1,888	2,637,491	29,069	1,478,501	68,250	
367	MISCELLANEOUS ADJUSTMENTS	K201	(4,188,158)	(1,872,650)	(1,113,612)	(911)	(4,912)	(14,193)	(444)	(620,009)	(6,833)	(347,559)	(16,044)	
368	NETWORK SERVICE RATES ADJUSTMENT	T300 K201	1,377,707	616,011	366,326	300	1,616	4,669	146	203,954	2,248	114,331	5,278	
369	TOTAL TRANSMISSION O & M	T349 K201	16,939,554	7,574,169	4,504,148	3,686	19,867	57,403	1,795	2,507,710	27,639	1,405,750	64,892	
370														
371	DISTRIBUTION O & M													
373	SUBSTATIONS	D300 S249	104,713	47,248	28,161	27	110	372	11	16,823	186	9,561	440	
374	POLES, TOWERS & FIXTURES	D302 PL49	4,585,555	2,103,862	1,253,977	1,188	4,898	16,552	491	749,109	8,283	357,615	16,465	
375	CONDUCTORS	D304 SL49	192,300	88,228	52,587	50	205	694	21	31,415	347	14,997	690	
376	TRANSFORMERS	D306 F249	79,636	52,641	17,915	18	47	413	9	8,018	148	0	0	
377	OTHER MAINTENANCE	D308 K303	340,206	134,907	92,359	90	555	1,251	36	64,657	719	38,569	1,775	
378	METERS	D310 M249	435,770	376,621	51,578	0	0	1,521	127	3,947	0	1,334	0	
379	STREET LIGHTS	D314 L249	0	0	0	0	0	0	0	0	0	0	0	
380	OTHER OPERATIONS	D316 K201	955,044	427,030	253,942	208	1,120	3,236	101	141,383	1,558	79,255	3,659	
381	MISCELLANEOUS EXPENSES	D318 K201	(1,624)	(727)	(432)	0	(2)	(6)	0	(240)	(3)	(135)	(6)	
382	AFFILIATED COMPANY RENTS	D320 D249	38,724	20,073	9,565	9	35	145	5	5,326	63	2,360	108	
383	TOTAL DISTRIBUTION O & M	D349	6,730,324	3,249,883	1,759,652	1,590	6,968	24,178	801	1,020,438	11,301	503,556	23,131	
384														
385	CUSTOMER ACCOUNTING													
386	CUSTOMER ACCOUNTING EXPENSE	C300 K409	3,724,356	3,289,384	409,408	405	2,508	3,965	631	6,857	213	1,204	175	
387	ADJUST UNCOLLECTIBLE ACCOUNTS	C302 K411	(2,398,582)	(2,145,129)	(224,829)	0	0	0	0	(28,590)	0	0	0	
388	METER READING	C304 K409	1,067,382	942,723	117,334	116	719	1,136	181	1,965	61	345	50	
389	LOSS ON SALE OF A/R & INCRE A/R ON INCREA	C306 K411	3,412,755	3,052,137	319,891	0	0	0	0	40,679	0	0	0	
390	MISCELLANEOUS EXPENSE ADJUSTMENT	C308 K409	(17,185)	(15,176)	(1,889)	(2)	(12)	(18)	(3)	(32)	(1)	(6)	(1)	
391	TOTAL CUSTOMER ACCT EXPENSE	C319	5,788,726	5,123,939	619,915	519	3,215	5,083	809	20,879	273	1,543	224	
392														

	A	B	C	O	Q	R	S	U	V	W	
1	DUKE ENERGY KENTUCKY										11/16/05 8:34 AM
2	COST OF SERVICE STUDY										
3	TWELVE MONTHS ENDING DECEMBER 31, 2007										
4	FR-9v-1 KW (12 COIN PEAK)										
5	ELECTRIC CASE NO: 2006-00172										
6				DP	TT	TT_RTP	LT	OTHER	TOTAL		
7				PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT	ALL	
8		ITEM	ALLO	DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE	OTHER	
343	O&M EXPENSES Schedule 6										
344	PRODUCTION O&M										
345	ENERGY RELATED PRODUCTION O&M										
346	FUEL	P300	K302	737,251	3,741,538	0	539,931	6,974	85,741,670	0	
347	MISCELLANEOUS	P302	K301	0	0	0	0	0	0	0	
349	EMISSION ALLOWANCES	P306	K301	46,278	234,860	14,990	33,892	438	5,436,451	0	
350	ELIMINATE EMISSION ALLOW & OTHER VAR CO:	P308	K301	68,989	350,116	22,346	50,524	653	8,104,357	0	
351	OTHER PRODUCTION EXPENSE - MAINTENANCI	P310	K301	111,690	566,827	36,177	81,797	1,057	13,120,712	0	
352	MISO TRANSMISSION CHARGES ACCT IN 555	P312	K301	102,556	520,472	33,219	75,108	970	12,047,693	0	
353	TOTAL ENERGY RELATED	P349		1,066,764	5,413,813	106,732	781,252	10,092	124,450,883	0	
354	DEMAND RELATED PROD O&M										
358	ELIMINATE MISCELLANEOUS	P344	K201	0	0	0	0	0	0	0	
359	OTHER PRODUCTION EXPENSE - OPERATIONS	P346	K201	155,913	625,029	39,579	61,490	1,459	19,373,154	0	
360	TOTAL DEMAND RELATED	P349		155,913	625,029	39,579	61,490	1,459	19,373,154	0	
361	TOTAL PRODUCTION O&M										
362		P459		1,222,677	6,038,842	146,311	842,742	11,551	143,824,037	0	
363	TRANSMISSION O & M										
364	TRANSFORMER LEASE PAYMENTS		K201	15,563	62,389	3,951	6,138	146	1,933,776	0	
366	OTHER TRANSMISSION	T300	K201	143,383	574,799	36,399	56,548	1,342	17,816,229	0	
367	MISCELLANEOUS ADJUSTMENTS		K201	(33,706)	(135,121)	(8,556)	(13,293)	(315)	(4,188,158)	0	
368	NETWORK SERVICE RATES ADJUSTMENT	T300	K201	11,088	44,448	2,815	4,373	104	1,377,707	0	
369	TOTAL TRANSMISSION O & M	T349	K201	136,328	546,515	34,609	53,766	1,277	16,939,554	0	
370	DISTRIBUTION O & M										
373	SUBSTATIONS	D300	S249	826	0	0	940	8	104,713	0	
374	POLES, TOWERS & FIXTURES	D302	PL49	30,900	0	0	41,837	378	4,585,555	0	
375	CONDUCTORS	D304	SL49	1,296	0	0	1,754	16	192,300	0	
376	TRANSFORMERS	D306	F249	0	0	0	408	19	79,636	0	
377	OTHER MAINTENANCE	D308	K303	3,036	0	0	2,223	29	340,206	0	
378	METERS	D310	M249	151	464	0	27	0	435,770	0	
379	STREET LIGHTS	D314	L249	0	0	0	0	0	0	0	
380	OTHER OPERATIONS	D316	K201	7,686	30,812	1,951	3,031	72	955,044	0	
381	MISCELLANEOUS EXPENSES	D318	K201	(13)	(52)	(3)	(5)	0	(1,624)	0	
382	AFFILIATED COMPANY RENTS	D320	D249	204	3	0	824	4	38,724	0	
383	TOTAL DISTRIBUTION O & M	D349		44,086	31,227	1,948	51,039	526	6,730,324	0	
384	CUSTOMER ACCOUNTING										
386	CUSTOMER ACCOUNTING EXPENSE	C300	K409	458	443	137	8,187	381	3,724,356	0	
387	ADJUST UNCOLLECTIBLE ACCOUNTS	C302	K411	0	0	0	(34)	0	(2,398,582)	0	
388	METER READING	C304	K409	131	127	39	2,346	109	1,067,382	0	
389	LOSS ON SALE OF A/R & INCRE A/R ON INCREA	C306	K411	0	0	0	48	0	3,412,755	0	
390	MISCELLANEOUS EXPENSE ADJUSTMENT	C308	K409	(2)	(2)	(1)	(38)	(2)	(17,185)	0	
391	TOTAL CUSTOMER ACCT EXPENSE	C319		587	568	175	10,509	488	5,788,726	0	
392											

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1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	TWELVE MONTHS ENDING DECEMBER 31, 2007													
4	FR-9v-1 KW (12 COIN PEAK)													
5	ELECTRIC CASE NO: 2006-00172													
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393	CUSTOMER SERVICE & INFORMATION	Schedule 6												
394	CUSTOMER SERVICE & INFORMATION	C320 K413	572,101	378,366	178,448	142	2,169	1,746	405	2,574	88	475	70	
395	INFORMATIONAL & INSTRUCTIONAL ADV	C322 K413	107,067	70,810	33,396	26	406	327	76	482	16	89	13	
396	CUSTOMER SERVICE & INFORM PROFORMA	C324 K413	(206,796)	(136,767)	(64,503)	(51)	(784)	(631)	(146)	(930)	(32)	(172)	(25)	
397	AMI	C326 K413	(367,326)	(242,935)	(114,575)	(91)	(1,393)	(1,121)	(260)	(1,653)	(56)	(305)	(45)	
398	TOTAL CUSTOMER SERV & INFORMATION	C331	105,046	69,474	32,766	26	398	321	75	473	16	87	13	
399														
400	SALES													
401	SALES EXPENSE	S300 K419	5,060	3,435	1,498	1	18	15	3	22	1	4	1	
403	SALES EXPENSE PROFORMA	S304 K419	(4,332)	(2,940)	(1,283)	(1)	(16)	(13)	(3)	(18)	(1)	(3)	0	
404	TOTAL SALES EXPENSE	S319	728	495	215	0	2	2	0	4	0	1	1	
405														
406	SUBTOTAL O&M EXCL. A&G		173,388,415	72,091,082	44,525,494	19,765	248,046	592,311	18,132	29,139,586	148,836	17,072,866	355,121	
407														
408	ADMINISTRATIVE & GENERAL													
409	A&G EXPENSE EXCL. REGULATORY EXP													
410	PRODUCTION-DEMAND RELATED	A300 P349	10,928,785	4,886,583	2,905,913	2,378	12,817	37,034	1,158	1,617,883	17,831	906,939	41,866	
411	PRODUCTION-ENERGY RELATED	A302 E349	4,745,687	1,807,919	1,237,705	371	7,431	16,766	480	866,462	2,974	516,863	7,346	
412	TRANSMISSION	A304 T349	700,565	313,243	186,277	152	822	2,374	74	103,711	1,143	58,137	2,684	
413	DISTRIBUTION	A306 D349	4,565,482	2,204,541	1,193,851	1,079	4,727	16,401	543	692,209	7,666	341,585	15,691	
414	CUSTOMER ACCOUNTING	A308 C319	4,521,829	4,002,534	484,243	405	2,511	3,971	632	16,310	213	1,205	175	
415	CUSTOMER SERVICE & INFORMATION	A310 C331	521,351	344,804	162,620	129	1,975	1,593	372	2,348	79	432	65	
416	SALES	A312 S319	0	0	0	0	0	0	0	0	0	0	0	
417	A&G EXPENSE UNADJUSTED	A315	25,983,699	13,559,624	6,170,409	4,514	30,283	78,139	3,259	3,298,923	29,906	1,825,161	67,827	
419	RATE CASE EXPENSE	A318 A315	78,333	40,879	18,602	14	91	236	10	9,945	90	5,502	204	
426	ELIMINATE MISCELLANEOUS EXPENSES	A340 A315	(129,507)	(67,586)	(30,754)	(22)	(151)	(389)	(16)	(16,442)	(149)	(9,097)	(338)	
427	IMPLEMENT AUTOMATED METER READING	A342 A315	82,589	43,099	19,613	14	96	248	10	10,486	95	5,801	216	
431	AMORTIZATION OF DEFERRED EXPENSES	A352 A315	806,020	420,623	191,407	140	939	2,424	101	102,333	928	56,617	2,104	
432	MISCELL													

	A	B	C	O	Q	R	S	U	V	W
1	DUKE ENERGY KENTUCKY									
2	COST OF SERVICE STUDY									
3	TWELVE MONTHS ENDING DECEMBER 31, 2007									
4	FR-9v-1 KW (12 COIN PEAK)									
5	ELECTRIC CASE NO: 2006-00172									
6				DP	TT	TT_RTP	LT	OTHER	TOTAL	
7				PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT	
8				DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE	ALL
	ITEM	ALLO								OTHER
393	CUSTOMER SERVICE & INFORMATION	Schedule 6								
394	CUSTOMER SERVICE & INFORMATION	C320 K413		177	159	52	7,071	159	572,101	0
395	INFORMATIONAL & INSTRUCTIONAL ADV	C322 K413		33	30	10	1,323	30	107,067	0
396	CUSTOMER SERVICE & INFORM PROFORMA	C324 K413		(64)	(58)	(19)	(2,556)	(58)	(206,796)	0
397	AMI	C326 K413		(114)	(102)	(34)	(4,540)	(102)	(367,326)	0
398	TOTAL CUSTOMER SERV & INFORMATION	C331		32	29	9	1,298	29	105,046	0
399										
400	SALES									
401	SALES EXPENSE	S300 K419		1	1	0	59	1	5,060	0
403	SALES EXPENSE PROFORMA	S304 K419		(1)	(1)	0	(51)	(1)	(4,332)	0
404	TOTAL SALES EXPENSE	S319		0	0	0	8	0	728	0
405										
406	SUBTOTAL O&M EXCL. A&G			1,403,710	6,617,181	183,052	959,362	13,871	173,388,415	0
407										
408	ADMINISTRATIVE & GENERAL									
409	A&G EXPENSE EXCL. REGULATORY EXP									
410	PRODUCTION-DEMAND RELATED	A300 P349		87,954	352,591	22,327	34,688	823	10,928,785	0
411	PRODUCTION-ENERGY RELATED	A302 E349		40,679	206,445	4,070	29,791	385	4,745,687	0
412	TRANSMISSION	A304 T349		5,638	22,602	1,431	2,224	53	700,565	0
413	DISTRIBUTION	A306 D349		29,906	21,183	1,321	34,622	357	4,565,482	0
414	CUSTOMER ACCOUNTING	A308 C319		459	444	137	8,209	381	4,521,829	0
415	CUSTOMER SERVICE & INFORMATION	A310 C331		159	144	45	6,442	144	521,351	0
416	SALES	A312 S319		0	0	0	0	0	0	0
417	A&G EXPENSE UNADJUSTED	A315		164,795	603,409	29,331	115,976	2,143	25,983,699	0
419	RATE CASE EXPENSE	A318 A315		497	1,819	88	350	6	78,333	0
426	ELIMINATE MISCELLANEOUS EXPENSES	A340 A315		(821)	(3,007)	(146)	(578)	(11)	(129,507)	0
427	IMPLEMENT AUTOMATED METER READING	A342 A315		524	1,918	93	369	7	82,589	0
431	AMORTIZATION OF DEFERRED EXPENSES	A352 A315		5,112	18,718	910	3,598	66	806,020	0
432	MISCELLANEOUS	A354 A315		0	0	0	0	0	0	0
433	ELIMINATE INCENTIVE COMPENSATION	A356 A315		(15,919)	(58,289)	(2,833)	(11,203)	(207)	(2,510,033)	0
434	TOTAL ADMIN. & GENERAL	A357		154,188	564,568	27,443	108,512	2,004	24,311,101	0
435										
436	TOTAL O & M EXPENSE	OM39		1,557,898	7,181,749	210,495	1,067,874	15,875	197,699,516	0

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
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4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-1 KW (12 COIN PEAK)													
6	ELECTRIC CASE NO: 2006-00172													
7				TOTAL	RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC_RTP	DT_PRI	DT_PRI_RTP
8		ITEM	ALLO	ELECTRIC	RESIDENTIAL	SECONDARY DISTRIBUTION	INCR. SEC. DISTR.	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	INCR. SEC. DIST.	PRIMARY DISTRIBUTION	INCR. PRI. DIST.
437														
438	DEPRECIATION EXPENSE Schedule 7													
439	PRODUCTION DEPRECIATION													
440		P480	P229	22,346,000	9,991,556	5,941,696	4,861	26,208	75,725	2,368	3,308,072	36,460	1,854,410	85,603
441		P482	P229	0	0	0	0	0	0	0	0	0	0	0
442		P489		22,346,000	9,991,556	5,941,696	4,861	26,208	75,725	2,368	3,308,072	36,460	1,854,410	85,603
443														
444	TRANSMISSION DEPRECIATION													
445		T480	T229	540,000	241,450	143,583	117	633	1,830	57	79,941	881	44,813	2,069
446		T482	T229	0	0	0	0	0	0	0	0	0	0	0
447		T489		540,000	241,450	143,583	117	633	1,830	57	79,941	881	44,813	2,069
448														
449	DISTRIBUTION DEPRECIATION													
450		D480	D249	9,557,220	4,954,329	2,360,639	2,158	8,716	35,801	1,149	1,314,411	15,483	582,405	26,729
451		D482	D249	0	0	0	0	0	0	0	0	0	0	0
452		D489		9,557,220	4,954,329	2,360,639	2,158	8,716	35,801	1,149	1,314,411	15,483	582,405	26,729
453														
454	GENERAL DEPRECIATION													
455		G480	G229	99,000	51,665	23,508	17	115	298	12	12,569	114	6,954	259
456		G482	G229	0	0	0	0	0	0	0	0	0	0	0
457		G489		99,000	51,665	23,508	17	115	298	12	12,569	114	6,954	259
458														
459	COMMON AND OTHER DEPRECIATION													
460		C480	C229	630,000	328,749	149,615	109	734	1,895	79	79,993	725	44,256	1,645
461		C482	C229	0	0	0	0	0	0	0	0	0	0	0
462		C489		630,000	328,749	149,615	109	734	1,895	79	79,993	725	44,256	1,645
463														
464		DE49		33,172,220	15,567,749	8,619,041	7,262	36,406	115,549	3,665	4,794,986	53,663	2,532,838	116,305
465														

	A	B	C	O	Q	R	S	U	V	W
1	DUKE ENERGY KENTUCKY									
2	COST OF SERVICE STUDY									
3	TWELVE MONTHS ENDING DECEMBER 31, 2007									
4	FR-9v-1 KW (12 COIN PEAK)									
5	ELECTRIC CASE NO: 2006-00172									
6				DP	TT	TT RTP	LT	OTHER	TOTAL	
7				PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT	ALL
8	ITEM	ALLO		DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE	OTHER
437	DEPRECIATION EXPENSE Schedule 7									
439	PRODUCTION DEPRECIATION									
440	PRODUCTION DEPRECIATION	P460 P229		179,838	720,941	45,653	70,926	1,683	22,346,000	0
441	PROFORMA ADJUSTMENT	P462 P229		0	0	0	0	0	0	0
442	TOTAL PRODUCTION DEPREC EXP.	P489		179,838	720,941	45,653	70,926	1,683	22,346,000	0
443	TRANSMISSION DEPRECIATION									
445	TRANSMISSION DEPRECIATION	T460 T229		4,346	17,422	1,103	1,714	41	540,000	0
446	PROFORMA ADJUSTMENT	T462 T229		0	0	0	0	0	0	0
447	TOTAL TRANSMISSION DEP. EXP.	T489		4,346	17,422	1,103	1,714	41	540,000	0
448	DISTRIBUTION DEPRECIATION									
449	DISTRIBUTION DEPRECIATION	D460 D249		50,374	657	0	203,416	953	9,557,220	0
450	PROFORMA ADJUSTMENT	D462 D249		0	0	0	0	0	0	0
451	TOTAL DIST. DEPREC EXP.	D489		50,374	657	0	203,416	953	9,557,220	0
452	GENERAL DEPRECIATION									
453	GENERAL DEPRECIATION	G460 G229		628	2,300	112	441	8	99,000	0
454	PROFORMA ADJUSTMENT	G462 G229		0	0	0	0	0	0	0
455	TOTAL GENERAL DEPREC EXP.	G489		628	2,300	112	441	8	99,000	0
456	COMMON AND OTHER DEPRECIATION									
457	COMMON DEPRECIATION	C460 C229		3,996	14,629	711	2,812	52	630,000	0
458	PROFORMA ADJUSTMENT	C462 C229		0	0	0	0	0	0	0
459	TOTAL COM & OTHER DEPREC EXP.	C489		3,996	14,629	711	2,812	52	630,000	0
460	TOTAL DEPRECIATION EXPENSE	DE49		239,182	755,949	47,579	279,309	2,737	33,172,220	0
461										
462										
463										
464										
465										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-1 KW (12 COIN PEAK)													
6	ELECTRIC CASE NO: 2006-00172													
7				TOTAL	RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC_RTP	DT_PRI	DT_PRI_RTP
8	ITEM	ALLO	ELECTRIC	RESIDENTIAL	SECONDARY DISTRIBUTION	INCR. SEC. DISTR.	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	INCR. SEC. DIST	PRIMARY DISTRIBUTION	INCR. PRI. DIST	
466	TAXES OTHER THAN INC & REV	Schedule B												
467	REAL ESTATE & PROPERTY TAX													
468	PRODUCTION	L500 P229	2,627,784	1,174,957	698,715	572	3,082	8,905	279	389,014	4,288	218,070	10,067	
469	TRANSMISSION	L501 T229	271,224	121,272	72,117	59	318	919	29	40,152	443	22,508	1,039	
470	DISTRIBUTION	L502 D249	2,796,137	1,449,478	690,648	631	2,550	10,474	336	384,555	4,530	170,393	7,820	
471	OTHER	L514 NP29	0	0	0	0	0	0	0	0	0	0	0	
472	TOTAL REAL EST & PROP TAX	L529	5,695,145	2,745,707	1,461,480	1,262	5,950	20,298	644	813,721	9,261	410,971	18,926	
473														
474	MISCELLANEOUS TAXES													
475	PAYROLL RELATED	L566 A315	1,886,821	984,838	448,068	328	2,199	5,674	237	239,553	2,172	132,535	4,925	
476	OTHER STATE TAXES	L562 A315	0	0	0	0	0	0	0	0	0	0	0	
477	ELIMINATE NON-NATIVE SALES	L564 K301	(29,509)	(11,165)	(7,643)	(7)	(46)	(104)	(3)	(5,350)	(59)	(3,192)	(147)	
478	AUTO LICENSES, ETC	L560 A315	7,804	4,074	1,853	1	9	23	1	991	9	548	20	
479	ELIMINATE UNBILLED REVENUE	L562 J600	(152)	(64)	(43)	0	0	0	0	(25)	0	(13)	0	
480	AFFILIATED COMPANY RENTS	L564 A315	81	43	19	0	0	0	0	10	0	6	0	
481	MISCELLANEOUS	L566 A315	0	0	0	0	0	0	0	0	0	0	0	
482	DSM ELIMINATION	L568 K419	(3,370)	(2,287)	(998)	(1)	(12)	(10)	(2)	(14)	0	(3)	0	
483	TOTAL MISCELLANEOUS TAXES	L569	1,861,675	975,239	441,256	321	2,150	5,583	233	235,165	2,122	129,881	4,798	
484														
485	MISCELLANEOUS EXPENSES													
487	PSC MAINTENANCE ON INCREASE	L584 J600	77,689	31,886	21,785	23	154	227	11	12,533	112	6,486	256	
488	TOTAL MISCELLANEOUS EXPENSES	L599	77,689	31,886	21,785	23	154	227	11	12,533	112	6,486	256	
489														
490	TOTAL OTHER TAX & MISC EXPENSE	L591	7,634,509	3,752,832	1,924,521	1,606	8,254	26,108	888	1,061,419	11,495	547,338	23,980	
491														
492	PRELIMINARY SUMMARY													
493	TOTAL O&M EXPENSE	OM39	197,699,516	84,777,855	50,298,708	23,989	276,379	665,421	21,181	32,226,154	176,817	18,780,539	418,582	
494	TOTAL DEPRECIATION EXPENSE	DE49	33,172,220	15,567,749	8,619,041	7,262	36,406	115,549	3,665	4,794,986	53,663	2,532,838	116,305	
495	TOTAL OTHER TAX & MISC EXPENSE	L599	7,634,509	3,752,832	1,924,521	1,606	8,254	26,108	888	1,061,419	11,495	547,338	23,980	
496	TOTAL OP EXP EXC IT & OTHER TAX	OP69	238,506,245	104,098,436	60,842,270	32,857	321,039	807,078	25,734	38,082,559	241,975	21,860,715	558,867	
497														

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1	DUKE ENERGY KENTUCKY									
2	COST OF SERVICE STUDY									
3	TWELVE MONTHS ENDING DECEMBER 31, 2007									
4	FR-9v-1 KW (12 COIN PEAK)									
5	ELECTRIC CASE NO: 2006-00172									
6				DP	TT	TT_RTP	LT	OTHER	TOTAL	
7				PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT	ALL
8	ITEM	ALLO		DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE	OTHER
466	TAXES OTHER THAN INC & REV	Schedule B								
467	REAL ESTATE & PROPERTY TAX									
468	PRODUCTION	L500	P229	21,148	84,779	5,369	8,341	198	2,627,784	0
469	TRANSMISSION	L501	T229	2,183	8,750	554	861	20	271,224	0
470	DISTRIBUTION	L502	D249	14,738	192	0	59,513	279	2,796,137	0
471	OTHER	L514	NP29	0	0	0	0	0	0	0
472	TOTAL REAL EST & PROP TAX	L529		38,069	93,721	5,923	68,715	497	5,695,145	0
473										
474	MISCELLANEOUS TAXES									
475	PAYROLL RELATED	L566	A315	11,967	43,817	2,130	8,422	156	1,886,821	0
476	OTHER STATE TAXES	L562	A315	0	0	0	0	0	0	0
477	ELIMINATE NON-NATIVE SALES	L564	K301	(251)	(1,275)	(81)	(184)	(2)	(29,509)	0
478	AUTO LICENSES, ETC	L560	A315	49	181	9	35	1	7,804	0
479	ELIMINATE UNBILLED REVENUE	L562	J600	(1)	(5)	0	(1)	0	(152)	0
480	AFFILIATED COMPANY RENTS	L584	A315	1	2	0	0	0	81	0
481	MISCELLANEOUS	L568	A315	0	0	0	0	0	0	0
482	DSM ELIMINATION	L568	K419	(1)	(1)	0	(40)	(1)	(3,370)	0
483	TOTAL MISCELLANEOUS TAXES	L589		11,764	42,719	2,058	8,232	154	1,861,675	0
484										
485	MISCELLANEOUS EXPENSES									
487	PSC MAINTENANCE ON INCREASE	L584	J600	576	2,787	132	717	4	77,689	0
488	TOTAL MISCELLANEOUS EXPENSES	L589		576	2,787	132	717	4	77,689	0
489										
490	TOTAL OTHER TAX & MISC EXPENSE	L591		50,409	139,227	8,113	77,664	655	7,634,509	0
491										
492	PRELIMINARY SUMMARY									
493	TOTAL O&M EXPENSE	OM39		1,557,898	7,181,749	210,495	1,067,874	15,875	197,699,516	0
494	TOTAL DEPRECIATION EXPENSE	DE49		239,182	755,949	47,579	279,309	2,737	33,172,220	0
495	TOTAL OTHER TAX & MISC EXPENSE	L599		50,409	139,227	8,113	77,664	655	7,634,509	0
496	TOTAL OP EXP EXC IT & OTHER TAX	OP69		1,847,489	8,078,925	266,187	1,424,847	19,267	238,506,245	0
497										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
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3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-1 KW (12 COIN PEAK)													
6	ELECTRIC CASE NO: 2006-00172													
7		ITEM	ALLO	TOTAL ELECTRIC	RS RESIDENTIAL	DS SECONDARY DISTRIBUTION	DS RTP INCR. SEC. DISTR.	GSFL SECONDARY DISTRIBUTION	EH SECONDARY DISTRIBUTION	SP SECONDARY DISTRIBUTION	DT_SEC SECONDARY DISTRIBUTION	DT_SEC RTP INCR. SEC. DIST	DT_PRI PRIMARY DISTRIBUTION	DT_PRI RTP INCR. PRI. DIST
8	498	INCOME TAX BASED ON RETURN Schedule 9												
9	499	FEDERAL INCOME TAX DEDUCTIONS												
10	500	AUTOMATIC INTEREST CALCULATION												
11	501	AUTO PROC INTEREST DED	NP29	16,237,028	7,642,984	4,212,817	3,558	17,734	56,680	1,799	2,343,743	26,268	1,232,574	56,597
12	502	TOTAL INTEREST EXPENSE	Y783	16,237,028	7,642,984	4,212,817	3,558	17,734	56,680	1,799	2,343,743	26,268	1,232,574	56,597
13	503													
14	504	OTHER DEDUCTIONS												
15	505	DEPR. EXCESS TAX OVER BOOK	DE49	3,190,632	1,497,366	829,013	698	3,502	11,114	353	461,200	5,162	243,618	11,187
16	507	LOSS ON REACQUIRED DEBT	NP29	(124,000)	(58,368)	(32,173)	(27)	(135)	(433)	(14)	(17,899)	(201)	(9,413)	(432)
17	509	COST OF REMOVAL	DE49	1,519,000	712,868	394,677	333	1,667	5,291	168	219,569	2,457	115,982	5,326
18	512	METER CAPITAL LEASE PRINCIPLE PAYMENTS	M249	758,000	655,116	89,717	0	0	2,645	221	6,866	0	2,320	0
19	515	OTHER PERMANENT DIFFERENCES	NP29	1,423,562	670,089	369,354	312	1,555	4,969	158	205,485	2,303	108,064	4,962
20	518	TOTAL OTHER DEDUCTIONS	Y828	6,767,194	3,477,071	1,650,588	1,316	6,589	23,586	886	875,221	9,721	460,571	21,043
21	519													
22	520	NET DEDUCTIONS AND ADDITIONS	Y871	23,004,222	11,120,055	5,863,405	4,874	24,323	80,266	2,685	3,218,964	35,989	1,693,145	77,640
23	521													
24	522	FEDERAL INCOME TAX ADJUSTMENTS												
25	523													
26	524	FED PROV DEF INC TAX DEFERRALS (410.1)												
27	526	ANNUALIZE DEPRECIATION	DE49	(75,095)	(35,244)	(19,512)	(16)	(82)	(262)	(8)	(10,855)	(121)	(5,734)	(263)
28	531	MISCELLANEOUS	NP29	(563,296)	(265,153)	(146,151)	(123)	(615)	(1,966)	(62)	(81,309)	(911)	(42,761)	(1,963)
29	532	MISCELLANEOUS PROFORMA ADJUSTMENT	NP29	0	0	0	0	0	0	0	0	0	0	0
30	533	RECLASSIFY NON-JURIS INCOME TAX	NP29	2,512,728	1,182,775	651,946	551	2,744	8,771	278	362,701	4,065	190,744	8,759
31	535	TOTAL FED PROV DEF IT DEFERRALS (410.1)	Z782	1,874,337	882,378	486,283	412	2,047	6,543	208	270,537	3,033	142,249	6,533
32	537													

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1	DUKE ENERGY KENTUCKY									
2	COST OF SERVICE STUDY									
3	TWELVE MONTHS ENDING DECEMBER 31, 2007									
4	FR-9v-1 KW (12 COIN PEAK)									
5	ELECTRIC CASE NO: 2006-00172									
6				DP	TT	TT_RTP	LT	OTHER	TOTAL	
7				PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT	ALL
8	ITEM	ALLO		DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE	OTHER
498	INCOME TAX BASED ON RETURN Schedule 9									
499	FEDERAL INCOME TAX DEDUCTIONS									
500	AUTOMATIC INTEREST CALCULATION									
501	AUTO PROC INTEREST DED	Y751 NP29		116,169	359,432	22,620	142,705	1,348	16,237,028	0
502	TOTAL INTEREST EXPENSE	Y783		116,169	359,432	22,620	142,705	1,348	16,237,028	0
503	OTHER DEDUCTIONS									
505	DEPR. EXCESS TAX OVER BOOK	Y790 DE49		23,005	72,710	4,576	26,865	263	3,190,632	0
507	LOSS ON REACQUIRED DEBT	Y794 NP29		(887)	(2,745)	(173)	(1,090)	(10)	(124,000)	0
509	COST OF REMOVAL	Y798 DE49		10,952	34,616	2,179	12,790	125	1,519,000	0
512	METER CAPITAL LEASE PRINCIPLE PAYMENTS	Y804 M249		262	807	0	46	0	758,000	0
515	OTHER PERMANENT DIFFERENCES	Y816 NP29		10,185	31,513	1,983	12,512	118	1,423,562	0
518	TOTAL OTHER DEDUCTIONS	Y828		43,517	136,901	8,565	51,123	496	6,767,194	0
519	NET DEDUCTIONS AND ADDITIONS									
520		Y871		159,686	496,333	31,185	193,828	1,844	23,004,222	0
521	FEDERAL INCOME TAX ADJUSTMENTS									
523	FED PROV DEF INC TAX DEFERRALS (410.1)									
526	ANNUALIZE DEPRECIATION	Z768 DE49		(541)	(1,711)	(108)	(632)	(6)	(75,095)	0
531	MISCELLANEOUS	Z762 NP29		(4,030)	(12,469)	(785)	(4,951)	(47)	(563,296)	0
532	MISCELLANEOUS PROFORMA ADJUSTMENT	Z770 NP29		0	0	0	0	0	0	0
533	RECLASSIFY NON-JURIS INCOME TAX	Z770 NP29		17,977	55,623	3,501	22,084	209	2,512,728	0
536	TOTAL FED PROV DEF IT DEFERRALS (410.1)	Z782		13,406	41,443	2,608	16,501	156	1,874,337	0
537										

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4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-1 KW (12 COIN PEAK)													
6	ELECTRIC CASE NO: 2006-00172													
7				TOTAL	RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC_RTP	DT_PRI	DT_PRI_RTP
8	ITEM	ALLO	ELECTRIC	RESIDENTIAL	SECONDARY DISTRIBUTION	INCR. SEC. DISTR.	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	INCR. SEC. DIST	PRIMARY DISTRIBUTION	INCR. PRI. DIST
554	AMORTIZED INV TAX CREDIT	Schedule 9a												
555	MISCELLANEOUS	Z804 A315	0	0	0	0	0	0	0	0	0	0	0	0
556	AMORTIZE ITC	Z808 NP29	143,846	67,710	37,322	32	157	502	16	20,764	233	10,920	501	
557	TOTAL AMORTIZED ITC	Z813	143,846	67,710	37,322	32	157	502	16	20,764	233	10,920	501	
558														
559	TEST YEAR INV TAX CREDIT	A315	0	0	0	0	0	0	0	0	0	0	0	0
560	TEST YEAR INV TAX CREDIT	Z823	0	0	0	0	0	0	0	0	0	0	0	0
561														
562	PRELIMINARY SUMMARY													
563	TOTAL FED PROV DEF IT (410.1)	Z782	1,874,337	882,378	486,283	412	2,047	6,543	208	270,537	3,033	142,249	6,533	
564	TOTAL FED PROV DEF IT (411.1)	Z803	0	0	0	0	0	0	0	0	0	0	0	
565	TOTAL AMORTIZED ITC	Z813	(143,846)	(67,710)	(37,322)	(32)	(157)	(502)	(16)	(20,764)	(233)	(10,920)	(501)	
566	TOTAL FEDERAL TAX ADJUSTMENTS	Z883	1,730,491	814,668	448,961	380	1,890	6,041	192	249,773	2,800	131,329	6,032	
567														
568	FEDERAL INCOME TAX COMPUTATION													
569	RETURN ON CAPITALIZATION	R751	48,805,840	20,120,212	15,372,021	27,871	123,561	119,452	9,789	7,242,001	126,225	2,832,423	274,568	
570	NET DEDUCTIONS AND ADDITIONS	Y871	(23,004,222)	(11,120,055)	(5,863,405)	(4,874)	(24,323)	(80,266)	(2,685)	(3,218,964)	(35,989)	(1,693,145)	(77,640)	
571	TOTAL FEDERAL TAX ADJUSTMENTS	Z863	1,730,491	814,668	448,961	380	1,890	6,041	192	249,773	2,800	131,329	6,032	
572	TOTAL STATE PROV DEF IT (410.1)	Z911	394,834	185,869	102,438	86	432	1,378	45	56,990	639	29,966	1,377	
573	TOTAL STATE PROV DEF IT (411.1)	Z933	0	0	0	0	0	0	0	0	0	0	0	
574	AFUDC OFFSET	Z935	(373,481)	(208,413)	(85,362)	(83)	(285)	(1,457)	(46)	(46,953)	(597)	(16,319)	(745)	
575	BASE FOR FIT COMPUTATION	1885 J865	27,553,462	9,792,281	9,974,653	23,380	101,275	45,148	7,295	4,282,847	93,088	1,284,254	203,592	
576														
577	FIT FACTOR K190/(1-K190)	1887		0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	
578	PRELIM FED INCOME TAX	1889	14,836,480	5,272,789	5,370,967	12,589	54,533	24,310	3,928	2,306,148	50,124	691,521	109,626	
579	TOTAL FEDERAL TAX ADJUSTMENTS	Z863	1,730,491	814,668	448,961	380	1,890	6,041	192	249,773	2,800	131,329	6,032	
580	NET FED INCOME TAX ALLOWABLE	1879	16,566,971	6,087,437	5,819,928	12,969	56,423	30,351	4,120	2,555,921	52,924	822,850	115,658	
581														
582	INCOME TAX BASED ON RETURN													
583	FEDERAL INCOME TAX PAYABLE													
584	PRELIM FEDERAL INCOME TAX	1889	14,836,480	5,272,789	5,370,967	12,589	54,533	24,310	3,928	2,306,148	50,124	691,521	109,626	
585	TEST YEAR INV TAX CREDIT	Z823	0	0	0	0	0	0	0	0	0	0	0	
586	NET FED INCOME TAX PAYABLE	1889	14,836,480	5,272,789	5,370,967	12,589	54,533	24,310	3,928	2,306,148	50,124	691,521	109,626	

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4	FR-9v-1 KW (12 COIN PEAK)									
5	ELECTRIC CASE NO: 2008-00172									
6				DP	TT	TT_RTP	LT	OTHER	TOTAL	
7				PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT	ALL
8	ITEM	ALLO		DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE	OTHER
554	AMORTIZED INV TAX CREDIT	Schedule 9a								
555	MISCELLANEOUS	Z804 A315		0	0	0	0	0	0	0
556	AMORTIZE ITC	Z806 NP29		1,029	3,184	200	1,264	12	143,846	0
557	TOTAL AMORTIZED ITC	Z813		1,029	3,184	200	1,264	12	143,846	0
558										
559	TEST YEAR INV TAX CREDIT	A315		0	0	0	0	0	0	0
560	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0
561										
562	PRELIMINARY SUMMARY									
563	TOTAL FED PROV DEF IT (410.1)	Z782		13,406	41,443	2,608	16,501	156	1,874,337	0
564	TOTAL FED PROV DEF IT (411.1)	Z803		0	0	0	0	0	0	0
565	TOTAL AMORTIZED ITC	Z813		(1,029)	(3,184)	(200)	(1,264)	(12)	(143,846)	0
566	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		12,377	38,259	2,408	15,237	144	1,730,491	0
567										
568	FEDERAL INCOME TAX COMPUTATION									
569	RETURN ON CAPITALIZATION	R751		311,747	1,314,477	132,726	797,854	913	48,805,840	0
570	NET DEDUCTIONS AND ADDITIONS	Y871		(159,686)	(496,333)	(31,185)	(193,828)	(1,844)	(23,004,222)	0
571	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		12,377	38,259	2,408	15,237	144	1,730,491	0
572	TOTAL STATE PROV DEF IT (410.1)	Z911		2,824	8,732	550	3,475	33	394,834	0
573	TOTAL STATE PROV DEF IT (411.1)	Z933		0	0	0	0	0	0	0
574	AFUDC OFFSET	Z935		(1,243)	6,183	393	(18,519)	(45)	(373,481)	0
575	BASE FOR FIT COMPUTATION	1865 J865		166,019	871,318	104,892	604,219	(799)	27,553,462	0
576										
577	FIT FACTOR K190/(1-K190)	1867		0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538
578	PRELIM FED INCOME TAX	1869		89,395	469,171	56,480	325,349	(430)	14,836,480	0
579	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		12,377	38,259	2,408	15,237	144	1,730,491	0
580	NET FED INCOME TAX ALLOWABLE	1879		101,772	507,430	58,888	340,586	(286)	16,566,971	0
581										
582	INCOME TAX BASED ON RETURN									
583	FEDERAL INCOME TAX PAYABLE									
584	PRELIM FEDERAL INCOME TAX	1869		89,395	469,171	56,480	325,349	(430)	14,836,480	0
585	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0
586	NET FED INCOME TAX PAYABLE	1889		89,395	469,171	56,480	325,349	(430)	14,836,480	0

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-1 KW (12 COIN PEAK)													
6	ELECTRIC CASE NO: 2006-00172													
7				TOTAL	RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC_RTP	DT_PRI	DT_PRI_RTP
8	ITEM	ALLO	ELECTRIC	RESIDENTIAL	SECONDARY	INCR.	SEC. DISTR.	SECONDARY	SECONDARY	SECONDARY	SECONDARY	INCR.	PRIMARY	INCR.
587														
588	STATE INCOME TAX	Schedule 9b												
589														
590	DEDUCTIONS IN ADDITION TO Y871													
591	BONUS DEPRECIATION	Y890 DE49	1,109,000	520,453	288,148	243	1,217	3,863	123	160,304	1,794	84,677	3,888	
594	DEDUCTIONS IN ADD TO Y871	Y911	1,109,000	520,453	288,148	243	1,217	3,863	123	160,304	1,794	84,677	3,888	
595														
596	STATE INCOME TAX ADJUSTMENTS													
597														
598	STATE PROV DEF INC TAX DEFERRALS (410.1)													
600	NET DEFERRED TAXES	Z896 NP29	(39,700)	(18,688)	(10,300)	(9)	(43)	(139)	(4)	(5,731)	(64)	(3,014)	(138)	
601	ANNUALIZE DEPRECIATION	Z896 DE49	(13,210)	(6,202)	(3,432)	(3)	(14)	(46)	(1)	(1,909)	(21)	(1,009)	(46)	
604	NON-JURISDICTIONAL TAX	Z896 NP29	447,744	210,759	116,170	98	489	1,563	50	64,630	724	33,989	1,561	
609	TOT STATE PROV DEF IT DEFERRALS (410.1)	Z911	394,834	185,869	102,438	86	432	1,378	45	56,990	639	29,966	1,377	
610														
626	TOTAL STATE INC TAX ADJUSTMENT	Z957	394,834	185,869	102,438	86	432	1,378	45	56,990	639	29,966	1,377	

	A	B	C	O	Q	R	S	U	V	W	
1	DUKE ENERGY KENTUCKY										11/18/05 8:34 AM
2	COST OF SERVICE STUDY										
3	TWELVE MONTHS ENDING DECEMBER 31, 2007										
4	FR-9v-1 KW (12 COIN PEAK)										
5	ELECTRIC CASE NO: 2006-00172										
6				DP	TT	TT RTP	LT	OTHER	TOTAL		
7				PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT	ALL	
8	ITEM	ALLO		DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE	OTHER	
587	STATE INCOME TAX										Schedule 9b
588	DEDUCTIONS IN ADDITION TO Y871										
591	BONUS DEPRECIATION	Y890	DE49	7,996	25,273	1,591	9,338	92	1,109,000	0	
594	DEDUCTIONS IN ADD TO Y871	Y911		7,996	25,273	1,591	9,338	92	1,109,000	0	
595	STATE INCOME TAX ADJUSTMENTS										
598	STATE PROV DEF INC TAX DEFERRALS (410.1)										
600	NET DEFERRED TAXES	Z896	NP29	(284)	(879)	(55)	(349)	(3)	(39,700)	0	
601	ANNUALIZE DEPRECIATION	Z896	DE49	(95)	(301)	(19)	(111)	(1)	(13,210)	0	
604	NON-JURISDICTIONAL TAX	Z896	NP29	3,203	9,912	624	3,935	37	447,744	0	
609	TOT STATE PROV DEF IT DEFERRALS (410.1)	Z911		2,824	8,732	550	3,475	33	394,834	0	
610	TOTAL STATE INC TAX ADJUSTMENT										Z957
626	TOTAL STATE INC TAX ADJUSTMENT										Z957
				2,824	8,732	550	3,475	33	394,834	0	

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-1 KW (12 COIN PEAK)													
6	ELECTRIC CASE NO: 2006-00172													
7				RS	DS	DS RTP	GSFL	EH	SP	DT_SEC	DT_SEC RTP	DT_PRI	DT_PRI RTP	
8	ITEM	ALLO	TOTAL ELECTRIC	RESIDENTIAL	SECONDARY DISTRIBUTION	INCR. SEC. DISTR.	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	INCR. SEC. DIST	PRIMARY DISTRIBUTION	INCR. PRI. DIST	
627	INCOME TAX BASED ON RETURN Schedule Dc													
629	SUMMARY OF SIT CALCULATION													
630	RETURN ON CAPITALIZATION	R751	48,805,840	20,120,212	15,372,021	27,871	123,561	119,452	9,789	7,242,001	126,225	2,832,423	274,568	
631	NET FED INCOME TAX ALLOWABLE	I879	16,566,971	6,087,437	5,819,928	12,969	56,423	30,351	4,120	2,555,921	52,924	822,850	115,658	
632	NET FED. DED. AND ADDITIONS	Y871	(23,004,222)	(11,120,055)	(5,863,405)	(4,874)	(24,323)	(80,266)	(2,685)	(3,218,964)	(35,989)	(1,693,145)	(77,640)	
633	DEDUCTIONS IN ADD TO Y871	Y811	(1,109,000)	(520,453)	(288,148)	(243)	(1,217)	(3,863)	(123)	(160,304)	(1,794)	(84,677)	(3,888)	
634	AFUDC OFFSET	LQ33 CW29	(373,481)	(208,413)	(85,362)	(83)	(285)	(1,457)	(46)	(46,953)	(587)	(16,319)	(745)	
635	TOTAL STATE INC TAX ADJ	Z957	394,834	185,869	102,438	86	432	1,378	45	56,990	639	29,966	1,377	
636	BASE FOR SIT COMPUTATION	J965	41,280,942	14,544,597	15,057,472	35,726	154,591	65,595	11,100	6,428,691	141,418	1,891,098	309,330	
637														
638	SIT FACTOR K192/(1-K192)	J967		0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	
639	PRELIMINARY STATE INCOME TAX	J969	2,536,069	893,539	925,046	2,195	9,497	4,030	682	394,943	8,688	116,178	19,003	
640	TOTAL STATE INCOME TAX ADJ.	Z957	394,834	185,869	102,438	86	432	1,378	45	56,990	639	29,966	1,377	
641	NET STATE INC TAX ALLOWABLE	J979	2,930,903	1,079,408	1,027,484	2,281	9,929	5,408	727	451,933	9,327	146,144	20,380	
642														
643	STATE INCOME TAX PAYABLE													
644	PRELIMINARY STATE INCOME TAX	J969	2,536,069	893,539	925,046	2,195	9,497	4,030	682	394,943	8,688	116,178	19,003	
645	OTHER SIT ADJUSTMENTS	Z955	0	0	0	0	0	0	0	0	0	0	0	
646	NET STATE INCOME TAX PAYABLE	J989	2,536,069	893,539	925,046	2,195	9,497	4,030	682	394,943	8,688	116,178	19,003	
647														
648	COMPOSITE TAX RATE	CTAX	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	
649														
650														
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653														
654														

	A	B	C	O	Q	R	S	U	V	W
1	DUKE ENERGY KENTUCKY									
2	COST OF SERVICE STUDY									
3	TWELVE MONTHS ENDING DECEMBER 31, 2007									
4	FR-9v-1 KW (12 COIN PEAK)									
5	ELECTRIC CASE NO: 2006-00172									
6			DP	TT	TT RTP	LT	OTHER	TOTAL		
7			PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT		
8		ITEM	DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE	ALL	OTHER
9		ALLO								
627	INCOME TAX BASED ON RETURN Schedule 9c									
628	SUMMARY OF SIT CALCULATION									
630	RETURN ON CAPITALIZATION	R751	311,747	1,314,477	132,726	797,854	913	48,805,840	0	
631	NET FED INCOME TAX ALLOWABLE	I879	101,772	507,430	58,888	340,586	(286)	16,566,971	0	
632	NET FED. DED. AND ADDITIONS	Y871	(159,686)	(496,333)	(31,185)	(193,828)	(1,844)	(23,004,222)	0	
633	DEDUCTIONS IN ADD TO Y871	Y811	(7,996)	(25,273)	(1,591)	(9,338)	(92)	(1,109,000)	0	
634	AFUDC OFFSET	LO33 CW29	(1,243)	6,183	393	(18,519)	(45)	(373,481)	0	
635	TOTAL STATE INC TAX ADJ	Z957	2,824	8,732	550	3,475	33	394,834	0	
636	BASE FOR SIT COMPUTATION	J965	247,418	1,315,216	159,781	920,230	(1,321)	41,280,942	0	
637										
638	SIT FACTOR K192/(1-K192)	J987	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378
639	PRELIMINARY STATE INCOME TAX	J969	15,200	80,799	9,816	56,534	(81)	2,536,069	0	
640	TOTAL STATE INCOME TAX ADJ.	Z957	2,824	8,732	550	3,475	33	394,834	0	
641	NET STATE INC TAX ALLOWABLE	J879	18,024	89,531	10,366	60,009	(48)	2,930,903	0	
642										
643	STATE INCOME TAX PAYABLE									
644	PRELIMINARY STATE INCOME TAX	J969	15,200	80,799	9,816	56,534	(81)	2,536,069	0	
645	OTHER SIT ADJUSTMENTS	Z955	0	0	0	0	0	0	0	
646	NET STATE INCOME TAX PAYABLE	J989	15,200	80,799	9,816	56,534	(81)	2,536,069	0	
647										
648	COMPOSITE TAX RATE	CTAX	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	
649										
650										
651										
652										
653										
654										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-1 KW (12 COIN PEAK)													
6	ELECTRIC CASE NO: 2006-00172													
7				RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC_RTP	DT_PRI	DT_PRI_RTP	
8	ITEM	ALLO	TOTAL	RESIDENTIAL	SECONDARY	INCR.	SECONDARY	SECONDARY	SECONDARY	SECONDARY	INCR.	PRIMARY	INCR.	PRI. DIST
8			ELECTRIC		DISTRIBUTION	SEC. DISTR.	DISTRIBUTION	DISTRIBUTION	DISTRIBUTION	DISTRIBUTION	SEC. DIST	DISTRIBUTION	PRI. DIST	
655														
656	COST OF SERVICE COMPUTATION Schedule 10													
657	OTHER OPERATING REVENUES													
658	RENTAL REVENUE	Q000 NP29	1,505,049	708,445	390,496	330	1,644	5,254	167	217,247	2,435	114,250	5,246	
659	BAD CHECK CHARGE	Q002 J600	11,012	4,519	3,088	3	22	32	2	1,776	16	919	36	
660	ELIMINATE NON-NATIVE SALES	Q004 K301	(17,670,012)	(6,685,045)	(4,576,599)	(4,441)	(27,478)	(61,995)	(1,776)	(3,203,874)	(35,605)	(1,911,180)	(87,939)	
661	SALES FOR RESALE	Q012 K301	17,670,012	6,685,045	4,576,599	4,441	27,478	61,995	1,776	3,203,874	35,605	1,911,180	87,939	
662	RECONNECTION CHARGES	Q014 J600	57,413	23,563	16,099	17	114	168	8	9,262	83	4,793	189	
663	INTERRUPTIBLE CREDIT	Q020 J600	(58,320)	(23,936)	(16,354)	(17)	(116)	(170)	(9)	(9,408)	(84)	(4,869)	(192)	
664	BILLING CYCLE IMPROVEMENT	Q022 J600	407,070	167,072	114,147	120	807	1,188	60	65,670	588	33,987	1,339	
665	OTHER MISCELLANEOUS REVENUES	Q024 J600	56,036	22,998	15,713	17	111	164	8	9,040	81	4,679	184	
666	MISCELLANEOUS	Q026 J600	0	0	0	0	0	0	0	0	0	0	0	
669	TOTAL OTHER OPERATING REVS	Q035	1,978,260	902,661	523,189	470	2,582	6,636	236	293,587	3,119	153,759	6,802	
670														
671	COST OF SERVICE COMPUTATION													
672	TOTAL OP EXP EXC INC & REV TAX	OP69	238,506,245	104,098,436	60,842,270	32,857	321,039	807,078	25,734	38,082,559	241,975	21,860,715	558,867	
673	RETURN ON CAPITALIZATION	R751	48,805,840	20,120,212	15,372,021	27,871	123,561	119,452	9,789	7,242,001	126,225	2,832,423	274,568	
674	NET FED INCOME TAX ALLOWABLE	I879	16,566,971	6,087,437	5,819,928	12,969	56,423	30,351	4,120	2,555,921	52,924	822,850	115,658	
675	NET STATE INCOME TAX ALLOWABLE	J979	2,930,903	1,079,408	1,027,484	2,281	9,929	5,408	727	451,933	9,327	146,144	20,380	
676	TOTAL OTHER OPERATING REVENUES	Q027	(1,978,260)	(902,661)	(523,189)	(470)	(2,582)	(6,636)	(236)	(293,587)	(3,119)	(153,759)	(6,802)	
677	SUBTOTAL B	CS03	304,831,699	130,482,832	82,538,514	75,508	508,370	955,653	40,134	48,038,827	427,332	25,508,373	962,671	
678														
679	TOTAL OTHER OPERATING REVENUES	Q027	1,978,260	902,661	523,189	470	2,582	6,636	236	293,587	3,119	153,759	6,802	
680	LESS: OTHER ITEMS		0	0	0	0	0	0	0	0	0	0	0	
681	OTHER OPERATING REVS TO BE TAXED	OORT	1,978,260	902,661	523,189	470	2,582	6,636	236	293,587	3,119	153,759	6,802	
682														
685	AFUDC OFFSET	L032 CW29	(373,481)	(208,413)	(85,362)	(83)	(285)	(1,457)	(46)	(46,953)	(587)	(16,319)	(745)	
686	OTHER DEDUCTIONS TO COST OF SERVICE	L033	(373,481)	(208,413)	(85,362)	(83)	(285)	(1,457)	(46)	(46,953)	(587)	(16,319)	(745)	
687	TOTAL ELECTRIC COST OF SERVICE	CS09	304,458,218	130,274,419	82,453,152	75,425	508,085	954,196	40,088	47,991,874	426,745	25,492,054	961,926	
688														
689	PROPOSED REVENUES	R802	304,457,899	130,273,914	82,456,013	72,568	508,085	954,202	40,088	48,554,797	354,772	25,161,199	801,971	
690	TOTAL ELECTRIC COST OF SERVICE	CS09	(304,458,218)	(130,274,419)	(82,453,152)	(75,425)	(508,085)	(954,196)	(40,088)	(47,991,874)	(426,745)	(25,492,054)	(961,926)	
691	EXCESS REVENUES	XREV	(319)	(505)	2,861	(2,857)	0	6	0	562,923	(71,973)	(330,855)	(159,955)	
692	COMPOSITE TAX RATE	CTAX		0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	
693	EXCESS TAX	XTAX	(124)	(199)	1,109	(1,107)	0	2	0	218,201	(27,898)	(128,246)	(62,002)	
694	EXCESS RETURN	XRET	(195)	(306)	1,752	(1,750)	0	4	0	344,722	(44,075)	(202,609)	(97,953)	
695														

	A	B	C	O	Q	R	S	U	V	W
1	DUKE ENERGY KENTUCKY									
2	COST OF SERVICE STUDY									
3	TWELVE MONTHS ENDING DECEMBER 31, 2007									
4	FR-9v-1 KW (12 COIN PEAK)									
5	ELECTRIC CASE NO: 2006-00172									
6			DP	TT	TT_RTP	LT	OTHER	TOTAL		
7			PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT		
8			DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE		ALL
9	ITEM	ALLO								OTHER
655	COST OF SERVICE COMPUTATION Schedule 10									
657	OTHER OPERATING REVENUES									
658	RENTAL REVENUE	Q000 NP29	10,768	33,317	2,097	13,228	125	1,505,049		0
659	BAD CHECK CHARGE	Q002 J600	82	395	19	102	1	11,012		0
660	ELIMINATE NON-NATIVE SALES	Q004 K301	(150,416)	(763,361)	(48,721)	(110,159)	(1,423)	(17,670,012)		0
661	SALES FOR RESALE	Q012 K301	150,416	763,361	48,721	110,159	1,423	17,670,012		0
662	RECONNECTION CHARGES	Q014 J600	426	2,060	98	530	3	57,413		0
663	INTERRUPTIBLE CREDIT	Q020 J600	(433)	(2,092)	(99)	(538)	(3)	(58,320)		0
664	BILLING CYCLE IMPROVEMENT	Q022 J600	3,020	14,604	692	3,755	21	407,070		0
665	OTHER MISCELLANEOUS REVENUES	Q024 J600	416	2,010	95	517	3	56,036		0
666	MISCELLANEOUS	Q026 J600	0	0	0	0	0	0		0
669	TOTAL OTHER OPERATING REVS	Q035	14,279	50,294	2,902	17,594	150	1,978,260		0
670	COST OF SERVICE COMPUTATION									
671	TOTAL OP EXP EXC INC & REV TAX	OP69	1,847,489	8,076,925	266,187	1,424,847	19,267	238,506,245		0
673	RETURN ON CAPITALIZATION	R751	311,747	1,314,477	132,726	797,854	913	48,805,840		0
674	NET FED INCOME TAX ALLOWABLE	1879	101,772	507,430	58,888	340,586	(286)	16,566,971		0
675	NET STATE INCOME TAX ALLOWABLE	J979	18,024	89,531	10,366	60,009	(48)	2,930,903		0
676	TOTAL OTHER OPERATING REVENUES	Q027	(14,279)	(50,294)	(2,902)	(17,594)	(150)	(1,978,260)		0
677	SUBTOTAL B	CS03	2,264,753	9,938,069	465,265	2,605,702	19,696	304,831,699		0
678	COST OF SERVICE COMPUTATION									
679	TOTAL OTHER OPERATING REVENUES	Q027	14,279	50,294	2,902	17,594	150	1,978,260		0
680	LESS: OTHER ITEMS		0	0	0	0	0	0		0
681	OTHER OPERATING REVS TO BE TAXED	OORT	14,279	50,294	2,902	17,594	150	1,978,260		0
682	COST OF SERVICE COMPUTATION									
685	AFUDC OFFSET	L032 CW29	(1,243)	6,183	393	(18,519)	(45)	(373,481)		0
686	OTHER DEDUCTIONS TO COST OF SERVICE	L033	(1,243)	6,183	393	(18,519)	(45)	(373,481)		0
687	TOTAL ELECTRIC COST OF SERVICE	CS09	2,263,510	9,944,252	465,658	2,587,183	19,651	304,458,218		0
688	COST OF SERVICE COMPUTATION									
689	PROPOSED REVENUES	R602	2,263,509	10,000,112	409,837	2,587,182	19,650	304,457,899		0
690	TOTAL ELECTRIC COST OF SERVICE	CS09	(2,263,510)	(9,944,252)	(465,658)	(2,587,183)	(19,651)	(304,458,218)		0
691	EXCESS REVENUES	XREV	(1)	55,860	(55,821)	(1)	(1)	(319)		0
692	COMPOSITE TAX RATE	CTAX	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621		0.387621
693	EXCESS TAX	XTAX	0	21,653	(21,637)	0	0	(124)		0
694	EXCESS RETURN	XRET	(1)	34,207	(34,184)	(1)	(1)	(195)		0
695										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-1 KW (12 COIN PEAK)													
6	ELECTRIC CASE NO: 2006-00172													
7				TOTAL	RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC RTP	DT_PRI	DT_PRI RTP
8	ITEM	ALLO	ELECTRIC	RESIDENTIAL	SECONDARY DISTRIBUTION	INCR. SEC. DISTR.	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY INCR. SEC. DIST	SECONDARY DISTRIBUTION	PRIMARY DISTRIBUTION	PRIMARY INCR. PRI. DIST
696	ROR AND TAX RATES Schedule 11													
697	RATE OF RETURN													
698														
699	CAPITALIZATION AMOUNTS			Total Company	Ratio									
700	LONG TERM DEBT	K100	275,774,125	0.406259216										
701	PREFERRED STOCK	K102	0	0.000000000										
702	COMMON STOCK	K104	345,393,322	0.508819383										
703	SHORT TERM DEBT	K108	57,645,769	0.084921401										
704	UNAMORTIZED DISCOUNT	K108	0	0.000000000										
705	TOTAL	K115	678,813,216	1.000000000										
706														
707	COST OF CAPITAL													
708	LONG TERM DEBT	K120	0.06090000											
709	PREFERRED STOCK	K122	0.00000000											
710	COMMON STOCK	K124	0.11500000											
711	SHORT TERM DEBT	K126	0.05138000											
712	UNAMORTIZED DISCOUNT	K128	0.00000000											
713														
714	WEIGHTED COST OF CAPITAL													
715	LONG TERM DEBT	K141	0.02474000											
716	PREFERRED STOCK	K143	0.00000000											
717	COMMON STOCK	K145	0.05851000											
718	SHORT TERM DEBT	K147	0.00436000											
719	UNAMORTIZED DISCOUNT	K149	0.00000000											
720	TOT RATE OF RETURN ALLOWABLE	RORA	0.08761000											
721														
722	TAX RATES AND SPECIAL FACTORS													
723	SHORT TERM DEBT COST	K180	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
724	FEDERAL INCOME TAX RATE	K190	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000
725	STATE INCOME TAX RATE	K192	0.057879	0.0578786	0.0578786	0.0578786	0.0578786	0.0578786	0.0578786	0.0578786	0.0578786	0.0578786	0.0578786	0.0578786
726	REVENUE TAX RATE	K196	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
727														
728														
729	PRESENT REVENUES	R600 J600	237,897,726	97,639,085	66,709,383	70,100	471,911	694,501	35,117	38,378,456	343,715	19,862,321	782,491	
730	PROPOSED REVENUES	R602 J602	304,457,899	130,273,914	82,456,013	72,568	508,085	954,202	40,088	48,554,797	354,772	25,161,199	801,971	
731	PRESENT NOI		8,045,600	135,024	5,730,869	24,610	101,409	(39,580)	6,745	1,354,947	75,379	(615,107)	164,685	
732	GROSS PRESENT REV AT AVERAGE ROR	1.4442432%	237,897,726	103,567,898	60,752,583	32,804	320,905	804,945	25,556	38,078,242	242,030	21,878,521	559,964	
733	SUBSIDY EXCESS		0	(5,928,813)	5,956,800	37,296	151,006	(110,444)	9,561	300,214	101,685	(2,016,200)	222,527	
734	REDUCTION IN SUBSIDY EXCESS	25%	0	(1,482,204)	1,489,200	9,324	37,752	(27,611)	2,390	75,054	25,421	(504,050)	55,632	
735	RATE INCREASE		66,560,173	31,152,625	17,235,830	11,792	73,926	232,090	7,361	10,251,395	36,478	4,794,828	75,112	
736	TAX COMPLEMENT	61.23789%												
737														
738														
739														
740														
741														
742														
743														
744														

	A	B	C	O	Q	R	S	U	V	W	
1	DUKE ENERGY KENTUCKY										11/16/05 8:34 AM
2	COST OF SERVICE STUDY										
3	TWELVE MONTHS ENDING DECEMBER 31, 2007										
4	FR-9v-1 KW (12 COIN PEAK)										
5	ELECTRIC CASE NO: 2006-00172										
6			DP	TT	TT RTP	LT	OTHER	TOTAL			
7			PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT		ALL	
8		ITEM	ALLO	DISTRIBUTION	TIME OF DAY	TIME OF DAY	PUMPING	ISSUE		OTHER	
696	ROD AND TAX RATES Schedule 11										
697	RATE OF RETURN										
698											
699	CAPITALIZATION AMOUNTS										
700	LONG TERM DEBT K100										
701	PREFERRED STOCK K102										
702	COMMON STOCK K104										
703	SHORT TERM DEBT K106										
704	UNAMORTIZED DISCOUNT K108										
705	TOTAL K115										
706											
707	COST OF CAPITAL										
708	LONG TERM DEBT K120										
709	PREFERRED STOCK K122										
710	COMMON STOCK K124										
711	SHORT TERM DEBT K126										
712	UNAMORTIZED DISCOUNT K128										
713											
714	WEIGHTED COST OF CAPITAL										
715	LONG TERM DEBT K141										
716	PREFERRED STOCK K143										
717	COMMON STOCK K145										
718	SHORT TERM DEBT K147										
719	UNAMORTIZED DISCOUNT K149										
720	TOT RATE OF RETURN ALLOWABLE RORA										
721											
722	TAX RATES AND SPECIAL FACTORS										
723	SHORT TERM DEBT COST K180 0.00000 0.00000 0.00000 0.00000 0.00000 0.00000 0.00000 0.00000										
724	FEDERAL INCOME TAX RATE K180 0.35000 0.35000 0.35000 0.35000 0.35000 0.35000 0.35000 0.35000										
725	STATE INCOME TAX RATE K182 0.0578786 0.0578786 0.0578786 0.0578786 0.0578786 0.0578786 0.0578786 0.0578786										
726	REVENUE TAX RATE K186 0.00000 0.00000 0.00000 0.00000 0.00000 0.00000 0.00000 0.00000										
727											
728											
729	PRESENT REVENUES R600 J600 1,764,802 8,534,952 404,272 2,194,212 12,408 237,897,726 0										
730	PROPOSED REVENUES R602 J602 2,263,509 10,000,112 409,837 2,587,182 19,650 304,457,899 0										
731	PRESENT NOI 6,349 451,451 95,134 557,207 (3,522) 8,045,600 0										
732	GROSS PRESENT REV AT AVERAGE ROR 1.4442432% 1,848,731 8,097,508 267,773 1,401,015 19,251 237,897,726 0										
733	SUBSIDY EXCESS (83,929) 437,444 136,499 793,197 (6,843) 0 0										
734	REDUCTION IN SUBSIDY EXCESS 25% (20,982) 109,361 34,125 198,299 (1,711) 0 0										
735	RATE INCREASE 477,725 1,574,521 39,690 591,269 5,531 66,560,173 0										
736	TAX COMPLEMENT 61.23789%										
737											
738											
739											
740											
741											
742											
743											
744											

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	TWELVE MONTHS ENDING DECEMBER 31, 2007													
4	FR-9v-1 KW (12 COIN PEAK)													
5	ELECTRIC CASE NO: 2006-00172													
6					RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC_RTP	DT_PRI	DT_PRI_RTP
7				TOTAL	RESIDENTIAL	SECONDARY	INCR.	SECONDARY	SECONDARY	SECONDARY	SECONDARY	INCR.	PRIMARY	INCR.
8		ITEM	ALLO	ELECTRIC		DISTRIBUTION	SEC. DISTR.	DISTRIBUTION	DISTRIBUTION	DISTRIBUTION	DISTRIBUTION	SEC. DIST	DISTRIBUTION	PRI. DIST
745	INCOME TAX BASED ON REVENUES Schedule 12													
746	NET INCOME COMPUTATION													
747		CS09		304,458,218	130,274,419	82,453,152	75,425	508,085	954,196	40,088	47,991,874	426,745	25,492,054	961,926
748		Q027		1,978,260	902,661	523,189	470	2,582	6,636	236	293,587	3,119	153,759	6,802
749		CS07		306,436,478	131,177,080	82,976,341	75,895	510,667	960,832	40,324	48,285,461	429,864	25,645,813	968,728
750		OP61		(238,506,245)	(104,098,436)	(60,842,270)	(32,857)	(321,039)	(807,078)	(25,734)	(38,082,559)	(241,975)	(21,860,715)	(558,867)
751		RTPX		0	0	0	0	0	0	0	0	0	0	0
752		NI01		67,930,233	27,078,644	22,134,071	43,038	189,628	153,754	14,590	10,202,902	187,889	3,785,098	409,861
753	ADJUSTMENTS TO NET INCOME													
754		Y783		(16,237,028)	(7,642,984)	(4,212,817)	(3,558)	(17,734)	(56,680)	(1,799)	(2,343,743)	(26,268)	(1,232,574)	(56,597)
755		Y828		(6,767,194)	(3,477,071)	(1,650,588)	(1,316)	(6,589)	(23,586)	(886)	(875,221)	(9,721)	(460,571)	(21,043)
757		TI01		44,926,011	15,958,589	16,270,666	38,164	165,305	73,488	11,905	6,983,938	151,900	2,091,953	332,221
758	STATE INCOME TAX COMPUTATION													
759		TI01		44,926,011	15,958,589	16,270,666	38,164	165,305	73,488	11,905	6,983,938	151,900	2,091,953	332,221
761		Y811		(1,109,000)	(520,453)	(288,148)	(243)	(1,217)	(3,863)	(123)	(160,304)	(1,794)	(84,677)	(3,888)
762		SI01		43,817,011	15,438,136	15,982,518	37,921	164,088	69,625	11,782	6,823,634	150,106	2,007,276	328,333
763	STATE INCOME TAX PAYABLE													
764		K192		0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788
765		ST01		2,536,068	893,538	925,046	2,195	9,497	4,030	682	394,943	8,688	116,178	19,003
767		Z955		0	0	0	0	0	0	0	0	0	0	0
768		SP01		2,536,068	893,538	925,046	2,195	9,497	4,030	682	394,943	8,688	116,178	19,003
769	SIT ALLOWABLE													
771		SP01		2,536,068	893,538	925,046	2,195	9,497	4,030	682	394,943	8,688	116,178	19,003
772		Z911		394,834	185,869	102,438	86	432	1,378	45	56,990	639	29,966	1,377
773		Z933		0	0	0	0	0	0	0	0	0	0	0
774		SA01		2,930,902	1,079,407	1,027,484	2,281	9,929	5,408	727	451,933	9,327	146,144	20,380
775	INCOME TAX BASED ON REVENUES													
776	FEDERAL INCOME TAX COMPUTATION													
778		TI01		44,926,011	15,958,589	16,270,666	38,164	165,305	73,488	11,905	6,983,938	151,900	2,091,953	332,221
779		SP01		(2,536,068)	(893,538)	(925,046)	(2,195)	(9,497)	(4,030)	(682)	(394,943)	(8,688)	(116,178)	(19,003)
780		FI01		42,389,943	15,065,051	15,345,620	35,969	155,808	69,458	11,223	6,588,995	143,212	1,975,775	313,218
781		K190		0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000
782		FT01		14,836,479	5,272,768	5,370,967	12,589	54,533	24,310	3,928	2,306,148	50,124	691,521	109,626
783		Z782		1,874,337	882,378	486,283	412	2,047	6,543	208	270,537	3,033	142,249	6,533
784		Z803		0	0	0	0	0	0	0	0	0	0	0
785		Z813		(143,846)	(67,710)	(37,322)	(32)	(157)	(502)	(16)	(20,764)	(233)	(10,920)	(501)
786		FA01		18,566,970	6,087,436	5,819,928	12,969	56,423	30,351	4,120	2,555,921	52,924	822,850	115,658
787	FEDERAL INCOME TAX PAYABLE													
788		FT01		14,836,479	5,272,768	5,370,967	12,589	54,533	24,310	3,928	2,306,148	50,124	691,521	109,626
790		Z823		0	0	0	0	0	0	0	0	0	0	0
791		FP01		14,836,479	5,272,768	5,370,967	12,589	54,533	24,310	3,928	2,306,148	50,124	691,521	109,626
792	PRELIMINARY SUMMARY													
794		NI01		68,303,714	27,287,057	22,219,433	43,121	189,913	155,211	14,636	10,249,855	188,476	3,801,417	410,606
795		FA01		(16,566,970)	(6,087,436)	(5,819,928)	(12,969)	(56,423)	(30,351)	(4,120)	(2,555,921)	(52,924)	(822,850)	(115,658)
796		SA01		(2,930,902)	(1,079,407)	(1,027,484)	(2,281)	(9,929)	(5,408)	(727)	(451,933)	(9,327)	(146,144)	(20,380)
797		RETU		48,805,842	20,120,214	15,372,021	27,871	123,561	119,452	9,789	7,242,001	126,225	2,832,423	274,568
798	RATE OF RETURN EARNED-SCH 12													
799		RORX		0.0876	0.0772	0.1066	0.2273	0.1997	0.0615	0.1589	0.0893	0.1391	0.0660	0.1396

	A	B	C	O	Q	R	S	U	V	W	
1	DUKE ENERGY KENTUCKY										11/16/05 8:34 AM
2	COST OF SERVICE STUDY										
3	TWELVE MONTHS ENDING DECEMBER 31, 2007										
4	FR-9v-1 KW (12 COIN PEAK)										
5	ELECTRIC CASE NO: 2006-00172										
6			DP	TT	TT RTP	LT		OTHER	TOTAL		
7			PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING		WATER	AT	ALL	
8		ITEM	DISTRIBUTION	TIME OF DAY	TIME OF DAY			PUMPING	ISSUE	OTHER	
745		INCOME TAX BASED ON REVENUES Schedule 12									
746		NET INCOME COMPUTATION									
747		TOTAL ELECTRIC COST OF SERVICE CS09	2,263,510	9,944,252	465,658	2,587,183		19,651	304,458,218	0	
748		TOTAL OTHER OPERATING REVENUES Q027	14,279	50,294	2,902	17,594		150	1,978,260	0	
749		TOTAL ELECTRIC REVENUE CS07	2,277,789	9,994,546	468,560	2,604,777		19,801	306,436,478	0	
750		TOTAL OP EXP EXC IT & OTHER DEDUCTIONS OP81	(1,847,489)	(8,076,925)	(266,187)	(1,424,847)		(19,267)	(238,506,245)	0	
751		OTHER RTXP	0	0	0	0		0	0	0	
752		NET INCOME NI01	430,300	1,917,621	202,373	1,179,930		534	67,930,233	0	
753		ADJUSTMENTS TO NET INCOME									
754		TOTAL INTEREST EXPENSE Y783	(116,169)	(359,432)	(22,620)	(142,705)		(1,348)	(16,237,028)	0	
756		TOTAL OTHER DEDUCTIONS Y828	(43,517)	(136,901)	(8,565)	(51,123)		(496)	(6,767,194)	0	
757		PRELIMINARY TAXABLE INCOME TI01	270,614	1,421,288	171,188	986,102		(1,310)	44,926,011	0	
758		STATE INCOME TAX COMPUTATION									
759		PRELIMINARY TAX ABLE INCOME (INCL AFUDC) TI01	270,614	1,421,288	171,188	986,102		(1,310)	44,926,011	0	
760		DEDUCTIONS IN ADD TO Y871 Y911	(7,996)	(25,273)	(1,591)	(9,338)		(92)	(1,109,000)	0	
762		STATE TAXABLE INCOME SI01	262,618	1,396,015	169,597	976,764		(1,402)	43,817,011	0	
763		STATE INCOME TAX PAYABLE									
765		STATE INCOME TAX RATE K192	0.05788	0.05788	0.05788	0.05788		0.05788		0.05788	
766		PRELIM SIT = SI01 * K192 ST01	15,200	80,799	9,816	56,534		(81)	2,536,068	0	
767		OTHER SIT ADJUSTMENTS Z955	0	0	0	0		0	0	0	
768		STATE INCOME TAX PAYABLE SP01	15,200	80,799	9,816	56,534		(81)	2,536,068	0	
769		SIT ALLOWABLE									
770		STATE INCOME TAX PAYABLE SP01	15,200	80,799	9,816	56,534		(81)	2,536,068	0	
771		TOTAL STATE PROV DEF IT(410.1) Z911	2,824	8,732	550	3,475		33	394,834	0	
772		TOTAL STATE PROV DEF IT(411.1) Z933	0	0	0	0		0	0	0	
773		NET STATE INC TAX ALLOWABLE SA01	18,024	89,531	10,366	60,009		(48)	2,930,902	0	
774		INCOME TAX BASED ON REVENUES									
775		FEDERAL INCOME TAX COMPUTATION									
776		PRELIMINARY TAXABLE INCOME (INCL AFUDC) TI01	270,614	1,421,288	171,188	986,102		(1,310)	44,926,011	0	
777		STATE INC TAX PAYABLE SP01	(15,200)	(80,799)	(9,816)	(56,534)		81	(2,536,068)	0	
778		NET FEDERAL TAXABLE INCOME FI01	255,414	1,340,489	161,372	929,568		(1,229)	42,389,943	0	
779		FEDERAL INCOME TAX RATE K190	0.35000	0.35000	0.35000	0.35000		0.35000		0.35000	
780		PRELIMINARY FIT = FI01 * K190 FT01	89,395	469,171	56,480	325,349		(430)	14,836,479	0	
781		TOTAL FED PROV DEF IT (410.1) Z782	13,406	41,443	2,608	16,501		156	1,874,337	0	
782		TOTAL FED PROV DEF IT (411.1) Z803	0	0	0	0		0	0	0	
783		TOTAL AMORTIZED ITC & SERVICE CO ALLOC. Z813	(1,029)	(3,184)	(200)	(1,264)		(12)	(143,846)	0	
784		NET FED INC TAX ALLOWABLE FA01	101,772	507,430	58,888	340,586		(286)	16,566,970	0	
785		FEDERAL INCOME TAX PAYABLE									
786		PRELIM FIT FT01	89,395	469,171	56,480	325,349		(430)	14,836,479	0	
787		TEST YEAR INV TAX CREDIT Z823	0	0	0	0		0	0	0	
788		FED INC TAX PAYABLE FP01	89,395	469,171	56,480	325,349		(430)	14,836,479	0	
789		PRELIMINARY SUMMARY									
790		NET INCOME EXCLUDING AFUDC OFFSET NI01	431,543	1,911,438	201,980	1,198,449		579	68,303,714	0	
791		NET FED INC TAX ALLOWABLE FA01	(101,772)	(507,430)	(58,888)	(340,586)		286	(16,566,970)	0	
792		NET STATE INC TAX ALLOWABLE SA01	(18,024)	(89,531)	(10,366)	(60,009)		48	(2,930,902)	0	
793		OVERALL RETURN EARNED-SCH 12 RETU	311,747	1,314,477	132,726	797,854		913	48,805,842	0	
794		RATE OF RETURN EARNED-SCH 12 RORX									
795			0.0780	0.1034	0.1660	0.1612		0.0197	0.0876	0.0000	

A	B	C	D	E	F	G	H	I	J	K	L	M	
1	DUKE ENERGY KENTUCKY												
2	COST OF SERVICE STUDY												
3	TWELVE MONTHS ENDING DECEMBER 31, 2007												
4	FR-9v-1 KW (12 COIN PEAK)												
5	ELECTRIC CASE NO: 2006-00172												
6													
7													
8													
9													
10	ALLOCATORS	ITEM	ALLOC	TOTAL ELECTRIC	RS RESIDENTIAL	DS SECONDARY DISTRIBUTION	DS_RTP INCR. SEC. DISTR.	GSFL SECONDARY DISTRIBUTION	EH SECONDARY DISTRIBUTION	SP SECONDARY DISTRIBUTION	DT_SEC SECONDARY DISTRIBUTION	DT_SEC_RTP INCR. SEC. DISTR.	
11													
12	DEMAND ENERGY & SPEC. ASSIGN		SCHEDULE: 13										
13	K201	TOTAL KW (12 COIN PEAK)		717,083	320,629	190,669	156	841	2,430	76	106,156	1,170	
14		RATIO TO TOTAL ELECTRIC	K201	K201	1.000000000	0.447129551	0.265895301	0.000217548	0.001172807	0.003388729	0.000105985	0.148038651	0.001631610
15	K203	SECONDARY NON-COIN PEAK (KW)		1,353,588	894,767	304,504	301	796	7,027	150	136,277	2,524	
16		RATIO TO TOTAL ELECTRIC	K203	K203	1.000000000	0.661033490	0.224960623	0.000222372	0.000588067	0.005191388	0.000110817	0.100678345	0.001864674
17	K205	DISTRIBUTION LINE - WTD. DIVERSIFIED CLASS		690,947	317,008	188,948	179	738	2,494	74	112,875	1,248	
18		RATIO TO TOTAL ELECTRIC	K205	K205	1.000000000	0.458802195	0.273462364	0.000259065	0.001068099	0.003609539	0.000107099	0.163362747	0.001806217
19	K207	JURISDICTIONAL KW DEMAND (COIN PEAK)		717,083	320,629	190,669	156	841	2,430	76	106,156	1,170	
20		RATIO TO TOTAL ELECTRIC	K207	K207	1.000000000	0.447129551	0.265895301	0.000217548	0.001172807	0.003388729	0.000105985	0.148038651	0.001631610
21	K209	GROSS DISTRIBUTION PLANT EXCL. CCNC		276,674,000	143,953,206	66,750,141	61,054	249,564	1,031,325	32,665	36,883,708	440,619	
22		RATIO TO TOTAL ELECTRIC	K209	K209	1.000000000	0.520299002	0.241259175	0.000220671	0.000902015	0.003727582	0.000118063	0.133311074	0.001592557
23	K215	TOTAL DIVERSIFIED CLASS DEMANDS		702,571	317,008	188,948	179	738	2,494	74	112,875	1,248	
24		RATIO TO TOTAL ELECTRIC	K215	K215	1.000000000	0.451211337	0.268937944	0.000254779	0.001050428	0.003549819	0.000105327	0.160659919	0.001776333
25	K217	WEIGHTED CUSTOMER SERVICE		136,161	121,452	12,293	0	147	357	27	1,520	0	
26		RATIO TO TOTAL ELECTRIC	K217	K217	1.000000000	0.891973473	0.090282827	0.000000000	0.001079604	0.002621896	0.000198295	0.011163255	0.000000000
27	K301	TOTAL KWH		4,318,019,707	1,633,623,871	1,118,383,192	1,085,288	6,714,746	15,149,755	434,115	782,930,553	8,700,822	
28		RATIO TO TOTAL ELECTRIC	K301	K301	1.000000000	0.378327099	0.259003726	0.000251339	0.001555052	0.003508496	0.000100536	0.181317040	0.002015003
29	K303	DISTRIBUTION KWH		4,119,571,267	1,633,623,871	1,118,383,192	1,085,288	6,714,746	15,149,755	434,115	782,930,553	8,700,822	
30		RATIO TO TOTAL ELECTRIC	K303	K303	1.000000000	0.396551914	0.271480482	0.000263447	0.001629962	0.003677508	0.000105379	0.190051465	0.002112070
31	K305	TOTAL KWH LESS LIGHTING		4,291,100,249	1,633,623,871	1,118,383,192	1,085,288	6,714,746	15,149,755	434,115	782,930,553	8,700,822	
32		RATIO TO TOTAL ELECTRIC	K305	K305	1.000000000	0.380700468	0.260628540	0.000252916	0.001564808	0.003530506	0.000101166	0.182454501	0.002027644
33	K307	ASSIGN 100% TO RESIDENTIAL		1	1	0	0	0	0	0	0	0	
34		RATIO TO TOTAL ELECTRIC	K307	K307	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000
35	K401	ASSIGN 100% TO LIGHTING		1	0	0	0	0	0	0	0	0	
36		RATIO TO TOTAL ELECTRIC	K401	K401	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000
37	K405	DISTRIBUTION CUSTOMERS		134,630	121,452	12,293	0	147	119	27	190	0	
38		RATIO TO TOTAL ELECTRIC	K405	K405	1.000000000	0.902116913	0.091309515	0.000000000	0.001091881	0.000883904	0.000200550	0.001411275	0.000000000
39	K407	METERS		40,596,398	35,086,187	4,804,971	0	0	141,678	11,862	367,725	0	
40		RATIO TO TOTAL ELECTRIC	K407	K407	1.000000000	0.864268475	0.118359540	0.000000000	0.000000000	0.003489916	0.000292193	0.009058070	0.000000000
41	K409	CUSTOMER ACCOUNTS 901-3, 905		3,915,187	3,457,929	430,386	426	2,636	4,168	663	7,208	224	
42		RATIO TO TOTAL ELECTRIC	K409	K409	1.000000000	0.863209155	0.109927316	0.000108807	0.000673276	0.001064572	0.000169341	0.001841036	0.000057213
43	K411	UNCOLLECTIBLE ACCOUNT 904		2,607,059	2,331,577	244,370	0	0	0	0	0	31,075	0
44		RATIO TO TOTAL ELECTRIC	K411	K411	1.000000000	0.894332272	0.093733974	0.000000000	0.000000000	0.000000000	0.000000000	0.011919561	0.000000000
45	K413	CUST SERVICE & INFORM ACCOUNTS 908-10		646,790	427,763	201,745	160	2,452	1,974	458	2,910	99	
46		RATIO TO TOTAL ELECTRIC	K413	K413	1.000000000	0.661363039	0.311917315	0.000247376	0.003791030	0.003051995	0.000708112	0.004499142	0.000153064
47	K419	SALES ACCOUNTS 911, 913		72,135	48,948	21,360	17	260	209	48	308	10	
48		RATIO TO TOTAL ELECTRIC	K419	K419	1.000000000	0.678561031	0.296111458	0.000235669	0.003604353	0.002897345	0.000665419	0.004269772	0.000138629
49	K302	KWH SALES LESS RTP		4,274,838,087	1,633,623,871	1,118,383,192	0	6,714,746	15,149,755	434,115	782,930,553	0	
50		RATIO TO TOTAL ELECTRIC	K302	K302	1.000000000	0.382148712	0.261620812	0.000000000	0.001570760	0.003543937	0.000101551	0.183148586	0.000000000

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1	DUKE ENERGY KENTUCKY											
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4	FR-9v-1 KW (12 COIN PEAK)											
5	ELECTRIC CASE NO: 2006-00172											
6												
7												
8												
9												
10	ALLOCATORS	ITEM	ALLOC	TOTAL ELECTRIC	RS RESIDENTIAL	DS SECONDARY DISTRIBUTION	DS_RTP INCR. SEC. DISTR.	GSFL SECONDARY DISTRIBUTION	EH SECONDARY DISTRIBUTION	SP SECONDARY DISTRIBUTION	DT_SEC SECONDARY DISTRIBUTION	DT_SEC RTP INCR. SEC. DISTR.
11												
51	ALLOCATORS & WEIGHTED RATIOS											
52	SPECIAL ALLOCATOR INFO FOR K209		SCHEDULE: 13a									
53	SUBSTATIONS			37,605,000	16,967,803	10,113,411	9,581	39,501	133,491	3,961	6,041,616	66,799
54	POLES, TOWERS & FIXTURES			48,820,000	22,398,721	13,350,433	12,648	52,145	176,218	5,229	7,975,369	88,180
55	CONDUCTORS			109,042,000	50,028,708	29,818,883	28,249	116,468	393,591	11,678	17,813,401	196,954
56	TRANSFORMERS			47,561,000	31,439,413	10,699,352	10,576	27,969	246,908	5,271	4,788,363	88,686
57	SERVICES			12,487,000	11,138,071	1,127,362	0	13,481	32,740	2,476	139,396	0
58	METERS			13,862,000	11,980,490	1,640,700	0	0	48,377	4,050	125,563	0
59	OTHERS			0	0	0	0	0	0	0	0	0
60	STREET LIGHTS			7,297,000	0	0	0	0	0	0	0	0
61	GROSS DISTR PLANT NOT INCL. ACCT 106			276,674,000	143,953,206	66,750,141	61,054	249,564	1,031,325	32,665	36,883,708	440,619
62	GROSS DISTR RESEV. NOT INCL. ACCT 106			(108,147,766)	(56,613,150)	(25,059,424)	(22,941)	(95,756)	(399,833)	(12,371)	(13,658,671)	(167,285)
63	NET DIST. PLT LESS ACCT 106			168,526,234	87,340,056	41,690,717	38,113	153,808	631,492	20,294	23,225,037	273,334
64		K211	K211	1.000000000	0.518257923	0.247384137	0.000226155	0.000912665	0.003747144	0.000120420	0.137812591	0.001621908
65	WEIGHTED RATIOS											
66	P129 GROSS ELECTRIC PLANT IN SERVICE											
67	P129	WTD GROSS PROD PLANT RATIOS	P129	1.000000000	0.447129548	0.265895300	0.000217548	0.001172808	0.003388729	0.000105985	0.148038652	0.001631611
68	T129	WTD GROSS TRANS PLANT RATIOS	T129	1.000000000	0.447129471	0.265895313	0.000217538	0.001172810	0.003388749	0.000105992	0.148038669	0.001631617
69	PT29	WTD GROSS P & T PLT RATIOS	PT29	1.000000000	0.447129545	0.265895301	0.000217548	0.001172808	0.003388730	0.000105985	0.148038652	0.001631611
70	D149	WTD GROSS DIST PLANT RATIOS	D149	1.000000000	0.520298998	0.241259176	0.000220670	0.000902015	0.003727583	0.000118062	0.133311075	0.001592557
71	TD29	WTD GROSS TRANS & DIST RATIOS	TD29	1.000000000	0.514852534	0.243092997	0.000220437	0.000922172	0.003702362	0.000117164	0.134407342	0.001595465
72	PD29	WTD GROSS PTD PLT RATIOS	PD29	1.000000000	0.466817057	0.259266523	0.000218388	0.001099946	0.003479904	0.000109234	0.144075942	0.001621103
73	G129	WTD GROSS G & I PLT RATIOS	G129	1.000000000	0.521885007	0.237464629	0.000173799	0.001165357	0.003006987	0.000125473	0.126944687	0.001151092
74	C129	WTD GROSS C & O PLANT RATIOS	C129	1.000000000	0.521842063	0.237474570	0.000173721	0.001165426	0.003007300	0.000125421	0.126966014	0.001151017
75	GP19	WTD GROSS PLANT RATIOS	GP19	1.000000000	0.468019404	0.258790371	0.000217412	0.001101377	0.003469578	0.000109588	0.143702050	0.001610832
76	DR19	WTD TOTAL DEPRC RES RATIOS	DR19	1.000000000	0.465112956	0.258070690	0.000215527	0.001111294	0.003446714	0.000108268	0.143007716	0.001603353
77												
78	NET ELECTRIC PLANT											
79	P229	WTD NET PROD PLANT RATIOS	P229	1.000000000	0.447129543	0.265895299	0.000217547	0.001172811	0.003388731	0.000105985	0.148038652	0.001631611
80	T229	WTD NET TRANS PLANT RATIOS	T229	1.000000000	0.447129396	0.265895303	0.000217504	0.001172823	0.003388778	0.000106024	0.148038708	0.001631645
81	S249	WTD NET DIST SUBSTATIONS PLANT RATIOS	S249	1.000000000	0.451211362	0.268937946	0.000254765	0.001050432	0.003549815	0.000105321	0.160659901	0.001776330
82	PL49	WTD NET DIST LINES - PRI/SEC RATIOS	PL49	1.000000000	0.458802119	0.273462382	0.000259069	0.001068128	0.003609535	0.000107121	0.163362737	0.001806243
83	SL49	WTD NET DIST LINES - PRI/SEC RATIOS	SL49	1.000000000	0.458802153	0.273462369	0.000259066	0.001068101	0.003609541	0.000107100	0.163362754	0.001806226
84	F249	WTD NET DIST TRANSFORMERS PLT RATIOS	F249	1.000000000	0.661033427	0.224960631	0.000222351	0.000588065	0.005191400	0.000110845	0.100678359	0.001864683
85	SV49	WTD NET SERVICES PLANT RATIOS	SV49	1.000000000	0.891972734	0.090282918	0.000000000	0.001079702	0.002622000	0.000198322	0.011163365	0.000000000
86	M249	WTD NET METERS PLANT RATIOS	M249	1.000000000	0.864268449	0.118359588	0.000000000	0.000000000	0.003489929	0.000292115	0.009058080	0.000000000
87	L249	WTD NET STREET LIGHT PLANT RATIOS	L249	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000
88	D249	WTD NET TOTAL DIST PLANT RATIOS	D249	1.000000000	0.518385719	0.247000630	0.000225811	0.000911998	0.003745917	0.000120273	0.137530733	0.001620073
89	NT29	WTD NET TRANS & DIST RATIOS	NT29	1.000000000	0.513387176	0.248326068	0.000225228	0.000930295	0.003720864	0.000119273	0.138267855	0.001620885
90	G229	WTD NET G & I PLT RATIOS	G229	1.000000000	0.521875000	0.237452114	0.000174129	0.001164801	0.003007463	0.000126244	0.126954602	0.001151741
91	C229	WTD NET C & O PLANT RATIOS	C229	1.000000000	0.521824763	0.237483396	0.000173765	0.001165394	0.003007543	0.000125379	0.126972956	0.001151136
92	NP29	WTD NET PLANT RATIOS	NP29	1.000000000	0.470713206	0.259457397	0.000219159	0.001092185	0.003490768	0.000110812	0.144345584	0.001617764
93												

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1	DUKE ENERGY KENTUCKY												
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4	FR-9v-1 KW (12 COIN PEAK)												
5	ELECTRIC CASE NO: 2006-00172												
6													
7													
8						RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC_RTP
9					TOTAL	RESIDENTIAL	SECONDARY	INCR.	SECONDARY	SECONDARY	SECONDARY	SECONDARY	INCR.
10	ALLOCATORS	ITEM	ALLOC	ELECTRIC			DISTRIBUTION	SEC. DISTR.	DISTRIBUTION	DISTRIBUTION	DISTRIBUTION	DISTRIBUTION	SEC. DIST
11													
94	RATE BASE ADJUSTMENTS		SCHEDULE: 13b										
95	WORKING CAPITAL												
96	W669	WTD MATERIAL & SUPPLY RATIOS	W669	W669	1.000000000	0.411958065	0.259168877	0.000239620	0.001386566	0.003502009	0.000104248	0.167858449	0.001870406
97	W689	WTD PREPAYMENTS RATIOS	W689	W689	1.000000000	0.386767865	0.257737475	0.000246732	0.001532039	0.003479030	0.000101947	0.178120413	0.001964156
98	W719	WTD CASH WORKING CAP RATIOS	W719	W719	1.000000000	0.464565771	0.248905892	0.000214295	0.001265619	0.003229430	0.000111399	0.147579543	0.001579309
99	W729	WTD TOTAL WORKING CASH RATIOS	W729	W729	1.000000000	0.464565771	0.248905892	0.000214295	0.001265619	0.003229430	0.000111399	0.147579543	0.001579309
100	WC79	WTD TOTAL WRKNG CAP RATIOS	WC79	WC79	1.000000000	0.424867931	0.255683183	0.000232641	0.001370231	0.003411723	0.000106174	0.162966133	0.001792016
101													
102	RATE BASE												
103	RB29	WTD NET OCRB RATIOS	RB29	RB29	1.000000000	0.471514823	0.259164490	0.000219075	0.001089788	0.003492831	0.000110952	0.144159220	0.001616303
104	RB99	WTD TOTAL RATE BASE RATIOS	RB99	RB99	1.000000000	0.468045079	0.258905539	0.000220084	0.001110648	0.003486798	0.000110596	0.145558138	0.001629373
105	CW29	WTD CWIP	CW29	CW29	1.000000000	0.558024631	0.228556885	0.000222379	0.000762374	0.003902416	0.000124326	0.125717570	0.001572367
106	WEIGHTED RATIOS												
107	O & M EXPENSES												
108	P349	WTD PROD DEMAND O&M EXP RATIOS	P349	P349	1.000000000	0.447129517	0.265895321	0.000217569	0.001172809	0.003388710	0.000105971	0.148038672	0.001631588
109	E349	WTD PROD ENERGY O&M EXP RATIOS	E349	E349	1.000000000	0.380960037	0.260806241	0.000078175	0.001565879	0.003532912	0.000101237	0.182578905	0.000626737
110	P459	WTD TOTAL PROD O&M EXP RATIOS	P459	P459	1.000000000	0.389873092	0.261491742	0.000096952	0.001512932	0.003513488	0.000101874	0.177926323	0.000762091
111	T349	WTD TRANS O&M EXP RATIOS	T349	T349	1.000000000	0.447129187	0.265895312	0.000217597	0.001172817	0.003388696	0.000105965	0.148038726	0.001631625
112	D349	WTD DIST O&M EXP RATIOS	D349	D349	1.000000000	0.482871701	0.261451306	0.000236244	0.001035314	0.003592398	0.000119014	0.151617961	0.001679117
113	C311	WTD UNCOLLECTIBLE ACCOUNT O&M	C311	C311	1.000000000	0.894252219	0.093849283	0.000000828	0.000004967	0.000007451	0.000001242	0.011847997	0.000000414
114	C319	WTD CUST ACCT O&M EXP RATIOS	C319	C319	1.000000000	0.885158323	0.107090057	0.000089657	0.000555390	0.000878086	0.000139754	0.003606839	0.000047161
115	C331	WTD CUST SERV & INFO O&M EXP RATIOS	C331	C331	1.000000000	0.661367401	0.311920492	0.000247511	0.003788816	0.003055804	0.000713973	0.004502789	0.000152314
116	S319	WTD SALES O&M EXP RATIOS	S319	S319	1.000000000	0.679945055	0.295329670	0.000000000	0.002747253	0.002747253	0.000000000	0.005494505	0.000000000
117	OM39	WTD O&M EXP RATIOS	OM39	OM39	1.000000000	0.428821763	0.254419986	0.000121341	0.001397975	0.003365820	0.000107137	0.163005730	0.000894372
118													
119	A & G EXPENSES												
120	A300	WTD PROD DEMAND A&G EXP RATIOS	A300	A300	1.000000000	0.447129576	0.265895340	0.000217591	0.001172774	0.003388666	0.000105959	0.148038689	0.001631563
121	A302	WTD PROD ENERGY A&G EXP RATIOS	A302	A302	1.000000000	0.380960438	0.260806286	0.000078176	0.001565843	0.003532892	0.000101144	0.182578834	0.000626674
122	A304	WTD TRANS A&G EXP RATIOS	A304	A304	1.000000000	0.447129103	0.265895384	0.000216968	0.001173339	0.003388693	0.000105629	0.148039083	0.001631540
123	A306	WTD DIST A&G EXP RATIOS	A306	A306	1.000000000	0.482871469	0.261451255	0.000236339	0.001035378	0.003592392	0.000118936	0.151617945	0.001679122
124	A308	WTD CUST ACCT A&G EXP RATIOS	A308	A308	1.000000000	0.885158196	0.107090074	0.000089566	0.000555306	0.000878184	0.000139766	0.003606948	0.000047105
125	A310	WTD CUST SERV & INFO A&G EXP RATIOS	A310	A310	1.000000000	0.661366335	0.311920376	0.000247434	0.003788235	0.003055523	0.000713531	0.004503684	0.000151529
126	A312	WTD SALES A&G EXP RATIOS	A312	A312	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000
127	A315	WTD A&G EXPENSE UNADJUSTED	A315	A315	1.000000000	0.521851181	0.237472309	0.000173724	0.001165461	0.003007232	0.000125425	0.126961254	0.001150952
128	A357	WTD A&G EXP RATIOS	A357	A357	1.000000000	0.521851026	0.237472338	0.000173748	0.001165435	0.003007268	0.000125416	0.126961259	0.001150956
129													
130	DEPRECIATION EXPENSES												
131	P489	WTD PRODUCTION DEPREC RATIOS	P489	P489	1.000000000	0.447129509	0.265895283	0.000217533	0.001172827	0.003388750	0.000105970	0.148038665	0.001631612
132	T489	WTD TRANS DEPREC RATIOS	T489	T489	1.000000000	0.447129630	0.265894444	0.000216667	0.001172222	0.003388889	0.000105556	0.148038889	0.001631481
133	D489	WTD DIST DEPREC RATIOS	D489	D489	1.000000000	0.518385995	0.247000592	0.000225798	0.000911981	0.003745964	0.000120223	0.137530684	0.001620032
134	G489	WTD GENERAL DEPREC EXP RATIOS	G489	G489	1.000000000	0.521868687	0.237454545	0.000171717	0.001161616	0.003010101	0.000121212	0.126959596	0.001151515
135	C489	WTD COM & OTHER DEP EXP RATIOS	C489	C489	1.000000000	0.521823810	0.237484127	0.000173016	0.001165079	0.003007937	0.000125397	0.126973016	0.001150794
136	DE49	WTD TOT DEPREC EXP RATIOS	DE49	DE49	1.000000000	0.469300788	0.259827078	0.000218918	0.001097485	0.003483306	0.000110484	0.144548239	0.001617709
137													

A	B	C	D	E	F	G	H	I	J	K	L	M
1	DUKE ENERGY KENTUCKY											
2	COST OF SERVICE STUDY											
3	TWELVE MONTHS ENDING DECEMBER 31, 2007											
4	FR-9v-1 KW (12 COIN PEAK)											
5	ELECTRIC CASE NO: 2006-00172											
6												
7												
8												
9												
10	ALLOCATORS	ITEM	ALLOC	TOTAL ELECTRIC	RS RESIDENTIAL	DS SECONDARY DISTRIBUTION	DS RTP INCR. SEC. DISTR.	GSFL SECONDARY DISTRIBUTION	EH SECONDARY DISTRIBUTION	SP SECONDARY DISTRIBUTION	DT_SEC SECONDARY DISTRIBUTION	DT_SEC RTP INCR. SEC. DISTR.
11												
138	OTHER TAXES & MISC EXPENSES		SCHEDULE: 13c									
139	L529	WTD R. E. & PROP TAX RATIOS	L529	1.000000000	0.482113625	0.256618576	0.000221592	0.001044750	0.003564088	0.000113079	0.142879769	0.001626122
140	L589	WTD MISC TAX RATIOS	L589	1.000000000	0.523850296	0.237020962	0.000172425	0.001154874	0.002998912	0.000125156	0.126319041	0.001139834
141	L599	WTD OTHER TAX RATIOS	L599	1.000000000	0.491561671	0.252081830	0.000210361	0.001081144	0.003419735	0.000116314	0.139029111	0.001505663
142	OP69	WTD OP EXP EX IT & REV RATIOS	OP69	1.000000000	0.436460001	0.255097178	0.000137762	0.001346040	0.003383886	0.000107897	0.159671119	0.001014544
143												
144	INCOME TAXES											
145	CS09	WTD TOTAL ELEC REVENUE	CS09	1.000000000	0.427889317	0.270819269	0.000247735	0.001668817	0.003134079	0.000131670	0.157630411	0.001401654
146												
147	WAGES & SALARIES (K600-K639)											
148	K669	WTD RATIOS	K669	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000
149												
150	JURISDICTIONAL RATE BASE, NET PLANT, A&G AND O&M RATIOS											
151	P429	JUR. WTD NET PROD PLANT RATIOS	P429	1.000000000	0.447129543	0.265895299	0.000217547	0.001172811	0.003388731	0.000105985	0.148038652	0.001631611
152	T429	JUR. WTD NET TRANS PLANT RATIOS	T429	1.000000000	0.447129396	0.265895303	0.000217504	0.001172823	0.003388778	0.000106024	0.148038708	0.001631645
153	D449	JUR. WTD NET DIST PLANT RATIOS	D449	1.000000000	0.518385719	0.247000630	0.000225811	0.000911998	0.003745917	0.000120273	0.137530733	0.001620073
154	NT49	JUR. WTD NET TRANS & DIST RATIOS	NT49	1.000000000	0.469594569	0.259938352	0.000220151	0.001090585	0.003501343	0.000110490	0.144725808	0.001627974
155	G429	JUR. WTD NET G & I PLT RATIOS	G429	1.000000000	0.521875000	0.237452114	0.000174129	0.001164801	0.003007463	0.000126244	0.126954602	0.001151741
156	C429	JUR. WTD NET C & O PLANT RATIOS	C429	1.000000000	0.521824763	0.237483396	0.000173765	0.001165394	0.003007543	0.000125379	0.126972956	0.001151136
157	NP49	JUR. WTD NET PLANT RATIOS	NP49	1.000000000	0.470713206	0.259457397	0.000219159	0.001092185	0.003490768	0.000110812	0.144345584	0.001617764
158	O429	JUR. WTD NET GEN & COMMON PLT RATIOS	O429	1.000000000	0.521831236	0.237479365	0.000173812	0.001165318	0.003007533	0.000125491	0.126970591	0.001151214
159	J349	JUR. WTD PROD O&M RATIOS	J349	1.000000000	0.389873092	0.261491742	0.000096952	0.001512932	0.003513488	0.000101874	0.177926323	0.000762091
160	J315	JUR. WTD A&G EXCL. REGULATORY RATIOS	J315	1.000000000	0.521851181	0.237472309	0.000173724	0.001165461	0.003007232	0.000125425	0.126961254	0.001150952
161	J600	JUR. PRESENT REVENUE RATIOS	J600	1.000000000	0.410424625	0.280412025	0.000294664	0.001983672	0.002919326	0.000147614	0.161323341	0.001444802
162	J602	JUR. PROPOSED REVENUE RATIOS	J602	1.000000000	0.427888107	0.270828950	0.000238352	0.001668819	0.003134102	0.000131670	0.159479511	0.001165258
163	J865	JUR. BASE FOR FIT COMPUTATION RATIOS	J865	1.000000000	0.355392037	0.362010879	0.000848532	0.003675582	0.001638560	0.000264758	0.155437709	0.003378450
164	JR99	JUR. OCD RATE BASE	JR99	1.000000000	0.468045079	0.258905539	0.000220084	0.001110648	0.003486798	0.000110596	0.145558138	0.001629373

	A	B	C	N	O	P	R	S	T	V	W	X
1		DUKE ENERGY KENTUCKY										
2												
3		COST OF SERVICE STUDY									5/26/06 10:26 AM	
4		TWELVE MONTHS ENDING DECEMBER 31, 2007										
5		FR-9v-1 KW (12 COIN PEAK)										
6		ELECTRIC CASE NO: 2006-00172										
7												
8												
9												
10		ALLOCATORS	ITEM	DT_PRI PRIMARY DISTRIBUTION	DT_PRI_RTP INCR. PRI. DIST	DP PRIMARY DISTRIBUTION	TT TRANSMISSION TIME OF DAY	TT_RTP INCR. TRANS TIME OF DAY	LT LIGHTING	OTHER	TOTAL AT ISSUE	ALL OTHER
11												
12		DEMAND ENERGY & SPEC. ASSIGN	SCHEDULE: 13									
13	K201	TOTAL KW (12 COIN PEAK)		59,508	2,747	5,771	23,135	1,465	2,276	54	717,083	0
14		RATIO TO TOTAL ELECTRIC	K201	0.082986209	0.003830798	0.008047883	0.032262653	0.002042999	0.003173970	0.000075306	1.000000000	0.000000000
15	K203	SECONDARY NON-COIN PEAK (KW)		0	0	0	0	0	6,927	315	1,353,588	0
16		RATIO TO TOTAL ELECTRIC	K203	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.005117510	0.000232714	1.000000000	0.000000000
17	K205	DISTRIBUTION LINE - WTD. DIVERSIFIED CLASS		53,885	2,481	4,656	0	0	6,304	57	690,947	0
18		RATIO TO TOTAL ELECTRIC	K205	0.077987168	0.003590724	0.006738578	0.000000000	0.000000000	0.009123710	0.000082495	1.000000000	0.000000000
19	K207	JURISDICTIONAL KW DEMAND (COIN PEAK)		59,508	2,747	5,771	23,135	1,465	2,276	54	717,083	0
20		RATIO TO TOTAL ELECTRIC	K207	0.082986209	0.003830798	0.008047883	0.032262653	0.002042999	0.003173970	0.000075306	1.000000000	0.000000000
21	K209	GROSS DISTRIBUTION PLANT EXCL. CCNC		15,787,211	724,951	1,365,242	14,751	0	9,350,404	29,159	276,674,000	0
22		RATIO TO TOTAL ELECTRIC	K209	0.057060696	0.002620235	0.004934479	0.000053315	0.000000000	0.033795745	0.000105391	1.000000000	0.000000000
23	K215	TOTAL DIVERSIFIED CLASS DEMANDS		64,149	2,954	5,543	0	0	6,304	57	702,571	0
24		RATIO TO TOTAL ELECTRIC	K215	0.091306074	0.004204557	0.007889594	0.000000000	0.000000000	0.008972759	0.000081130	1.000000000	0.000000000
25	K217	WEIGHTED CUSTOMER SERVICE		0	0	0	0	0	343	22	136,161	0
26		RATIO TO TOTAL ELECTRIC	K217	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.002519077	0.000161573	1.000000000	0.000000000
27	K301	TOTAL KWH		467,034,883	21,489,618	36,757,242	186,542,548	11,905,892	26,919,458	347,724	4,318,019,707	0
28		RATIO TO TOTAL ELECTRIC	K301	0.108159507	0.004976730	0.008512523	0.043200949	0.002757257	0.006234214	0.000080529	1.000000000	0.000000000
29	K303	DISTRIBUTION KWH		467,034,883	21,489,618	36,757,242	0	0	26,919,458	347,724	4,119,571,267	0
30		RATIO TO TOTAL ELECTRIC	K303	0.113369779	0.005216470	0.008922589	0.000000000	0.000000000	0.006534529	0.000084406	1.000000000	0.000000000
31	K305	TOTAL KWH LESS LIGHTING		467,034,883	21,489,618	36,757,242	186,542,548	11,905,892	0	347,724	4,291,100,249	0
32		RATIO TO TOTAL ELECTRIC	K305	0.108838027	0.005007951	0.008565925	0.043471962	0.002774555	0.000000000	0.000081031	1.000000000	0.000000000
33	K307	ASSIGN 100% TO RESIDENTIAL		0	0	0	0	0	0	0	1	0
34		RATIO TO TOTAL ELECTRIC	K307	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000
35	K401	ASSIGN 100% TO LIGHTING		0	0	0	0	0	1	0	1	0
36		RATIO TO TOTAL ELECTRIC	K401	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000	1.000000000	0.000000000
37	K405	DISTRIBUTION CUSTOMERS		37	0	11	0	0	343	11	134,630	0
38		RATIO TO TOTAL ELECTRIC	K405	0.000274827	0.000000000	0.000081705	0.000000000	0.000000000	0.002547723	0.000081707	1.000000000	0.000000000
39	K407	METERS		124,275	0	14,025	43,200	0	2,475	0	40,596,398	0
40		RATIO TO TOTAL ELECTRIC	K407	0.003061232	0.000000000	0.000345474	0.001064134	0.000000000	0.000060966	0.000000000	1.000000000	0.000000000
41	K409	CUSTOMER ACCOUNTS 901-3, 905		1,266	184	481	466	144	8,606	400	3,915,187	0
42		RATIO TO TOTAL ELECTRIC	K409	0.000323356	0.000046996	0.000122855	0.000119024	0.000036780	0.002198107	0.000102166	1.000000000	0.000000000
43	K411	UNCOLLECTIBLE ACCOUNT 904		0	0	0	0	0	37	0	2,607,059	0
44		RATIO TO TOTAL ELECTRIC	K411	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000014192	0.000000001	1.000000000	0.000000000
45	K413	CUST SERVICE & INFORM ACCOUNTS 908-10		537	79	200	180	59	7,994	180	646,790	0
46		RATIO TO TOTAL ELECTRIC	K413	0.000830254	0.000122142	0.000309219	0.000278297	0.000091220	0.012359498	0.000278297	1.000000000	0.000000000
47	K419	SALES ACCOUNTS 911, 913		56	8	21	19	6	846	19	72,135	0
48		RATIO TO TOTAL ELECTRIC	K419	0.000776322	0.000110903	0.000291121	0.000263395	0.000083177	0.011728010	0.000263396	1.000000000	0.000000000
49	K302	KWH SALES LESS RTP		467,034,883	0	36,757,242	186,542,548	0	26,919,458	347,724	4,274,838,087	0
50		RATIO TO TOTAL ELECTRIC	K302	0.109252064	0.000000000	0.008598511	0.043637336	0.000000000	0.006297188	0.000081343	1.000000000	0.000000000

	A	B	C	N	O	P	R	S	T	V	W	X
1		DUKE ENERGY KENTUCKY										
2												
3		COST OF SERVICE STUDY										
4		TWELVE MONTHS ENDING DECEMBER 31, 2007										
5		FR-9v-1 KW (12 COIN PEAK)										
6		ELECTRIC CASE NO: 2006-00172										
7												
8												
9												
10		ALLOCATORS	ITEM	DT_PRI PRIMARY DISTRIBUTION	DT_PRI_RTP INCR. PRI. DIST	DP PRIMARY DISTRIBUTION	TT TRANSMISSION TIME OF DAY	TT_RTP INCR. TRANS TIME OF DAY	LT LIGHTING	OTHER	TOTAL AT ISSUE	ALL OTHER
11												
51		ALLOCATORS & WEIGHTED RATIOS										
52		SPECIAL ALLOCATOR INFO FOR K209	SCHEDULE: 13a									
53		SUBSTATIONS		3,433,565	158,112	296,688	0	0	337,421	3,051	37,605,000	0
54		POLES, TOWERS & FIXTURES		3,807,334	175,299	328,977	0	0	445,420	4,027	48,820,000	0
55		CONDUCTORS		8,503,877	391,540	734,788	0	0	994,868	8,995	109,042,000	0
56		TRANSFORMERS		0	0	0	0	0	243,394	11,068	47,561,000	0
57		SERVICES		0	0	0	0	0	31,456	2,018	12,487,000	0
58		METERS		42,435	0	4,789	14,751	0	845	0	13,862,000	0
59		OTHERS		0	0	0	0	0	0	0	0	0
60		STREET LIGHTS		0	0	0	0	0	7,297,000	0	7,297,000	0
61		GROSS DISTR PLANT NOT INCL. ACCT 106		15,787,211	724,951	1,365,242	14,751	0	9,350,404	29,159	276,674,000	0
62		GROSS DISTR RESEV. NOT INCL. ACCT 106		(5,473,770)	(251,636)	(473,197)	(2,982)	0	(5,904,336)	(12,414)	(108,147,766)	0
63		NET DIST. PLT LESS ACCT 106		10,313,441	473,315	892,045	11,769	0	3,446,068	16,745	168,526,234	0
64			K211	0.061197837	0.002808554	0.005293212	0.000069835	0.000000000	0.020448259	0.000099360	1.000000000	0.000000000
65		WEIGHTED RATIOS										
66	P129	GROSS ELECTRIC PLANT IN SERVICE										
67	P129	WTD GROSS PROD PLANT RATIOS	P129	0.082986208	0.003830798	0.008047884	0.032262653	0.002042999	0.003173971	0.000075306	1.000000000	0.000000000
68	T129	WTD GROSS TRANS PLANT RATIOS	T129	0.082986199	0.003830809	0.008047884	0.032262644	0.002043003	0.003173988	0.000075314	1.000000000	0.000000000
69	PT29	WTD GROSS P & T PLT RATIOS	PT29	0.082986208	0.003830798	0.008047884	0.032262652	0.002043000	0.003173971	0.000075307	1.000000000	0.000000000
70	D149	WTD GROSS DIST PLANT RATIOS	D149	0.057060698	0.002620235	0.004934480	0.000053314	0.000000000	0.033795746	0.000105391	1.000000000	0.000000000
71	TD29	WTD GROSS TRANS & DIST RATIOS	TD29	0.058990494	0.002710345	0.005166230	0.002450855	0.000152073	0.031516377	0.000103153	1.000000000	0.000000000
72	PD29	WTD GROSS PTD PLT RATIOS	PD29	0.076010499	0.003505075	0.007210169	0.023596170	0.001493295	0.011413292	0.000083403	1.000000000	0.000000000
73	G129	WTD GROSS G & I PLT RATIOS	G129	0.070233770	0.002610480	0.006341776	0.023222999	0.001128967	0.004462591	0.000082386	1.000000000	0.000000000
74	C129	WTD GROSS C & O PLANT RATIOS	C129	0.070244727	0.002610513	0.006342418	0.023222069	0.001128786	0.004463478	0.000082477	1.000000000	0.000000000
75	GP19	WTD GROSS PLANT RATIOS	GP19	0.075884492	0.003485530	0.007191208	0.023588000	0.001485332	0.011261446	0.000083380	1.000000000	0.000000000
76	DR19	WTD TOTAL DEPRC RES RATIOS	DR19	0.075855547	0.003485397	0.007230744	0.025153986	0.001584829	0.013929183	0.000083796	1.000000000	0.000000000
77												
78		NET ELECTRIC PLANT										
79	P229	WTD NET PROD PLANT RATIOS	P229	0.082986209	0.003830800	0.008047882	0.032262654	0.002042998	0.003173970	0.000075308	1.000000000	0.000000000
80	T229	WTD NET TRANS PLANT RATIOS	T229	0.082986212	0.003830790	0.008047851	0.032262626	0.002042985	0.003174003	0.000075352	1.000000000	0.000000000
81	S249	WTD NET DIST SUBSTATIONS PLANT RATIOS	S249	0.091306089	0.004204539	0.007889571	0.000000000	0.000000000	0.008972778	0.000081151	1.000000000	0.000000000
82	PL49	WTD NET DIST LINES - PRI/SEC RATIOS	PL49	0.077987192	0.003590726	0.006738550	0.000000000	0.000000000	0.009123718	0.000082480	1.000000000	0.000000000
83	SL49	WTD NET DIST LINES - PRI/SEC RATIOS	SL49	0.077987177	0.003590733	0.006738581	0.000000000	0.000000000	0.009123717	0.000082482	1.000000000	0.000000000
84	F249	WTD NET DIST TRANSFORMERS PLT RATIOS	F249	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.005117531	0.000232708	1.000000000	0.000000000
85	SV49	WTD NET SERVICES PLANT RATIOS	SV49	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.002519226	0.000161733	1.000000000	0.000000000
86	M249	WTD NET METERS PLANT RATIOS	M249	0.003061241	0.000000000	0.00345497	0.001064132	0.000000000	0.000060970	(0.000000001)	1.000000000	0.000000000
87	L249	WTD NET STREET LIGHT PLANT RATIOS	L249	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000	1.000000000	0.000000000
88	D249	WTD NET TOTAL DIST PLANT RATIOS	D249	0.060938797	0.002796762	0.005270747	0.000068794	0.000000000	0.021284004	0.000099742	1.000000000	0.000000000
89	NT29	WTD NET TRANS & DIST RATIOS	NT29	0.062485396	0.002869298	0.005465558	0.002327152	0.000143313	0.020013609	0.000098030	1.000000000	0.000000000
90	G229	WTD NET G & I PLT RATIOS	G229	0.070238806	0.002611940	0.006343284	0.023228856	0.001129975	0.004458955	0.000082090	1.000000000	0.000000000
91	C229	WTD NET C & O PLANT RATIOS	C229	0.070247263	0.002610707	0.006342563	0.023220035	0.001128599	0.004464079	0.000082422	1.000000000	0.000000000
92	NP29	WTD NET PLANT RATIOS	NP29	0.075911319	0.003485654	0.007154563	0.022136587	0.001393114	0.008786889	0.000082999	1.000000000	0.000000000
93												

	A	B	C	N	O	P	R	S	T	V	W	X
1		DUKE ENERGY KENTUCKY										
2												
3		COST OF SERVICE STUDY										
4		TWELVE MONTHS ENDING DECEMBER 31, 2007									5/28/08 10:28 AM	
5		FR-9v-1 KW (12 COIN PEAK)										
6		ELECTRIC CASE NO: 2006-00172										
7												
8												
9												
10		ALLOCATORS	ITEM	DT_PRI	DT_PRI RTP	DP	TT	TT RTP	LT		TOTAL	ALL
11				DISTRIBUTION	INCR.	PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	OTHER	AT ISSUE	OTHER
12				PRI. DIST	DISTRIBUTION	TIME OF DAY	TIME OF DAY					
13												
14												
15												
16												
17												
18												
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	A	B	C	N	O	P	R	S	T	V	W	X
1		DUKE ENERGY KENTUCKY										
2												
3		COST OF SERVICE STUDY										
4		TWELVE MONTHS ENDING DECEMBER 31, 2007										
5		FR-9v-1 KW (12 COIN PEAK)										
6		ELECTRIC CASE NO: 2006-00172										
7												
8			DT_PRI	DT_PRI_RTP	DP	TT	TT_RTP	LT				
9			PRIMARY	INCR.	PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	OTHER	TOTAL	ALL	
10		ALLOCATORS	DISTRIBUTION	PRI. DIST	DISTRIBUTION	TIME OF DAY	TIME OF DAY			AT ISSUE	OTHER	
11												
138		OTHER TAXES & MISC EXPENSES	SCHEDULE: 13c									
139	L529	WTD R. E. & PROP TAX RATIOS	L529	0.072161639	0.003323181	0.006684465	0.016456297	0.001040009	0.012065540	0.000087268	1.000000000	0.000000000
140	L589	WTD MISC TAX RATIOS	L589	0.069765668	0.002577249	0.006319041	0.022946540	0.001105456	0.004421824	0.000082722	1.000000000	0.000000000
141	L599	WTD OTHER TAX RATIOS	L599	0.071692626	0.003141001	0.006602782	0.018236536	0.001062675	0.010172756	0.000085795	1.000000000	0.000000000
142	OP69	WTD OP EXP EX IT & REV RATIOS	OP69	0.091656782	0.002343197	0.007746082	0.033864627	0.001116059	0.005974045	0.000080781	1.000000000	0.000000000
143												
144		INCOME TAXES										
145	CS09	WTD TOTAL ELEC REVENUE	CS09	0.083729236	0.003159468	0.007434551	0.032662124	0.001529464	0.008497662	0.000064543	1.000000000	0.000000000
146												
147		WAGES & SALARIES (K600-K639)										
148	K669	WTD RATIOS	K669	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000
149												
150		JURISDICTIONAL RATE BASE, NET PLANT, A&G AND O&M RATIOS										
151	P429	JUR. WTD NET PROD PLANT RATIOS	P429	0.082986209	0.003830800	0.008047882	0.032262654	0.002042998	0.003173970	0.000075308	1.000000000	0.000000000
152	T429	JUR. WTD NET TRANS PLANT RATIOS	T429	0.082986212	0.003830790	0.008047851	0.032262626	0.002042985	0.003174003	0.000075352	1.000000000	0.000000000
153	D449	JUR. WTD NET DIST PLANT RATIOS	D449	0.060938797	0.002796762	0.005270747	0.000068794	0.000000000	0.021284004	0.000099742	1.000000000	0.000000000
154	NT49	JUR. WTD NET TRANS & DIST RATIOS	NT49	0.076035292	0.003504797	0.007172331	0.022112852	0.001398899	0.008883545	0.000083012	1.000000000	0.000000000
155	G429	JUR. WTD NET G & I PLT RATIOS	G429	0.070238806	0.002611940	0.006343284	0.023228856	0.001129975	0.004458955	0.000082090	1.000000000	0.000000000
156	C429	JUR. WTD NET C & O PLANT RATIOS	C429	0.070247263	0.002610707	0.006342563	0.023220035	0.001128599	0.004464079	0.000082422	1.000000000	0.000000000
157	NP49	JUR. WTD NET PLANT RATIOS	NP49	0.075911319	0.003485654	0.007154563	0.022136587	0.001393114	0.008788889	0.000082999	1.000000000	0.000000000
158	O429	JUR. WTD NET GEN & COMMON PLT RATIOS	O429	0.070246174	0.002610866	0.006342656	0.023221172	0.001128776	0.004463419	0.000082377	1.000000000	0.000000000
159	J349	JUR. WTD PROD O&M RATIOS	J349	0.105419993	0.001855462	0.008501201	0.041987710	0.001017292	0.005859535	0.000080313	1.000000000	0.000000000
160	J315	JUR. WTD A&G EXCL. REGULATORY RATIOS	J315	0.070242539	0.002610367	0.006342246	0.023222598	0.001128823	0.004463414	0.000082475	1.000000000	0.000000000
161	J600	JUR. PRESENT REVENUE RATIOS	J600	0.083491008	0.003289191	0.007418322	0.035876560	0.001699352	0.009223342	0.000052156	1.000000000	0.000000000
162	J602	JUR. PROPOSED REVENUE RATIOS	J602	0.082642622	0.002634095	0.007434555	0.032845632	0.001346120	0.008497668	0.000064539	1.000000000	0.000000000
163	J865	JUR. BASE FOR FIT COMPUTATION RATIOS	J865	0.046609533	0.007388981	0.006025341	0.031622814	0.003806854	0.021928968	(0.000028998)	1.000000000	0.000000000
164	JR99	JUR. OCD RATE BASE	JR99	0.077007492	0.003531638	0.007177285	0.022816139	0.001434953	0.008883135	0.000083103	1.000000000	0.000000000

CLASS COST OF SERVICE STUDY

AVERAGE AND EXCESS

FR 10(9)(v)-2

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-2 (AVERAGE & EXCESS)													
6	ELECTRIC CASE NO: 2006-00172													
7		ITEM	ALLO	TOTAL ELECTRIC	RS RESIDENTIAL	DS SECONDARY DISTRIBUTION	DS_RTP INCR. SEC. DISTR.	GSFL SECONDARY DISTRIBUTION	EH SECONDARY DISTRIBUTION	SP SECONDARY DISTRIBUTION	DT_SEC SECONDARY DISTRIBUTION	DT_SEC RTP INCR. SEC. DISTR.	DT_PRI PRIMARY DISTRIBUTION	DT_PRI RTP INCR. PRI. DISTR.
10	SUMMARY OF RESULTS													
11	NET INCOME COMPUTATION													
12		GP19		1,122,822,000	582,452,264	255,091,683	244,801	1,009,804	4,598,512	118,176	140,778,646	1,942,065	81,787,242	3,874,507
13		DR19		(540,093,766)	(280,436,196)	(121,168,974)	(116,756)	(483,768)	(2,222,286)	(55,975)	(66,677,631)	(934,427)	(39,214,933)	(1,862,360)
14		RB71		8,213,167	1,055,641	2,573,411	2,333	24,794	11,102	891	2,347,685	17,260	1,345,268	56,649
15		RB99		590,941,401	303,071,909	136,496,120	130,378	550,830	2,387,328	63,092	76,448,700	1,024,898	43,917,577	2,068,796
17		ECAP		557,080,702	285,706,013	128,674,948	122,908	519,268	2,250,535	59,477	72,068,221	966,172	41,401,118	1,950,255
19	OPERATING EXPENSES													
20		OM39		197,699,516	88,187,153	48,174,469	24,027	262,799	707,498	20,892	30,994,539	184,805	18,575,950	416,241
21		DE49		33,172,220	17,192,292	7,606,834	7,283	29,935	135,596	3,527	4,208,118	57,469	2,435,349	115,188
22		LS91		7,634,509	4,018,165	1,759,202	1,609	7,198	29,384	864	965,567	12,116	531,416	23,797
23		OP99		238,506,245	109,397,610	57,540,505	32,919	299,932	872,478	25,283	36,168,224	254,390	21,542,715	555,226
24		IB79		16,566,971	5,518,593	6,174,362	12,961	58,688	23,329	4,168	2,761,421	51,590	856,988	116,047
25		J979		2,930,903	980,561	1,089,077	2,279	10,322	4,188	735	487,643	9,094	152,077	20,447
26		LO33	CW29	(373,481)	(194,944)	(93,752)	(83)	(338)	(1,291)	(48)	(51,818)	(556)	(17,127)	(755)
27		OPEX		257,630,638	115,701,820	64,710,192	48,076	368,604	898,704	30,138	39,365,470	314,518	22,534,653	690,965
29		R751		48,805,840	19,861,454	15,533,238	27,870	124,592	116,256	9,811	7,335,475	125,620	2,847,948	274,750
30				(1,978,260)	(974,251)	(478,584)	(471)	(2,297)	(7,519)	(230)	(267,725)	(3,286)	(149,463)	(6,753)
31		CS99		304,458,218	134,589,023	79,764,846	75,475	490,899	1,007,441	39,719	46,433,220	436,852	25,233,138	958,962
33		R602		304,458,566	134,589,370	79,764,846	75,476	490,899	1,007,442	39,719	46,433,219	436,852	25,233,138	958,961
34		XREV		348	347	0	1	0	1	0	(1)	0	0	(1)
36		RETE		48,806,053	19,861,666	15,533,238	27,871	124,592	116,257	9,811	7,335,474	125,620	2,847,948	274,749
37		RORE		0.087610382	0.069517844	0.120716878	0.226763107	0.239937759	0.051657495	0.164954520	0.101785140	0.130018258	0.068789157	0.140878501
38		RORA		0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761
39		REOE		0.12356	0.08800	0.18863	0.39704	0.42294	0.05290	0.27557	0.15142	0.20691	0.08657	0.22825
40		AROE		0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499
42		R800		237,897,726	97,639,085	66,709,383	70,100	471,911	694,501	35,117	38,378,456	343,715	19,862,321	782,491
43		RUD		66,560,492	36,949,938	13,055,463	5,375	18,988	312,940	4,602	8,054,764	93,137	5,370,817	178,471
44		RUP		0.27979	0.37843	0.19571	0.07668	0.04024	0.45060	0.13105	0.20988	0.27097	0.27040	0.22552
45		RIRD		66,560,840	36,950,285	13,055,463	5,376	18,988	312,941	4,602	8,054,763	93,137	5,370,817	178,470
46		RIRP		0.27979	0.37844	0.19571	0.07669	0.04024	0.45060	0.13105	0.20988	0.27097	0.27040	0.22552

	A	B	C	O	Q	R	S	U	V	W	
1	DUKE ENERGY KENTUCKY										11/16/05 8:34 AM
2	COST OF SERVICE STUDY										
3	TWELVE MONTHS ENDING DECEMBER 31, 2007										
4	FR-9v-2 (AVERAGE & EXCESS)										
5	ELECTRIC CASE NO: 2006-00172										
6			DP	TT	TT_RTP	LT		OTHER	TOTAL		
7			PRIMARY	TRANSMISSION	INCR. TRANS			WATER	AT	ALL	
8	ITEM	ALLO	DISTRIBUTION	TIME OF DAY	TIME OF DAY	LIGHTING		PUMPING	ISSUE	OTHER	
10	SUMMARY OF RESULTS Schedule 1										
11	NET INCOME COMPUTATION										
12	GROSS ELECTRIC PLANT IN SERVICE	GP19	6,291,583	28,543,033	1,646,789	14,277,680		165,215	1,122,822,000	0	
13	TOTAL DEPRECIATION RESERVE	DR19	(2,990,157)	(14,641,809)	(845,188)	(8,361,302)		(82,004)	(540,093,766)	0	
14	TOTAL RATE BASE ADJUSTMENTS	RB71	110,804	538,813	36,618	92,506		(808)	8,213,167	0	
15	TOTAL RATE BASE	RB99	3,412,230	14,440,037	838,219	6,008,884		82,403	590,941,401	0	
16											
17	CAPITALIZATION ALLOC TO ELECTRIC OPER	ECAP	3,216,710	13,612,629	790,189	5,664,578		77,681	557,080,702	0	
18											
19	OPERATING EXPENSES										
20	TOTAL O&M EXPENSE	OM39	1,451,163	7,304,944	209,238	1,165,637		20,161	197,699,516	0	
21	TOTAL DEPRECIATION EXPENSE	DE49	188,325	814,652	46,980	325,894		4,778	33,172,220	0	
22	TOTAL OTHER TAX & MISC EXPENSE	L591	42,101	148,816	8,015	85,271		988	7,634,509	0	
23	TOTAL OP EXP EXC INC & R TAX	OP69	1,681,589	8,268,412	264,233	1,576,802		25,927	238,506,245	0	
24	NET FED INCOME TAX ALLOWABLE	I879	119,582	486,873	59,098	324,273		(1,002)	16,566,971	0	
25	NET STATE INCOME TAX ALLOWABLE	J979	21,119	85,959	10,401	57,174		(173)	2,930,903	0	
26	AFUDC OFFSET	LC33	(1,665)	6,669	388	(18,133)		(28)	(373,481)	0	
27	TOTAL OPERATING EXPENSE	OPEX	1,820,625	8,847,913	334,120	1,940,116		24,724	257,630,638	0	
28											
29	RETURN ON CAPITALIZATION	R751	319,850	1,305,129	132,823	790,435		589	48,805,840	0	
30	TOTAL OTHER OPERATING REVENUES		(12,038)	(52,881)	(2,875)	(19,647)		(240)	(1,978,260)	0	
31	TOTAL ELECTRIC COST OF SERVICE	CS09	2,128,437	10,100,161	464,068	2,710,904		25,073	304,458,218	0	
32											
33	PROPOSED REVENUES	R602	2,128,436	10,100,161	464,069	2,710,905		25,073	304,458,566	0	
34	EXCESS REVENUES	XREV	(1)	0	1	1		0	348	0	
35											
36	TOTAL RETURN EARNED	RETE	319,849	1,305,129	132,824	790,436		589	48,806,053	0	
37	RATE OF RETURN EARNED ON CAPITALIZATION	RORE	0.099433583	0.095876337	0.168091431	0.139540139		0.007582292	0.087610382	0.000000000	
38	TOTAL RATE OF RETURN ALLOWABLE	RORA	0.08761	0.08761	0.08761	0.08761		0.08761	0.08761	0.08761	
39	RETURN EARNED ON COMMON EQUITY	REOE	0.14680	0.13981	0.28173	0.22562		(0.03372)	0.12356	0.00000	
40	ALLOWED RETURN ON COMMON EQUITY	AROE	0.11499	0.11499	0.11499	0.11499		0.11499	0.11499	0.11499	
41											
42	PRESENT REVENUES	R600	1,764,802	8,534,952	404,272	2,194,212		12,408	237,897,726	0	
43	REVENUE INCREASE JUSTIFIED	RUD	363,635	1,565,209	59,796	516,692		12,665	66,560,492	0	
44	PER UNIT PRES REV	RLJP	0.20605	0.18339	0.14791	0.23548		1.02071	0.27979	0.00000	
45	REVENUE INCREASE REQUESTED	RIRD	363,634	1,565,209	59,797	516,693		12,665	66,560,840	0	
46	PER UNIT PRES REV	RIRP	0.20605	0.18339	0.14791	0.23548		1.02071	0.27979	0.00000	
47											

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-2 (AVERAGE & EXCESS)													
6	ELECTRIC CASE NO: 2006-00172													
7				TOTAL	RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC_RTP	DT_PRI	DT_PRI_RTP
8				ELECTRIC	RESIDENTIAL	SECONDARY	INCR.	SECONDARY	SECONDARY	SECONDARY	SECONDARY	INCR.	PRIMARY	INCR.
9						DISTRIBUTION	SEC. DISTR.	DISTRIBUTION	DISTRIBUTION	DISTRIBUTION	SEC. DISTR.	SEC. DISTR.	DISTRIBUTION	PRI. DISTR.
10	ITEM	ALLO												
49	GROSS ELECTRIC PLANT IN SERVICE Schedule 2													
50	PRODUCTION PLANT													
51	PRODUCTION - STEAM	P100 K201		\$501,176,000	\$259,138,525	\$111,422,946	\$109,452	\$448,178	\$2,130,862	\$50,118	\$61,532,315	\$899,812	\$39,487,484	\$1,895,828
52	PRODUCTION - OTHER	P106 K201		277,834,000	143,657,105	61,768,885	60,676	248,454	1,181,273	27,783	34,111,309	498,824	21,890,445	1,050,979
53	PRODUCTION PLANT IN SERVICE	P129		779,010,000	402,795,630	173,191,831	170,128	696,632	3,312,135	77,901	95,643,624	1,398,636	61,377,929	2,946,807
54	TRANSMISSION PLANT													
56	MAIN STEP-UP TRANSFORMERS	T100 K201		0	0	0	0	0	0	0	0	0	0	0
57	OTHER TRANSMISSION	T102 K201		23,766,000	12,288,470	5,283,728	5,190	21,253	101,046	2,377	2,917,891	42,670	1,872,515	89,901
58	TRANSMISSION PLANT IN SERVICE	T129		23,766,000	12,288,470	5,283,728	5,190	21,253	101,046	2,377	2,917,891	42,670	1,872,515	89,901
59	DISTRIBUTION PLANT													
60	TOTAL PROD & TRANS PLANT	PT29		802,776,000	415,084,100	178,475,559	175,318	717,885	3,413,181	80,278	98,561,515	1,441,306	63,250,444	3,036,708
61	DISTRIBUTION PLANT													
63	SUBSTATIONS	D100 K215		37,605,000	16,967,803	10,113,411	9,581	39,501	133,491	3,961	6,041,616	66,799	3,433,565	158,112
64	POLES, TOWERS & FIXTURES	D102 K205		48,820,000	22,398,721	13,350,433	12,648	52,145	176,218	5,229	7,975,369	88,180	3,807,334	175,299
65	CONDUCTORS	D104 K205		109,042,000	50,028,708	29,818,883	28,249	116,468	393,591	11,678	17,813,401	196,954	8,503,877	391,540
66	TRANSFORMERS	D106 K203		47,561,000	31,439,413	10,699,352	10,576	27,969	246,908	5,271	4,788,363	88,686	0	0
67	SERVICES	D108 K217		12,487,000	11,138,071	1,127,362	0	13,481	32,740	2,476	139,396	0	0	0
68	METERS	D110 K407		13,862,000	11,980,490	1,640,700	0	0	48,377	4,050	125,563	0	42,435	0
70	STREET LIGHTS	D114 K401		7,297,000	0	0	0	0	0	0	0	0	0	0
71	CONSTRUCTION NOT CLASSIFIED	D116 K209		18,840,000	9,802,432	4,545,323	4,157	16,994	70,228	2,224	2,511,581	30,004	1,075,024	49,365
72	DISTRIBUTION PLANT IN SERVICE	D149		295,514,000	153,755,638	71,295,464	65,211	268,558	1,101,553	34,889	39,395,289	470,623	16,862,235	774,316
73	GENERAL & INTANGIBLE PLANT													
74	TOTAL TRANS & DIST PLANT	TD29		319,280,000	166,044,108	76,579,192	70,401	287,811	1,202,599	37,266	42,313,180	513,293	18,734,750	864,217
75	TOTAL GROSS PTD PLANT	PD29		1,098,290,000	568,839,738	249,771,023	240,529	984,443	4,514,734	115,167	137,956,804	1,911,929	80,112,679	3,811,024
76	GENERAL & INTANGIBLE PLANT													
77	PRODUCTION-DEMAND	G100 A300		1,445,000	747,152	321,257	316	1,292	6,144	145	177,411	2,594	113,851	5,466
78	PRODUCTION-ENERGY	G102 A302		627,000	238,860	163,526	49	982	2,215	63	114,477	393	68,288	971
80	TRANSMISSION	G104 A304		93,000	48,088	20,676	20	83	395	9	11,418	167	7,327	352
81	DISTRIBUTION	G106 A306		603,000	297,144	153,933	143	601	2,240	71	89,268	1,027	44,757	2,068
82	CUSTOMER ACCOUNTING	G108 A308		598,000	529,324	64,040	54	332	525	84	2,157	28	159	23
83	CUSTOMER SERVICE & INFORMATION	G110 A310		69,000	45,634	21,523	17	261	211	49	311	10	57	9
84	SALES	G112 A312		0	0	0	0	0	0	0	0	0	0	0
85	GENERAL & INTANGIBLE PLANT IN SERVICE	G129		3,435,000	1,906,202	744,955	599	3,551	11,730	421	395,042	4,219	234,439	8,889
86	COMMON & OTHER PLANT													
88	PRODUCTION-DEMAND RELATED	C100 A300		8,873,000	4,587,883	1,972,672	1,938	7,935	37,725	887	1,089,390	15,931	699,100	33,564
89	PRODUCTION-ENERGY RELATED	C102 A302		3,853,000	1,467,840	1,004,887	301	6,033	13,612	390	703,476	2,415	419,639	5,964
90	TRANSMISSION	C104 A304		569,000	294,209	126,502	124	508	2,420	57	69,859	1,022	44,831	2,152
91	DISTRIBUTION	C106 A306		3,708,000	1,827,219	946,574	876	3,693	13,775	439	548,929	6,312	275,225	12,719
92	CUSTOMER ACCOUNTING	C108 A308		3,671,000	3,249,416	393,128	329	2,039	3,224	513	13,241	173	978	142
93	CUSTOMER SERVICE & INFORMATION	C110 A310		423,000	279,757	131,942	105	1,602	1,292	302	1,905	64	351	53
94	SALES	C112 A312		0	0	0	0	0	0	0	0	0	0	0
95	COMMON & OTHER PLANT IN SERVICE	C129		21,097,000	11,706,324	4,575,705	3,673	21,810	72,048	2,588	2,426,800	25,917	1,440,124	54,594
96	GROSS ELECTRIC PLANT IN SERVICE													
97	GP19			1,122,822,000	582,452,264	255,091,683	244,801	1,009,804	4,598,512	118,176	140,778,646	1,942,065	81,787,242	3,874,507

	A	B	C	O	Q	R	S	U	V	W	
1	DUKE ENERGY KENTUCKY										11/16/05 8:34 AM
2	COST OF SERVICE STUDY										
3	TWELVE MONTHS ENDING DECEMBER 31, 2007										
4	FR-9v-2 (AVERAGE & EXCESS)										
5	ELECTRIC CASE NO: 2006-00172										
6				DP	TT	TT_RTP	LT	OTHER	TOTAL		
7				PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT	ALL	
8		ITEM	ALLO	DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE	OTHER	
48	GROSS ELECTRIC PLANT IN SERVICE										
49	Schedule 2										
50	PRODUCTION PLANT										
51		P100	K201	\$2,936,200	\$17,435,740	\$1,010,993	\$2,595,746	\$81,801	\$501,176,000	\$0	
52		P106	K201	1,627,724	9,665,749	560,458	1,438,988	45,348	277,834,000	0	
53		P129		4,563,924	27,101,489	1,571,451	4,034,734	127,149	779,010,000	0	
54	TRANSMISSION PLANT										
56		T100	K201	0	0	0	0	0	0	0	
57		T102	K201	139,236	826,811	47,942	123,091	3,879	23,766,000	0	
58		T129		139,236	826,811	47,942	123,091	3,879	23,766,000	0	
59	DISTRIBUTION PLANT										
60		FT29		4,703,160	27,928,300	1,619,393	4,157,825	131,028	802,776,000	0	
61	GENERAL & INTANGIBLE PLANT										
62		D100	K215	296,688	0	0	337,421	3,051	37,605,000	0	
64		D102	K205	328,977	0	0	445,420	4,027	48,820,000	0	
65		D104	K205	734,788	0	0	994,868	8,995	109,042,000	0	
66		D106	K203	0	0	0	243,394	11,088	47,561,000	0	
67		D108	K217	0	0	0	31,456	2,018	12,487,000	0	
68		D110	K407	4,789	14,751	0	845	0	13,862,000	0	
70		D114	K401	0	0	0	7,297,000	0	7,297,000	0	
71		D116	K209	92,966	1,004	0	636,712	1,986	18,840,000	0	
72		D149		1,458,208	15,755	0	9,987,116	31,145	295,514,000	0	
73	GENERAL & INTANGIBLE PLANT										
74		TD29		1,597,444	842,566	47,942	10,110,207	35,024	319,280,000	0	
75		PD29		6,161,368	27,944,055	1,619,393	14,144,941	162,173	1,098,290,000	0	
76	COMMON & OTHER PLANT										
77		G100	A300	8,466	50,271	2,915	7,484	236	1,445,000	0	
78		G102	A302	5,375	27,276	538	3,936	51	627,000	0	
79		G104	A304	545	3,235	188	482	15	93,000	0	
80		G106	A306	3,763	3,014	172	4,744	55	603,000	0	
81		G108	A308	81	59	18	1,086	50	598,000	0	
82		G110	A310	21	19	6	853	19	69,000	0	
83		G112	A312	0	0	0	0	0	0	0	
84		G129		18,231	83,874	3,837	18,585	426	3,435,000	0	
85	COMMON & OTHER PLANT										
86		C100	A300	51,984	308,688	17,899	45,956	1,448	8,873,000	0	
87		C102	A302	33,027	167,612	3,304	24,187	313	3,853,000	0	
88		C104	A304	3,333	19,795	1,148	2,947	93	569,000	0	
89		C106	A306	23,138	18,532	1,060	29,173	336	3,708,000	0	
90		C108	A308	373	360	111	6,664	309	3,671,000	0	
91		C110	A310	129	117	37	5,227	117	423,000	0	
92		C112	A312	0	0	0	0	0	0	0	
93		C129		111,984	515,104	23,559	114,154	2,616	21,097,000	0	
94	GROSS ELECTRIC PLANT IN SERVICE										
95		GP19		6,291,583	28,543,033	1,646,789	14,277,680	165,215	1,122,822,000	0	

A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY												
2	COST OF SERVICE STUDY												
3	SUBSIDY EXCESS												
4	TWELVE MONTHS ENDING DECEMBER 31, 2007												
5	FR-9v-2 (AVERAGE & EXCESS)												
6	ELECTRIC CASE NO: 2006-00172												
7	ITEM	ALLO	TOTAL ELECTRIC	RS RESIDENTIAL	DS SECONDARY DISTRIBUTION	DS RTP INCR. SEC. DISTR.	GSFL SECONDARY DISTRIBUTION	EH SECONDARY DISTRIBUTION	SP SECONDARY DISTRIBUTION	DT_SEC SECONDARY DISTRIBUTION	DT_SEC RTP INCR. SEC. DISTR.	DT_PRI PRIMARY DISTRIBUTION	DT_PRI RTP INCR. PRI. DISTR.
98	DEPRECIATION RESERVE Schedule 3												
100	PRODUCTION PLANT												
101	PRODUCTION - STEAM	P150 K201	275,391,000	142,393,924	61,225,750	60,143	246,269	1,170,887	27,539	33,811,367	494,438	21,697,962	1,041,738
102	PRODUCTION - OTHER	P152 K201	126,716,000	65,519,892	28,171,880	27,674	113,316	538,761	12,672	15,557,666	227,506	9,983,910	479,336
103	TOTAL PROD DEPREC RESERVE	P171	402,107,000	207,913,816	89,397,630	87,817	359,585	1,709,648	40,211	49,369,033	721,944	31,681,872	1,521,074
104	TRANSMISSION PLANT												
106	MAIN STEP-UP TRANSFORMERS	K201	0	0	0	0	0	0	0	0	0	0	0
107	OTHER TRANSMISSION	T150 K201	10,203,000	5,275,575	2,268,361	2,228	9,124	43,380	1,020	1,252,682	18,318	803,891	38,595
108	TOTAL TRANS DEPREC RESERVE	T171	10,203,000	5,275,575	2,268,361	2,228	9,124	43,380	1,020	1,252,682	18,318	803,891	38,595
109	TOTAL PROD & TRANS DEPREC RESERVE												
110			412,310,000	213,189,391	91,665,991	90,045	368,709	1,753,028	41,231	50,621,715	740,262	32,485,763	1,559,669
111	DISTRIBUTION PLANT												
113	SUBSTATIONS	D150 K215	8,437,000	3,806,870	2,269,029	2,150	8,862	29,950	889	1,355,488	14,987	770,349	35,474
114	POLES, TOWERS & FIXTURES	D152 K205	18,994,000	8,714,489	5,194,144	4,921	20,287	68,560	2,034	3,102,912	34,307	1,481,288	68,202
115	CONDUCTORS	D154 K205	41,040,000	18,829,244	11,222,895	10,632	43,835	148,135	4,395	6,704,407	74,127	3,200,593	147,363
116	TRANSFORMERS	D156 K203	23,329,000	15,421,251	5,248,106	5,188	13,719	121,110	2,585	2,348,725	43,501	0	0
117	SERVICES	D158 K217	8,196,000	7,310,616	739,958	0	8,848	21,489	1,625	91,494	0	0	0
118	METERS	D160 K407	2,791,000	2,412,174	330,341	0	0	9,740	816	25,281	0	8,544	0
119	DEPRECIATION EXPENSE ADJUSTMENT	D162 K209	227,766	118,506	54,951	50	205	849	27	30,364	363	12,996	597
120	STREET LIGHTS	D164 K401	5,133,000	0	0	0	0	0	0	0	0	0	0
121	COMPLETED CONSTRUCTION NOT CLASSIFIED	D162 K209	9,164,000	4,768,019	2,210,899	2,022	8,266	34,160	1,082	1,221,663	14,594	522,904	24,012
122	RETIREMENT WORK IN PROGRESS	D166 K209	(1,581,000)	(822,592)	(381,431)	(349)	(1,426)	(5,893)	(187)	(210,765)	(2,518)	(90,213)	(4,143)
123	TOTAL DIST DEPREC RESERVE	D191	115,730,766	60,558,577	26,888,892	24,614	102,596	428,100	13,266	14,669,569	179,361	5,906,461	271,505
124	TOTAL TRANS & DIST DEPREC RESERVE												
125			125,933,766	65,834,152	29,157,253	26,842	111,720	471,480	14,286	15,922,251	197,679	6,710,352	310,100
126	TOTAL GROSS PTD PLANT DEPREC RESERVE		528,040,766	273,747,968	118,554,883	114,659	471,305	2,181,128	54,497	65,291,284	919,623	38,392,224	1,831,174
127	GENERAL & INTANGIBLE PLANT												
129	PRODUCTION-DEMAND	G150 A300	768,000	397,104	170,744	168	687	3,265	77	94,292	1,379	60,510	2,905
130	PRODUCTION-ENERGY	G152 A302	334,000	127,241	87,109	26	523	1,180	34	60,981	209	36,377	517
131	TRANSMISSION	G154 A304	49,000	25,335	10,894	11	44	208	5	6,016	88	3,861	185
132	DISTRIBUTION	G156 A306	321,000	158,182	81,945	76	320	1,192	38	47,521	546	23,826	1,101
133	CUSTOMER ACCOUNTING	G158 A308	318,000	281,481	34,055	28	177	279	44	1,147	15	85	12
134	CUSTOMER SERVICE & INFORMATION	G160 A310	37,000	24,471	11,541	9	140	113	26	167	6	31	5
135	SALES	G162 A312	0	0	0	0	0	0	0	0	0	0	0
136	TOTAL GEN & INTANGIBLE DEPREC RES.	G171	1,827,000	1,013,814	396,288	318	1,891	6,237	224	210,124	2,243	124,690	4,725
137	COMMON & OTHER PLANT												
139	PRODUCTION-DEMAND	C150 A300	4,301,000	2,223,880	956,211	939	3,846	18,287	430	528,059	7,722	338,874	16,270
140	PRODUCTION-ENERGY	C152 A302	1,868,000	711,634	487,186	146	2,925	6,599	189	341,057	1,171	203,448	2,892
141	TRANSMISSION	C154 A304	276,000	142,708	61,361	60	247	1,174	28	33,886	496	21,746	1,044
142	DISTRIBUTION	C156 A306	1,796,000	885,031	458,481	424	1,789	6,672	212	265,878	3,057	133,307	6,160
143	CUSTOMER ACCOUNTING	C158 A308	1,780,000	1,575,583	190,620	159	988	1,563	249	6,420	84	474	69
144	CUSTOMER SERVICE & INFORMATION	C160 A310	205,000	135,578	63,944	51	777	626	146	923	31	170	26
145	SALES	C162 A312	0	0	0	0	0	0	0	0	0	0	0
146	TOTAL COM & OTHER PLT RESERVE	C171	10,226,000	5,674,414	2,217,803	1,779	10,572	34,921	1,254	1,176,223	12,561	698,019	26,461
147	TOTAL DEPRECIATION RESERVE												
148		DR19	540,093,766	280,436,196	121,168,974	116,756	483,768	2,222,286	55,975	66,677,631	934,427	39,214,933	1,862,360

	A	B	C	O	Q	R	S	U	V	W	
1	DUKE ENERGY KENTUCKY										11/16/05 8:34 AM
2	COST OF SERVICE STUDY										
3	TWELVE MONTHS ENDING DECEMBER 31, 2007										
4	FR-9v-2 (AVERAGE & EXCESS)										
5	ELECTRIC CASE NO: 2006-00172										
6			DP	TT	TT_RTP	LT		OTHER	TOTAL		
7			PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING		WATER	AT	ALL	
8		ITEM	DISTRIBUTION	TIME OF DAY	TIME OF DAY			PUMPING	ISSUE	OTHER	
98											
99	DEPRECIATION RESERVE Schedule 3										
100	PRODUCTION PLANT										
101		P150 K201	1,613,411	9,580,758	555,530	1,426,335	44,949	275,391,000	0		
102		P152 K201	742,381	4,408,406	255,617	656,301	20,682	126,716,000	0		
103		P171	2,355,792	13,989,164	811,147	2,082,636	65,631	402,107,000	0		
104											
105	TRANSMISSION PLANT										
106		K201	0	0	0	0	0	0	0	0	
107		T150 K201	59,776	354,959	20,582	52,844	1,665	10,203,000	0		
108		T171	59,776	354,959	20,582	52,844	1,665	10,203,000	0		
109											
110			2,415,568	14,344,123	831,729	2,135,480	67,296	412,310,000	0		
111											
112	DISTRIBUTION PLANT										
113		D150 K215	66,565	0	0	75,703	684	8,437,000	0		
114		D152 K205	127,993	0	0	173,296	1,567	18,994,000	0		
115		D154 K205	276,551	0	0	374,437	3,386	41,040,000	0		
116		D156 K203	0	0	0	119,386	5,429	23,329,000	0		
117		D158 K217	0	0	0	20,646	1,324	8,196,000	0		
118		D160 K407	964	2,970	0	170	0	2,791,000	0		
119		D162 K209	1,124	12	0	7,698	24	227,766	0		
120		D164 K401	0	0	0	5,133,000	0	5,133,000	0		
121		D162 K209	45,220	489	0	309,704	966	9,164,000	0		
122		D166 K209	(7,801)	(84)	0	(53,431)	(187)	(1,581,000)	0		
123		D161	510,616	3,387	0	6,160,609	13,213	115,730,766	0		
124											
125			570,392	358,346	20,582	6,213,453	14,878	125,933,766	0		
126			2,926,184	14,347,510	831,729	8,296,089	80,509	528,040,766	0		
127											
128	GENERAL & INTANGIBLE PLANT										
129		G150 A300	4,499	26,718	1,549	3,978	125	768,000	0		
130		G152 A302	2,863	14,530	286	2,097	27	334,000	0		
131		G154 A304	287	1,705	99	254	8	49,000	0		
132		G156 A306	2,003	1,604	92	2,525	29	321,000	0		
133		G158 A308	32	31	10	577	27	318,000	0		
134		G160 A310	11	10	3	457	10	37,000	0		
135		G162 A312	0	0	0	0	0	0	0		
136		G171	9,695	44,598	2,039	9,888	226	1,827,000	0		
137											
138	COMMON & OTHER PLANT										
139		C150 A300	25,198	149,630	8,676	22,276	702	4,301,000	0		
140		C152 A302	16,012	81,261	1,602	11,726	152	1,868,000	0		
141		C154 A304	1,617	9,602	557	1,429	45	276,000	0		
142		C156 A306	11,207	8,976	513	14,130	163	1,796,000	0		
143		C158 A308	181	175	54	3,231	150	1,780,000	0		
144		C160 A310	63	57	18	2,533	57	205,000	0		
145		C162 A312	0	0	0	0	0	0	0		
146		C171	54,278	249,701	11,420	55,325	1,269	10,226,000	0		
147											
148		DR19	2,990,157	14,641,809	845,188	8,361,302	82,004	540,093,766	0		

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
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3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-2 (AVERAGE & EXCESS)													
6	ELECTRIC CASE NO: 2006-00172													
7				RS	DS	DS RTP	GSFL	EH	SP	DT_SEC	DT_SEC RTP	DT_PRI	DT_PRI RTP	
8	ITEM	ALLO	TOTAL ELECTRIC	RESIDENTIAL	SECONDARY DISTRIBUTION	INCR. SEC. DISTR.	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	INCR. SEC. DIST	PRIMARY DISTRIBUTION	INCR. PRI. DIST	
149	NET ELECTRIC PLANT IN SERVICE Schedule 4													
151	PRODUCTION PLANT													
152	PRODUCTION - STEAM		225,785,000	116,744,601	50,197,196	49,309	201,909	959,975	22,579	27,720,948	405,374	17,789,522	854,090	
153	PRODUCTION - OTHER		151,118,000	78,137,213	33,597,005	33,002	135,138	642,512	15,111	18,553,643	271,318	11,906,535	571,643	
154	TOTAL PROD	P229	376,903,000	194,881,814	83,794,201	82,311	337,047	1,602,487	37,690	46,274,591	676,692	29,696,057	1,425,733	
155	TRANSMISSION PLANT													
157	MAIN STEP-UP TRANSFORMERS		0	0	0	0	0	0	0	0	0	0	0	
158	OTHER TRANSMISSION		13,563,000	7,012,895	3,015,367	2,962	12,129	57,666	1,357	1,665,209	24,352	1,068,624	51,306	
159	TOTAL TRANSMISSION	T229	13,563,000	7,012,895	3,015,367	2,962	12,129	57,666	1,357	1,665,209	24,352	1,068,624	51,306	
160	NET PROD & TRANS PLANT													
161			390,466,000	201,894,709	86,809,568	85,273	349,176	1,660,153	39,047	47,939,800	701,044	30,764,681	1,477,039	
162	DISTRIBUTION PLANT													
164	SUBSTATIONS	S249	29,168,000	13,160,933	7,844,382	7,431	30,639	103,541	3,072	4,686,128	51,812	2,663,216	122,638	
165	POLES, TOWERS & FIXTURES	PL49	29,826,000	13,684,232	8,156,289	7,727	31,858	107,658	3,195	4,872,457	53,873	2,326,046	107,097	
166	CONDUCTORS	SL49	68,002,000	31,199,464	18,595,988	17,617	72,633	245,456	7,283	11,108,994	122,827	5,303,284	244,177	
167	TRANSFORMERS	F249	24,232,000	16,018,162	5,451,246	5,388	14,250	125,798	2,686	2,439,638	45,185	0	0	
168	SERVICES	SV49	4,291,000	3,827,455	387,404	0	4,633	11,251	851	47,902	0	0	0	
169	METERS	M249	11,071,000	9,568,316	1,310,359	0	0	38,637	3,234	100,282	0	33,891	0	
170	OTHER	O249	(227,766)	(118,506)	(54,951)	(50)	(205)	(849)	(27)	(30,364)	(363)	(12,996)	(597)	
171	STREET LIGHTS	L249	2,164,000	0	0	0	0	0	0	0	0	0	0	
172	CONSTRUCTION NOT CLASSIFIED	CN49	9,676,000	5,034,413	2,334,424	2,135	8,728	36,068	1,142	1,289,918	15,410	552,120	25,353	
173	RETIREMENT WORK IN PROGRESS		1,581,000	822,592	381,431	349	1,426	5,893	187	210,765	2,518	90,213	4,143	
174	TOTAL DIST	D249	179,783,234	93,197,061	44,406,572	40,597	163,962	673,453	21,623	24,725,720	291,262	10,955,774	502,811	
175	NET TRANS & DIST PLANT													
176		NT29	193,346,234	100,209,956	47,421,939	43,559	176,091	731,119	22,980	26,390,929	315,614	12,024,398	554,117	
177	NET PTD PLANT	NT39	570,249,234	295,091,770	131,216,140	125,870	513,138	2,333,606	60,670	72,665,520	992,306	41,720,455	1,979,850	
178	GENERAL & INTANGIBLE PLANT													
180	PRODUCTION-DEMAND		677,000	350,048	150,513	148	605	2,879	68	83,119	1,215	53,341	2,561	
181	PRODUCTION-ENERGY		293,000	111,619	76,417	23	459	1,035	29	53,496	184	31,911	454	
182	TRANSMISSION		44,000	22,753	9,782	9	39	187	4	5,402	79	3,466	167	
183	DISTRIBUTION		282,000	138,962	71,988	67	281	1,048	33	41,747	481	20,931	967	
184	CUSTOMER ACCOUNTING		280,000	247,843	29,985	26	155	246	40	1,010	13	74	11	
185	CUSTOMER SERVICE & INFORMATION		32,000	21,163	9,982	8	121	98	23	144	4	26	4	
186	SALES		0	0	0	0	0	0	0	0	0	0	0	
187	TOTAL GENERAL AND INTANGIBLE PLANT	G229	1,608,000	892,388	348,667	281	1,660	5,493	197	184,918	1,976	109,749	4,164	
188	COMMON & OTHER PLANT													
190	PRODUCTION-DEMAND		4,572,000	2,364,003	1,016,461	999	4,089	19,438	457	561,331	8,209	360,226	17,294	
191	PRODUCTION-ENERGY		1,985,000	756,206	517,701	155	3,108	7,013	201	362,419	1,244	216,191	3,072	
192	TRANSMISSION		293,000	151,501	65,141	64	261	1,246	29	35,973	526	23,085	1,108	
193	DISTRIBUTION		1,912,000	942,188	488,093	452	1,904	7,103	227	283,051	3,255	141,918	6,559	
194	CUSTOMER ACCOUNTING		1,891,000	1,673,833	202,508	170	1,051	1,661	264	6,821	89	504	73	
195	CUSTOMER SERVICE & INFORMATION		218,000	144,179	67,998	54	825	666	156	982	33	181	27	
196	SALES		0	0	0	0	0	0	0	0	0	0	0	
197	TOTAL COM & OTHER PLT	C229	10,871,000	6,031,910	2,357,902	1,894	11,238	37,127	1,334	1,250,577	13,356	742,105	28,133	
198	TOTAL ELECTRIC PLANT IN SERVICE													
199		NP29	582,728,234	302,016,068	133,922,709	128,045	526,036	2,376,226	62,201	74,101,015	1,007,638	42,572,309	2,012,147	

	A	B	C	O	Q	R	S	U	V	W	
1	DUKE ENERGY KENTUCKY										11/16/05 8:34 AM
2	COST OF SERVICE STUDY										
3	TWELVE MONTHS ENDING DECEMBER 31, 2007										
4	FR-9v-2 (AVERAGE & EXCESS)										
5	ELECTRIC CASE NO: 2006-00172										
6			DP	TT	TT_RTP	LT		OTHER	TOTAL		
7			PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING		WATER	AT	ALL	
8	ITEM	ALLO	DISTRIBUTION	TIME OF DAY	TIME OF DAY			PUMPING	ISSUE	OTHER	
149	NET ELECTRIC PLANT IN SERVICE Schedule 4										
151	PRODUCTION PLANT										
152	PRODUCTION - STEAM		1,322,789	7,854,982	455,463	1,169,411	36,852	225,785,000	0	0	
153	PRODUCTION - OTHER		885,343	5,257,343	304,841	782,687	24,666	151,118,000	0	0	
154	TOTAL PROD	P229	2,208,132	13,112,325	760,304	1,952,098	61,518	376,903,000	0	0	
155	TRANSMISSION PLANT										
157	MAIN STEP-UP TRANSFORMERS		0	0	0	0	0	0	0	0	
158	OTHER TRANSMISSION		79,460	471,852	27,360	70,247	2,214	13,563,000	0	0	
159	TOTAL TRANSMISSION	T229	79,460	471,852	27,360	70,247	2,214	13,563,000	0	0	
160	NET PROD & TRANS PLANT										
161			2,287,592	13,584,177	787,664	2,022,345	63,732	390,466,000	0	0	
162	DISTRIBUTION PLANT										
164	SUBSTATIONS	S249	230,123	0	0	261,718	2,367	29,168,000	0	0	
165	POLES, TOWERS & FIXTURES	PL49	200,984	0	0	272,124	2,460	29,826,000	0	0	
166	CONDUCTORS	SL49	458,237	0	0	620,431	5,609	68,002,000	0	0	
167	TRANSFORMERS	F249	0	0	0	124,008	5,639	24,232,000	0	0	
168	SERVICES	SV49	0	0	0	10,810	694	4,291,000	0	0	
169	METERS	M249	3,825	11,781	0	675	0	11,071,000	0	0	
170	OTHER	O249	(1,124)	(12)	0	(7,698)	(24)	(227,766)	0	0	
171	STREET LIGHTS	L249	0	0	0	2,164,000	0	2,164,000	0	0	
172	CONSTRUCTION NOT CLASSIFIED	CN49	47,746	515	0	327,008	1,020	9,676,000	0	0	
173	RETIREMENT WORK IN PROGRESS		7,801	84	0	53,431	167	1,581,000	0	0	
174	TOTAL DIST	D249	947,592	12,368	0	3,826,507	17,932	179,783,234	0	0	
175	NET TRANS & DIST PLANT										
176		NT29	1,027,052	484,220	27,360	3,896,754	20,146	193,346,234	0	0	
177	NET PTD PLANT	NT39	3,235,184	13,596,545	787,664	5,848,852	81,664	570,249,234	0	0	
178	GENERAL & INTANGIBLE PLANT										
180	PRODUCTION-DEMAND		3,967	23,553	1,366	3,506	111	677,000	0	0	
181	PRODUCTION-ENERGY		2,512	12,746	252	1,839	24	293,000	0	0	
182	TRANSMISSION		258	1,530	89	228	7	44,000	0	0	
183	DISTRIBUTION		1,760	1,410	80	2,219	26	282,000	0	0	
184	CUSTOMER ACCOUNTING		29	28	8	509	23	280,000	0	0	
185	CUSTOMER SERVICE & INFORMATION		10	9	3	396	9	32,000	0	0	
186	SALES		0	0	0	0	0	0	0	0	
187	TOTAL GENERAL AND INTANGIBLE PLANT	G229	8,536	39,276	1,798	8,697	200	1,608,000	0	0	
188	COMMON & OTHER PLANT										
190	PRODUCTION-DEMAND		26,786	159,058	9,223	23,680	746	4,572,000	0	0	
191	PRODUCTION-ENERGY		17,015	86,351	1,702	12,461	161	1,985,000	0	0	
192	TRANSMISSION		1,716	10,193	591	1,518	48	293,000	0	0	
193	DISTRIBUTION		11,931	9,556	547	15,043	173	1,912,000	0	0	
194	CUSTOMER ACCOUNTING		192	185	57	3,433	159	1,891,000	0	0	
195	CUSTOMER SERVICE & INFORMATION		66	60	19	2,694	60	218,000	0	0	
196	SALES		0	0	0	0	0	0	0	0	
197	TOTAL COM & OTHER PLT	C229	57,706	265,403	12,139	58,829	1,347	10,871,000	0	0	
198	TOTAL ELECTRIC PLANT IN SERVICE										
199		NP29	3,301,426	13,901,224	801,601	5,916,378	83,211	582,728,234	0	0	

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-2 (AVERAGE & EXCESS)													
6	ELECTRIC CASE NO: 2006-00172													
7				TOTAL	RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC RTP	DT_PRI	DT_PRI RTP
8	ITEM	ALLO	ELECTRIC	RESIDENTIAL	SECONDARY	INCR.	SEC. DISTR.	SECONDARY	SECONDARY	SECONDARY	SECONDARY	INCR.	PRIMARY	INCR.
9					DISTRIBUTION	SEC. DISTR.		DISTRIBUTION	DISTRIBUTION	DISTRIBUTION	DISTRIBUTION	SEC. DIST	DISTRIBUTION	PRI. DIST
200	NET ELECTRIC PLANT													
201	Schedule 4a													
202	PRODUCTION PLANT													
203	PRODUCTION PLANT IN SERVICE	P129	779,010,000	402,795,630	173,191,831	170,128	696,632	3,312,135	77,901	95,643,624	1,398,636	61,377,929	2,946,807	
204	TOTAL PROD DEPRC RESERVE	P171	(402,107,000)	(207,913,816)	(89,397,630)	(87,817)	(359,585)	(1,709,648)	(40,211)	(49,369,033)	(721,944)	(31,681,872)	(1,521,074)	
205	NET PRODUCTION PLANT	P229	376,903,000	194,881,814	83,794,201	82,311	337,047	1,602,487	37,690	46,274,591	676,692	29,696,057	1,425,733	
206	TRANSMISSION PLANT													
208	TRANSMISSION PLANT IN SERVICE	T129	23,766,000	12,288,470	5,283,728	5,190	21,253	101,046	2,377	2,917,891	42,670	1,872,515	89,901	
209	TOTAL TRANS DEPREC RESERVE	T171	(10,203,000)	(5,275,575)	(2,268,361)	(2,228)	(9,124)	(43,380)	(1,020)	(1,252,682)	(18,318)	(803,891)	(38,595)	
210	NET TRANSMISSION PLANT	T229	13,563,000	7,012,895	3,015,367	2,962	12,129	57,666	1,357	1,665,209	24,352	1,068,624	51,306	
211	NET PROD & TRANS PLANT													
212			390,466,000	201,894,709	86,809,568	85,273	349,176	1,660,153	39,047	47,939,800	701,044	30,764,681	1,477,039	
213	DISTRIBUTION PLANT													
215	DISTRIBUTION PLANT IN SERVICE	D149	295,514,000	153,755,638	71,295,464	65,211	266,558	1,101,553	34,889	39,395,289	470,623	16,862,235	774,316	
216	TOTAL DIST DEPREC RESERVE	D191	(115,730,766)	(60,558,577)	(26,888,892)	(24,614)	(102,596)	(428,100)	(13,266)	(14,669,569)	(179,361)	(5,906,461)	(271,505)	
217	NET DISTRIBUTION PLANT	D249	179,783,234	93,197,061	44,406,572	40,597	163,962	673,453	21,623	24,725,720	291,262	10,955,774	502,811	
218	NET TRANS & DIST PLANT													
220		NT29	193,346,234	100,209,956	47,421,939	43,559	176,091	731,119	22,980	26,390,929	315,614	12,024,398	554,117	
221	NET PTD PLANT	NT39	570,249,234	295,091,770	131,216,140	125,870	513,138	2,333,606	60,670	72,665,520	992,306	41,720,455	1,979,850	
222	GENERAL & INTANGIBLE PLANT													
224	GEN & INTANG PLANT IN SERVICE	G129	3,435,000	1,906,202	744,955	599	3,551	11,730	421	395,042	4,219	234,439	8,889	
225	TOTAL GEN & INTG DEPREC RESERVE	G171	(1,827,000)	(1,013,814)	(396,288)	(318)	(1,891)	(6,237)	(224)	(210,124)	(2,243)	(124,690)	(4,725)	
226	NET GENERAL & INTANG PLANT	G229	1,608,000	892,388	348,667	281	1,660	5,493	197	184,918	1,976	109,749	4,164	
227	COMMON & OTHER PLANT													
229	COMMON & OTH PLT IN SERVICE	C121	21,097,000	11,706,324	4,575,705	3,673	21,810	72,048	2,588	2,426,800	25,917	1,440,124	54,594	
230	TOTAL COM & OTH DEPREC RESERVE	C171	(10,226,000)	(5,674,414)	(2,217,803)	(1,779)	(10,572)	(34,921)	(1,254)	(1,176,223)	(12,561)	(698,019)	(26,461)	
231	NET COMMON & OTHER PLANT	C229	10,871,000	6,031,910	2,357,902	1,894	11,238	37,127	1,334	1,250,577	13,356	742,105	28,133	
232	NET ELECTRIC PLANT IN SERVICE													
233		NP29	582,728,234	302,016,068	133,922,709	128,045	526,036	2,376,226	62,201	74,101,015	1,007,638	42,572,309	2,012,147	
234														

	A	B	C	O	Q	R	S	U	V	W	
1	DUKE ENERGY KENTUCKY										
2	COST OF SERVICE STUDY										
3	TWELVE MONTHS ENDING DECEMBER 31, 2007										
4	FR-9v-2 (AVERAGE & EXCESS)										
5	ELECTRIC CASE NO: 2006-00172										
6			DP	TT	TT_RTP	LT	OTHER	TOTAL			
7			PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT			
8	ITEM	ALLO	DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE	ALL	OTHER	
200											
201	NET ELECTRIC PLANT	Schedule 4a									
202	PRODUCTION PLANT										
203	PRODUCTION PLANT IN SERVICE	P129	4,563,924	27,101,489	1,571,451	4,034,734	127,149	779,010,000		0	
204	TOTAL PROD DEPREC RESERVE	P171	(2,355,792)	(13,989,164)	(811,147)	(2,082,636)	(65,631)	(402,107,000)		0	
205	NET PRODUCTION PLANT	P229	2,208,132	13,112,325	760,304	1,952,098	61,518	376,903,000		0	
206											
207	TRANSMISSION PLANT										
208	TRANSMISSION PLANT IN SERVICE	T129	139,236	826,811	47,942	123,091	3,879	23,766,000		0	
209	TOTAL TRANS DEPREC RESERVE	T171	(59,776)	(354,959)	(20,582)	(52,844)	(1,665)	(10,203,000)		0	
210	NET TRANSMISSION PLANT	T229	79,460	471,852	27,360	70,247	2,214	13,563,000		0	
211											
212	NET PROD & TRANS PLANT		2,287,592	13,584,177	787,664	2,022,345	63,732	390,466,000		0	
213											
214	DISTRIBUTION PLANT										
215	DISTRIBUTION PLANT IN SERVICE	D149	1,458,208	15,755	0	9,987,116	31,145	295,514,000		0	
216	TOTAL DIST DEPREC RESERVE	D191	(510,616)	(3,387)	0	(6,160,609)	(13,213)	(115,730,766)		0	
217	NET DISTRIBUTION PLANT	D249	947,592	12,368	0	3,826,507	17,932	179,783,234		0	
218											
219											
220	NET TRANS & DIST PLANT	NT29	1,027,052	484,220	27,360	3,896,754	20,146	193,346,234		0	
221	NET PTD PLANT	NT39	3,235,184	13,596,545	787,664	5,848,852	81,664	570,249,234		0	
222											
223	GENERAL & INTANGIBLE PLANT										
224	GEN & INTANG PLANT IN SERVICE	G129	18,231	83,874	3,837	18,585	426	3,435,000		0	
225	TOTAL GEN & INTG DEPREC RESERVE	G171	(9,695)	(44,598)	(2,039)	(9,888)	(226)	(1,827,000)		0	
226	NET GENERAL & INTANG PLANT	G229	8,536	39,276	1,798	8,697	200	1,608,000		0	
227											
228	COMMON & OTHER PLANT										
229	COMMON & OTH PLT IN SERVICE	C121	111,984	515,104	23,559	114,154	2,616	21,097,000		0	
230	TOTAL COM & OTH DEPREC RESERVE	C171	(54,278)	(249,701)	(11,420)	(55,325)	(1,269)	(10,226,000)		0	
231	NET COMMON & OTHER PLANT	C229	57,706	265,403	12,139	58,829	1,347	10,871,000		0	
232											
233	NET ELECTRIC PLANT IN SERVICE	NP29	3,301,426	13,901,224	801,601	5,916,378	83,211	582,728,234		0	
234											

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-2 (AVERAGE & EXCESS)													
6	ELECTRIC CASE NO: 2006-00172													
7		ITEM	ALLO	TOTAL ELECTRIC	RS RESIDENTIAL	DS SECONDARY DISTRIBUTION	DS_RTP INCR. SEC. DISTR.	GSFL SECONDARY DISTRIBUTION	EH SECONDARY DISTRIBUTION	SP SECONDARY DISTRIBUTION	DT_SEC SECONDARY DISTRIBUTION	DT_SEC_RTP INCR. SEC. DIST.	DT_PRI PRIMARY DISTRIBUTION	DT_PRI RTP INCR. PRI. DIST.
8														
235	RATE BASE ADJUSTMENTS Schedule 5													
236	SUBSTRUCTIVE ADJUSTMENTS													
237														
238		B200	NP29	41,005,203	21,252,155	9,423,823	9,010	37,016	167,209	4,377	5,214,313	70,905	2,995,712	141,590
242		B208	NP29	331,400	171,758	76,162	73	299	1,351	35	42,142	573	24,211	1,144
247		B221		41,336,603	21,423,913	9,499,985	9,083	37,315	168,560	4,412	5,256,455	71,478	3,019,923	142,734
248														
249														
254		B234	NP29	(34,872)	(18,074)	(8,014)	(8)	(31)	(142)	(4)	(4,434)	(60)	(2,548)	(120)
256		B243		(34,872)	(18,074)	(8,014)	(8)	(31)	(142)	(4)	(4,434)	(60)	(2,548)	(120)
257														
263		B287		41,301,731	21,405,839	9,491,971	9,075	37,284	168,418	4,408	5,252,021	71,418	3,017,375	142,614
264														
265	ADDITIVE ADJUSTMENTS													
266														
272		V212	A315	1,295,808	719,031	281,043	226	1,340	4,425	159	149,051	1,592	88,452	3,353
273		V215		1,295,808	719,031	281,043	226	1,340	4,425	159	149,051	1,592	88,452	3,353
274														

	A	B	C	O	Q	R	S	U	V	W
1	DUKE ENERGY KENTUCKY									
2	COST OF SERVICE STUDY									
3	TWELVE MONTHS ENDING DECEMBER 31, 2007									
4	FR-9v-2 (AVERAGE & EXCESS)									
5	ELECTRIC CASE NO: 2006-00172									
6				DP	TT	TT RTP	LT	OTHER	TOTAL	
7				PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT	ALL
8				DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE	OTHER
235	RATE BASE ADJUSTMENTS Schedule 5									
236	SUBTRACTIVE ADJUSTMENTS									
237	ACCUM DEF INC TAXES (282)									
238	LIBERALIZED DEPRECIATION	B200	NP29	232,314	978,196	56,407	416,321	5,855	41,005,203	0
242	MISCELLANEOUS	B208	NP29	1,878	7,906	456	3,365	47	331,400	0
247	TOTAL ACCOUNT 282	B221		234,192	986,102	56,863	419,686	5,902	41,336,603	0
248										
249	ACCUM DEF INC TAXES (283/284)									
254	DEFERRED INCOME TAXES	B234	NP29	(198)	(832)	(48)	(354)	(5)	(34,872)	0
256	TOTAL ACCOUNT 283/284	B243		(198)	(832)	(48)	(354)	(5)	(34,872)	0
257										
263	TOTAL SUBTRACTIVE ADJUSTMENTS	B287		233,994	985,270	56,815	419,332	5,897	41,301,731	0
264										
265	ADDITIVE ADJUSTMENTS									
266	ACCUM DEF INC TAXES (190)									
272	MISCELLANEOUS DEFERRALS	V212	A315	6,878	31,639	1,447	7,011	161	1,295,808	0
273	TOTAL ACCOUNT 190	V215		6,878	31,639	1,447	7,011	161	1,295,808	0
274										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-2 (AVERAGE & EXCESS)													
6	ELECTRIC CASE NO: 2006-00172													
7				TOTAL	RS	DS	DS RTP	GSFL	EH	SP	DT_SEC	DT_SEC RTP	DT_PRI	DT_PRI RTP
8		ITEM	ALLO	ELECTRIC	RESIDENTIAL	SECONDARY DISTRIBUTION	INCR. SEC. DISTR.	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	INCR. SEC. DIST.	PRIMARY DISTRIBUTION	INCR. PRI. DIST.
286	CONSTRUCTION WORK IN PROGRESS	Schedule 5a												
287	PRODUCTION	V232	P129	(3,443,000)	(1,780,241)	(765,458)	(752)	(3,079)	(14,639)	(344)	(422,717)	(6,182)	(271,273)	(13,024)
288	TRANSMISSION	V234	T129	1,245,000	643,742	276,792	272	1,113	5,293	125	152,856	2,235	98,093	4,710
289	DISTRIBUTION	V236	D149	6,461,000	3,361,651	1,558,776	1,426	5,828	24,084	763	861,323	10,290	368,669	16,929
290	GENERAL	V238	G129	0	0	0	0	0	0	0	0	0	0	0
291	COMMON	V240	C129	0	0	0	0	0	0	0	0	0	0	0
292	TOTAL RATE BASE CWIP	V255	CW29	4,263,000	2,225,152	1,070,110	946	3,862	14,738	544	591,462	6,343	195,489	8,615
293														
294	TOTAL ADDITIVE ADJUSTMENTS	V289		5,558,808	2,944,183	1,351,153	1,172	5,202	19,163	703	740,513	7,935	283,941	11,968
295														
296	NET ORIGINAL COST RATE BASE	RB29		546,985,311	283,554,412	125,781,891	120,142	493,954	2,226,971	58,496	69,589,507	944,155	39,838,875	1,881,501
297														

	A	B	C	O	Q	R	S	U	V	W
1	DUKE ENERGY KENTUCKY									
2	COST OF SERVICE STUDY									
3	TWELVE MONTHS ENDING DECEMBER 31, 2007									
4	FR-9v-2 (AVERAGE & EXCESS)									
5										
6	ELECTRIC CASE NO: 2006-00172									
7										
8		ITEM	ALLO	DP PRIMARY DISTRIBUTION	TT TRANSMISSION TIME OF DAY	TT_RTP INCR. TRANS TIME OF DAY	LT LIGHTING	OTHER WATER PUMPING	TOTAL AT ISSUE	ALL OTHER
286	CONSTRUCTION WORK IN PROGRESS	Schedule 5a								
287	PRODUCTION	V232 P129		(20,171)	(119,781)	(6,945)	(17,832)	(562)	(3,443,000)	0
288	TRANSMISSION	V234 T129		7,294	43,313	2,511	6,448	203	1,245,000	0
289	DISTRIBUTION	V236 D149		31,882	344	0	218,354	681	6,461,000	0
290	GENERAL	V238 G129		0	0	0	0	0	0	0
291	COMMON	V240 C129		0	0	0	0	0	0	0
292	TOTAL RATE BASE CWIP	V255 CW29		19,005	(76,124)	(4,434)	206,970	322	4,283,000	0
293										
294	TOTAL ADDITIVE ADJUSTMENTS	V289		25,883	(44,485)	(2,987)	213,981	483	5,558,808	0
295										
296	NET ORIGINAL COST RATE BASE	RB29		3,093,315	12,871,469	741,789	5,711,027	77,797	546,985,311	0
297										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-2 (AVERAGE & EXCESS)													
6	ELECTRIC CASE NO: 2006-00172													
7				TOTAL	RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC RTP	DT_PRI	DT_PRI RTP
8	ITEM	ALLO	ELECTRIC	RESIDENTIAL	SECONDARY DISTRIBUTION	INCR. SEC. DISTR.	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	INCR. SEC. DIST.	PRIMARY DISTRIBUTION	INCR. PRI. DIST.
298	WORKING CAPITAL													
299	MATERIALS & SUPPLIES													
300	FUEL INVENTORIES													
301	FUEL	W640 K301	8,873,933	3,357,250	2,298,382	2,230	13,799	31,134	892	1,608,995	17,881	959,800	44,163	
302	EMISSION ALLOWANCES	W642 K301	5,919,968	2,239,684	1,533,294	1,488	9,206	20,770	595	1,073,391	11,929	640,301	29,462	
303	TOTAL FUEL STOCKS	W644	14,793,901	5,596,934	3,831,676	3,718	23,005	51,904	1,487	2,682,386	29,810	1,600,101	73,625	
304	PLANT MATERIALS & SUPPLIES													
309	OTHER	W646 NP29	8,467,889	4,388,732	1,946,092	1,861	7,644	34,530	904	1,076,796	14,642	618,638	29,239	
310	TOTAL PLANT MATERIALS & SUPPLIES	W650	8,467,889	4,388,732	1,946,092	1,861	7,644	34,530	904	1,076,796	14,642	618,638	29,239	
311	TOTAL MATERIALS & SUPPLIES													
312		W669	23,261,790	9,985,666	5,777,768	5,579	30,649	86,434	2,391	3,759,182	44,452	2,218,739	102,864	
313	PREPAYMENTS													
315	INSURANCE	W670 A315	394,000	218,627	85,453	69	407	1,346	48	45,320	484	26,894	1,020	
316	COAL, SYN FUEL AND MARGIN DEPOSITS	W684 K301	6,305,569	2,385,568	1,633,166	1,585	9,805	22,123	634	1,143,307	12,706	682,007	31,381	
317	TOTAL PREPAYMENTS	W689	6,699,569	2,604,195	1,718,619	1,654	10,212	23,469	682	1,188,627	13,190	708,901	32,401	
318	TOTAL WORKING CAPITAL													
322		WC79	43,956,090	19,517,497	10,714,229	10,236	56,876	160,357	4,596	6,859,193	80,743	4,078,702	187,295	
323	AUTO CALC (O&M-F-PP)/8	W719	13,994,731	6,927,636	3,217,842	3,003	16,015	50,454	1,523	1,911,384	23,101	1,151,062	52,030	
324	TOTAL WORKING CASH	W729	13,994,731	6,927,636	3,217,842	3,003	16,015	50,454	1,523	1,911,384	23,101	1,151,062	52,030	
325	PRELIMINARY SUMMARY													
328	TOTAL SUBTRACTIVE ADJUSTMENTS	B287	(41,301,731)	(21,405,839)	(9,491,971)	(9,075)	(37,284)	(168,418)	(4,408)	(5,252,021)	(71,418)	(3,017,375)	(142,614)	
329	TOTAL ADDITIVE ADJUSTMENTS	V289	5,558,808	2,944,183	1,351,153	1,172	5,202	19,163	703	740,513	7,935	283,941	11,968	
330	TOTAL WORKING CAPITAL	WC71	43,956,090	19,517,497	10,714,229	10,236	56,876	160,357	4,596	6,859,193	80,743	4,078,702	187,295	
331	TOTAL RATE BASE ADJUSTMENTS	RB71	8,213,167	1,055,841	2,573,411	2,333	24,794	11,102	891	2,347,685	17,260	1,345,268	56,649	
332	RATE BASE CALCULATION													
334	NET ELECTRIC PLANT IN SERVICE	NP21	582,728,234	302,016,068	133,922,709	128,045	526,036	2,376,226	62,201	74,101,015	1,007,638	42,572,309	2,012,147	
335	TOTAL RATE BASE ADJUSTMENTS	RB71	8,213,167	1,055,841	2,573,411	2,333	24,794	11,102	891	2,347,685	17,260	1,345,268	56,649	
336	TOTAL RATE BASE	RB99 JR99	590,941,401	303,071,909	136,496,120	130,378	550,830	2,387,328	63,092	76,448,700	1,024,898	43,917,577	2,068,796	
337	CAPITALIZATION ALLOC TO ELECTRIC OPER													
338		ECAP RB99	557,080,702	285,706,013	128,674,948	122,908	519,268	2,250,535	59,477	72,068,221	966,172	41,401,118	1,950,255	
339	TOTAL RATE OF RETURN ALLOWABLE													
340		RORA	0.08761000	0.06951785	0.12071688	0.22675618	0.23993747	0.05165725	0.16495734	0.10178515	0.13001839	0.06878915	0.14087876	
341	RETURN ON CAPITALIZATION	R751	48,805,840	19,861,454	15,533,238	27,870	124,592	116,256	9,811	7,335,475	125,620	2,847,948	274,750	
342														

	A	B	C	D	Q	R	S	U	V	W	
1	DUKE ENERGY KENTUCKY										11/16/05 8:34 AM
2	COST OF SERVICE STUDY										
3	TWELVE MONTHS ENDING DECEMBER 31, 2007										
4	FR-9v-2 (AVERAGE & EXCESS)										
5	ELECTRIC CASE NO: 2006-00172										
6				DP	TT	TT_RTP	LT	OTHER	TOTAL		
7				PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT	ALL	
8		ITEM	ALLO	DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE	OTHER	
298	WORKING CAPITAL										
299	MATERIALS & SUPPLIES										
300	FUEL INVENTORIES										
301	FUEL	W640	K301	75,540	383,362	24,468	55,322	715	8,873,933	0	
302	EMISSION ALLOWANCES	W642	K301	50,394	255,748	16,323	38,908	477	5,919,968	0	
303	TOTAL FUEL STOCKS	W644		125,934	639,110	40,791	92,228	1,192	14,793,901	0	
304											
305	PLANT MATERIALS & SUPPLIES										
309	OTHER	W648	NP29	47,975	202,005	11,648	85,974	1,209	8,467,889	0	
310	TOTAL PLANT MATERIALS & SUPPLIES	W650		47,975	202,005	11,648	85,974	1,209	8,467,889	0	
311											
312	TOTAL MATERIALS & SUPPLIES	W669		173,909	841,115	52,439	178,202	2,401	23,261,790	0	
313											
314	PREPAYMENTS										
315	INSURANCE	W670	A315	2,091	9,620	440	2,132	49	394,000	0	
316	COAL, SYNFUEL AND MARGIN DEPOSITS	W684	K301	53,676	272,407	17,386	39,310	508	6,305,569	0	
317	TOTAL PREPAYMENTS	W689		55,767	282,027	17,826	41,442	557	6,699,569	0	
318											
322											
323	AUTO CALC (O&M-F-PP)8	W719		89,239	445,426	26,155	78,213	1,648	13,994,731	0	
324	TOTAL WORKING CASH	W729		89,239	445,426	26,155	78,213	1,648	13,994,731	0	
325											
326	TOTAL WORKING CAPITAL	WC79		318,915	1,568,568	96,420	297,857	4,606	43,956,090	0	
327	PRELIMINARY SUMMARY										
328	TOTAL SUBTRACTIVE ADJUSTMENTS	B287		(233,994)	(985,270)	(56,815)	(419,332)	(5,897)	(41,301,731)	0	
329	TOTAL ADDITIVE ADJUSTMENTS	V289		25,883	(44,485)	(2,987)	213,981	483	5,558,808	0	
330	TOTAL WORKING CAPITAL	WC71		318,915	1,568,568	96,420	297,857	4,606	43,956,090	0	
331	TOTAL RATE BASE ADJUSTMENTS	RB71		110,804	538,813	36,618	92,506	(808)	8,213,167	0	
332											
333	RATE BASE CALCULATION										
334	NET ELECTRIC PLANT IN SERVICE	NP21		3,301,426	13,901,224	801,601	5,916,378	83,211	582,728,234	0	
335	TOTAL RATE BASE ADJUSTMENTS	RB71		110,804	538,813	36,618	92,506	(808)	8,213,167	0	
336	TOTAL RATE BASE	RB99	JR99	3,412,230	14,440,037	838,219	6,008,884	82,403	590,941,401	0	
337											
338	CAPITALIZATION ALLOC TO ELECTRIC OPER	ECAP	RB99	3,216,710	13,612,629	790,189	5,664,578	77,681	557,080,702	0	
339											
340	TOTAL RATE OF RETURN ALLOWABLE	RORA		0.09943383	0.09587633	0.16809070	0.13953994	0.00757944	0.08761000	0.08761000	
341	RETURN ON CAPITALIZATION	R751		319,850	1,305,129	132,823	790,435	589	48,805,840	0	
342											

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-2 (AVERAGE & EXCESS)													
6	ELECTRIC CASE NO: 2006-00172													
7				RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC_RTP	DT_PRI	DT_PRI_RTP	
8	ITEM	ALLO	TOTAL ELECTRIC	RESIDENTIAL	SECONDARY DISTRIBUTION	INCR. SEC. DISTR.	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	INCR. SEC. DIST	PRIMARY DISTRIBUTION	INCR. PRI. DIST	
343	O&M EXPENSES	Schedule 6												
344	PRODUCTION O&M													
345	ENERGY RELATED PRODUCTION O&M													
346	FUEL	P300 K302	85,741,670	32,766,069	22,431,737	0	134,680	303,863	8,707	15,703,466	0	9,367,454	0	
347	MISCELLANEOUS	P302 K301	0	0	0	0	0	0	0	0	0	0	0	
348	EMISSION ALLOWANCES	P308 K301	5,436,451	2,056,756	1,408,061	1,366	8,454	19,074	547	985,721	10,954	588,004	27,056	
350	ELIMINATE EMISSION ALLOW & OTHER VAR CO: P308	K301	8,104,357	3,066,097	2,099,059	2,037	12,603	28,434	815	1,469,458	16,330	876,563	40,333	
351	OTHER PRODUCTION EXPENSE - MAINTENANCI	P310 K301	13,120,712	4,963,822	3,398,313	3,298	20,403	46,034	1,319	2,379,009	26,438	1,419,130	65,298	
352	MISO TRANSMISSION CHARGES ACCT IN 555	P312 K301	12,047,693	4,557,969	3,120,397	3,028	18,735	42,269	1,211	2,184,452	24,276	1,303,073	59,958	
353	TOTAL ENERGY RELATED	P349	124,450,883	47,410,813	32,457,567	9,729	194,875	439,674	12,599	22,722,106	77,998	13,554,224	192,645	
354														
355	DEMAND RELATED PROD O&M													
358	ELIMINATE MISCELLANEOUS	P344 K201	0	0	0	0	0	0	0	0	0	0	0	
359	OTHER PRODUCTION EXPENSE - OPERATIONS	P348 K201	19,373,154	10,017,100	4,307,098	4,231	17,325	82,369	1,937	2,378,556	34,783	1,526,404	73,284	
360	TOTAL DEMAND RELATED	P349	19,373,154	10,017,100	4,307,098	4,231	17,325	82,369	1,937	2,378,556	34,783	1,526,404	73,284	
361														
362	TOTAL PRODUCTION O&M	P459	143,824,037	57,427,913	36,764,665	13,960	212,200	522,043	14,536	25,100,662	112,781	15,080,628	265,929	
363														
364	TRANSMISSION O & M													
365	TRANSFORMER LEASE PAYMENTS	K201	1,933,776	999,880	429,923	422	1,729	8,222	193	237,421	3,472	152,362	7,315	
366	OTHER TRANSMISSION	T300 K201	17,816,229	9,212,074	3,960,957	3,891	15,932	75,750	1,782	2,187,403	31,987	1,403,735	67,395	
367	MISCELLANEOUS ADJUSTMENTS	K201	(4,188,158)	(2,185,530)	(931,124)	(915)	(3,745)	(17,807)	(419)	(514,205)	(7,519)	(329,984)	(15,843)	
368	NETWORK SERVICE RATES ADJUSTMENT	T300 K201	1,377,707	712,357	306,298	301	1,232	5,858	138	169,149	2,474	108,549	5,212	
369	TOTAL TRANSMISSION O & M	T349 K201	16,939,554	8,758,781	3,766,052	3,699	15,148	72,023	1,694	2,079,768	30,414	1,334,662	64,079	
370														
371	DISTRIBUTION O & M													
373	SUBSTATIONS	D300 S249	104,713	47,248	28,161	27	110	372	11	16,823	186	9,561	440	
374	POLES, TOWERS & FIXTURES	D302 PL49	4,585,555	2,103,862	1,253,977	1,188	4,898	16,552	491	749,109	8,283	357,615	16,465	
375	CONDUCTORS	D304 SL49	192,300	88,228	52,587	50	205	694	21	31,415	347	14,997	690	
376	TRANSFORMERS	D306 F249	79,636	52,641	17,915	18	47	413	9	8,018	148	0	0	
377	OTHER MAINTENANCE	D308 K303	340,206	134,907	92,359	90	555	1,251	36	64,657	719	38,569	1,775	
378	METERS	D310 M249	435,770	376,621	51,578	0	0	1,521	127	3,947	0	1,334	0	
379	STREET LIGHTS	D314 L249	0	0	0	0	0	0	0	0	0	0	0	
380	OTHER OPERATIONS	D316 K201	955,044	493,814	212,328	209	854	4,061	96	117,256	1,715	75,248	3,613	
381	MISCELLANEOUS EXPENSES	D318 K201	(1,624)	(842)	(361)	0	(1)	(7)	0	(199)	(3)	(128)	(6)	
382	AFFILIATED COMPANY RENTS	D320 D249	38,724	20,073	9,565	9	35	145	5	5,326	63	2,360	108	
383	TOTAL DISTRIBUTION O & M	D349	6,730,324	3,316,552	1,718,109	1,591	6,703	25,002	796	996,352	11,458	499,556	23,085	
384														
385	CUSTOMER ACCOUNTING													
386	CUSTOMER ACCOUNTING EXPENSE	C300 K409	3,724,356	3,289,384	409,408	405	2,508	3,965	631	6,857	213	1,204	175	
387	ADJUST UNCOLLECTIBLE ACCOUNTS	C302 K411	(2,398,582)	(2,145,129)	(224,829)	0	0	0	0	(28,590)	0	0	0	
388	METER READING	C304 K409	1,067,382	942,723	117,334	116	719	1,136	181	1,965	61	345	50	
389	LOSS ON SALE OF AVR & INCRE AVR ON INCREA	C308 K411	3,412,755	3,052,137	319,891	0	0	0	0	40,679	0	0	0	
390	MISCELLANEOUS EXPENSE ADJUSTMENT	C308 K409	(17,185)	(15,176)	(1,889)	(2)	(12)	(18)	(3)	(32)	(1)	(6)	(1)	
391	TOTAL CUSTOMER ACCT EXPENSE	C319	5,788,726	5,123,939	619,915	519	3,215	5,083	809	20,879	273	1,543	224	
392														

	A	B	C	O	Q	R	S	U	V	W	
1	DUKE ENERGY KENTUCKY										11/16/05 8:34 AM
2	COST OF SERVICE STUDY										
3	TWELVE MONTHS ENDING DECEMBER 31, 2007										
4	FR-9v-2 (AVERAGE & EXCESS)										
5	ELECTRIC CASE NO: 2006-00172										
6				DP	TT	TT_RTP	LT	OTHER	TOTAL		
7				PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT	ALL	
8		ITEM	ALLO	DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE	OTHER	
343	O&M EXPENSES Schedule 6										
344	PRODUCTION O&M										
345	ENERGY RELATED PRODUCTION O&M										
346	FUEL	P300	K302	737,251	3,741,538	0	539,931	6,974	85,741,670	0	
347	MISCELLANEOUS	P302	K301	0	0	0	0	0	0	0	
349	EMISSION ALLOWANCES	P308	K301	46,278	234,860	14,990	33,892	438	5,436,451	0	
350	ELIMINATE EMISSION ALLOW & OTHER VAR CO:	P308	K301	68,989	350,116	22,346	50,524	653	8,104,357	0	
351	OTHER PRODUCTION EXPENSE - MAINTENANCI	P310	K301	111,990	566,827	36,177	81,797	1,057	13,120,712	0	
352	MISO TRANSMISSION CHARGES ACCT IN 555	P312	K301	102,556	520,472	33,219	75,108	970	12,047,693	0	
353	TOTAL ENERGY RELATED	P349		1,066,764	5,413,813	106,732	781,252	10,092	124,450,883	0	
354	DEMAND RELATED PROD O&M										
355	ELIMINATE MISCELLANEOUS	P344	K201	0	0	0	0	0	0	0	
359	OTHER PRODUCTION EXPENSE - OPERATIONS	P348	K201	113,500	673,985	39,080	100,340	3,162	19,373,154	0	
360	TOTAL DEMAND RELATED	P349		113,500	673,985	39,080	100,340	3,162	19,373,154	0	
361	TOTAL PRODUCTION O&M										
362		P459		1,180,264	6,087,798	145,812	881,592	13,254	143,824,037	0	
363	TRANSMISSION O & M										
364	TRANSFORMER LEASE PAYMENTS		K201	11,329	67,275	3,901	10,016	316	1,933,776	0	
366	OTHER TRANSMISSION	T300	K201	104,379	619,820	35,940	92,276	2,908	17,816,229	0	
367	MISCELLANEOUS ADJUSTMENTS		K201	(24,537)	(145,705)	(8,449)	(21,692)	(684)	(4,188,158)	0	
368	NETWORK SERVICE RATES ADJUSTMENT	T300	K201	8,071	47,930	2,779	7,136	225	1,377,707	0	
369	TOTAL TRANSMISSION O & M	T349	K201	99,242	589,320	34,171	87,736	2,765	16,939,554	0	
370	DISTRIBUTION O & M										
371	SUBSTATIONS	D300	S249	826	0	0	940	8	104,713	0	
374	POLES, TOWERS & FIXTURES	D302	PL49	30,900	0	0	41,837	378	4,585,555	0	
375	CONDUCTORS	D304	SL49	1,296	0	0	1,754	16	192,300	0	
376	TRANSFORMERS	D306	F249	0	0	0	408	19	79,636	0	
377	OTHER MAINTENANCE	D308	K303	3,036	0	0	2,223	29	340,206	0	
378	METERS	D310	M249	151	464	0	27	0	435,770	0	
379	STREET LIGHTS	D314	L249	0	0	0	0	0	0	0	
380	OTHER OPERATIONS	D316	K201	5,595	33,226	1,927	4,946	156	955,044	0	
381	MISCELLANEOUS EXPENSES	D318	K201	(10)	(56)	(3)	(8)	0	(1,624)	0	
382	AFFILIATED COMPANY RENTS	D320	D249	204	3	0	824	4	38,724	0	
383	TOTAL DISTRIBUTION O & M	D349		41,998	33,637	1,924	52,951	610	6,730,324	0	
384	CUSTOMER ACCOUNTING										
385	CUSTOMER ACCOUNTING EXPENSE	C300	K409	458	443	137	8,187	381	3,724,356	0	
387	ADJUST UNCOLLECTIBLE ACCOUNTS	C302	K411	0	0	0	(34)	0	(2,398,582)	0	
388	METER READING	C304	K409	131	127	39	2,346	109	1,067,382	0	
389	LOSS ON SALE OF A/R & INCRE A/R ON INCREA:	C306	K411	0	0	0	48	0	3,412,755	0	
390	MISCELLANEOUS EXPENSE ADJUSTMENT	C308	K409	(2)	(2)	(1)	(38)	(2)	(17,185)	0	
391	TOTAL CUSTOMER ACCT EXPENSE	C319		587	568	175	10,509	488	5,788,726	0	
392											

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-2 (AVERAGE & EXCESS)													
6	ELECTRIC CASE NO: 2006-00172													
7				RS	DS	DS RTP	GSFL	EH	SP	DT_SEC	DT_SEC RTP	DT_PRI	DT_PRI RTP	
8	ITEM	ALLO	TOTAL ELECTRIC	RESIDENTIAL	SECONDARY DISTRIBUTION	INCR. SEC. DISTR.	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	INCR. SEC. DIST	PRIMARY DISTRIBUTION	INCR. PRI. DIST	
393	CUSTOMER SERVICE & INFORMATION	Schedule 6												
394	CUSTOMER SERVICE & INFORMATION	C320 K413	572,101	378,366	178,448	142	2,169	1,746	405	2,574	88	475	70	
395	INFORMATIONAL & INSTRUCTIONAL ADV	C322 K413	107,067	70,810	33,396	26	406	327	76	482	16	89	13	
396	CUSTOMER SERVICE & INFORM PROFORMA	C324 K413	(206,796)	(136,767)	(64,503)	(51)	(784)	(631)	(146)	(930)	(32)	(172)	(25)	
397	AMI	C326 K413	(367,326)	(242,935)	(114,575)	(91)	(1,393)	(1,121)	(260)	(1,653)	(56)	(305)	(45)	
398	TOTAL CUSTOMER SERV & INFORMATION	C331	105,046	69,474	32,766	26	398	321	75	473	16	87	13	
399														
400	SALES													
401	SALES EXPENSE	S300 K419	5,060	3,435	1,498	1	18	15	3	22	1	4	1	
403	SALES EXPENSE PROFORMA	S304 K419	(4,332)	(2,940)	(1,283)	(1)	(16)	(13)	(3)	(18)	(1)	(3)	0	
404	TOTAL SALES EXPENSE	S319	728	495	215	0	2	2	0	4	0	1	1	
405														
406	SUBTOTAL O&M EXCL. A&G		173,388,415	74,697,154	42,901,722	19,795	237,666	624,474	17,910	28,198,138	154,942	16,916,477	353,331	
407														
408	ADMINISTRATIVE & GENERAL													
409	A&G EXPENSE EXCL. REGULATORY EXP													
410	PRODUCTION-DEMAND RELATED	A300 P349	10,928,785	5,650,847	2,429,720	2,387	9,773	46,466	1,093	1,341,791	19,622	861,075	41,341	
411	PRODUCTION-ENERGY RELATED	A302 E349	4,745,687	1,807,919	1,237,705	371	7,431	16,766	480	866,462	2,974	516,863	7,346	
412	TRANSMISSION	A304 T349	700,565	362,237	155,752	153	626	2,979	70	86,012	1,258	55,197	2,650	
413	DISTRIBUTION	A306 D349	4,565,482	2,249,768	1,165,471	1,079	4,547	16,960	540	675,870	7,772	338,871	15,660	
414	CUSTOMER ACCOUNTING	A308 C319	4,521,829	4,002,534	484,243	405	2,511	3,971	632	16,310	213	1,205	175	
415	CUSTOMER SERVICE & INFORMATION	A310 C331	521,351	344,804	162,620	129	1,975	1,593	372	2,348	79	432	65	
416	SALES	A312 S319	0	0	0	0	0	0	0	0	0	0	0	
417	A&G EXPENSE UNADJUSTED	A315	25,983,699	14,418,109	5,635,511	4,524	26,863	88,735	3,187	2,988,793	31,918	1,773,643	67,237	
419	RATE CASE EXPENSE	A318 A315	78,333	43,465	16,989	14	81	268	10	9,010	96	5,347	203	
426	ELIMINATE MISCELLANEOUS EXPENSES	A340 A315	(129,507)	(71,862)	(28,088)	(23)	(134)	(442)	(16)	(14,897)	(159)	(8,840)	(335)	
427	IMPLEMENT AUTOMATED METER READING	A342 A315	82,589	45,829	17,912	14	85	282	10	9,500	101	5,638	214	
431	AMORTIZATION OF DEFERRED EXPENSES	A352 A315	806,020	447,253	174,815	140	833	2,753	99	92,713	990	55,019	2,086	
432	MISCELLANEOUS	A354 A315	0	0	0	0	0	0	0	0	0	0	0	
433	ELIMINATE INCENTIVE COMPENSATION	A356 A315	(2,510,033)	(1,392,795)	(544,392)	(437)	(2,595)	(8,572)	(308)	(288,718)	(3,083)	(171,334)	(6,495)	
434	TOTAL ADMIN. & GENERAL	A357	24,311,101	13,489,999	5,272,747	4,232	25,133	83,024	2,982	2,796,401	29,863	1,659,473	62,910	
435														
436	TOTAL O & M EXPENSE	OM39	197,699,516	88,187,153	48,174,469	24,027	262,799	707,498	20,892	30,994,539	184,805	18,575,950	416,241	

	A	B	C	O	Q	R	S	U	V	W
1	DUKE ENERGY KENTUCKY									
2	COST OF SERVICE STUDY									
3	TWELVE MONTHS ENDING DECEMBER 31, 2007									
4	FR-9v-2 (AVERAGE & EXCESS)									
5	ELECTRIC CASE NO: 2006-00172									
6				DP	TT	TT RTP	LT	OTHER	TOTAL	
7				PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT	ALL
8	ITEM	ALLO		DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE	OTHER
393	CUSTOMER SERVICE & INFORMATION	Schedule 6								
394	CUSTOMER SERVICE & INFORMATION	C320 K413		177	159	52	7,071	159	572,101	0
395	INFORMATIONAL & INSTRUCTIONAL ADV	C322 K413		33	30	10	1,323	30	107,067	0
396	CUSTOMER SERVICE & INFORM PROFORMA	C324 K413		(64)	(58)	(19)	(2,556)	(58)	(206,796)	0
397	AMI	C326 K413		(114)	(102)	(34)	(4,540)	(102)	(367,326)	0
398	TOTAL CUSTOMER SERV & INFORMATION	C331		32	29	9	1,298	29	105,046	0
399										
400	SALES									
401	SALES EXPENSE	S300 K419		1	1	0	59	1	5,060	0
403	SALES EXPENSE PROFORMA	S304 K419		(1)	(1)	0	(51)	(1)	(4,332)	0
404	TOTAL SALES EXPENSE	S319		0	0	0	8	0	728	0
405										
406	SUBTOTAL O&M EXCL A&G			1,322,123	6,711,352	182,091	1,034,094	17,146	173,388,415	0
407										
408	ADMINISTRATIVE & GENERAL									
409	A&G EXPENSE EXCL REGULATORY EXP									
410	PRODUCTION-DEMAND RELATED	A300 P349		64,028	380,208	22,046	56,604	1,784	10,928,785	0
411	PRODUCTION-ENERGY RELATED	A302 E349		40,679	206,445	4,070	29,791	385	4,745,687	0
412	TRANSMISSION	A304 T349		4,104	24,372	1,413	3,628	114	700,565	0
413	DISTRIBUTION	A306 D349		28,489	22,817	1,305	35,919	414	4,565,482	0
414	CUSTOMER ACCOUNTING	A308 C319		459	444	137	8,209	381	4,521,829	0
415	CUSTOMER SERVICE & INFORMATION	A310 C331		159	144	45	6,442	144	521,351	0
416	SALES	A312 S319		0	0	0	0	0	0	0
417	A&G EXPENSE UNADJUSTED	A315		137,918	634,430	29,016	140,593	3,222	25,983,699	0
419	RATE CASE EXPENSE	A318 A315		416	1,913	87	424	10	78,333	0
426	ELIMINATE MISCELLANEOUS EXPENSES	A340 A315		(687)	(3,162)	(145)	(701)	(16)	(129,507)	0
427	IMPLEMENT AUTOMATED METER READING	A342 A315		438	2,017	92	447	10	82,589	0
431	AMORTIZATION OF DEFERRED EXPENSES	A352 A315		4,278	19,680	900	4,361	100	806,020	0
432	MISCELLANEOUS	A354 A315		0	0	0	0	0	0	0
433	ELIMINATE INCENTIVE COMPENSATION	A358 A315		(13,323)	(61,286)	(2,803)	(13,581)	(311)	(2,510,033)	0
434	TOTAL ADMIN. & GENERAL	A357		129,040	593,592	27,147	131,543	3,015	24,311,101	0
435										
436	TOTAL O & M EXPENSE	OM39		1,451,163	7,304,944	209,238	1,165,637	20,161	197,699,516	0

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-2 (AVERAGE & EXCESS)													
6	ELECTRIC CASE NO: 2006-00172													
7				TOTAL	RS	DS	DS RTP	GSFL	EH	SP	DT_SEC	DT_SEC RTP	DT_PRI	DT_PRI RTP
8	ITEM	ALLO	ELECTRIC	RESIDENTIAL	SECONDARY	INCR.	SEC. DISTR.	SECONDARY	SECONDARY	SECONDARY	SECONDARY	INCR.	PRIMARY	INCR.
					DISTRIBUTION	SEC. DISTR.		DISTRIBUTION	DISTRIBUTION	DISTRIBUTION	DISTRIBUTION	SEC. DIST	DISTRIBUTION	PRI. DIST
437	DEPRECIATION EXPENSE Schedule 7													
439	PRODUCTION DEPRECIATION													
440	PRODUCTION DEPRECIATION	P460 P229	22,346,000	11,554,243	4,968,029	4,880	19,983	95,009	2,235	2,743,549	40,120	1,760,634	84,530	
441	PROFORMA ADJUSTMENT	P462 P229	0	0	0	0	0	0	0	0	0	0	0	
442	TOTAL PRODUCTION DEPREC EXP.	P469	22,346,000	11,554,243	4,968,029	4,880	19,983	95,009	2,235	2,743,549	40,120	1,760,634	84,530	
443	TRANSMISSION DEPRECIATION													
444	TRANSMISSION DEPRECIATION													
445	TRANSMISSION DEPRECIATION	T460 T229	540,000	279,213	120,054	118	483	2,296	54	66,299	970	42,546	2,043	
446	PROFORMA ADJUSTMENT	T462 T229	0	0	0	0	0	0	0	0	0	0	0	
447	TOTAL TRANSMISSION DEP. EXP.	T469	540,000	279,213	120,054	118	483	2,296	54	66,299	970	42,546	2,043	
448	DISTRIBUTION DEPRECIATION													
449	DISTRIBUTION DEPRECIATION													
450	DISTRIBUTION DEPRECIATION	D460 D249	9,557,220	4,954,329	2,360,639	2,158	8,716	35,801	1,149	1,314,411	15,483	582,405	26,729	
451	PROFORMA ADJUSTMENT	D462 D249	0	0	0	0	0	0	0	0	0	0	0	
452	TOTAL DIST. DEPREC EXP.	D469	9,557,220	4,954,329	2,360,639	2,158	8,716	35,801	1,149	1,314,411	15,483	582,405	26,729	
453	GENERAL DEPRECIATION													
454	GENERAL DEPRECIATION													
455	GENERAL DEPRECIATION	G460 G229	99,000	54,943	21,466	17	102	338	12	11,385	122	6,757	256	
456	PROFORMA ADJUSTMENT	G462 G229	0	0	0	0	0	0	0	0	0	0	0	
457	TOTAL GENERAL DEPREC EXP.	G469	99,000	54,943	21,466	17	102	338	12	11,385	122	6,757	256	
458	COMMON AND OTHER DEPRECIATION													
459	COMMON AND OTHER DEPRECIATION													
460	COMMON DEPRECIATION	C460 C229	630,000	349,564	136,646	110	651	2,152	77	72,474	774	43,007	1,630	
461	PROFORMA ADJUSTMENT	C462 C229	0	0	0	0	0	0	0	0	0	0	0	
462	TOTAL COM & OTHER DEPREC EXP.	C469	630,000	349,564	136,646	110	651	2,152	77	72,474	774	43,007	1,630	
463	TOTAL DEPRECIATION EXPENSE													
464	TOTAL DEPRECIATION EXPENSE	DE49	33,172,220	17,192,292	7,606,834	7,283	29,935	135,596	3,527	4,208,118	57,469	2,435,349	115,188	
465														

	A	B	C	O	Q	R	S	U	V	W
1	DUKE ENERGY KENTUCKY									
2	COST OF SERVICE STUDY									
3	TWELVE MONTHS ENDING DECEMBER 31, 2007									
4	FR-9v-2 (AVERAGE & EXCESS)									
5	ELECTRIC CASE NO: 2006-00172									
6				DP	TT	TT_RTP	LT	OTHER	TOTAL	
7				PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT	ALL
8		ITEM	ALLO	DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE	OTHER
437	DEPRECIATION EXPENSE Schedule 7									
439	PRODUCTION DEPRECIATION									
440		P460	P229	130,917	777,410	45,077	115,737	3,647	22,346,000	0
441		P462	P229	0	0	0	0	0	0	0
442		P469		130,917	777,410	45,077	115,737	3,647	22,346,000	0
443	TRANSMISSION DEPRECIATION									
445		T460	T229	3,164	18,786	1,089	2,797	88	540,000	0
446		T462	T229	0	0	0	0	0	0	0
447		T469		3,164	18,786	1,089	2,797	88	540,000	0
448	DISTRIBUTION DEPRECIATION									
450		D460	D249	50,374	657	0	203,416	953	9,557,220	0
451		D462	D249	0	0	0	0	0	0	0
452		D469		50,374	657	0	203,416	953	9,557,220	0
453	GENERAL DEPRECIATION									
455		G460	G229	526	2,418	111	535	12	99,000	0
456		G462	G229	0	0	0	0	0	0	0
457		G469		526	2,418	111	535	12	99,000	0
458	COMMON AND OTHER DEPRECIATION									
460		C460	C229	3,344	15,381	703	3,409	78	630,000	0
461		C462	C229	0	0	0	0	0	0	0
462		C469		3,344	15,381	703	3,409	78	630,000	0
463	TOTAL DEPRECIATION EXPENSE									
464		DE49		188,325	814,652	46,980	325,894	4,778	33,172,220	0
465										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-2 (AVERAGE & EXCESS)													
6	ELECTRIC CASE NO: 2006-00172													
7				TOTAL	RS	DS	DS RTP	GSFL	EH	SP	DT_SEC	DT_SEC RTP	DT_PRI	DT_PRI RTP
8		ITEM	ALLO	ELECTRIC	RESIDENTIAL	SECONDARY	INCR.	SECONDARY	SECONDARY	SECONDARY	SECONDARY	INCR.	PRIMARY	INCR.
9						DISTRIB/UTION	SEC. DISTR.	DISTRIBUTION	DISTRIBUTION	DISTRIBUTION	DISTRIBUTION	SEC. DISTR.	DISTRIBUTION	PRI. DISTR.
466		TAXES OTHER THAN INC & REV Schedule 6												
467		REAL ESTATE & PROPERTY TAX												
468		L500	P229	2,627,784	1,358,724	584,217	574	2,350	11,173	263	322,628	4,718	207,042	9,940
469		L501	T229	271,224	140,239	60,299	59	243	1,153	27	33,300	487	21,370	1,026
470		L502	D249	2,796,137	1,449,478	690,648	631	2,550	10,474	336	384,555	4,530	170,393	7,820
471		L514	NP29	0	0	0	0	0	0	0	0	0	0	0
472		L529		5,695,145	2,948,441	1,335,164	1,264	5,143	22,800	626	740,483	9,735	398,805	18,786
473		MISCELLANEOUS TAXES												
474		L568	A315	1,886,821	1,046,979	409,226	329	1,951	6,444	231	217,033	2,318	128,794	4,882
475		L562	A315	0	0	0	0	0	0	0	0	0	0	0
476		L564	K301	(29,509)	(11,165)	(7,643)	(7)	(46)	(104)	(3)	(5,350)	(59)	(3,192)	(147)
477		L560	A315	7,804	4,329	1,693	1	8	27	1	898	10	533	20
478		L562	J600	(152)	(64)	(43)	0	0	0	0	(25)	0	(13)	0
479		L564	A315	81	46	18	0	0	0	0	9	0	6	0
480		L568	A315	0	0	0	0	0	0	0	0	0	0	0
481		L568	K419	(3,370)	(2,287)	(998)	(1)	(12)	(10)	(2)	(14)	0	(3)	0
482		L589		1,861,675	1,037,838	402,253	322	1,901	6,357	227	212,551	2,269	126,125	4,755
483		MISCELLANEOUS EXPENSES												
484		L584	J600	77,689	31,886	21,785	23	154	227	11	12,533	112	6,486	256
485		L589		77,689	31,886	21,785	23	154	227	11	12,533	112	6,486	256
486		L591		7,634,509	4,018,165	1,759,202	1,609	7,198	29,384	864	965,567	12,116	531,416	23,797
487		PRELIMINARY SUMMARY												
488		OM39		197,699,516	88,187,153	48,174,469	24,027	262,799	707,498	20,892	30,994,539	184,805	18,575,950	416,241
489		DE49		33,172,220	17,192,292	7,606,834	7,283	29,935	135,596	3,527	4,208,118	57,469	2,435,349	115,188
490		L599		7,634,509	4,018,165	1,759,202	1,609	7,198	29,384	864	965,567	12,116	531,416	23,797
491		OP69		238,506,245	109,397,610	57,540,505	32,919	299,932	872,478	25,283	36,168,224	254,390	21,542,715	555,226
492														
493														
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495														
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497														

	A	B	C	D	Q	R	S	U	V	W	
1	DUKE ENERGY KENTUCKY										11/16/05 8:34 AM
2	COST OF SERVICE STUDY										
3	TWELVE MONTHS ENDING DECEMBER 31, 2007										
4	FR-9v-2 (AVERAGE & EXCESS)										
5	ELECTRIC CASE NO: 2006-00172										
6				DP	TT	TT_RTP	LT	OTHER	TOTAL	ALL	
7				PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT	OTHER	
8	ITEM	ALLO	DISTRIBUTION	TIME OF DAY	TIME OF DAY			PUMPING	ISSUE		
466	TAXES OTHER THAN INC & REV Schedule 8										
467	REAL ESTATE & PROPERTY TAX										
468	PRODUCTION	L500 P229	15,395	91,420	5,301	13,610	429	2,627,784	0	0	
469	TRANSMISSION	L501 T229	1,589	9,436	547	1,405	44	271,224	0	0	
470	DISTRIBUTION	L502 D249	14,738	192	0	59,513	279	2,796,137	0	0	
471	OTHER	L514 NP29	0	0	0	0	0	0	0	0	
472	TOTAL REAL EST & PROP TAX	L520	31,722	101,048	5,848	74,528	752	5,695,145	0	0	
473											
474	MISCELLANEOUS TAXES										
475	PAYROLL RELATED	L566 A315	10,015	46,069	2,107	10,209	234	1,886,821	0	0	
476	OTHER STATE TAXES	L582 A315	0	0	0	0	0	0	0	0	
477	ELIMINATE NON-NATIVE SALES	L564 K301	(251)	(1,275)	(81)	(184)	(2)	(29,509)	0	0	
478	AUTO LICENSES, ETC	L560 A315	41	191	9	42	1	7,804	0	0	
479	ELIMINATE UNBILLED REVENUE	L582 J600	(1)	(5)	0	(1)	0	(152)	0	0	
480	AFFILIATED COMPANY RENTS	L564 A315	0	2	0	0	0	81	0	0	
481	MISCELLANEOUS	L568 A315	0	0	0	0	0	0	0	0	
482	DSM ELIMINATION	L568 K419	(1)	(1)	0	(40)	(1)	(3,370)	0	0	
483	TOTAL MISCELLANEOUS TAXES	L568	9,803	44,981	2,035	10,026	232	1,861,675	0	0	
484											
485	MISCELLANEOUS EXPENSES										
487	PSC MAINTENANCE ON INCREASE	L584 J600	576	2,787	132	717	4	77,689	0	0	
488	TOTAL MISCELLANEOUS EXPENSES	L599	576	2,787	132	717	4	77,689	0	0	
489											
490	TOTAL OTHER TAX & MISC EXPENSE	L591	42,101	148,816	8,015	85,271	988	7,634,509	0	0	
491											
492	PRELIMINARY SUMMARY										
493	TOTAL O&M EXPENSE	OM39	1,451,163	7,304,944	209,238	1,165,637	20,161	197,699,516	0	0	
494	TOTAL DEPRECIATION EXPENSE	DE49	188,325	814,652	46,980	325,894	4,778	33,172,220	0	0	
495	TOTAL OTHER TAX & MISC EXPENSE	L599	42,101	148,816	8,015	85,271	988	7,634,509	0	0	
496	TOTAL OP EXP EXC IT & OTHER TAX	OP69	1,681,589	8,268,412	264,233	1,576,802	25,927	238,506,245	0	0	
497											

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1	DUKE ENERGY KENTUCKY													
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4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-2 (AVERAGE & EXCESS)													
6	ELECTRIC CASE NO: 2006-00172													
7				TOTAL	RS	DS	DS RTP	GSFL	EH	SP	DT_SEC	DT_SEC RTP	DT_PRI	DT_PRI RTP
8	ITEM	ALLO	ELECTRIC	RESIDENTIAL	SECONDARY	INCR.	SEC. DISTR.	SECONDARY	SECONDARY	SECONDARY	SECONDARY	INCR.	PRIMARY	INCR.
9														
498	INCOME TAX BASED ON RETURN Schedule 9													
499	FEDERAL INCOME TAX DEDUCTIONS													
500	AUTOMATIC INTEREST CALCULATION													
501	AUTO PROC INTEREST DED	Y751 NP29	16,237,028	8,415,317	3,731,597	3,568	14,657	66,211	1,733	2,064,736	28,077	1,186,227	56,066	
502	TOTAL INTEREST EXPENSE	Y763	16,237,028	8,415,317	3,731,597	3,568	14,657	66,211	1,733	2,064,736	28,077	1,186,227	56,066	
503														
504	OTHER DEDUCTIONS													
505	DEPR. EXCESS TAX OVER BOOK	Y790 DE49	3,190,632	1,653,620	731,655	701	2,879	13,042	339	404,753	5,528	234,241	11,079	
507	LOSS ON REACQUIRED DEBT	Y794 NP29	(124,000)	(64,266)	(28,498)	(27)	(112)	(506)	(13)	(15,768)	(214)	(9,059)	(428)	
509	COST OF REMOVAL	Y798 DE49	1,519,000	787,257	348,327	333	1,371	6,209	162	192,695	2,632	111,518	5,275	
512	METER CAPITAL LEASE PRINCIPLE PAYMENTS	Y804 M249	758,000	655,116	89,717	0	0	2,645	221	6,866	0	2,320	0	
515	OTHER PERMANENT DIFFERENCES	Y816 NP29	1,423,562	737,803	327,163	313	1,285	5,805	152	181,023	2,462	104,001	4,916	
518	TOTAL OTHER DEDUCTIONS	Y828	6,767,194	3,769,530	1,468,364	1,320	5,423	27,195	861	769,569	10,408	443,021	20,842	
519														
520	NET DEDUCTIONS AND ADDITIONS	Y871	23,004,222	12,184,847	5,199,961	4,888	20,080	93,406	2,594	2,834,305	38,485	1,629,248	76,908	
521														
522	FEDERAL INCOME TAX ADJUSTMENTS													
523														
524	FED PROV DEF INC TAX DEFERRALS (410.1)													
528	ANNUALIZE DEPRECIATION	Z768 DE49	(75,095)	(38,921)	(17,220)	(16)	(68)	(307)	(8)	(9,526)	(130)	(5,513)	(261)	
531	MISCELLANEOUS	Z762 NP29	(563,296)	(291,945)	(129,457)	(124)	(508)	(2,297)	(60)	(71,630)	(974)	(41,153)	(1,945)	
532	MISCELLANEOUS PROFORMA ADJUSTMENT	Z770 NP29	0	0	0	0	0	0	0	0	0	0	0	
533	RECLASSIFY NON-JURIS INCOME TAX	Z770 NP29	2,512,728	1,302,296	577,476	552	2,268	10,246	268	319,524	4,345	183,572	8,676	
536	TOTAL FED PROV DEF IT DEFERRALS (410.1)	Z782	1,874,337	971,430	430,799	412	1,692	7,642	200	238,368	3,241	136,906	6,470	
537														

	A	B	C	O	Q	R	S	U	V	W
1	DUKE ENERGY KENTUCKY									
2	COST OF SERVICE STUDY									
3	TWELVE MONTHS ENDING DECEMBER 31, 2007									
4	FR-9v-2 (AVERAGE & EXCESS)									
5	ELECTRIC CASE NO: 2006-00172									
6				DP	TT	TT_RTP	LT	OTHER	TOTAL	
7				PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT	ALL
8				DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE	OTHER
498	INCOME TAX BASED ON RETURN Schedule 9									
499	FEDERAL INCOME TAX DEDUCTIONS									
500	AUTOMATIC INTEREST CALCULATION									
501	AUTO PROC INTEREST DED	Y751	NP29	91,990	387,341	22,336	164,853	2,319	16,237,028	0
502	TOTAL INTEREST EXPENSE	Y783		91,990	387,341	22,336	164,853	2,319	16,237,028	0
503										
504	OTHER DEDUCTIONS									
505	DEPR. EXCESS TAX OVER BOOK	Y780	DE49	18,114	78,356	4,519	31,346	460	3,190,632	0
507	LOSS ON REACQUIRED DEBT	Y784	NP29	(703)	(2,958)	(171)	(1,259)	(18)	(124,000)	0
509	COST OF REMOVAL	Y788	DE49	8,624	37,304	2,151	14,923	219	1,519,000	0
512	METER CAPITAL LEASE PRINCIPLE PAYMENTS	Y804	M249	262	807	0	46	0	758,000	0
515	OTHER PERMANENT DIFFERENCES	Y818	NP29	8,065	33,960	1,958	14,453	203	1,423,562	0
518	TOTAL OTHER DEDUCTIONS	Y828		34,362	147,469	8,457	59,509	864	6,767,194	0
519										
520	NET DEDUCTIONS AND ADDITIONS	Y871		126,352	534,810	30,793	224,362	3,183	23,004,222	0
521										
522	FEDERAL INCOME TAX ADJUSTMENTS									
523										
524	FED PROV DEF INC TAX DEFERRALS (410.1)									
528	ANNUALIZE DEPRECIATION	Z788	DE49	(426)	(1,844)	(106)	(738)	(11)	(75,095)	0
531	MISCELLANEOUS	Z782	NP29	(3,191)	(13,438)	(775)	(5,719)	(80)	(563,296)	0
532	MISCELLANEOUS PROFORMA ADJUSTMENT	Z770	NP29	0	0	0	0	0	0	0
533	RECLASSIFY NON-JURIS INCOME TAX	Z770	NP29	14,236	59,942	3,457	25,511	359	2,512,728	0
536	TOTAL FED PROV DEF IT DEFERRALS (410.1)	Z782		10,619	44,660	2,576	19,054	268	1,874,337	0
537										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-2 (AVERAGE & EXCESS)													
6	ELECTRIC CASE NO: 2006-00172													
7				TOTAL	RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC_RTP	DT_PRI	DT_PRI_RTP
8	ITEM	ALLO	ELECTRIC	RESIDENTIAL	SECONDARY DISTRIBUTION	INCR. SEC. DISTR.	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	INCR. SEC. DISTR.	PRIMARY DISTRIBUTION	INCR. PRI. DISTR.
554	AMORTIZED INV TAX CREDIT	Schedule 9a												
555	MISCELLANEOUS	Z804 A315	0	0	0	0	0	0	0	0	0	0	0	0
556	AMORTIZE ITC	Z806 NP29	143,846	74,550	33,059	32	130	587	15	18,292	249	10,509	497	
557	TOTAL AMORTIZED ITC	Z813	143,846	74,550	33,059	32	130	587	15	18,292	249	10,509	497	
558														
559	TEST YEAR INV TAX CREDIT	A315	0	0	0	0	0	0	0	0	0	0	0	0
560	TEST YEAR INV TAX CREDIT	Z823	0	0	0	0	0	0	0	0	0	0	0	0
561														
562	PRELIMINARY SUMMARY													
563	TOTAL FED PROV DEF IT (410.1)	Z782	1,874,337	971,430	430,799	412	1,692	7,642	200	238,368	3,241	136,906	6,470	
564	TOTAL FED PROV DEF IT (411.1)	Z803	0	0	0	0	0	0	0	0	0	0	0	
565	TOTAL AMORTIZED ITC	Z813	(143,846)	(74,550)	(33,059)	(32)	(130)	(587)	(15)	(18,292)	(249)	(10,509)	(497)	
566	TOTAL FEDERAL TAX ADJUSTMENTS	Z863	1,730,491	896,880	397,740	380	1,562	7,055	185	220,076	2,992	126,397	5,973	
567														
568	FEDERAL INCOME TAX COMPUTATION													
569	RETURN ON CAPITALIZATION	R751	48,805,840	19,861,454	15,533,238	27,870	124,592	116,256	9,811	7,335,475	125,620	2,847,948	274,750	
570	NET DEDUCTIONS AND ADDITIONS	Y871	(23,004,222)	(12,184,847)	(5,199,961)	(4,888)	(20,080)	(93,406)	(2,594)	(2,834,305)	(38,485)	(1,629,248)	(76,908)	
571	TOTAL FEDERAL TAX ADJUSTMENTS	Z863	1,730,491	896,880	397,740	380	1,562	7,055	185	220,076	2,992	126,397	5,973	
572	TOTAL STATE PROV DEF IT (410.1)	Z911	394,834	204,635	90,748	86	356	1,610	43	50,212	682	28,841	1,363	
573	TOTAL STATE PROV DEF IT (411.1)	Z933	0	0	0	0	0	0	0	0	0	0	0	
574	AFUDC OFFSET	Z935	(373,481)	(194,944)	(93,752)	(83)	(338)	(1,291)	(48)	(51,818)	(556)	(17,127)	(755)	
575	BASE FOR FIT COMPUTATION	1865 J865	27,553,462	8,583,178	10,728,013	23,365	106,092	30,224	7,397	4,719,640	90,253	1,356,811	204,423	
576														
577	FIT FACTOR K180/(1-K190)	1867		0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	
578	PRELIM FED INCOME TAX	1869	14,836,480	4,621,713	5,776,622	12,581	57,126	16,274	3,983	2,541,345	48,598	730,591	110,074	
579	TOTAL FEDERAL TAX ADJUSTMENTS	Z863	1,730,491	896,880	397,740	380	1,562	7,055	185	220,076	2,992	126,397	5,973	
580	NET FED INCOME TAX ALLOWABLE	1879	16,566,971	5,518,593	6,174,362	12,961	58,688	23,329	4,168	2,761,421	51,590	856,988	116,047	
581														
582	INCOME TAX BASED ON RETURN													
583	FEDERAL INCOME TAX PAYABLE													
584	PRELIM FEDERAL INCOME TAX	1869	14,836,480	4,621,713	5,776,622	12,581	57,126	16,274	3,983	2,541,345	48,598	730,591	110,074	
585	TEST YEAR INV TAX CREDIT	Z823	0	0	0	0	0	0	0	0	0	0	0	
586	NET FED INCOME TAX PAYABLE	1889	14,836,480	4,621,713	5,776,622	12,581	57,126	16,274	3,983	2,541,345	48,598	730,591	110,074	

	A	B	C	O	Q	R	S	U	V	W	
1	DUKE ENERGY KENTUCKY										11/16/05 8:34 AM
2	COST OF SERVICE STUDY										
3	TWELVE MONTHS ENDING DECEMBER 31, 2007										
4	FR-9v-2 (AVERAGE & EXCESS)										
5	ELECTRIC CASE NO: 2006-00172										
6											
7											
8											
	ITEM	ALLO	DP PRIMARY DISTRIBUTION	TT TRANSMISSION TIME OF DAY	TT_RTP INCR. TRANS TIME OF DAY	LT LIGHTING	OTHER WATER PUMPING	TOTAL AT ISSUE	ALL OTHER		
554	AMORTIZED INV TAX CREDIT	Schedule 9a									
555	MISCELLANEOUS	Z804 A315	0	0	0	0	0	0	0	0	
556	AMORTIZE ITC	Z806 NP29	815	3,432	198	1,460	21	143,846	0	0	
557	TOTAL AMORTIZED ITC	Z813	815	3,432	198	1,460	21	143,846	0	0	
558											
559	TEST YEAR INV TAX CREDIT	A315	0	0	0	0	0	0	0	0	
560	TEST YEAR INV TAX CREDIT	Z823	0	0	0	0	0	0	0	0	
561											
562	PRELIMINARY SUMMARY										
563	TOTAL FED PROV DEF IT (410.1)	Z782	10,619	44,660	2,576	19,054	268	1,874,337	0	0	
564	TOTAL FED PROV DEF IT (411.1)	Z803	0	0	0	0	0	0	0	0	
565	TOTAL AMORTIZED ITC	Z813	(815)	(3,432)	(198)	(1,460)	(21)	(143,846)	0	0	
566	TOTAL FEDERAL TAX ADJUSTMENTS	Z883	9,804	41,228	2,378	17,594	247	1,730,491	0	0	
567											
568	FEDERAL INCOME TAX COMPUTATION										
569	RETURN ON CAPITALIZATION	R751	319,850	1,305,129	132,823	790,435	589	48,805,840	0	0	
570	NET DEDUCTIONS AND ADDITIONS	Y871	(126,352)	(534,810)	(30,793)	(224,362)	(3,183)	(23,004,222)	0	0	
571	TOTAL FEDERAL TAX ADJUSTMENTS	Z883	9,804	41,228	2,378	17,594	247	1,730,491	0	0	
572	TOTAL STATE PROV DEF IT (410.1)	Z911	2,237	9,410	542	4,013	56	394,834	0	0	
573	TOTAL STATE PROV DEF IT (411.1)	Z933	0	0	0	0	0	0	0	0	
574	AFUDC OFFSET	Z835	(1,665)	6,669	388	(18,133)	(28)	(373,481)	0	0	
575	BASE FOR FIT COMPUTATION	1885 J885	203,874	827,626	105,338	569,547	(2,319)	27,553,462	0	0	
576											
577	FIT FACTOR K190(1-K190)	1887	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	
578	PRELIM FED INCOME TAX	1889	109,778	445,645	56,720	306,679	(1,249)	14,836,480	0	0	
579	TOTAL FEDERAL TAX ADJUSTMENTS	Z883	9,804	41,228	2,378	17,594	247	1,730,491	0	0	
580	NET FED INCOME TAX ALLOWABLE	1879	119,582	486,873	59,098	324,273	(1,002)	16,566,971	0	0	
581											
582	INCOME TAX BASED ON RETURN										
583	FEDERAL INCOME TAX PAYABLE										
584	PRELIM FEDERAL INCOME TAX	1889	109,778	445,645	56,720	306,679	(1,249)	14,836,480	0	0	
585	TEST YEAR INV TAX CREDIT	Z823	0	0	0	0	0	0	0	0	
586	NET FED INCOME TAX PAYABLE	1889	109,778	445,645	56,720	306,679	(1,249)	14,836,480	0	0	

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-2 (AVERAGE & EXCESS)													
6	ELECTRIC CASE NO: 2006-00172													
7				TOTAL	RS	DS	DS RTP	GSFL	EH	SP	DT_SEC	DT_SEC RTP	DT_PRI	DT_PRI RTP
8		ITEM	ALLO	ELECTRIC	RESIDENTIAL	SECONDARY DISTRIBUTION	INCR. SEC. DISTR.	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	INCR. SEC. DIST	PRIMARY DISTRIBUTION	INCR. PRI. DIST
587														
588		STATE INCOME TAX	Schedule 9b											
589														
590		DEDUCTIONS IN ADDITION TO Y871												
591		BONUS DEPRECIATION	Y890 DE49	1,109,000	574,765	254,309	243	1,001	4,533	118	140,684	1,921	81,418	3,851
594		DEDUCTIONS IN ADD TO Y871	Y811	1,109,000	574,765	254,309	243	1,001	4,533	118	140,684	1,921	81,418	3,851
595														
596		STATE INCOME TAX ADJUSTMENTS												
597														
598		STATE PROV DEF INC TAX DEFERRALS (410.1)												
600		NET DEFERRED TAXES	Z896 NP29	(39,700)	(20,575)	(9,124)	(9)	(36)	(162)	(4)	(5,048)	(69)	(2,900)	(137)
601		ANNUALIZE DEPRECIATION	Z896 DE49	(13,210)	(6,846)	(3,029)	(3)	(12)	(54)	(1)	(1,676)	(23)	(970)	(46)
604		NON-JURISDICTIONAL TAX	Z896 NP29	447,744	232,056	102,901	98	404	1,826	48	56,936	774	32,711	1,546
609		TOT STATE PROV DEF IT DEFERRALS (410.1)	Z911	394,834	204,635	90,748	86	356	1,610	43	50,212	682	28,841	1,363
610														
626		TOTAL STATE INC TAX ADJUSTMENT	Z957	394,834	204,635	90,748	86	356	1,610	43	50,212	682	28,841	1,363

	A	B	C	O	Q	R	S	U	V	W
1	DUKE ENERGY KENTUCKY									
2	COST OF SERVICE STUDY									
3	TWELVE MONTHS ENDING DECEMBER 31, 2007									
4	FR-9v-2 (AVERAGE & EXCESS)									
5	ELECTRIC CASE NO: 2006-00172									
6				DP	TT	TT_RTP	LT	OTHER	TOTAL	
7				PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT	ALL
8		ITEM	ALLO	DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE	OTHER
587										
588	STATE INCOME TAX	Schedule 9b								
589										
590	DEDUCTIONS IN ADDITION TO Y871									
591	BONUS DEPRECIATION	Y890	DE49	6,296	27,235	1,571	10,895	160	1,109,000	0
594	DEDUCTIONS IN ADD TO Y871	Y911		6,296	27,235	1,571	10,895	160	1,109,000	0
595										
596	STATE INCOME TAX ADJUSTMENTS									
597										
598	STATE PROV DEF INC TAX DEFERRALS (410.1)									
600	NET DEFERRED TAXES	Z896	NP29	(225)	(947)	(55)	(403)	(6)	(39,700)	0
601	ANNUALIZE DEPRECIATION	Z896	DE49	(75)	(324)	(19)	(130)	(2)	(13,210)	0
604	NON-JURISDICTIONAL TAX	Z896	NP29	2,537	10,681	616	4,546	64	447,744	0
609	TOT STATE PROV DEF IT DEFERRALS (410.1)	Z911		2,237	9,410	542	4,013	56	394,834	0
610										
626	TOTAL STATE INC TAX ADJUSTMENT	Z957		2,237	9,410	542	4,013	56	394,834	0

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-2 (AVERAGE & EXCESS)													
6	ELECTRIC CASE NO: 2006-00172													
7				TOTAL	RS	DS	DS RTP	GSFL	EH	SP	DT_SEC	DT_SEC RTP	DT_PRI	DT_PRI RTP
8	ITEM	ALLO	ELECTRIC	RESIDENTIAL	SECONDARY DISTRIBUTION	INCR. SEC. DISTR.	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	INCR. SEC. DIST	PRIMARY DISTRIBUTION	INCR. PRI. DIST	
627	INCOME TAX BASED ON RETURN Schedule 9c													
628	SUMMARY OF SIT CALCULATION													
630	RETURN ON CAPITALIZATION	R751	48,805,840	19,861,454	15,533,238	27,870	124,592	116,256	9,811	7,335,475	125,620	2,847,948	274,750	
631	NET FED INCOME TAX ALLOWABLE	1879	16,566,971	5,518,593	6,174,362	12,961	58,688	23,329	4,168	2,761,421	51,590	856,988	116,047	
632	NET FED. DED. AND ADDITIONS	Y871	(23,004,222)	(12,184,847)	(5,199,961)	(4,888)	(20,080)	(93,406)	(2,594)	(2,834,305)	(38,485)	(1,629,248)	(76,908)	
633	DEDUCTIONS IN ADD TO Y871	Y811	(1,109,000)	(574,765)	(254,309)	(243)	(1,001)	(4,533)	(118)	(140,684)	(1,921)	(81,418)	(3,851)	
634	AFUDC OFFSET	L033 CW29	(373,481)	(194,944)	(93,752)	(83)	(338)	(1,291)	(48)	(51,818)	(556)	(17,127)	(755)	
635	TOTAL STATE INC TAX ADJ	Z957	394,834	204,635	90,748	86	356	1,610	43	50,212	682	28,841	1,363	
636	BASE FOR SIT COMPUTATION	J965	41,280,942	12,630,126	16,250,326	35,703	162,217	41,965	11,262	7,120,301	136,930	2,005,984	310,646	
637														
638	SIT FACTOR K192/(1-K192)	J967		0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378
639	PRELIMINARY STATE INCOME TAX	J969	2,536,069	775,926	998,329	2,193	9,966	2,578	692	437,431	8,412	123,236	19,084	
640	TOTAL STATE INCOME TAX ADJ.	Z957	394,834	204,635	90,748	86	356	1,610	43	50,212	682	28,841	1,363	
641	NET STATE INC TAX ALLOWABLE	J979	2,930,903	980,561	1,089,077	2,279	10,322	4,188	735	487,643	9,094	152,077	20,447	
642														
643	STATE INCOME TAX PAYABLE													
644	PRELIMINARY STATE INCOME TAX	J969	2,536,069	775,926	998,329	2,193	9,966	2,578	692	437,431	8,412	123,236	19,084	
645	OTHER SIT ADJUSTMENTS	Z955	0	0	0	0	0	0	0	0	0	0	0	
646	NET STATE INCOME TAX PAYABLE	J969	2,536,069	775,926	998,329	2,193	9,966	2,578	692	437,431	8,412	123,236	19,084	
647														
648	COMPOSITE TAX RATE	CTAX	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621
649														
650														
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654														

	A	B	C	O	Q	R	S	U	V	W
1	DUKE ENERGY KENTUCKY									
2	COST OF SERVICE STUDY									
3	TWELVE MONTHS ENDING DECEMBER 31, 2007									
4	FR-9v-2 (AVERAGE & EXCESS)									
5	ELECTRIC CASE NO: 2006-00172									
6			DP	TT	TT_RTP	LT		OTHER	TOTAL	
7			PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING		WATER	AT	ALL
8		ITEM	DISTRIBUTION	TIME OF DAY	TIME OF DAY			PUMPING	ISSUE	OTHER
627										
628	INCOME TAX BASED ON RETURN Schedule 9c									
629	SUMMARY OF SIT CALCULATION									
630	RETURN ON CAPITALIZATION	R751	319,850	1,305,129	132,823	790,435		589	48,805,840	0
631	NET FED INCOME TAX ALLOWABLE	I878	119,582	486,873	59,098	324,273		(1,002)	16,566,971	0
632	NET FED. DED. AND ADDITIONS	Y871	(126,352)	(534,810)	(30,793)	(224,362)		(3,183)	(23,004,222)	0
633	DEDUCTIONS IN ADD TO Y871	Y911	(6,296)	(27,235)	(1,571)	(10,895)		(160)	(1,109,000)	0
634	AFUDC OFFSET	LO33 CW29	(1,665)	6,669	388	(18,133)		(28)	(373,481)	0
635	TOTAL STATE INC TAX ADJ	Z957	2,237	9,410	542	4,013		56	394,834	0
636	BASE FOR SIT COMPUTATION	J965	307,356	1,246,036	160,487	865,331		(3,728)	41,280,942	0
637										
638	SIT FACTOR K192/(1-K192)	J967	0.061434378	0.061434378	0.061434378	0.061434378		0.061434378	0.061434378	0.061434378
639	PRELIMINARY STATE INCOME TAX	J969	18,882	76,549	9,859	53,161		(229)	2,536,069	0
640	TOTAL STATE INCOME TAX ADJ.	Z957	2,237	9,410	542	4,013		56	394,834	0
641	NET STATE INC TAX ALLOWABLE	J879	21,119	85,959	10,401	57,174		(173)	2,930,903	0
642										
643	STATE INCOME TAX PAYABLE									
644	PRELIMINARY STATE INCOME TAX	J969	18,882	76,549	9,859	53,161		(229)	2,536,069	0
645	OTHER SIT ADJUSTMENTS	Z955	0	0	0	0		0	0	0
646	NET STATE INCOME TAX PAYABLE	J889	18,882	76,549	9,859	53,161		(229)	2,536,069	0
647										
648	COMPOSITE TAX RATE	CTAX	0.387621	0.387621	0.387621	0.387621		0.387621	0.387621	0.387621
649										
650										
651										
652										
653										
654										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-2 (AVERAGE & EXCESS)													
6	ELECTRIC CASE NO: 2006-00172													
7				TOTAL	RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC_RTP	DT_PRI	DT_PRI_RTP
8	ITEM	ALLO	ELECTRIC	RESIDENTIAL	SECONDARY DISTRIBUTION	INCR. SEC. DISTR.	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	INCR. SEC. DIST.	PRIMARY DISTRIBUTION	INCR. PRI. DIST.	
655	COST OF SERVICE COMPUTATION Schedule 10													
657	OTHER OPERATING REVENUES													
658	RENTAL REVENUE	Q000 NP29	1,505,049	780,035	345,891	331	1,359	6,137	161	191,385	2,602	109,954	5,197	
659	BAD CHECK CHARGE	Q002 J600	11,012	4,519	3,088	3	22	32	2	1,776	16	919	36	
660	ELIMINATE NON-NATIVE SALES	Q004 K301	(17,670,012)	(6,885,045)	(4,576,599)	(4,441)	(27,478)	(61,995)	(1,776)	(3,203,874)	(35,605)	(1,911,180)	(87,939)	
661	SALES FOR RESALE	Q012 K301	17,670,012	6,885,045	4,576,599	4,441	27,478	61,995	1,776	3,203,874	35,605	1,911,180	87,939	
662	RECONNECTION CHARGES	Q014 J600	57,413	23,563	16,099	17	114	168	8	9,262	83	4,793	189	
663	INTERRUPTIBLE CREDIT	Q020 J600	(58,320)	(23,936)	(16,354)	(17)	(116)	(170)	(9)	(9,408)	(84)	(4,869)	(192)	
664	BILLING CYCLE IMPROVEMENT	Q022 J600	407,070	167,072	114,147	120	807	1,188	60	65,670	588	33,987	1,339	
665	OTHER MISCELLANEOUS REVENUES	Q024 J600	56,036	22,998	15,713	17	111	164	8	9,040	81	4,679	184	
666	MISCELLANEOUS	Q026 J600	0	0	0	0	0	0	0	0	0	0	0	
669	TOTAL OTHER OPERATING REVS	Q035	1,978,260	974,251	478,584	471	2,297	7,519	230	267,725	3,286	149,463	6,753	
670														
671	COST OF SERVICE COMPUTATION													
672	TOTAL OP EXP EXC INC & REV TAX	OP69	238,506,245	109,397,610	57,540,505	32,919	299,932	872,478	25,283	36,168,224	254,390	21,542,715	555,226	
673	RETURN ON CAPITALIZATION	R751	48,805,840	19,861,454	15,533,238	27,870	124,592	116,256	9,811	7,335,475	125,620	2,847,948	274,750	
674	NET FED INCOME TAX ALLOWABLE	I879	16,566,971	5,518,593	6,174,362	12,961	58,688	23,329	4,168	2,761,421	51,590	856,988	116,047	
675	NET STATE INCOME TAX ALLOWABLE	J879	2,930,903	980,561	1,089,077	2,279	10,322	4,188	735	487,643	9,094	152,077	20,447	
676	TOTAL OTHER OPERATING REVENUES	Q027	(1,978,260)	(974,251)	(478,584)	(471)	(2,297)	(7,519)	(230)	(267,725)	(3,286)	(149,463)	(6,753)	
677	SUBTOTAL B	CS03	304,831,699	134,783,967	79,858,598	75,558	491,237	1,008,732	39,767	46,485,038	437,408	25,250,265	959,717	
678														
679	TOTAL OTHER OPERATING REVENUES	Q027	1,978,260	974,251	478,584	471	2,297	7,519	230	267,725	3,286	149,463	6,753	
680	LESS: OTHER ITEMS		0	0	0	0	0	0	0	0	0	0	0	
681	OTHER OPERATING REVS TO BE TAXED	OORT	1,978,260	974,251	478,584	471	2,297	7,519	230	267,725	3,286	149,463	6,753	
682														
685	AFUDC OFFSET	L032 CW29	(373,481)	(194,944)	(93,752)	(83)	(338)	(1,291)	(48)	(51,818)	(556)	(17,127)	(755)	
686	OTHER DEDUCTIONS TO COST OF SERVICE	L033	(373,481)	(194,944)	(93,752)	(83)	(338)	(1,291)	(48)	(51,818)	(556)	(17,127)	(755)	
687	TOTAL ELECTRIC COST OF SERVICE	CS09	304,458,218	134,589,023	79,764,846	75,475	490,899	1,007,441	39,719	46,433,220	436,852	25,233,138	958,962	
688														
689	PROPOSED REVENUES	R602	304,458,566	134,589,370	79,764,846	75,476	490,899	1,007,442	39,719	46,433,219	436,852	25,233,138	958,961	
690	TOTAL ELECTRIC COST OF SERVICE	CS09	(304,458,218)	(134,589,023)	(79,764,846)	(75,475)	(490,899)	(1,007,441)	(39,719)	(46,433,220)	(436,852)	(25,233,138)	(958,962)	
691	EXCESS REVENUES	XREV	348	347	0	1	0	1	0	(1)	0	0	(1)	
692	COMPOSITE TAX RATE	CTAX		0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	
693	EXCESS TAX	XTAX	135	135	0	0	0	0	0	0	0	0	0	
694	EXCESS RETURN	XRET	213	212	0	1	0	1	0	(1)	0	0	(1)	
695														

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	TWELVE MONTHS ENDING DECEMBER 31, 2007													
4	FR-9v-2 (AVERAGE & EXCESS)													
5	ELECTRIC CASE NO: 2006-00172													
6				RS	DS	DS RTP	GSFL	EH	SP	DT_SEC	DT_SEC RTP	DT_PRI	DT_PRI RTP	
7			TOTAL	RESIDENTIAL	SECONDARY	INCR.	SECONDARY	SECONDARY	SECONDARY	SECONDARY	SECONDARY	SECONDARY	SECONDARY	SECONDARY
8	ITEM	ALLO	ELECTRIC	DISTRIB	DISTRIB	SEC. DISTR.	DISTRIB	DISTRIB	DISTRIB	DISTRIB	SEC. DIST	DISTRIB	INCR.	PRI. DIST
696	ROR AND TAX RATES Schedule 11													
697	RATE OF RETURN													
698														
699	CAPITALIZATION AMOUNTS													
700			Total Company		Ratio									
701	LONG TERM DEBT	K100	275,774,125		0.406259216									
702	PREFERRED STOCK	K102	0		0.000000000									
703	COMMON STOCK	K104	345,393,322		0.508819383									
704	SHORT TERM DEBT	K106	57,645,769		0.084921401									
705	UNAMORTIZED DISCOUNT	K108	0		0.000000000									
706	TOTAL	K115	678,813,216		1.000000000									
707	COST OF CAPITAL													
708	LONG TERM DEBT	K120	0.06090000											
709	PREFERRED STOCK	K122	0.00000000											
710	COMMON STOCK	K124	0.11500000											
711	SHORT TERM DEBT	K128	0.05138000											
712	UNAMORTIZED DISCOUNT	K128	0.00000000											
713														
714	WEIGHTED COST OF CAPITAL													
715	LONG TERM DEBT	K141	0.02474000											
716	PREFERRED STOCK	K143	0.00000000											
717	COMMON STOCK	K145	0.05851000											
718	SHORT TERM DEBT	K147	0.00436000											
719	UNAMORTIZED DISCOUNT	K149	0.00000000											
720	TOT RATE OF RETURN ALLOWABLE	RORA	0.08761000											
721														
722	TAX RATES AND SPECIAL FACTORS													
723	SHORT TERM DEBT COST	K180	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
724	FEDERAL INCOME TAX RATE	K190	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000
725	STATE INCOME TAX RATE	K192	0.057879	0.0578786	0.0578786	0.0578786	0.0578786	0.0578786	0.0578786	0.0578786	0.0578786	0.0578786	0.0578786	0.0578786
726	REVENUE TAX RATE	K196	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
727														
728														
729	PRESENT REVENUES	R600 J600	237,897,726	97,639,085	66,709,383	70,100	471,911	694,501	35,117	38,378,456	343,715	19,862,321	782,491	
730	PROPOSED REVENUES	R602 J602	304,458,566	134,589,370	79,764,846	75,476	490,899	1,007,442	39,719	46,433,219	436,852	25,233,138	958,961	
731	PRESENT NOI		8,045,600	(2,765,907)	7,538,348	24,578	112,964	(75,382)	6,993	2,402,908	68,585	(441,027)	166,683	
732	GROSS PRESENT REV AT AVERAGE ROR	1.4442432%	237,897,726	108,893,878	57,434,130	32,863	299,690	870,675	25,100	36,154,232	254,504	21,558,917	556,297	
733	SUBSIDY EXCESS		0	(11,254,793)	9,275,253	37,237	172,221	(176,174)	10,017	2,224,224	89,211	(1,696,596)	226,194	
734	REDUCTION IN SUBSIDY EXCESS	25%	0	(2,813,698)	2,318,813	9,309	43,055	(44,044)	2,504	556,056	22,303	(424,149)	56,549	
735	RATE INCREASE		66,560,840	34,136,587	15,374,276	14,685	62,043	268,897	7,106	8,610,819	115,440	4,946,668	233,019	
736	TAX COMPLEMENT	61.23789%												
737														
738														
739														
740														
741														
742														
743														
744														

	A	B	C	O	Q	R	S	U	V	W	
1	DUKE ENERGY KENTUCKY										11/16/05 8:34 AM
2	COST OF SERVICE STUDY										
3	TWELVE MONTHS ENDING DECEMBER 31, 2007										
4	FR-9v-2 (AVERAGE & EXCESS)										
5											
6	ELECTRIC CASE NO: 2006-00172										
7			DP	TT	TT_RTP	LT	OTHER	TOTAL			
8	ITEM	ALLO	PRIMARY DISTRIBUTION	TRANSMISSION TIME OF DAY	INCR_TRANS TIME OF DAY	LIGHTING	WATER PUMPING	AT ISSUE	ALL OTHER		
696	ROR AND TAX RATES <i>Schedule 11</i>										
697	RATE OF RETURN										
698											
699	CAPITALIZATION AMOUNTS										
700	LONG TERM DEBT	K100									
701	PREFERRED STOCK	K102									
702	COMMON STOCK	K104									
703	SHORT TERM DEBT	K106									
704	UNAMORTIZED DISCOUNT	K108									
705	TOTAL	K115									
706											
707	COST OF CAPITAL										
708	LONG TERM DEBT	K120									
709	PREFERRED STOCK	K122									
710	COMMON STOCK	K124									
711	SHORT TERM DEBT	K126									
712	UNAMORTIZED DISCOUNT	K128									
713											
714	WEIGHTED COST OF CAPITAL										
715	LONG TERM DEBT	K141									
716	PREFERRED STOCK	K143									
717	COMMON STOCK	K145									
718	SHORT TERM DEBT	K147									
719	UNAMORTIZED DISCOUNT	K149									
720	TOT RATE OF RETURN ALLOWABLE RORA										
721											
722	TAX RATES AND SPECIAL FACTORS										
723	SHORT TERM DEBT COST	K180	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
724	FEDERAL INCOME TAX RATE	K190	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	
725	STATE INCOME TAX RATE	K192	0.0578786	0.0578786	0.0578786	0.0578786	0.0578786	0.0578786	0.0578786	0.0578786	
726	REVENUE TAX RATE	K196	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
727											
728											
729	PRESENT REVENUES	R600	J600	1,764,802	8,534,952	404,272	2,194,212	12,408	237,897,726	0	
730	PROPOSED REVENUES	R602	J602	2,128,436	10,100,161	464,069	2,710,905	25,073	304,458,566	0	
731	PRESENT NOI			97,168	346,628	96,205	474,023	(7,167)	8,045,600	0	
732	GROSS PRESENT REV AT AVERAGE ROR		1.4442432%	1,681,992	8,289,959	265,807	1,553,738	25,944	237,897,726	0	
733	SUBSIDY EXCESS			82,810	244,993	138,465	640,474	(13,536)	0	0	
734	REDUCTION IN SUBSIDY EXCESS		25%	20,703	61,248	34,616	160,119	(3,384)	0	0	
735	RATE INCREASE			384,337	1,626,457	94,413	676,812	9,281	66,560,840	0	
736	TAX COMPLEMENT		61.23789%								
737											
738											
739											
740											
741											
742											
743											
744											

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-2 (AVERAGE & EXCESS)													
6	ELECTRIC CASE NO: 2006-00172													
7				TOTAL	RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC_RTP	DT_PRI	DT_PRI RTP
8	ITEM	ALLO	ELECTRIC	RESIDENTIAL	SECONDARY DISTRIBUTION	INCR. SEC. DISTR.	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	INCR. SEC. DIST	PRIMARY DISTRIBUTION	INCR. PRI. DIST
745	INCOME TAX BASED ON REVENUES Schedule 12													
746	NET INCOME COMPUTATION													
747	TOTAL ELECTRIC COST OF SERVICE	CS09	304,458,218	134,589,023	79,764,846	75,475	490,899	1,007,441	39,719	46,433,220	436,852	25,233,138	958,962	
748	TOTAL OTHER OPERATING REVENUES	Q027	1,978,260	974,251	478,584	471	2,297	7,519	230	267,725	3,286	149,463	6,753	
749	TOTAL ELECTRIC REVENUE	CS07	306,436,478	135,563,274	80,243,430	75,946	493,196	1,014,960	39,949	46,700,945	440,138	25,382,601	965,715	
750	TOTAL OP EXP EXC IT & OTHER DEDUCTIONS	OP61	(238,506,245)	(109,397,610)	(57,540,505)	(32,919)	(299,932)	(872,478)	(25,283)	(36,168,224)	(254,390)	(21,542,715)	(555,226)	
751	OTHER	RTXP	0	0	0	0	0	0	0	0	0	0	0	
752	NET INCOME	NI01	67,930,233	26,165,664	22,702,925	43,027	193,264	142,482	14,666	10,532,721	185,748	3,839,886	410,489	
753	ADJUSTMENTS TO NET INCOME													
754	TOTAL INTEREST EXPENSE	Y783	(16,237,028)	(8,415,317)	(3,731,597)	(3,568)	(14,657)	(66,211)	(1,733)	(2,064,736)	(28,077)	(1,186,227)	(56,066)	
756	TOTAL OTHER DEDUCTIONS	Y828	(6,767,194)	(3,769,530)	(1,468,364)	(1,320)	(5,423)	(27,195)	(861)	(769,569)	(10,408)	(443,021)	(20,842)	
757	PRELIMINARY TAXABLE INCOME	T01	44,926,011	13,980,817	17,502,964	38,139	173,184	49,076	12,072	7,698,416	147,263	2,210,638	333,581	
758	STATE INCOME TAX COMPUTATION													
759	PRELIMINARY TAX ABLE INCOME (INCL AFUDC)	T01	44,926,011	13,980,817	17,502,964	38,139	173,184	49,076	12,072	7,698,416	147,263	2,210,638	333,581	
760	DEDUCTIONS IN ADD TO Y871	Y911	(1,109,000)	(574,765)	(254,309)	(243)	(1,001)	(4,533)	(118)	(140,684)	(1,921)	(81,418)	(3,851)	
762	STATE TAXABLE INCOME	SI01	43,817,011	13,406,052	17,248,655	37,896	172,183	44,543	11,954	7,557,732	145,342	2,129,220	329,730	
763	STATE INCOME TAX PAYABLE													
765	STATE INCOME TAX RATE	K192	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	
766	PRELIM SIT = SI01 * K192	ST01	2,536,067	775,924	998,329	2,193	9,966	2,578	692	437,431	8,412	123,236	19,084	
767	OTHER SIT ADJUSTMENTS	Z955	0	0	0	0	0	0	0	0	0	0	0	
768	STATE INCOME TAX PAYABLE	SP01	2,536,067	775,924	998,329	2,193	9,966	2,578	692	437,431	8,412	123,236	19,084	
769	SIT ALLOWABLE													
771	STATE INCOME TAX PAYABLE	SP01	2,536,067	775,924	998,329	2,193	9,966	2,578	692	437,431	8,412	123,236	19,084	
772	TOTAL STATE PROV DEF IT(410.1)	Z911	394,834	204,635	90,748	86	356	1,610	43	50,212	682	28,841	1,363	
773	TOTAL STATE PROV DEF IT(411.1)	Z933	0	0	0	0	0	0	0	0	0	0	0	
774	NET STATE INC TAX ALLOWABLE	SA01	2,930,901	980,559	1,089,077	2,279	10,322	4,188	735	487,643	9,094	152,077	20,447	
775	INCOME TAX BASED ON REVENUES													
777	FEDERAL INCOME TAX COMPUTATION													
778	PRELIMINARY TAXABLE INCOME (INCL AFUDC)	T01	44,926,011	13,980,817	17,502,964	38,139	173,184	49,076	12,072	7,698,416	147,263	2,210,638	333,581	
779	STATE INC TAX PAYABLE	SP01	(2,536,067)	(775,924)	(998,329)	(2,193)	(9,966)	(2,578)	(692)	(437,431)	(8,412)	(123,236)	(19,084)	
780	NET FEDERAL TAXABLE INCOME	FI01	42,389,944	13,204,893	16,504,635	35,946	163,218	46,498	11,380	7,260,985	138,851	2,087,402	314,497	
781	FEDERAL INCOME TAX RATE	K190	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	
782	PRELIMINARY FIT = FI01 * K190	FT01	14,836,480	4,621,713	5,776,622	12,581	57,126	16,274	3,983	2,541,345	48,598	730,591	110,074	
783	TOTAL FED PROV DEF IT (410.1)	Z782	1,874,337	971,430	430,799	412	1,692	7,642	200	238,368	3,241	136,906	6,470	
784	TOTAL FED PROV DEF IT (411.1)	Z903	0	0	0	0	0	0	0	0	0	0	0	
785	TOTAL AMORTIZED ITC & SERVICE CO ALLOC.	Z913	(143,846)	(74,550)	(33,059)	(32)	(130)	(587)	(15)	(18,292)	(249)	(10,509)	(497)	
786	NET FED INC TAX ALLOWABLE	FA01	16,566,971	5,518,593	6,174,362	12,961	58,688	23,329	4,168	2,761,421	51,590	856,988	116,047	
787	FEDERAL INCOME TAX PAYABLE													
789	PRELIM FIT	FT01	14,836,480	4,621,713	5,776,622	12,581	57,126	16,274	3,983	2,541,345	48,598	730,591	110,074	
790	TEST YEAR INV TAX CREDIT	Z923	0	0	0	0	0	0	0	0	0	0	0	
791	FED INC TAX PAYABLE	FP01	14,836,480	4,621,713	5,776,622	12,581	57,126	16,274	3,983	2,541,345	48,598	730,591	110,074	
792	PRELIMINARY SUMMARY													
794	NET INCOME EXCLUDING AFUDC OFFSET	NI01	68,303,714	26,360,608	22,796,677	43,110	193,602	143,773	14,714	10,584,539	186,304	3,857,013	411,244	
795	NET FED INC TAX ALLOWABLE	FA01	(16,566,971)	(5,518,593)	(6,174,362)	(12,961)	(58,688)	(23,329)	(4,168)	(2,761,421)	(51,590)	(856,988)	(116,047)	
796	NET STATE INC TAX ALLOWABLE	SA01	(2,930,901)	(980,559)	(1,089,077)	(2,279)	(10,322)	(4,188)	(735)	(487,643)	(9,094)	(152,077)	(20,447)	
797	OVERALL RETURN EARNED-SCH 12	RETU	48,805,842	19,861,456	15,533,238	27,870	124,592	116,256	9,811	7,335,475	125,620	2,847,948	274,750	
798	RATE OF RETURN EARNED-SCH 12													
799	RORX		0.0876	0.0695	0.1207	0.2268	0.2399	0.0517	0.1650	0.1018	0.1300	0.0688	0.1409	

	A	B	C	O	Q	R	S	U	V	W
1	DUKE ENERGY KENTUCKY									
2	COST OF SERVICE STUDY									
3	TWELVE MONTHS ENDING DECEMBER 31, 2007									
4	FR-9v-2 (AVERAGE & EXCESS)									
5	ELECTRIC CASE NO: 2006-00172									
6			DP	TT	TT_RTP	LT	OTHER	TOTAL		
7			PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT		
8			DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE		ALL
	ITEM	ALLO								OTHER
745	INCOME TAX BASED ON REVENUES	Schedule 12								
746	NET INCOME COMPUTATION									
747	TOTAL ELECTRIC COST OF SERVICE	CS09	2,128,437	10,100,161	464,068	2,710,904	25,073	304,458,218		0
748	TOTAL OTHER OPERATING REVENUES	Q027	12,038	52,881	2,875	19,647	240	1,978,260		0
749	TOTAL ELECTRIC REVENUE	CS07	2,140,475	10,153,042	466,943	2,730,551	25,313	306,436,478		0
750	TOTAL OP EXP EXC IT & OTHER DEDUCTIONS	OP01	(1,681,589)	(8,268,412)	(264,233)	(1,576,802)	(25,927)	(238,506,245)		0
751	OTHER	RTXP	0	0	0	0	0	0		0
752	NET INCOME	NI01	458,886	1,884,630	202,710	1,153,749	(614)	67,930,233		0
753										
754	ADJUSTMENTS TO NET INCOME									
755	TOTAL INTEREST EXPENSE	Y783	(91,990)	(387,341)	(22,336)	(164,853)	(2,319)	(16,237,028)		0
756	TOTAL OTHER DEDUCTIONS	Y828	(34,362)	(147,469)	(8,457)	(59,509)	(864)	(6,767,194)		0
757	PRELIMINARY TAXABLE INCOME	T101	332,534	1,349,820	171,917	929,387	(3,797)	44,926,011		0
758										
759	STATE INCOME TAX COMPUTATION									
760	PRELIMINARY TAXABLE INCOME (INCL AFUDC)	T101	332,534	1,349,820	171,917	929,387	(3,797)	44,926,011		0
761	DEDUCTIONS IN ADD TO Y871	Y811	(6,296)	(27,235)	(1,571)	(10,895)	(160)	(1,109,000)		0
762	STATE TAXABLE INCOME	SI01	326,238	1,322,585	170,346	918,492	(3,957)	43,817,011		0
763										
764	STATE INCOME TAX PAYABLE									
765	STATE INCOME TAX RATE	K182	0.05788	0.05788	0.05788	0.05788	0.05788			0.05788
766	PRELIM SIT = SI01 * K182	ST01	18,882	76,549	9,859	53,161	(229)	2,536,067		0
767	OTHER SIT ADJUSTMENTS	Z855	0	0	0	0	0	0		0
768	STATE INCOME TAX PAYABLE	SP01	18,882	76,549	9,859	53,161	(229)	2,536,067		0
769										
770	SIT ALLOWABLE									
771	STATE INCOME TAX PAYABLE	SP01	18,882	76,549	9,859	53,161	(229)	2,536,067		0
772	TOTAL STATE PROV DEF IT(410.1)	Z911	2,237	9,410	542	4,013	56	394,834		0
773	TOTAL STATE PROV DEF IT(411.1)	Z933	0	0	0	0	0	0		0
774	NET STATE INC TAX ALLOWABLE	SA01	21,119	85,959	10,401	57,174	(173)	2,930,901		0
775										
776	INCOME TAX BASED ON REVENUES									
777	FEDERAL INCOME TAX COMPUTATION									
778	PRELIMINARY TAXABLE INCOME (INCL AFUDC)	T101	332,534	1,349,820	171,917	929,387	(3,797)	44,926,011		0
779	STATE INC TAX PAYABLE	SP01	(18,882)	(76,549)	(9,859)	(53,161)	229	(2,536,067)		0
780	NET FEDERAL TAXABLE INCOME	FI01	313,652	1,273,271	162,058	876,226	(3,568)	42,389,944		0
781	FEDERAL INCOME TAX RATE	K190	0.35000	0.35000	0.35000	0.35000	0.35000			0.35000
782	PRELIMINARY FIT = FI01 * K190	FT01	109,778	445,645	56,720	306,679	(1,249)	14,836,480		0
783	TOTAL FED PROV DEF IT (410.1)	Z782	10,619	44,660	2,576	19,054	268	1,874,337		0
784	TOTAL FED PROV DEF IT (411.1)	Z803	0	0	0	0	0	0		0
785	TOTAL AMORTIZED ITC & SERVICE CO ALLOC.	Z813	(815)	(3,432)	(198)	(1,460)	(21)	(143,846)		0
786	NET FED INC TAX ALLOWABLE	FA01	119,582	486,873	59,098	324,273	(1,002)	16,566,971		0
787										
788	FEDERAL INCOME TAX PAYABLE									
789	PRELIM FIT	FT01	109,778	445,645	56,720	306,679	(1,249)	14,836,480		0
790	TEST YEAR INV TAX CREDIT	Z823	0	0	0	0	0	0		0
791	FED INC TAX PAYABLE	FP01	109,778	445,645	56,720	306,679	(1,249)	14,836,480		0
792										
793	PRELIMINARY SUMMARY									
794	NET INCOME EXCLUDING AFUDC OFFSET	NI01	460,551	1,877,961	202,322	1,171,882	(586)	68,303,714		0
795	NET FED INC TAX ALLOWABLE	FA01	(119,582)	(486,873)	(59,098)	(324,273)	1,002	(16,566,971)		0
796	NET STATE INC TAX ALLOWABLE	SA01	(21,119)	(85,959)	(10,401)	(57,174)	173	(2,930,901)		0
797	OVERALL RETURN EARNED-SCH 12	RETV	319,850	1,305,129	132,823	790,435	589	48,805,842		0
798										
799	RATE OF RETURN EARNED-SCH 12	RORX	0.0994	0.0959	0.1681	0.1395	0.0076	0.0876		0.0000

A	B	C	D	E	F	G	H	I	J	K	L	M
1	DUKE ENERGY KENTUCKY											
2												
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4	TWELVE MONTHS ENDING DECEMBER 31, 2007											
5	FR-9v-2 (AVERAGE & EXCESS)											
6	ELECTRIC CASE NO: 2006-00172											
7												
8												
9												
10	ALLOCATORS	ITEM	ALLOC	TOTAL ELECTRIC	RS RESIDENTIAL	DS SECONDARY DISTRIBUTION	DS_RTP INCR. SEC. DISTR.	GSFL SECONDARY DISTRIBUTION	EH SECONDARY DISTRIBUTION	SP SECONDARY DISTRIBUTION	DT_SEC SECONDARY DISTRIBUTION	DT_SEC_RTP INCR. SEC. DISTR.
11												
12	DEMAND ENERGY & SPEC. ASSIGN		SCHEDULE: 13									
13	K201	TOTAL KW (AVERAGE & EXCESS)		870,000	449,843	193,421	190	778	3,699	87	106,815	1,562
14		RATIO TO TOTAL ELECTRIC	K201	1.000000000	0.517060920	0.222322989	0.000218391	0.000894253	0.004251724	0.000100000	0.122775862	0.001795402
15	K203	SECONDARY NON-COIN PEAK (KW)		1,353,588	894,767	304,504	301	796	7,027	150	136,277	2,524
16		RATIO TO TOTAL ELECTRIC	K203	1.000000000	0.661033490	0.224960623	0.000222372	0.000588067	0.005191388	0.000110817	0.100678345	0.001864674
17	K205	DISTRIBUTION LINE - WTD. DIVERSIFIED CLASS		690,947	317,008	188,948	179	738	2,494	74	112,875	1,248
18		RATIO TO TOTAL ELECTRIC	K205	1.000000000	0.458802195	0.273462364	0.000259065	0.001068099	0.003609539	0.000107099	0.163362747	0.001806217
19	K207	JURISDICTIONAL KW DEMAND (COIN PEAK)		870,000	449,843	193,421	190	778	3,699	87	106,815	1,562
20		RATIO TO TOTAL ELECTRIC	K207	1.000000000	0.517060920	0.222322989	0.000218391	0.000894253	0.004251724	0.000100000	0.122775862	0.001795402
21	K209	GROSS DISTRIBUTION PLANT EXCL. CCNC		276,674,000	143,953,206	66,750,141	61,054	249,564	1,031,325	32,665	36,883,708	440,619
22		RATIO TO TOTAL ELECTRIC	K209	1.000000000	0.520299002	0.241259175	0.000220671	0.000902015	0.003727582	0.000118063	0.133311074	0.001592557
23	K215	TOTAL DIVERSIFIED CLASS DEMANDS		702,571	317,008	188,948	179	738	2,494	74	112,875	1,248
24		RATIO TO TOTAL ELECTRIC	K215	1.000000000	0.451211337	0.268937944	0.000254779	0.001050428	0.003549819	0.000105327	0.160659919	0.001776333
25	K217	WEIGHTED CUSTOMER SERVICE		136,161	121,452	12,293	0	147	357	27	1,520	0
26		RATIO TO TOTAL ELECTRIC	K217	1.000000000	0.891973473	0.090282827	0.000000000	0.001079604	0.002621896	0.000198295	0.011163255	0.000000000
27	K301	TOTAL KWH		4,318,019,707	1,633,623,871	1,118,383,192	1,085,288	6,714,746	15,149,755	434,115	782,930,553	8,700,822
28		RATIO TO TOTAL ELECTRIC	K301	1.000000000	0.378327099	0.259003726	0.000251339	0.001555052	0.003508496	0.000100536	0.181317040	0.002015003
29	K303	DISTRIBUTION KWH		4,119,571,267	1,633,623,871	1,118,383,192	1,085,288	6,714,746	15,149,755	434,115	782,930,553	8,700,822
30		RATIO TO TOTAL ELECTRIC	K303	1.000000000	0.396551914	0.271480482	0.000263447	0.001629962	0.003677508	0.000105379	0.190051465	0.002112070
31	K305	TOTAL KWH LESS LIGHTING		4,291,100,249	1,633,623,871	1,118,383,192	1,085,288	6,714,746	15,149,755	434,115	782,930,553	8,700,822
32		RATIO TO TOTAL ELECTRIC	K305	1.000000000	0.380700468	0.260628540	0.000252916	0.001564808	0.003530506	0.000101166	0.182454501	0.002027644
33	K307	ASSIGN 100% TO RESIDENTIAL		1	1	0	0	0	0	0	0	0
34		RATIO TO TOTAL ELECTRIC	K307	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000
35	K401	ASSIGN 100% TO LIGHTING		1	0	0	0	0	0	0	0	0
36		RATIO TO TOTAL ELECTRIC	K401	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000
37	K405	DISTRIBUTION CUSTOMERS		134,630	121,452	12,293	0	147	119	27	190	0
38		RATIO TO TOTAL ELECTRIC	K405	1.000000000	0.902116913	0.091309515	0.000000000	0.001091881	0.000883904	0.000200550	0.001411275	0.000000000
39	K407	METERS		40,596,398	35,086,187	4,804,971	0	0	141,678	11,862	367,725	0
40		RATIO TO TOTAL ELECTRIC	K407	1.000000000	0.864268475	0.118359540	0.000000000	0.000000000	0.003489916	0.000292193	0.009058070	0.000000000
41	K409	CUSTOMER ACCOUNTS 901-3, 905		3,915,187	3,457,929	430,386	426	2,636	4,168	663	7,208	224
42		RATIO TO TOTAL ELECTRIC	K409	1.000000000	0.883209155	0.109927316	0.000108807	0.000673276	0.001064572	0.000169341	0.001841036	0.000057213
43	K411	UNCOLLECTIBLE ACCOUNT 904		2,607,059	2,331,577	244,370	0	0	0	0	31,075	0
44		RATIO TO TOTAL ELECTRIC	K411	1.000000000	0.894332272	0.093733974	0.000000000	0.000000000	0.000000000	0.000000000	0.011919561	0.000000000
45	K413	CUST SERVICE & INFORM ACCOUNTS 908-10		646,790	427,763	201,745	160	2,452	1,974	458	2,910	99
46		RATIO TO TOTAL ELECTRIC	K413	1.000000000	0.661363039	0.311917315	0.000247376	0.003791030	0.003051995	0.000708112	0.004499142	0.000153064
47	K419	SALES ACCOUNTS 911, 913		72,135	48,948	21,360	17	260	209	48	308	10
48		RATIO TO TOTAL ELECTRIC	K419	1.000000000	0.678561031	0.296111458	0.000235669	0.003604353	0.002897345	0.000665419	0.004269772	0.000138629
49	K302	KWH SALES LESS RTP		4,274,838,087	1,633,623,871	1,118,383,192	0	6,714,746	15,149,755	434,115	782,930,553	0
50		RATIO TO TOTAL ELECTRIC	K302	1.000000000	0.382148712	0.261620012	0.000000000	0.001570760	0.003543937	0.000101551	0.183148586	0.000000000

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4	FR-9V-2 (AVERAGE & EXCESS)											
5	ELECTRIC CASE NO: 2006-00172											
6												
7												
8												
9												
10	ALLOCATORS	ITEM	ALLOC	TOTAL ELECTRIC	RS RESIDENTIAL	DS SECONDARY DISTRIBUTION	DS_RTP INCR. SEC. DISTR.	GSFL SECONDARY DISTRIBUTION	EH SECONDARY DISTRIBUTION	SP SECONDARY DISTRIBUTION	DT_SEC SECONDARY DISTRIBUTION	DT_SEC RTP INCR. SEC. DISTR.
11	ALLOCATORS & WEIGHTED RATIOS											
51	SPECIAL ALLOCATOR INFO FOR K209 SCHEDULE: 13a											
53	SUBSTATIONS			37,605,000	16,967,803	10,113,411	9,581	39,501	133,491	3,961	6,041,616	66,799
54	POLES, TOWERS & FIXTURES			48,820,000	22,398,721	13,350,433	12,648	52,145	176,218	5,229	7,975,369	88,180
55	CONDUCTORS			109,042,000	50,028,708	29,818,863	28,249	116,468	393,591	11,678	17,813,401	196,954
56	TRANSFORMERS			47,561,000	31,439,413	10,699,352	10,576	27,969	246,908	5,271	4,788,363	88,686
57	SERVICES			12,487,000	11,138,071	1,127,362	0	13,481	32,740	2,476	139,396	0
58	METERS			13,862,000	11,980,490	1,640,700	0	0	48,377	4,050	125,563	0
59	OTHERS			0	0	0	0	0	0	0	0	0
60	STREET LIGHTS			7,297,000	0	0	0	0	0	0	0	0
61	GROSS DISTR PLANT NOT INCL. ACCT 106			276,674,000	143,953,206	66,750,141	61,054	249,564	1,031,325	32,665	36,883,708	440,619
62	GROSS DISTR RESEV. NOT INCL. ACCT 106			(108,147,766)	(56,613,150)	(25,059,424)	(22,941)	(95,756)	(399,833)	(12,371)	(13,658,671)	(167,285)
63	NET DIST. PLT LESS ACCT 106			168,526,234	87,340,056	41,690,717	38,113	153,808	631,492	20,294	23,225,037	273,334
64		K211	K211	1.000000000	0.518257923	0.247384137	0.000226155	0.000912665	0.003747144	0.000120420	0.137812591	0.001621908
65	WEIGHTED RATIOS											
66	P129	GROSS ELECTRIC PLANT IN SERVICE		1.000000000	0.517060923	0.222322988	0.000218390	0.000894253	0.004251723	0.000100000	0.122775862	0.001795402
67	P129	WTD GROSS PROD PLANT RATIOS	P129	1.000000000	0.517060927	0.222322982	0.000218379	0.000894261	0.004251704	0.000100017	0.122775856	0.001795422
68	T129	WTD GROSS TRANS PLANT RATIOS	T129	1.000000000	0.517060924	0.222322988	0.000218390	0.000894253	0.004251723	0.000100000	0.122775862	0.001795402
69	PT29	WTD GROSS P & T PLT RATIOS	PT29	1.000000000	0.520298998	0.241259176	0.000220670	0.000902015	0.003727583	0.000118062	0.133311075	0.001592557
70	D149	WTD GROSS DIST PLANT RATIOS	D149	1.000000000	0.520057968	0.239849637	0.000220499	0.000901438	0.003766597	0.000116719	0.132526873	0.001607658
71	TD29	WTD GROSS TRANS & DIST RATIOS	TD29	1.000000000	0.517932184	0.227418098	0.000219003	0.000896342	0.004110694	0.000104860	0.125610544	0.001740823
72	PD29	WTD GROSS PTD PLT RATIOS	PD29	1.000000000	0.554935080	0.216871907	0.000174381	0.001033770	0.003414847	0.000122562	0.115004949	0.001228239
73	G129	WTD GROSS G & I PLT RATIOS	G129	1.000000000	0.554880978	0.216888894	0.000174101	0.001033796	0.003415083	0.000122671	0.115030573	0.001228469
74	C129	WTD GROSS C & O PLANT RATIOS	C129	1.000000000	0.518739626	0.227187999	0.000218023	0.000899345	0.004095495	0.000105249	0.125379309	0.001729629
75	GP19	WTD GROSS PLANT RATIOS	GP19	1.000000000	0.519236128	0.224348033	0.000216177	0.000895711	0.004114630	0.000103639	0.123455658	0.001730120
76	DR19	WTD TOTAL DEPRC RES RATIOS	DR19	1.000000000								
77	NET ELECTRIC PLANT											
79	P229	WTD NET PROD PLANT RATIOS	P229	1.000000000	0.517060925	0.222322988	0.000218388	0.000894254	0.004251723	0.000099999	0.122775863	0.001795401
80	T229	WTD NET TRANS PLANT RATIOS	T229	1.000000000	0.517060754	0.222323011	0.000218388	0.000894271	0.004251714	0.000100052	0.122775861	0.001795473
81	S249	WTD NET DIST SUBSTATIONS PLANT RATIOS	S249	1.000000000	0.451211362	0.268937946	0.000254765	0.001050432	0.003549815	0.000105321	0.160659901	0.001776330
82	PL49	WTD NET DIST LINES - PRV/SEC RATIOS	PL49	1.000000000	0.458802119	0.273462382	0.000259069	0.001068128	0.003609535	0.000107121	0.163362737	0.001806243
83	SL49	WTD NET DIST LINES - PRV/SEC RATIOS	SL49	1.000000000	0.458802153	0.273462369	0.000259066	0.001068101	0.003609541	0.000107100	0.163362754	0.001806226
84	F249	WTD NET DIST TRANSFORMERS PLT RATIOS	F249	1.000000000	0.661033427	0.224960631	0.000222351	0.000588065	0.005191400	0.000110845	0.100678359	0.001864683
85	SV49	WTD NET SERVICES PLANT RATIOS	SV49	1.000000000	0.891972734	0.090282918	0.000000000	0.001079702	0.002622000	0.000198322	0.011163365	0.000000000
86	M249	WTD NET METERS PLANT RATIOS	M249	1.000000000	0.864268449	0.118359588	0.000000000	0.000000000	0.003489929	0.000292115	0.009058080	0.000000000
87	L249	WTD NET STREET LIGHT PLANT RATIOS	L249	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000
88	D249	WTD NET TOTAL DIST PLANT RATIOS	D249	1.000000000	0.518385719	0.247000630	0.000225811	0.000911998	0.003745917	0.000120273	0.137530733	0.001620073
89	NT29	WTD NET TRANS & DIST RATIOS	NT29	1.000000000	0.518292774	0.245269525	0.000225290	0.000910755	0.003781398	0.000118854	0.136495697	0.001632377
90	G229	WTD NET G & I PLT RATIOS	G229	1.000000000	0.554967662	0.216832711	0.000174751	0.001032338	0.003416045	0.000122512	0.114998756	0.001228856
91	C229	WTD NET C & O PLANT RATIOS	C229	1.000000000	0.554862478	0.216898353	0.000174225	0.001033760	0.003415233	0.000122712	0.115037899	0.001228590
92	NP29	WTD NET PLANT RATIOS	NP29	1.000000000	0.518279449	0.229820182	0.000219734	0.000902712	0.004077760	0.000106741	0.127162218	0.001729173

A	B	C	D	E	F	G	H	I	J	K	L	M
1	DUKE ENERGY KENTUCKY											
2	COST OF SERVICE STUDY											
3	TWELVE MONTHS ENDING DECEMBER 31, 2007											
4	FR-9v-2 (AVERAGE & EXCESS)											
5	ELECTRIC CASE NO: 2006-00172											
6												
7												
8												
9				TOTAL	RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC_RTP
10	ALLOCATORS	ITEM	ALLOC	ELECTRIC	RESIDENTIAL	SECONDARY DISTRIBUTION	INCR. SEC. DISTR.	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	INCR. SEC. DIST
11												
94	RATE BASE ADJUSTMENTS		SCHEDULE: 13b									
95	WORKING CAPITAL											
96	W669	WTD MATERIAL & SUPPLY RATIOS	W669	1.000000000	0.429273328	0.248380198	0.000239835	0.001317568	0.003715707	0.000102787	0.161603299	0.001910945
97	W689	WTD PREPAYMENTS RATIOS	W689	1.000000000	0.388710826	0.256526800	0.000246882	0.001524277	0.003503061	0.000101798	0.177418428	0.001968783
98	W719	WTD CASH WORKING CAP RATIOS	W719	1.000000000	0.495017446	0.229932394	0.000214581	0.001144359	0.003605214	0.000108827	0.136578831	0.001650693
99	W729	WTD TOTAL WORKING CASH RATIOS	W729	1.000000000	0.495017446	0.229932394	0.000214581	0.001144359	0.003605214	0.000108827	0.136578831	0.001650693
100	WC79	WTD TOTAL WRKNG CAP RATIOS	WC79	1.000000000	0.444022592	0.243748454	0.000232869	0.001293928	0.003648118	0.000104559	0.156046477	0.001836901
101												
102	RATE BASE											
103	RB29	WTD NET OCRB RATIOS	RB29	1.000000000	0.518394930	0.229954788	0.000219644	0.000903048	0.004071354	0.000106943	0.127223722	0.001726107
104	RB99	WTD TOTAL RATE BASE RATIOS	RB99	1.000000000	0.512862880	0.230980804	0.000220628	0.000932123	0.004039873	0.000106765	0.129367649	0.001734348
105	CW29	WTD CWIP	CW29	1.000000000	0.521968567	0.251022754	0.000221909	0.000905935	0.003457190	0.000127610	0.138743139	0.001487919
106	WEIGHTED RATIOS											
107	O & M EXPENSES											
108	P349	WTD PROD DEMAND O&M EXP RATIOS	P349	1.000000000	0.517060877	0.222323015	0.000218395	0.000894279	0.004251708	0.000099984	0.122775878	0.001795423
109	E349	WTD PROD ENERGY O&M EXP RATIOS	E349	1.000000000	0.380960037	0.260806241	0.000078175	0.001565879	0.003532912	0.000101237	0.182578905	0.000626737
110	P459	WTD TOTAL PROD O&M EXP RATIOS	P459	1.000000000	0.399292873	0.255622535	0.000097063	0.001475414	0.003629734	0.000101068	0.174523414	0.000784160
111	T349	WTD TRANS O&M EXP RATIOS	T349	1.000000000	0.517060898	0.222322973	0.000218365	0.000894238	0.004251765	0.000100003	0.122775842	0.001795443
112	D349	WTD DIST O&M EXP RATIOS	D349	1.000000000	0.492777465	0.255278795	0.000236393	0.000995940	0.003714829	0.000118271	0.148039233	0.001702444
113	C311	WTD UNCOLLECTIBLE ACCOUNT O&M	C311	1.000000000	0.894252219	0.093849283	0.000000828	0.000004967	0.000007451	0.000001242	0.011847997	0.000000414
114	C319	WTD CUST ACCT O&M EXP RATIOS	C319	1.000000000	0.885158323	0.107090057	0.000089657	0.000555390	0.000878086	0.000139754	0.003606839	0.000047161
115	C331	WTD CUST SERV & INFO O&M EXP RATIOS	C331	1.000000000	0.661367401	0.311920492	0.000247511	0.003788816	0.003055804	0.000713973	0.004502789	0.000152314
116	S319	WTD SALES O&M EXP RATIOS	S319	1.000000000	0.679945055	0.295329670	0.000000000	0.002747253	0.002747253	0.000000000	0.005494505	0.000000000
117	OM39	WTD O&M EXP RATIOS	OM39	1.000000000	0.446066611	0.243675199	0.000121533	0.001329285	0.003578653	0.000105676	0.156775998	0.000934777
118												
119	A & G EXPENSES											
120	A300	WTD PROD DEMAND A&G EXP RATIOS	A300	1.000000000	0.517060863	0.222322976	0.000218414	0.000894244	0.004251708	0.000100011	0.122775862	0.001795442
121	A302	WTD PROD ENERGY A&G EXP RATIOS	A302	1.000000000	0.380960438	0.260806286	0.000078176	0.001565843	0.003532892	0.000101144	0.182578834	0.000626674
122	A304	WTD TRANS A&G EXP RATIOS	A304	1.000000000	0.517064084	0.222323410	0.000218395	0.000893564	0.004252282	0.000099919	0.122775189	0.001795693
123	A306	WTD DIST A&G EXP RATIOS	A306	1.000000000	0.492777761	0.255278851	0.000236339	0.000995952	0.003714832	0.000118279	0.148039134	0.001702339
124	A308	WTD CUST ACCT A&G EXP RATIOS	A308	1.000000000	0.885158196	0.107090074	0.000089566	0.000555306	0.000878184	0.000139766	0.003606948	0.000047105
125	A310	WTD CUST SERV & INFO A&G EXP RATIOS	A310	1.000000000	0.661366335	0.311920376	0.000247434	0.003788235	0.003055523	0.000713531	0.004503684	0.000151529
126	A312	WTD SALES A&G EXP RATIOS	A312	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000
127	A315	WTD A&G EXPENSE UNADJUSTED	A315	1.000000000	0.554890549	0.216886403	0.000174109	0.001033840	0.003415026	0.000122654	0.115025694	0.001228386
128	A357	WTD A&G EXP RATIOS	A357	1.000000000	0.554890500	0.216886393	0.000174077	0.001033808	0.003415065	0.000122660	0.115025683	0.001228369
129												
130	DEPRECIATION EXPENSES											
131	P489	WTD PRODUCTION DEPREC RATIOS	P489	1.000000000	0.517060906	0.222322966	0.000218384	0.000894254	0.004251723	0.000100018	0.122775844	0.001795400
132	T489	WTD TRANS DEPREC RATIOS	T489	1.000000000	0.517061111	0.222322222	0.000218519	0.000894444	0.004251852	0.000100000	0.122775926	0.001796296
133	D489	WTD DIST DEPREC RATIOS	D489	1.000000000	0.518385995	0.247000592	0.000225798	0.000911981	0.003745964	0.000120223	0.137530684	0.001620032
134	G489	WTD GENERAL DEPREC EXP RATIOS	G489	1.000000000	0.554979798	0.216828283	0.000171717	0.001033033	0.003414141	0.000121212	0.115000000	0.001232323
135	C489	WTD COM & OTHER DEP EXP RATIOS	C489	1.000000000	0.554863492	0.216898413	0.000174603	0.001033333	0.003415873	0.000122222	0.115038095	0.001228571
136	DE49	WTD TOT DEPREC EXP RATIOS	DE49	1.000000000	0.518273785	0.229313383	0.000219551	0.000902412	0.004087637	0.000106324	0.126856689	0.001732444
137												

A	B	C	D	E	F	G	H	I	J	K	L	M
	ALLOCATORS	ITEM	ALLOC	TOTAL ELECTRIC	RESIDENTIAL	DS SECONDARY DISTRIBUTION	DS_RTP INCR. SEC. DISTR.	GSFL SECONDARY DISTRIBUTION	EH SECONDARY DISTRIBUTION	SP SECONDARY DISTRIBUTION	DT_SEC SECONDARY DISTRIBUTION	DT_SEC_RTP INCR. SEC. DISTR.
DUKE ENERGY KENTUCKY												
COST OF SERVICE STUDY												
TWELVE MONTHS ENDING DECEMBER 31, 2007												
FR-9v-2 (AVERAGE & EXCESS)												
ELECTRIC CASE NO: 2006-00172												
138		SCHEDULE: 13c										
139	L529	OTHER TAXES & MISC EXPENSES	L529	1.000000000	0.517711314	0.234438983	0.000221943	0.000903050	0.004003410	0.000109918	0.130020043	0.001709351
140	L589	WTD R. E. & PROP TAX RATIOS	L589	1.000000000	0.557475392	0.216070474	0.000172963	0.001021123	0.003414667	0.000121933	0.114171915	0.001218795
141	L599	WTD MISC TAX RATIOS	L599	1.000000000	0.526316100	0.230427654	0.000210754	0.000942824	0.003848840	0.000113170	0.126474014	0.001587004
142	OP69	WTD OTHER TAX RATIOS	OP69	1.000000000	0.458678178	0.241253662	0.000138022	0.001257544	0.003658093	0.000106006	0.151644767	0.001086597
143		WTD OP EXP IT & REV RATIOS										
144	CS09	INCOME TAXES	CS09	1.000000000	0.442060733	0.261989466	0.000247899	0.001612369	0.003308963	0.000130458	0.152510976	0.001434850
145		WTD TOTAL ELEC REVENUE										
146	K669	WAGES & SALARIES (K600-K639)	K669	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000
147		WTD RATIOS										
148		JURISDICTIONAL RATE BASE, NET PLANT, A&G AND O&M RATIOS										
149	P429	JUR. WTD NET PROD PLANT RATIOS	P429	1.000000000	0.517060925	0.222322988	0.000218388	0.000894254	0.004251723	0.000099999	0.122775863	0.001795401
150	T429	JUR. WTD NET TRANS PLANT RATIOS	T429	1.000000000	0.517060754	0.222323011	0.000218388	0.000894271	0.004251714	0.000100052	0.122775861	0.001795473
151	D449	JUR. WTD NET DIST PLANT RATIOS	D449	1.000000000	0.518385719	0.247000630	0.000225811	0.000911998	0.003745917	0.000120273	0.137530733	0.001620073
152	NT49	JUR. WTD NET TRANS & DIST RATIOS	NT49	1.000000000	0.517478591	0.230103141	0.000220728	0.000899849	0.004092256	0.000106392	0.127427650	0.001740127
153	G429	JUR. WTD NET G & I PLT RATIOS	G429	1.000000000	0.554967662	0.216883271	0.000174751	0.001032338	0.003416045	0.000122512	0.114998756	0.001228856
154	C429	JUR. WTD NET C & O PLANT RATIOS	C429	1.000000000	0.554862478	0.216883271	0.000174225	0.001033760	0.003415233	0.000122712	0.115037899	0.001228590
155	NP49	JUR. WTD NET PLANT RATIOS	NP49	1.000000000	0.518279449	0.229820182	0.000219734	0.000902712	0.004077760	0.000106741	0.127162218	0.001729173
156	O429	JUR. WTD NET GEN & COMMON PLT RATIOS	O429	1.000000000	0.554876032	0.216888895	0.000174293	0.001033576	0.003415338	0.000122686	0.115032855	0.001228624
157	J349	JUR. WTD PROD O&M RATIOS	J349	1.000000000	0.399292873	0.255622535	0.000097063	0.001475414	0.003629734	0.000101086	0.174523414	0.000784160
158	J315	JUR. WTD A&G EXCL. REGULATORY RATIOS	J315	1.000000000	0.554890549	0.216886403	0.000174109	0.001033840	0.003415026	0.000122654	0.115025694	0.001228382
159	J600	JUR. PRESENT REVENUE RATIOS	J600	1.000000000	0.410424625	0.280412025	0.000294664	0.001983672	0.002919326	0.000147614	0.161323341	0.001444802
160	J602	JUR. PROPOSED REVENUE RATIOS	J602	1.000000000	0.442061367	0.261989167	0.000247902	0.001612367	0.003308963	0.000130458	0.152510798	0.001434849
161	J865	JUR. BASE FOR FIT COMPUTATION RATIOS	J865	1.000000000	0.311509966	0.38932634	0.000847988	0.003850405	0.001096922	0.000268460	0.171290272	0.003275559
162	JR99	JUR. OCD RATE BASE	JR99	1.000000000	0.512862880	0.230980804	0.000220628	0.000932123	0.004039873	0.000105765	0.129367649	0.001734348

	A	B	C	N	O	P	R	S	T	V	W	X
1		DUKE ENERGY KENTUCKY										
2		COST OF SERVICE STUDY										
3		TWELVE MONTHS ENDING DECEMBER 31, 2007										
4		FR-9v-2 (AVERAGE & EXCESS)										
5		ELECTRIC CASE NO: 2006-00172										
6												
7												
8												
9												
10		ALLOCATORS	ITEM	DT_PRI PRIMARY DISTRIBUTION	DT_PRI_RTP INCR. PRI. DIST	DP PRIMARY DISTRIBUTION	TT TRANSMISSION TIME OF DAY	TT_RTP INCR. TRANS TIME OF DAY	LT LIGHTING	OTHER	TOTAL AT ISSUE	ALL OTHER
11												
12		DEMAND ENERGY & SPEC. ASSIGN	SCHEDULE: 13									
13	K201	TOTAL KW (AVERAGE & EXCESS)		68,547	3,291	5,097	30,267	1,755	4,506	142	870,000	0
14		RATIO TO TOTAL ELECTRIC	K201	0.078789655	0.003782759	0.005858621	0.034789655	0.002017241	0.005179310	0.000163218	1.000000000	0.000000000
15	K203	SECONDARY NON-COIN PEAK (KW)		0	0	0	0	0	6,927	315	1,353,588	0
16		RATIO TO TOTAL ELECTRIC	K203	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.005117510	0.000232714	1.000000000	0.000000000
17	K205	DISTRIBUTION LINE - WTD. DIVERSIFIED CLASS		53,885	2,481	4,656	0	0	6,304	57	690,947	0
18		RATIO TO TOTAL ELECTRIC	K205	0.077987168	0.003590724	0.006738578	0.000000000	0.000000000	0.009123710	0.000082495	1.000000000	0.000000000
19	K207	JURISDICTIONAL KW DEMAND (COIN PEAK)		68,547	3,291	5,097	30,267	1,755	4,506	142	870,000	0
20		RATIO TO TOTAL ELECTRIC	K207	0.078789655	0.003782759	0.005858621	0.034789655	0.002017241	0.005179310	0.000163218	1.000000000	0.000000000
21	K209	GROSS DISTRIBUTION PLANT EXCL. CCNC		15,787,211	724,951	1,365,242	14,751	0	9,350,404	29,159	276,674,000	0
22		RATIO TO TOTAL ELECTRIC	K209	0.057060696	0.002620235	0.004934479	0.000053315	0.000000000	0.033795745	0.000105391	1.000000000	0.000000000
23	K215	TOTAL DIVERSIFIED CLASS DEMANDS		64,149	2,954	5,543	0	0	6,304	57	702,571	0
24		RATIO TO TOTAL ELECTRIC	K215	0.091306074	0.004204557	0.007889594	0.000000000	0.000000000	0.008972759	0.000081130	1.000000000	0.000000000
25	K217	WEIGHTED CUSTOMER SERVICE		0	0	0	0	0	343	22	136,161	0
26		RATIO TO TOTAL ELECTRIC	K217	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.002519077	0.000161573	1.000000000	0.000000000
27	K301	TOTAL KWH		467,034,883	21,489,618	36,757,242	186,542,548	11,905,892	26,919,458	347,724	4,318,019,707	0
28		RATIO TO TOTAL ELECTRIC	K301	0.108159507	0.004976730	0.008512523	0.043200949	0.002757257	0.006234214	0.000080529	1.000000000	0.000000000
29	K303	DISTRIBUTION KWH		467,034,883	21,489,618	36,757,242	0	0	26,919,458	347,724	4,119,571,267	0
30		RATIO TO TOTAL ELECTRIC	K303	0.113369779	0.005216470	0.008922589	0.000000000	0.000000000	0.006534529	0.000084406	1.000000000	0.000000000
31	K305	TOTAL KWH LESS LIGHTING		467,034,883	21,489,618	36,757,242	186,542,548	11,905,892	0	347,724	4,291,100,249	0
32		RATIO TO TOTAL ELECTRIC	K305	0.108838027	0.005007951	0.008565925	0.043471962	0.002774555	0.000000000	0.000081031	1.000000000	0.000000000
33	K307	ASSIGN 100% TO RESIDENTIAL		0	0	0	0	0	0	0	1	0
34		RATIO TO TOTAL ELECTRIC	K307	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000
35	K401	ASSIGN 100% TO LIGHTING		0	0	0	0	0	1	0	1	0
36		RATIO TO TOTAL ELECTRIC	K401	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000	1.000000000	0.000000000
37	K405	DISTRIBUTION CUSTOMERS		37	0	11	0	0	343	11	134,630	0
38		RATIO TO TOTAL ELECTRIC	K405	0.000274827	0.000000000	0.000081705	0.000000000	0.000000000	0.002547723	0.000081707	1.000000000	0.000000000
39	K407	METERS		124,275	0	14,025	43,200	0	2,475	0	40,596,398	0
40		RATIO TO TOTAL ELECTRIC	K407	0.003061232	0.000000000	0.000345474	0.001064134	0.000000000	0.000060966	0.000000000	1.000000000	0.000000000
41	K409	CUSTOMER ACCOUNTS 901-3, 905		1,266	184	481	466	144	8,606	400	3,915,187	0
42		RATIO TO TOTAL ELECTRIC	K409	0.000323356	0.000046996	0.000122855	0.000119024	0.000036780	0.002198107	0.000102166	1.000000000	0.000000000
43	K411	UNCOLLECTIBLE ACCOUNT 904		0	0	0	0	0	37	0	2,607,059	0
44		RATIO TO TOTAL ELECTRIC	K411	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000014192	0.000000001	1.000000000	0.000000000
45	K413	CUST SERVICE & INFORM ACCOUNTS 908-10		537	79	200	180	59	7,994	180	646,790	0
46		RATIO TO TOTAL ELECTRIC	K413	0.000830254	0.000122142	0.000309219	0.000278297	0.000091220	0.012359498	0.000278297	1.000000000	0.000000000
47	K419	SALES ACCOUNTS 911, 913		56	8	21	19	6	846	19	72,135	0
48		RATIO TO TOTAL ELECTRIC	K419	0.000776322	0.000110903	0.000291121	0.000263395	0.000083177	0.011728010	0.000263396	1.000000000	0.000000000
49	K302	KWH SALES LESS RTP		467,034,883	0	36,757,242	186,542,548	0	26,919,458	347,724	4,274,838,087	0
50		RATIO TO TOTAL ELECTRIC	K302	0.109252064	0.000000000	0.008598511	0.043637336	0.000000000	0.006297188	0.000081343	1.000000000	0.000000000

5/28/06 10:28 AM

A	B	C	N	O	P	R	S	T	V	W	X
1	DUKE ENERGY KENTUCKY										
2	COST OF SERVICE STUDY										
3	5/26/06 10:28 AM										
4	TWELVE MONTHS ENDING DECEMBER 31, 2007										
5	FR-9v-2 (AVERAGE & EXCESS)										
6	ELECTRIC CASE NO: 2006-00172										
7											
8			DT_PRI	DT_PRI_RTP	DP	TT	TT_RTP	LT			
9			PRIMARY	INCR.	PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	OTHER	TOTAL	ALL
10	ALLOCATORS	ITEM	DISTRIBUTION	PRI. DIST	DISTRIBUTION	TIME OF DAY	TIME OF DAY			AT ISSUE	OTHER
11	ALLOCATORS & WEIGHTED RATIOS										
51	SPECIAL ALLOCATOR INFO FOR K209 SCHEDULE: 13a										
52	SUBSTATIONS										
53			3,433,565	158,112	296,688	0	0	337,421	3,051	37,605,000	0
54		POLES, TOWERS & FIXTURES	3,807,334	175,299	328,977	0	0	445,420	4,027	48,820,000	0
55		CONDUCTORS	8,503,877	391,540	734,788	0	0	994,868	8,995	109,042,000	0
56		TRANSFORMERS	0	0	0	0	0	243,394	11,068	47,561,000	0
57		SERVICES	0	0	0	0	0	31,456	2,018	12,487,000	0
58		METERS	42,435	0	4,789	14,751	0	845	0	13,862,000	0
59		OTHERS	0	0	0	0	0	0	0	0	0
60		STREET LIGHTS	0	0	0	0	0	7,297,000	0	7,297,000	0
61		GROSS DISTR PLANT NOT INCL. ACCT 106	15,787,211	724,951	1,365,242	14,751	0	9,350,404	29,159	276,674,000	0
62		GROSS DISTR RESEV. NOT INCL. ACCT 106	(5,473,770)	(251,636)	(473,197)	(2,982)	0	(5,904,336)	(12,414)	(108,147,766)	0
63		NET DISTR.PLT LESS ACCT 106	10,313,441	473,315	892,045	11,769	0	3,446,068	16,745	168,526,234	0
64		K211	0.061197837	0.002808554	0.005293212	0.000069835	0.000000000	0.020448259	0.000099360	1.000000000	0.000000000
65	WEIGHTED RATIOS										
66	P129	GROSS ELECTRIC PLANT IN SERVICE									
67	P129	WTD GROSS PROD PLANT RATIOS	0.078789655	0.003782759	0.005858621	0.034789655	0.002017241	0.005179310	0.000163218	1.000000000	0.000000000
68	T129	WTD GROSS TRANS PLANT RATIOS	0.078789657	0.003782757	0.005858622	0.034789657	0.002017252	0.005179290	0.000163217	1.000000000	0.000000000
69	PT29	WTD GROSS P & T PLT RATIOS	0.078789655	0.003782759	0.005858621	0.034789655	0.002017241	0.005179309	0.000163218	1.000000000	0.000000000
70	D149	WTD GROSS DIST PLANT RATIOS	0.057060698	0.002620235	0.004934480	0.000053314	0.000000000	0.033795746	0.000105391	1.000000000	0.000000000
71	TD29	WTD GROSS TRANS & DIST RATIOS	0.058678120	0.002706768	0.005003270	0.002638956	0.000150157	0.031665645	0.000109695	1.000000000	0.000000000
72	PD29	WTD GROSS PTD PLT RATIOS	0.072943102	0.003469961	0.005609965	0.025443239	0.001474468	0.012879058	0.000147659	1.000000000	0.000000000
73	G129	WTD GROSS G & I PLT RATIOS	0.068250073	0.002587773	0.005307424	0.024417467	0.001117031	0.005410480	0.000124017	1.000000000	0.000000000
74	C129	WTD GROSS C & O PLANT RATIOS	0.068262028	0.002587761	0.005308053	0.024415983	0.001116699	0.005410912	0.000123999	1.000000000	0.000000000
75	GP19	WTD GROSS PLANT RATIOS	0.072840790	0.003450687	0.005603366	0.025420800	0.001466652	0.012715889	0.000147141	1.000000000	0.000000000
76	DR19	WTD TOTAL DEPRC RES RATIOS	0.072607639	0.003448216	0.005536366	0.027109754	0.001564891	0.015481204	0.000151834	1.000000000	0.000000000
77	NET ELECTRIC PLANT										
78	P229	WTD NET PROD PLANT RATIOS	0.078789654	0.003782758	0.005858621	0.034789654	0.002017241	0.005179311	0.000163220	1.000000000	0.000000000
79	T229	WTD NET TRANS PLANT RATIOS	0.078789648	0.003782791	0.005858586	0.034789648	0.002017253	0.005179311	0.000163239	1.000000000	0.000000000
80	S249	WTD NET DIST SUBSTATIONS PLANT RATIOS	0.091306089	0.004204539	0.007889571	0.000000000	0.000000000	0.008972778	0.000081151	1.000000000	0.000000000
81	PL49	WTD NET DIST LINES - PRI/SEC RATIOS	0.077987192	0.003590726	0.006738550	0.000000000	0.000000000	0.009123718	0.000082480	1.000000000	0.000000000
82	SL49	WTD NET DIST LINES - PRI/SEC RATIOS	0.077987177	0.003590733	0.006738581	0.000000000	0.000000000	0.009123717	0.000082482	1.000000000	0.000000000
83	F249	WTD NET DIST TRANSFORMERS PLT RATIOS	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.005117531	0.000232708	1.000000000	0.000000000
84	SV49	WTD NET SERVICES PLANT RATIOS	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.002519226	0.000161733	1.000000000	0.000000000
85	M249	WTD NET METERS PLANT RATIOS	0.003061241	0.000000000	0.000345497	0.001064132	0.000000000	0.000060970	(0.000000001)	1.000000000	0.000000000
86	L249	WTD NET STREET LIGHT PLANT RATIOS	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000	1.000000000	0.000000000
87	D249	WTD NET TOTAL DIST PLANT RATIOS	0.060938797	0.002796762	0.005270747	0.000068794	0.000000000	0.021284004	0.000099742	1.000000000	0.000000000
88	NT29	WTD NET TRANS & DIST RATIOS	0.062191012	0.002865931	0.005311983	0.002504419	0.000141508	0.020154279	0.000104198	1.000000000	0.000000000
89	G229	WTD NET G & I PLT RATIOS	0.068251866	0.002589552	0.005308458	0.024425373	0.001118159	0.005408582	0.000124379	1.000000000	0.000000000
90	C229	WTD NET C & O PLANT RATIOS	0.068264649	0.002587894	0.005308251	0.024413853	0.001116641	0.005411554	0.000123908	1.000000000	0.000000000
91	NP29	WTD NET PLANT RATIOS	0.073056884	0.003452977	0.005665464	0.023855415	0.001375600	0.010152894	0.000142797	1.000000000	0.000000000
92											
93											

A	B	C	N	O	P	R	S	T	V	W	X	
1	DUKE ENERGY KENTUCKY											
2	COST OF SERVICE STUDY											
3	TWELVE MONTHS ENDING DECEMBER 31, 2007											
4	FR-9v-2 (AVERAGE & EXCESS)											
5	ELECTRIC CASE NO: 2006-00172											
6	5/26/06 10:28 AM											
7			DT_PRI	DT_PRI RTP	DP	TT	TT RTP	LT				
8			PRIMARY	INCR.	PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	OTHER	TOTAL	ALL	
9	ALLOCATORS	ITEM	DISTRIBUTION	PRI. DIST	DISTRIBUTION	TIME OF DAY	TIME OF DAY			AT ISSUE	OTHER	
10												
11												
94	RATE BASE ADJUSTMENTS SCHEDULE: 13b											
95	WORKING CAPITAL											
96	W669	WTD MATERIAL & SUPPLY RATIOS	W669	0.095381267	0.004422016	0.007476166	0.036158653	0.002254298	0.007660717	0.000103216	1.000000000	0.000000000
97	W689	WTD PREPAYMENTS RATIOS	W689	0.105812926	0.004836281	0.008323968	0.042096290	0.002660768	0.006185771	0.000083141	1.000000000	0.000000000
98	W719	WTD CASH WORKING CAP RATIOS	W719	0.082249670	0.003717828	0.006376614	0.031828122	0.001868918	0.005588746	0.000117757	1.000000000	0.000000000
99	W729	WTD TOTAL WORKING CASH RATIOS	W729	0.082249670	0.003717828	0.006376614	0.031828122	0.001868918	0.005588746	0.000117757	1.000000000	0.000000000
100	WC79	WTD TOTAL WRKNG CAP RATIOS	WC79	0.092790373	0.004260957	0.007255309	0.035684885	0.002193553	0.006776240	0.000104785	1.000000000	0.000000000
101												
102	RATE BASE											
103	RB29	WTD NET OCRB RATIOS	RB29	0.072833537	0.003439765	0.005655207	0.023531654	0.001356159	0.010440915	0.000142227	1.000000000	0.000000000
104	RB99	WTD TOTAL RATE BASE RATIOS	RB99	0.074317990	0.003500848	0.005774227	0.024435650	0.001418447	0.010168325	0.000139443	1.000000000	0.000000000
105	CW29	WTD CWIP	CW29	0.045857143	0.002020877	0.004458128	(0.017856908)	(0.001040113)	0.048550317	0.000075533	1.000000000	0.000000000
106	WEIGHTED RATIOS											
107	O & M EXPENSES											
108	P349	WTD PROD DEMAND O&M EXP RATIOS	P349	0.078789649	0.003782760	0.005858623	0.034789637	0.002017224	0.005179332	0.000163216	1.000000000	0.000000000
109	E349	WTD PROD ENERGY O&M EXP RATIOS	E349	0.108912236	0.001547960	0.008571767	0.043501604	0.000857623	0.006277593	0.000081094	1.000000000	0.000000000
110	P459	WTD TOTAL PROD O&M EXP RATIOS	P459	0.104854712	0.001848989	0.008206306	0.042328098	0.001013822	0.006129657	0.000092155	1.000000000	0.000000000
111	T349	WTD TRANS O&M EXP RATIOS	T349	0.078789678	0.003782803	0.005858596	0.034789582	0.002017231	0.005179357	0.000163226	1.000000000	0.000000000
112	D349	WTD DIST O&M EXP RATIOS	D349	0.074224658	0.003429998	0.006240116	0.004997828	0.000285870	0.007867526	0.000090634	1.000000000	0.000000000
113	C311	WTD UNCOLLECTIBLE ACCOUNT O&M	C311	0.000002484	0.000000414	0.000000828	0.000000828	0.000000414	0.000029804	0.000000827	1.000000000	0.000000000
114	C319	WTD CUST ACCT O&M EXP RATIOS	C319	0.000266553	0.000038696	0.000101404	0.000098122	0.000030231	0.001815425	0.000084302	1.000000000	0.000000000
115	C331	WTD CUST SERV & INFO O&M EXP RATIOS	C331	0.000828209	0.000123755	0.000304628	0.000276070	0.000085677	0.012356491	0.000276070	1.000000000	0.000000000
116	S319	WTD SALES O&M EXP RATIOS	S319	0.001373626	0.001373626	0.000000000	0.000000000	0.000000000	0.010989011	0.000000001	1.000000000	0.000000000
117	OM39	WTD O&M EXP RATIOS	OM39	0.093960523	0.002105422	0.007340246	0.036949731	0.001058364	0.005896003	0.000101979	1.000000000	0.000000000
118												
119	A & G EXPENSES											
120	A300	WTD PROD DEMAND A&G EXP RATIOS	A300	0.078789637	0.003782763	0.005858657	0.034789595	0.002017242	0.005179350	0.000163236	1.000000000	0.000000000
121	A302	WTD PROD ENERGY A&G EXP RATIOS	A302	0.108912155	0.001547932	0.008571783	0.043501605	0.000857621	0.006277489	0.000081128	1.000000000	0.000000000
122	A304	WTD TRANS A&G EXP RATIOS	A304	0.078789263	0.003782681	0.005858129	0.034789063	0.002016943	0.005178677	0.000162728	1.000000000	0.000000000
123	A306	WTD DIST A&G EXP RATIOS	A306	0.074224584	0.003430087	0.006240086	0.004997720	0.000285841	0.007867515	0.000090680	1.000000000	0.000000000
124	A308	WTD CUST ACCT A&G EXP RATIOS	A308	0.000266485	0.000038701	0.000101508	0.000098190	0.000030297	0.001815416	0.000084258	1.000000000	0.000000000
125	A310	WTD CUST SERV & INFO A&G EXP RATIOS	A310	0.000828616	0.000124676	0.000304977	0.000276205	0.000086314	0.012356359	0.000276206	1.000000000	0.000000000
126	A312	WTD SALES A&G EXP RATIOS	A312	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000
127	A315	WTD A&G EXPENSE UNADJUSTED	A315	0.068259835	0.002587661	0.005307866	0.024416462	0.001116700	0.005410815	0.000124000	1.000000000	0.000000000
128	A357	WTD A&G EXP RATIOS	A357	0.068259887	0.002587707	0.005307863	0.024416500	0.001116650	0.005410820	0.000124018	1.000000000	0.000000000
129												
130	DEPRECIATION EXPENSES											
131	P489	WTD PRODUCTION DEPREC RATIOS	P489	0.078789672	0.003782780	0.005858632	0.034789672	0.002017229	0.005179316	0.000163204	1.000000000	0.000000000
132	T489	WTD TRANS DEPREC RATIOS	T489	0.078788889	0.003783333	0.005859259	0.034788889	0.002016667	0.005179630	0.000162963	1.000000000	0.000000000
133	D489	WTD DIST DEPREC RATIOS	D489	0.060938746	0.002796734	0.005270780	0.000068744	0.000000000	0.021284014	0.000099713	1.000000000	0.000000000
134	G489	WTD GENERAL DEPREC EXP RATIOS	G489	0.068252525	0.002585859	0.005313131	0.024424242	0.001121212	0.005404040	0.000121214	1.000000000	0.000000000
135	C489	WTD COM & OTHER DEP EXP RATIOS	C489	0.068265079	0.002587302	0.005307937	0.024414286	0.001115873	0.005411111	0.000123810	1.000000000	0.000000000
136	DE49	WTD TOT DEPREC EXP RATIOS	DE49	0.073415316	0.003472424	0.005677190	0.024558260	0.001416245	0.009824305	0.000144035	1.000000000	0.000000000
137												

A	B	C	N	O	P	R	S	T	V	W	X	
1	DUKE ENERGY KENTUCKY											
2												
3	COST OF SERVICE STUDY 5/28/06 10:28 AM											
4	TWELVE MONTHS ENDING DECEMBER 31, 2007											
5	FR-9v-2 (AVERAGE & EXCESS)											
6	ELECTRIC CASE NO: 2006-00172											
7												
8												
9			DT_PRI	DT_PRI_RTP	DP	TT	TT_RTP	LT				
10	ALLOCATORS	ITEM	PRIMARY	INCR.	PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	OTHER	TOTAL	ALL	
11			DISTRIBUTION	PRI. DIST	DISTRIBUTION	TIME OF DAY	TIME OF DAY			AT ISSUE	OTHER	
138	OTHER TAXES & MISC EXPENSES SCHEDULE: 13c											
139	L529	WTD R. E. & PROP TAX RATIOS	L529	0.070025434	0.003298599	0.005570007	0.017742832	0.001026840	0.013086234	0.000132042	1.000000000	0.000000000
140	L589	WTD MISC TAX RATIOS	L589	0.067748130	0.002554152	0.005265688	0.024161575	0.001093102	0.005385473	0.000124618	1.000000000	0.000000000
141	L599	WTD OTHER TAX RATIOS	L599	0.069607096	0.003117031	0.005514566	0.019492544	0.001049838	0.011169153	0.000129412	1.000000000	0.000000000
142	OP69	WTD OP EXP EX IT & REV RATIOS	OP69	0.090323484	0.002327931	0.007050503	0.034667486	0.001107866	0.006611156	0.000108705	1.000000000	0.000000000
143												
144	INCOME TAXES											
145	CS09	WTD TOTAL ELEC REVENUE	CS09	0.082878821	0.003149733	0.006990900	0.033174210	0.001524242	0.008904026	0.000082354	1.000000000	0.000000000
146												
147	WAGES & SALARIES (K600-K639)											
148	K669	WTD RATIOS	K669	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000
149												
150	JURISDICTIONAL RATE BASE, NET PLANT, A&G AND O&M RATIOS											
151	P429	JUR. WTD NET PROD PLANT RATIOS	P429	0.078789654	0.003782758	0.005858621	0.034789654	0.002017241	0.005179311	0.000163220	1.000000000	0.000000000
152	T429	JUR. WTD NET TRANS PLANT RATIOS	T429	0.078789648	0.003782791	0.005858586	0.034789648	0.002017253	0.005179311	0.000163239	1.000000000	0.000000000
153	D449	JUR. WTD NET DIST PLANT RATIOS	D449	0.060938797	0.002796762	0.005270747	0.000068794	0.000000000	0.021284004	0.000099742	1.000000000	0.000000000
154	NT49	JUR. WTD NET TRANS & DIST RATIOS	NT49	0.073161791	0.003471903	0.005673281	0.023843162	0.001381263	0.010256659	0.000143207	1.000000000	0.000000000
155	G429	JUR. WTD NET G & I PLT RATIOS	G429	0.068251866	0.002589552	0.005308458	0.024425373	0.001118159	0.005408582	0.000124379	1.000000000	0.000000000
156	C429	JUR. WTD NET C & O PLANT RATIOS	C429	0.068264649	0.002587894	0.005308251	0.024413853	0.001116641	0.005411554	0.000123908	1.000000000	0.000000000
157	NP49	JUR. WTD NET PLANT RATIOS	NP49	0.073056884	0.003452977	0.005665464	0.023855415	0.001375600	0.010152894	0.000142797	1.000000000	0.000000000
158	O429	JUR. WTD NET GEN & COMMON PLT RATIOS	O429	0.068263002	0.002588108	0.005308278	0.024415338	0.001116836	0.005411171	0.000123968	1.000000000	0.000000000
159	J349	JUR. WTD PROD O&M RATIOS	J349	0.104854712	0.001848989	0.008206306	0.042328098	0.001013822	0.006129657	0.000092155	1.000000000	0.000000000
160	J315	JUR. WTD A&G EXCL. REGULATORY RATIOS	J315	0.068259835	0.002587661	0.005307866	0.024416462	0.001116700	0.005410815	0.000124000	1.000000000	0.000000000
161	J600	JUR. PRESENT REVENUE RATIOS	J600	0.083491008	0.003289191	0.007418322	0.035876560	0.001699352	0.009223342	0.000052156	1.000000000	0.000000000
162	J602	JUR. PROPOSED REVENUE RATIOS	J602	0.082878726	0.003149726	0.006990889	0.033174173	0.001524244	0.008904019	0.000082352	1.000000000	0.000000000
163	J865	JUR. BASE FOR FIT COMPUTATION RATIOS	J865	0.049242850	0.007419140	0.007399215	0.030037097	0.003823040	0.020670615	(0.000084163)	1.000000000	0.000000000
164	JR99	JUR. OCD RATE BASE	JR99	0.074317990	0.003500848	0.005774227	0.024435650	0.001418447	0.010168325	0.000139443	1.000000000	0.000000000

CLASS COST OF SERVICE STUDY

SUMMER/NON SUMMER

FR 10(9)(v)-3

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	TWELVE MONTHS ENDING DECEMBER 31, 2007													
4	FR-9V-3 (TIME DIFFERENTIATED)													
5	ELECTRIC CASE NO: 2006-00172													
6				TOTAL	RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC_RTP	DT_PRI	DT_PRI_RTP
7			ALLO	ELECTRIC	RESIDENTIAL	SECONDARY	INCR.	SECONDARY	SECONDARY	SECONDARY	SECONDARY	INCR.	PRIMARY	INCR.
8	ITEM					DISTRIBUTION	SEC. DISTR.	DISTRIBUTION	DISTRIBUTION	DISTRIBUTION	SEC. DISTR.	SEC. DISTR.	DISTRIBUTION	PRI. DISTR.
10	SUMMARY OF RESULTS	Schedule 1												
11	NET INCOME COMPUTATION													
12	GROSS ELECTRIC PLANT IN SERVICE	GP19	1,122,822,000	530,109,575	295,165,252	252,429	1,188,691	2,731,798	124,148	159,210,045	1,700,479	83,106,897	3,861,803	
13	TOTAL DEPRECIATION RESERVE	DR19	(540,093,766)	(253,569,364)	(141,738,218)	(120,671)	(575,589)	(1,264,127)	(59,040)	(76,138,232)	(810,425)	(39,892,294)	(1,855,840)	
14	TOTAL RATE BASE ADJUSTMENTS	RB71	8,213,167	2,189,552	1,705,439	2,168	20,920	51,534	760	1,948,473	22,494	1,316,685	56,925	
15	TOTAL RATE BASE	RB99	590,941,401	278,729,763	155,132,473	133,926	634,022	1,519,205	65,868	85,020,286	912,548	44,531,288	2,062,888	
16														
17	CAPITALIZATION ALLOC TO ELECTRIC OPER	ECAP	557,080,702	262,758,663	146,243,446	126,252	-597,693	1,432,155	62,094	80,148,658	860,260	41,979,664	1,944,685	
18														
19	OPERATING EXPENSES													
20	TOTAL O&M EXPENSE	OM39	197,699,516	85,053,657	50,573,471	24,485	273,509	595,747	21,249	32,097,936	170,341	18,654,951	415,479	
21	TOTAL DEPRECIATION EXPENSE	DE49	33,172,220	15,699,170	8,749,967	7,501	35,039	82,346	3,697	4,733,889	50,577	2,472,993	114,826	
22	TOTAL OTHER TAX & MISC EXPENSE	LS91	7,634,509	3,774,301	1,945,905	1,645	8,031	20,685	892	1,051,440	10,988	537,564	23,739	
23	TOTAL OP EXP EXC INC & R TAX	OP69	238,506,245	104,527,128	61,269,343	33,631	316,579	698,778	25,838	37,883,265	231,906	21,665,508	554,044	
24	NET FED INCOME TAX ALLOWABLE	IB79	16,566,971	6,041,420	5,774,083	12,885	56,901	41,978	4,109	2,577,315	54,006	843,808	116,175	
25	NET STATE INCOME TAX ALLOWABLE	J979	2,930,903	1,071,415	1,019,518	2,267	10,011	7,428	725	455,650	9,514	149,786	20,469	
26	AFUDC OFFSET	LO33	(373,481)	(207,321)	(84,276)	(81)	(296)	(1,733)	(46)	(47,460)	(613)	(16,815)	(758)	
27	TOTAL OPERATING EXPENSE	OPEX	257,630,638	111,432,642	67,978,668	48,702	383,195	746,451	30,626	40,868,770	294,813	22,642,287	689,930	
28														
29	RETURN ON CAPITALIZATION	R751	48,805,840	20,099,271	15,351,169	27,833	123,777	124,738	9,783	7,251,734	126,718	2,841,953	274,806	
30	TOTAL OTHER OPERATING REVENUES		(1,978,260)	(908,453)	(528,959)	(480)	(2,521)	(5,173)	(237)	(290,895)	(2,983)	(151,122)	(6,737)	
31	TOTAL ELECTRIC COST OF SERVICE	CS09	304,458,218	130,623,460	82,800,878	76,055	504,451	866,016	40,172	47,829,609	418,548	25,333,118	957,999	
32														
33	PROPOSED REVENUES	R602	304,458,566	130,623,810	82,800,877	76,055	504,452	866,016	40,172	47,829,609	418,548	25,333,117	958,000	
34	EXCESS REVENUES	XREV	348	350	(1)	0	1	0	0	0	0	(1)	1	
35														
36	TOTAL RETURN EARNED	RETE	48,806,053	20,099,485	15,351,168	27,833	123,778	124,738	9,783	7,251,734	126,718	2,841,952	274,807	
37	RATE OF RETURN EARNED ON CAPITALIZATION	RORA	0.087610382	0.076494091	0.104969955	0.220455914	0.207092939	0.087098114	0.157551454	0.090478546	0.147301978	0.067698303	0.141311832	
38	TOTAL RATE OF RETURN ALLOWABLE	RORA	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	
39	RETURN EARNED ON COMMON EQUITY	REOE	0.12356	0.10171	0.15768	0.38465	0.35838	0.12255	0.26102	0.12920	0.24088	0.08443	0.22910	
40	ALLOWED RETURN ON COMMON EQUITY	AROE	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	
41														
42	PRESENT REVENUES	R600	237,897,726	97,639,085	66,709,383	70,100	471,911	694,501	35,117	38,378,456	343,715	19,862,321	782,491	
43	REVENUE INCREASE JUSTIFIED	RJD	66,560,492	32,984,375	16,091,495	5,955	32,540	171,515	5,055	9,451,153	74,833	5,470,797	175,508	
44	PER UNIT PRES REV	RJP	0.27979	0.33782	0.24122	0.08495	0.06895	0.24696	0.14395	0.24626	0.21772	0.27544	0.22429	
45	REVENUE INCREASE REQUESTED	RIRD	66,560,840	32,984,725	16,091,494	5,955	32,541	171,515	5,055	9,451,153	74,833	5,470,796	175,509	
46	PER UNIT PRES REV	RIRP	0.27979	0.33782	0.24122	0.08495	0.06896	0.24696	0.14395	0.24626	0.21772	0.27544	0.22430	
47														

	A	B	C	D	Q	R	S	U	V	W	
1	DUKE ENERGY KENTUCKY										11/16/05 8:34 AM
2	COST OF SERVICE STUDY										
3	TWELVE MONTHS ENDING DECEMBER 31, 2007										
4	FR-9V-3 (TIME DIFFERENTIATED)										
5	ELECTRIC CASE NO: 2006-00172										
6			DP	TT	TT_RTP	LT	OTHER	TOTAL			
7			PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT		ALL	
8	ITEM	ALLO	DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE		OTHER	
10	SUMMARY OF RESULTS Schedule 1										
11	NET INCOME COMPUTATION										
12	GROSS ELECTRIC PLANT IN SERVICE	GP19	8,130,570	24,051,815	1,557,124	11,554,306	77,068	1,122,822,000		0	
13	TOTAL DEPRECIATION RESERVE	DR19	(3,934,086)	(12,336,524)	(799,165)	(6,963,431)	(36,760)	(540,093,766)		0	
14	TOTAL RATE BASE ADJUSTMENTS	RB71	70,972	636,091	38,560	151,493	1,101	8,213,167		0	
15	TOTAL RATE BASE	RB99	4,267,456	12,351,382	796,519	4,742,368	41,409	590,941,401		0	
16											
17	CAPITALIZATION ALLOC TO ELECTRIC OPER	ECAP	4,022,933	11,643,653	750,879	4,470,632	39,035	557,080,702		0	
18											
19	OPERATING EXPENSES										
20	TOTAL O&M EXPENSE	OM39	1,561,255	7,036,079	203,870	1,002,801	14,886	197,699,516		0	
21	TOTAL DEPRECIATION EXPENSE	DE49	240,782	686,536	44,424	248,208	2,265	33,172,220		0	
22	TOTAL OTHER TAX & MISC EXPENSE	LS91	50,670	127,891	7,597	72,583	578	7,634,509		0	
23	TOTAL OP EXP EXC INC & R TAX	OP69	1,852,707	7,850,506	255,891	1,323,392	17,729	238,506,245		0	
24	NET FED INCOME TAX ALLOWABLE	I879	101,211	531,733	59,992	351,477	(122)	16,566,971		0	
25	NET STATE INCOME TAX ALLOWABLE	J979	17,926	93,756	10,557	61,901	(20)	2,930,903		0	
26	AFUDC OFFSET	LO33 CW29	(1,230)	5,607	367	(18,777)	(49)	(373,481)		0	
27	TOTAL OPERATING EXPENSE	OPEX	1,970,614	8,481,802	326,807	1,717,993	17,538	257,630,638		0	
28											
29	RETURN ON CAPITALIZATION	R751	311,496	1,325,533	133,232	802,810	987	48,805,840		0	
30	TOTAL OTHER OPERATING REVENUES		(14,350)	(47,235)	(2,763)	(16,223)	(129)	(1,978,260)		0	
31	TOTAL ELECTRIC COST OF SERVICE	CS99	2,267,760	9,759,900	457,276	2,504,580	18,396	304,458,218		0	
32											
33	PROPOSED REVENUES	R602	2,267,761	9,759,900	457,275	2,504,578	18,396	304,458,566		0	
34	EXCESS REVENUES	XREV	1	0	(1)	(2)	0	348		0	
35											
36	TOTAL RETURN EARNED	RETE	311,497	1,325,533	133,231	802,809	987	48,806,053		0	
37	RATE OF RETURN EARNED ON CAPITALIZATION	RORE	0.077430323	0.113841678	0.177433381	0.179573939	0.025285001	0.087610382	0.000000000		
38	TOTAL RATE OF RETURN ALLOWABLE	RORA	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761		
39	RETURN EARNED ON COMMON EQUITY	ROCE	0.10355	0.17511	0.30009	0.30430	0.00107	0.12356	0.00000		
40	ALLOWED RETURN ON COMMON EQUITY	AROE	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499		
41											
42	PRESENT REVENUES	R600	1,764,802	8,534,952	404,272	2,194,212	12,408	237,897,726		0	
43	REVENUE INCREASE JUSTIFIED	RJJD	502,958	1,224,948	53,004	310,368	5,988	66,560,492		0	
44	PER UNIT PRES REV	RUP	0.28499	0.14352	0.13111	0.14145	0.48259	0.27979	0.00000		
45	REVENUE INCREASE REQUESTED	RIRD	502,959	1,224,948	53,003	310,366	5,988	66,560,840		0	
46	PER UNIT PRES REV	RIRP	0.28499	0.14352	0.13111	0.14145	0.48259	0.27979	0.00000		
47											

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-3 (TIME DIFFERENTIATED)													
6	ELECTRIC CASE NO: 2006-00172													
7				TOTAL	RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC RTP	DT_PRI	DT_PRI RTP
8	ITEM	ALLO	ELECTRIC	RESIDENTIAL	SECONDARY DISTRIBUTION	INCR. SEC. DISTR.	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	INCR. SEC. DIST	PRIMARY DISTRIBUTION	INCR. PRI. DIST	
49	GROSS ELECTRIC PLANT IN SERVICE Schedule 2													
50	PRODUCTION PLANT													
51	PRODUCTION - STEAM	P100 K201	\$501,176,000	\$226,925,888	\$136,084,945	\$114,146	\$558,268	\$982,053	\$53,793	\$72,875,331	\$751,137	\$40,299,622	\$1,888,010	
52	PRODUCTION - OTHER	P106 K201	277,834,000	125,799,573	75,440,613	63,279	309,484	544,415	29,821	40,399,470	416,403	22,340,665	1,046,645	
53	PRODUCTION PLANT IN SERVICE	P129	779,010,000	352,725,461	211,525,558	177,425	867,752	1,526,468	83,614	113,274,801	1,167,540	62,640,287	2,934,655	
54	TRANSMISSION PLANT													
56	MAIN STEP-UP TRANSFORMERS	T100 K201	0	0	0	0	0	0	0	0	0	0	0	0
57	OTHER TRANSMISSION	T102 K201	23,766,000	10,760,932	6,453,212	5,413	26,473	46,569	2,551	3,455,782	35,619	1,911,027	89,530	
58	TRANSMISSION PLANT IN SERVICE	T129	23,766,000	10,760,932	6,453,212	5,413	26,473	46,569	2,551	3,455,782	35,619	1,911,027	89,530	
59	TOTAL PROD & TRANS PLANT													
60		PT29	802,776,000	363,486,393	217,978,770	182,838	894,225	1,573,037	86,165	116,730,583	1,203,159	64,551,314	3,024,185	
61	DISTRIBUTION PLANT													
63	SUBSTATIONS	D100 K215	37,605,000	16,967,803	10,113,411	9,581	39,501	133,491	3,961	6,041,616	66,799	3,433,565	158,112	
64	POLES, TOWERS & FIXTURES	D102 K205	48,820,000	22,398,721	13,350,433	12,648	52,145	176,218	5,229	7,975,369	88,180	3,807,334	175,299	
65	CONDUCTORS	D104 K205	109,042,000	50,028,708	29,818,883	28,249	116,468	393,591	11,678	17,813,401	196,954	8,503,877	391,540	
66	TRANSFORMERS	D106 K203	47,561,000	31,439,413	10,699,352	10,576	27,969	246,908	5,271	4,788,363	88,686	0	0	
67	SERVICES	D108 K217	12,487,000	11,138,071	1,127,362	0	13,481	32,740	2,476	139,396	0	0	0	
68	METERS	D110 K407	13,862,000	11,980,490	1,640,700	0	0	48,377	4,050	125,563	0	42,435	0	
70	STREET LIGHTS	D114 K401	7,297,000	0	0	0	0	0	0	0	0	0	0	
71	CONSTRUCTION NOT CLASSIFIED	D116 K209	18,840,000	9,802,432	4,545,323	4,157	16,994	70,228	2,224	2,511,581	30,004	1,075,024	49,365	
72	DISTRIBUTION PLANT IN SERVICE	D149	295,514,000	153,755,638	71,295,464	65,211	266,558	1,101,553	34,889	39,395,289	470,623	16,862,235	774,316	
73	TOTAL TRANS & DIST PLANT													
74		TD29	319,280,000	164,516,570	77,748,676	70,624	293,031	1,148,122	37,440	42,851,071	506,242	18,773,262	863,846	
75	TOTAL GROSS PTD PLANT													
76		PD29	1,098,290,000	517,242,031	289,274,234	248,049	1,160,783	2,674,590	121,054	156,125,872	1,673,782	81,413,549	3,798,501	
77	GENERAL & INTANGIBLE PLANT													
78	PRODUCTION-DEMAND	G100 A300	1,445,000	654,275	392,363	329	1,610	2,831	155	210,116	2,166	116,193	5,444	
79	PRODUCTION-ENERGY	G102 A302	627,000	238,860	163,526	49	982	2,215	63	114,477	393	68,288	971	
80	TRANSMISSION	G104 A304	93,000	42,110	25,252	21	104	182	10	13,523	139	7,478	350	
81	DISTRIBUTION	G106 A306	603,000	291,655	158,137	143	619	2,044	72	91,201	1,001	44,896	2,067	
82	CUSTOMER ACCOUNTING	G108 A308	598,000	529,324	64,040	54	332	525	84	2,157	28	159	23	
83	CUSTOMER SERVICE & INFORMATION	G110 A310	69,000	45,634	21,523	17	261	211	49	311	10	57	9	
84	SALES	G112 A312	0	0	0	0	0	0	0	0	0	0	0	
85	GENERAL & INTANGIBLE PLANT IN SERVICE	G129	3,435,000	1,801,858	824,841	613	3,908	8,008	433	431,785	3,737	237,071	8,864	
86	COMMON & OTHER PLANT													
88	PRODUCTION-DEMAND RELATED	C100 A300	8,873,000	4,017,577	2,409,297	2,021	9,884	17,387	952	1,290,211	13,298	713,479	33,426	
89	PRODUCTION-ENERGY RELATED	C102 A302	3,853,000	1,467,840	1,004,887	301	6,033	13,612	390	703,476	2,415	419,639	5,964	
90	TRANSMISSION	C104 A304	569,000	257,636	154,501	130	634	1,115	61	82,737	853	45,754	2,143	
91	DISTRIBUTION	C106 A306	3,708,000	1,793,460	972,422	881	3,808	12,570	443	560,818	6,157	276,076	12,710	
92	CUSTOMER ACCOUNTING	C108 A308	3,671,000	3,249,416	393,128	329	2,039	3,224	513	13,241	173	978	142	
93	CUSTOMER SERVICE & INFORMATION	C110 A310	423,000	279,757	131,942	105	1,602	1,292	302	1,905	64	351	53	
94	SALES	C112 A312	0	0	0	0	0	0	0	0	0	0	0	
95	COMMON & OTHER PLANT IN SERVICE	C129	21,097,000	11,065,686	5,066,177	3,767	24,000	49,200	2,661	2,652,388	22,960	1,456,277	54,438	
96	TOTAL GROSS ELECTRIC PLANT IN SERVICE													
97		GP19	1,122,822,000	530,109,575	295,165,252	252,429	1,188,691	2,731,798	124,148	159,210,045	1,700,479	83,106,897	3,861,803	

	A	B	C	O	Q	R	S	U	V	W
1	DUKE ENERGY KENTUCKY									
2	COST OF SERVICE STUDY									
3	TWELVE MONTHS ENDING DECEMBER 31, 2007									
4	FR-9v-3 (TIME DIFFERENTIATED)									
5	ELECTRIC CASE NO: 2006-00172									
6				DP	TT	TT_RTP	LT	OTHER	TOTAL	
7				PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT	ALL
8	ITEM	ALLO		DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE	OTHER
48	GROSS ELECTRIC PLANT IN SERVICE Schedule 2									
49	PRODUCTION PLANT									
51	PRODUCTION - STEAM	P100 K201		\$4,067,945	\$14,671,763	\$955,813	\$919,732	\$27,554	\$501,176,000	\$0
52	PRODUCTION - OTHER	P108 K201		2,255,123	8,133,499	529,868	509,867	15,275	277,834,000	0
53	PRODUCTION PLANT IN SERVICE	P129		6,323,068	22,805,262	1,485,681	1,429,599	42,829	779,010,000	0
54	TRANSMISSION PLANT									
56	MAIN STEP-UP TRANSFORMERS	T100 K201		0	0	0	0	0	0	0
57	OTHER TRANSMISSION	T102 K201		192,904	695,742	45,325	43,614	1,307	23,766,000	0
58	TRANSMISSION PLANT IN SERVICE	T129		192,904	695,742	45,325	43,614	1,307	23,766,000	0
59	DISTRIBUTION PLANT									
60	TOTAL PROD & TRANS PLANT	PT29		6,515,972	23,501,004	1,531,006	1,473,213	44,136	802,776,000	0
61	DISTRIBUTION PLANT									
63	SUBSTATIONS	D100 K215		296,688	0	0	337,421	3,051	37,605,000	0
64	POLES, TOWERS & FIXTURES	D102 K205		328,977	0	0	445,420	4,027	48,820,000	0
65	CONDUCTORS	D104 K205		734,788	0	0	994,868	8,995	109,042,000	0
66	TRANSFORMERS	D106 K203		0	0	0	243,394	11,068	47,561,000	0
67	SERVICES	D108 K217		0	0	0	31,456	2,018	12,487,000	0
68	METERS	D110 K407		4,789	14,751	0	845	0	13,862,000	0
70	STREET LIGHTS	D114 K401		0	0	0	7,297,000	0	7,297,000	0
71	CONSTRUCTION NOT CLASSIFIED	D116 K209		92,966	1,004	0	636,712	1,986	18,840,000	0
72	DISTRIBUTION PLANT IN SERVICE	D149		1,458,208	15,755	0	9,987,116	31,145	295,514,000	0
73	GENERAL & INTANGIBLE PLANT									
74	TOTAL TRANS & DIST PLANT	TD29		1,651,112	711,497	45,325	10,030,730	32,452	319,280,000	0
75	TOTAL GROSS PTD PLANT	PD29		7,974,180	23,516,759	1,531,006	11,460,329	75,281	1,098,290,000	0
76	GENERAL & INTANGIBLE PLANT									
77	PRODUCTION-DEMAND	G100 A300		11,729	42,302	2,756	2,652	79	1,445,000	0
78	PRODUCTION-ENERGY	G102 A302		5,375	27,276	538	3,936	51	627,000	0
80	TRANSMISSION	G104 A304		755	2,723	177	171	5	93,000	0
81	DISTRIBUTION	G106 A306		3,956	2,543	163	4,458	45	603,000	0
82	CUSTOMER ACCOUNTING	G108 A308		61	59	18	1,086	50	598,000	0
83	CUSTOMER SERVICE & INFORMATION	G110 A310		21	19	6	853	19	69,000	0
84	SALES	G112 A312		0	0	0	0	0	0	0
85	GENERAL & INTANGIBLE PLANT IN SERVICE	G129		21,897	74,922	3,658	13,156	249	3,435,000	0
86	COMMON & OTHER PLANT									
87	PRODUCTION-DEMAND RELATED	C100 A300		72,021	259,754	16,922	16,283	488	8,873,000	0
88	PRODUCTION-ENERGY RELATED	C102 A302		33,027	167,612	3,304	24,187	313	3,853,000	0
90	TRANSMISSION	C104 A304		4,618	16,657	1,085	1,044	32	569,000	0
91	DISTRIBUTION	C106 A306		24,325	15,634	1,001	27,416	279	3,708,000	0
92	CUSTOMER ACCOUNTING	C108 A308		373	360	111	6,664	309	3,671,000	0
93	CUSTOMER SERVICE & INFORMATION	C110 A310		129	117	37	5,227	117	423,000	0
94	SALES	C112 A312		0	0	0	0	0	0	0
95	COMMON & OTHER PLANT IN SERVICE	C129		134,493	460,134	22,460	80,821	1,538	21,097,000	0
96	GROSS ELECTRIC PLANT IN SERVICE									
97		GP19		8,130,570	24,051,815	1,557,124	11,554,306	77,068	1,122,822,000	0

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-3 (TIME DIFFERENTIATED)													
6	ELECTRIC CASE NO: 2006-00172													
7				RS	DS	DS RTP	GSFL	EH	SP	DT_SEC	DT_SEC RTP	DT_PRI	DT_PRI RTP	
8	ITEM	ALLO	TOTAL ELECTRIC	RESIDENTIAL	SECONDARY DISTRIBUTION	INCR. SEC. DISTR.	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	INCR. SEC. DIST	PRIMARY DISTRIBUTION	INCR. PRI. DIST	
99	DEPRECIATION RESERVE Schedule 3													
100	PRODUCTION PLANT													
101	P150	K201	275,391,000	124,693,415	74,777,262	62,722	306,763	539,628	29,559	40,044,237	412,742	22,144,223	1,037,442	
102	P152	K201	126,716,000	57,375,335	34,407,354	28,860	141,151	248,300	13,601	18,425,604	189,915	10,189,249	477,359	
103		P171	402,107,000	182,068,750	109,184,616	91,582	447,914	787,928	43,160	58,469,841	602,657	32,333,472	1,514,801	
104	TRANSMISSION PLANT													
105		K201	0	0	0	0	0	0	0	0	0	0	0	
106		K201	10,203,000	4,619,784	2,770,433	2,324	11,365	19,993	1,095	1,483,605	15,292	820,424	38,436	
107		T150	10,203,000	4,619,784	2,770,433	2,324	11,365	19,993	1,095	1,483,605	15,292	820,424	38,436	
108		T171	412,310,000	186,688,534	111,955,049	93,906	459,279	807,921	44,255	59,953,446	617,949	33,153,896	1,553,237	
109	TOTAL PROD & TRANS DEPREC RESERVE													
110			412,310,000	186,688,534	111,955,049	93,906	459,279	807,921	44,255	59,953,446	617,949	33,153,896	1,553,237	
111	DISTRIBUTION PLANT													
112	D150	K215	8,437,000	3,806,870	2,269,029	2,150	8,862	29,950	889	1,355,488	14,987	770,349	35,474	
113	D152	K205	18,894,000	8,714,489	5,194,144	4,921	20,287	68,560	2,034	3,102,912	34,307	1,481,288	68,202	
114	D154	K205	41,040,000	18,829,244	11,222,895	10,632	43,835	148,135	4,395	6,704,407	74,127	3,200,593	147,363	
115	D158	K203	23,329,000	15,421,251	5,248,106	5,188	13,719	121,110	2,585	2,348,725	43,501	0	0	
116	D158	K217	8,196,000	7,310,616	739,958	0	8,848	21,489	1,625	91,494	0	0	0	
117	D160	K407	2,781,000	2,412,174	330,341	0	0	9,740	816	25,281	0	8,544	0	
118	D162	K209	227,766	118,506	54,951	50	205	849	27	30,364	363	12,996	597	
119	D164	K401	5,133,000	0	0	0	0	0	0	0	0	0	0	
120	D162	K209	9,164,000	4,766,019	2,210,899	2,022	8,266	34,160	1,082	1,221,663	14,594	522,904	24,012	
121	D168	K209	(1,581,000)	(822,592)	(381,431)	(349)	(1,426)	(5,893)	(187)	(210,765)	(2,518)	(90,213)	(4,143)	
122	D181		115,730,766	60,558,577	26,888,892	24,614	102,596	428,100	13,266	14,669,569	179,361	5,906,461	271,505	
123	TOTAL TRANS & DIST DEPREC RESERVE													
124			125,933,766	65,178,361	29,659,325	26,938	113,961	448,093	14,361	16,153,174	194,653	6,726,885	309,941	
125	TOTAL GROSS PTD PLANT DEPREC RESERVE													
126			528,040,766	247,247,111	138,843,941	118,520	561,875	1,236,021	57,521	74,623,015	797,310	39,060,357	1,824,742	
127	GENERAL & INTANGIBLE PLANT													
128	G150	A300	768,000	347,740	208,536	175	856	1,505	82	111,674	1,151	61,755	2,893	
129	G152	A302	334,000	127,241	87,109	26	523	1,180	34	60,981	209	36,377	517	
130	G154	A304	49,000	22,187	13,305	11	55	96	5	7,125	73	3,940	185	
131	G158	A306	321,000	155,260	84,182	76	330	1,088	38	48,550	533	23,900	1,100	
132	G158	A308	318,000	281,481	34,055	28	177	279	44	1,147	15	85	12	
133	G160	A310	37,000	24,471	11,541	9	140	113	26	167	6	31	5	
134	G162	A312	0	0	0	0	0	0	0	0	0	0	0	
135	G171		1,827,000	958,380	438,728	325	2,081	4,261	229	229,644	1,987	126,088	4,712	
136	TOTAL GEN & INTANGIBLE DEPREC RES.													
137			1,827,000	958,380	438,728	325	2,081	4,261	229	229,644	1,987	126,088	4,712	
138	COMMON & OTHER PLANT													
139	C150	A300	4,301,000	1,947,433	1,167,856	980	4,791	8,428	462	625,403	6,446	345,844	16,203	
140	C152	A302	1,868,000	711,634	487,186	146	2,925	6,599	189	341,057	1,171	203,448	2,892	
141	C154	A304	276,000	124,968	74,943	63	307	541	30	40,133	414	22,193	1,040	
142	C158	A306	1,796,000	868,677	471,000	427	1,845	6,088	214	271,637	2,982	133,720	6,156	
143	C158	A308	1,780,000	1,575,583	190,620	159	988	1,563	249	6,420	84	474	69	
144	C160	A310	205,000	135,578	63,944	51	777	626	146	923	31	170	26	
145	C162	A312	0	0	0	0	0	0	0	0	0	0	0	
146	C171		10,226,000	5,363,873	2,455,549	1,826	11,633	23,845	1,290	1,285,573	11,128	705,849	26,386	
147	TOTAL COM & OTHER PLT RESERVE													
148	DR19		540,093,766	253,569,364	141,738,218	120,671	575,589	1,264,127	59,040	76,138,232	810,425	39,892,294	1,855,840	

	A	B	C	O	Q	R	S	U	V	W	
1	DUKE ENERGY KENTUCKY										11/16/05 8:34 AM
2	COST OF SERVICE STUDY										
3	TWELVE MONTHS ENDING DECEMBER 31, 2007										
4	FR-9v-3 (TIME DIFFERENTIATED)										
5	ELECTRIC CASE NO: 2006-00172										
6			DP	TT	TT_RTP	LT	OTHER	TOTAL			
7			PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT			
8	ITEM	ALLO	DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE	ALL	OTHER	
98	DEPRECIATION RESERVE Schedule 3										
99	PRODUCTION PLANT										
100	PRODUCTION - STEAM	P150 K201	2,235,294	8,061,981	525,209	505,383	15,140	275,391,000	0	0	
101	PRODUCTION - OTHER	P152 K201	1,028,528	3,709,569	241,665	232,543	6,967	126,716,000	0	0	
102	TOTAL PROD DEPREC RESERVE	P171	3,263,822	11,771,550	766,874	737,926	22,107	402,107,000	0	0	
103	TRANSMISSION PLANT										
104	MAIN STEP-UP TRANSFORMERS	K201	0	0	0	0	0	0	0	0	
105	OTHER TRANSMISSION	T150 K201	82,816	298,689	19,459	18,724	561	10,203,000	0	0	
106	TOTAL TRANS DEPREC RESERVE	T171	82,816	298,689	19,459	18,724	561	10,203,000	0	0	
107	TOTAL PROD & TRANS DEPREC RESERVE										
108			3,346,638	12,070,239	786,333	756,650	22,668	412,310,000	0	0	
109	DISTRIBUTION PLANT										
110	SUBSTATIONS	D150 K215	66,565	0	0	75,703	684	8,437,000	0	0	
111	POLES, TOWERS & FIXTURES	D152 K205	127,993	0	0	173,296	1,567	18,994,000	0	0	
112	CONDUCTORS	D154 K205	276,551	0	0	374,437	3,386	41,040,000	0	0	
113	TRANSFORMERS	D158 K203	0	0	0	119,386	5,429	23,329,000	0	0	
114	SERVICES	D158 K217	0	0	0	20,646	1,324	8,196,000	0	0	
115	METERS	D160 K407	964	2,970	0	170	0	2,791,000	0	0	
116	DEPRECIATION EXPENSE ADJUSTMENT	D162 K209	1,124	12	0	7,698	24	227,766	0	0	
117	STREET LIGHTS	D164 K401	0	0	0	5,133,000	0	5,133,000	0	0	
118	COMPLETED CONSTRUCTION NOT CLASSIFIED	D162 K209	45,220	489	0	309,704	966	9,164,000	0	0	
119	RETIREMENT WORK IN PROGRESS	D168 K209	(7,801)	(84)	0	(53,431)	(167)	(1,581,000)	0	0	
120	TOTAL DIST DEPREC RESERVE	D161	510,616	3,387	0	6,160,609	13,213	115,730,766	0	0	
121	TOTAL TRANS & DIST DEPREC RESERVE										
122			593,432	302,076	19,459	6,179,333	13,774	125,933,766	0	0	
123	TOTAL GROSS PTD PLANT DEPREC RESERVE										
124			3,857,254	12,073,626	786,333	6,917,259	35,881	528,040,766	0	0	
125	GENERAL & INTANGIBLE PLANT										
126	PRODUCTION-DEMAND	G150 A300	6,234	22,483	1,465	1,409	42	768,000	0	0	
127	PRODUCTION-ENERGY	G152 A302	2,863	14,530	266	2,097	27	334,000	0	0	
128	TRANSMISSION	G154 A304	398	1,434	93	90	3	49,000	0	0	
129	DISTRIBUTION	G156 A306	2,106	1,353	87	2,373	24	321,000	0	0	
130	CUSTOMER ACCOUNTING	G158 A308	32	31	10	577	27	318,000	0	0	
131	CUSTOMER SERVICE & INFORMATION	G160 A310	11	10	3	457	10	37,000	0	0	
132	SALES	G162 A312	0	0	0	0	0	0	0	0	
133	TOTAL GEN & INTANGIBLE DEPREC RES.	G171	11,644	39,841	1,944	7,003	133	1,827,000	0	0	
134	COMMON & OTHER PLANT										
135	PRODUCTION-DEMAND	C150 A300	34,910	125,911	8,203	7,893	237	4,301,000	0	0	
136	PRODUCTION-ENERGY	C152 A302	16,012	81,261	1,602	11,726	152	1,868,000	0	0	
137	TRANSMISSION	C154 A304	2,240	8,080	526	507	15	276,000	0	0	
138	DISTRIBUTION	C156 A306	11,782	7,573	485	13,279	135	1,796,000	0	0	
139	CUSTOMER ACCOUNTING	C158 A308	181	175	54	3,231	150	1,780,000	0	0	
140	CUSTOMER SERVICE & INFORMATION	C160 A310	63	57	18	2,533	57	205,000	0	0	
141	SALES	C162 A312	0	0	0	0	0	0	0	0	
142	TOTAL COM & OTHER PLT RESERVE	C171	65,188	223,057	10,888	39,169	746	10,226,000	0	0	
143	TOTAL DEPRECIATION RESERVE										
144		DR19	3,934,086	12,336,524	799,165	6,963,431	36,760	540,093,766	0	0	

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-3 (TIME DIFFERENTIATED)													
6	ELECTRIC CASE NO: 2006-00172													
7				TOTAL	RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC_RTP	DT_PRI	DT_PRI_RTP
8	ITEM	ALLO	ELECTRIC	RESIDENTIAL	SECONDARY	INCR.	SEC. DISTR.	SECONDARY	SECONDARY	SECONDARY	SECONDARY	SEC. DISTR.	PRIMARY	INCR. PRI. DISTR.
149														
150	NET ELECTRIC PLANT IN SERVICE	Schedule 4												
151	PRODUCTION PLANT													
152	PRODUCTION - STEAM		225,785,000	102,232,473	61,307,683	51,424	251,505	442,425	24,234	32,831,094	338,395	18,155,399	850,568	
153	PRODUCTION - OTHER		151,118,000	68,424,238	41,033,259	34,419	168,333	296,115	16,220	21,973,866	226,488	12,151,418	569,286	
154	TOTAL PROD	F229	376,903,000	170,656,711	102,340,942	85,843	419,838	738,540	40,454	54,804,960	564,883	30,306,815	1,419,854	
155														
156	TRANSMISSION PLANT													
157	MAIN STEP-UP TRANSFORMERS		0	0	0	0	0	0	0	0	0	0	0	
158	OTHER TRANSMISSION		13,563,000	6,141,148	3,682,779	3,089	15,108	26,576	1,456	1,972,177	20,327	1,090,603	51,094	
159	TOTAL TRANSMISSION	T229	13,563,000	6,141,148	3,682,779	3,089	15,108	26,576	1,456	1,972,177	20,327	1,090,603	51,094	
160														
161	NET PROD & TRANS PLANT		390,466,000	176,797,859	106,023,721	88,932	434,946	765,116	41,910	56,777,137	585,210	31,397,418	1,470,948	
162														
163	DISTRIBUTION PLANT													
164	SUBSTATIONS	S249	29,168,000	13,160,933	7,844,382	7,431	30,639	103,541	3,072	4,686,128	51,812	2,663,216	122,638	
165	POLES, TOWERS & FIXTURES	PL49	29,826,000	13,684,232	8,156,289	7,727	31,858	107,658	3,195	4,872,457	53,873	2,326,046	107,097	
166	CONDUCTORS	SL49	68,002,000	31,199,464	18,595,988	17,617	72,633	245,456	7,283	11,108,994	122,827	5,303,284	244,177	
167	TRANSFORMERS	F249	24,232,000	16,018,162	5,451,246	5,388	14,250	125,798	2,686	2,439,638	45,185	0	0	
168	SERVICES	SV49	4,291,000	3,827,455	387,404	0	4,633	11,251	851	47,902	0	0	0	
169	METERS	M249	11,071,000	9,568,316	1,310,359	0	0	38,637	3,234	100,282	0	33,891	0	
170	OTHER	O249	(227,766)	(118,506)	(54,951)	(50)	(205)	(849)	(27)	(30,364)	(363)	(12,996)	(597)	
171	STREET LIGHTS	L249	2,164,000	0	0	0	0	0	0	0	0	0	0	
172	CONSTRUCTION NOT CLASSIFIED	CN49	9,676,000	5,034,413	2,334,424	2,135	8,728	36,068	1,142	1,289,918	15,410	552,120	25,353	
173	RETIREMENT WORK IN PROGRESS		1,581,000	822,592	381,431	349	1,426	5,893	187	210,765	2,518	90,213	4,143	
174	TOTAL DIST	D249	179,783,234	93,197,061	44,406,572	40,597	163,962	673,453	21,623	24,725,720	291,262	10,955,774	502,811	
175														
176	NET TRANS & DIST PLANT	NT29	193,346,234	99,338,209	48,089,351	43,686	179,070	700,029	23,079	26,697,897	311,589	12,046,377	553,905	
177	NET PTD PLANT	NT39	570,249,234	269,994,920	150,430,293	129,529	598,908	1,438,569	63,533	81,502,857	876,472	42,353,192	1,973,759	
178														
179	GENERAL & INTANGIBLE PLANT													
180	PRODUCTION-DEMAND		677,000	306,535	183,827	154	754	1,326	73	98,442	1,015	54,438	2,551	
181	PRODUCTION-ENERGY		293,000	111,619	76,417	23	459	1,035	29	53,496	184	31,911	454	
182	TRANSMISSION		44,000	19,923	11,947	10	49	86	5	6,398	66	3,538	165	
183	DISTRIBUTION		282,000	136,395	73,955	67	289	956	34	42,651	468	20,996	967	
184	CUSTOMER ACCOUNTING		280,000	247,843	29,985	26	155	246	40	1,010	13	74	11	
185	CUSTOMER SERVICE & INFORMATION		32,000	21,163	9,982	8	121	98	23	144	4	26	4	
186	SALES		0	0	0	0	0	0	0	0	0	0	0	
187	TOTAL GENERAL AND INTANGIBLE PLANT	G229	1,608,000	843,478	386,113	288	1,827	3,747	204	202,141	1,750	110,983	4,152	
188														
189	COMMON & OTHER PLANT													
190	PRODUCTION-DEMAND		4,572,000	2,070,144	1,241,441	1,041	5,093	8,959	490	664,808	6,852	367,635	17,223	
191	PRODUCTION-ENERGY		1,985,000	756,206	517,701	155	3,108	7,013	201	362,419	1,244	216,191	3,072	
192	TRANSMISSION		293,000	132,668	79,558	67	327	574	31	42,604	439	23,561	1,103	
193	DISTRIBUTION		1,912,000	924,783	501,422	454	1,963	6,482	229	289,181	3,175	142,356	6,554	
194	CUSTOMER ACCOUNTING		1,891,000	1,673,833	202,508	170	1,051	1,661	264	6,821	89	504	73	
195	CUSTOMER SERVICE & INFORMATION		218,000	144,179	67,998	54	825	666	156	982	33	181	27	
196	SALES		0	0	0	0	0	0	0	0	0	0	0	
197	TOTAL COM & OTHER PLT	C229	10,871,000	5,701,813	2,610,628	1,941	12,367	25,355	1,371	1,366,815	11,832	750,428	28,052	
198														
199	TOTAL ELECTRIC PLANT IN SERVICE	NP29	582,728,234	276,540,211	153,427,034	131,758	613,102	1,467,671	65,108	83,071,813	890,054	43,214,603	2,005,963	

	A	B	C	O	Q	R	S	U	V	W	
1	DUKE ENERGY KENTUCKY										11/16/05 8:34 AM
2	COST OF SERVICE STUDY										
3	TWELVE MONTHS ENDING DECEMBER 31, 2007										
4	FR-9v-3 (TIME DIFFERENTIATED)										
5	ELECTRIC CASE NO: 2006-00172										
6			DP	TT	TT_RTP	LT	OTHER	TOTAL			
7			PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT		ALL	
8	ITEM	ALLO	DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE		OTHER	
149	NET ELECTRIC PLANT IN SERVICE Schedule 4										
150	PRODUCTION PLANT										
152	PRODUCTION - STEAM		1,832,651	6,609,782	430,604	414,349	12,414	225,785,000		0	
153	PRODUCTION - OTHER		1,226,595	4,423,930	288,203	277,324	8,308	151,118,000		0	
154	TOTAL PROD	P229	3,059,246	11,033,712	718,807	691,673	20,722	376,903,000		0	
155	TRANSMISSION PLANT										
157	MAIN STEP-UP TRANSFORMERS		0	0	0	0	0	0		0	
158	OTHER TRANSMISSION		110,088	397,053	25,866	24,890	746	13,563,000		0	
159	TOTAL TRANSMISSION	T229	110,088	397,053	25,866	24,890	746	13,563,000		0	
160	NET PROD & TRANS PLANT										
161			3,169,334	11,430,765	744,673	716,563	21,468	390,466,000		0	
162	DISTRIBUTION PLANT										
164	SUBSTATIONS	S249	230,123	0	0	261,718	2,367	29,168,000		0	
165	POLES, TOWERS & FIXTURES	PL49	200,984	0	0	272,124	2,460	29,826,000		0	
166	CONDUCTORS	SL49	458,237	0	0	620,431	5,609	68,002,000		0	
167	TRANSFORMERS	F249	0	0	0	124,008	5,639	24,232,000		0	
168	SERVICES	SV49	0	0	0	10,810	694	4,291,000		0	
169	METERS	M249	3,825	11,781	0	675	0	11,071,000		0	
170	OTHER	O249	(1,124)	(12)	0	(7,698)	(24)	(227,766)		0	
171	STREET LIGHTS	L249	0	0	0	2,164,000	0	2,164,000		0	
172	CONSTRUCTION NOT CLASSIFIED	CN49	47,746	515	0	327,008	1,020	9,676,000		0	
173	RETIREMENT WORK IN PROGRESS		7,801	84	0	53,431	167	1,581,000		0	
174	TOTAL DIST	D249	947,592	12,368	0	3,826,507	17,932	179,783,234		0	
175	NET TRANS & DIST PLANT										
176		NT29	1,057,680	409,421	25,866	3,851,397	18,678	193,346,234		0	
177	NET PTD PLANT	NT39	4,116,926	11,443,133	744,673	4,543,070	39,400	570,249,234		0	
178	GENERAL & INTANGIBLE PLANT										
180	PRODUCTION-DEMAND		5,495	19,819	1,291	1,243	37	677,000		0	
181	PRODUCTION-ENERGY		2,512	12,746	252	1,839	24	293,000		0	
182	TRANSMISSION		357	1,289	84	81	2	44,000		0	
183	DISTRIBUTION		1,850	1,190	76	2,085	21	282,000		0	
184	CUSTOMER ACCOUNTING		29	28	8	509	23	280,000		0	
185	CUSTOMER SERVICE & INFORMATION		10	9	3	396	9	32,000		0	
186	SALES		0	0	0	0	0	0		0	
187	TOTAL GENERAL AND INTANGIBLE PLANT	G229	10,253	35,081	1,714	6,153	116	1,608,000		0	
188	COMMON & OTHER PLANT										
190	PRODUCTION-DEMAND		37,111	133,843	8,719	8,390	251	4,572,000		0	
191	PRODUCTION-ENERGY		17,015	86,351	1,702	12,461	161	1,985,000		0	
192	TRANSMISSION		2,378	8,577	559	537	17	293,000		0	
193	DISTRIBUTION		12,543	8,061	516	14,137	144	1,912,000		0	
194	CUSTOMER ACCOUNTING		192	185	57	3,433	159	1,891,000		0	
195	CUSTOMER SERVICE & INFORMATION		66	60	19	2,694	60	218,000		0	
196	SALES		0	0	0	0	0	0		0	
197	TOTAL COM & OTHER PLT	C229	69,305	237,077	11,572	41,652	792	10,871,000		0	
198	TOTAL ELECTRIC PLANT IN SERVICE NP29										
199			4,196,484	11,715,291	757,959	4,590,875	40,308	582,728,234		0	

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-3 (TIME DIFFERENTIATED)													
6	ELECTRIC CASE NO: 2006-00172													
7				TOTAL	RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC_RTP	DT_PRI	DT_PRI_RTP
8	ITEM	ALLO	ELECTRIC	RESIDENTIAL	SECONDARY	SEC. INCR.	SEC. DISTR.	SECONDARY	SECONDARY	SECONDARY	SECONDARY	SEC. INCR.	PRIMARY	SEC. DISTR.
200														
201	NET ELECTRIC PLANT		Schedule 4a											
202	PRODUCTION PLANT													
203	PRODUCTION PLANT IN SERVICE	P129	779,010,000	352,725,461	211,525,558	177,425	867,752	1,526,468	83,614	113,274,801	1,167,540	62,640,287	2,934,655	
204	TOTAL PROD DEPRC RESERVE	P171	(402,107,000)	(182,068,750)	(109,184,616)	(91,582)	(447,914)	(787,928)	(43,160)	(58,469,841)	(602,657)	(32,333,472)	(1,514,801)	
205	NET PRODUCTION PLANT	P229	376,903,000	170,656,711	102,340,942	85,843	419,838	738,540	40,454	54,804,960	564,883	30,306,815	1,419,854	
206														
207	TRANSMISSION PLANT													
208	TRANSMISSION PLANT IN SERVICE	T129	23,766,000	10,760,932	6,453,212	5,413	26,473	46,569	2,551	3,455,782	35,619	1,911,027	89,530	
209	TOTAL TRANS DEPREC RESERVE	T171	(10,203,000)	(4,619,784)	(2,770,433)	(2,324)	(11,365)	(19,993)	(1,095)	(1,483,605)	(15,292)	(820,424)	(38,436)	
210	NET TRANSMISSION PLANT	T229	13,563,000	6,141,148	3,682,779	3,089	15,108	26,576	1,456	1,972,177	20,327	1,090,603	51,094	
211														
212	NET PROD & TRANS PLANT		390,466,000	176,797,859	106,023,721	88,932	434,946	765,116	41,910	56,777,137	585,210	31,397,418	1,470,948	
213														
214	DISTRIBUTION PLANT													
215	DISTRIBUTION PLANT IN SERVICE	D149	295,514,000	153,755,638	71,295,464	65,211	266,558	1,101,553	34,889	39,395,289	470,623	16,862,235	774,316	
216	TOTAL DIST DEPREC RESERVE	D191	(115,730,766)	(60,558,577)	(26,888,892)	(24,614)	(102,596)	(428,100)	(13,266)	(14,669,569)	(179,361)	(5,906,461)	(271,505)	
217	NET DISTRIBUTION PLANT	D249	179,783,234	93,197,061	44,406,572	40,597	163,962	673,453	21,623	24,725,720	291,262	10,955,774	502,811	
218														
219														
220	NET TRANS & DIST PLANT	NT29	193,346,234	99,338,209	48,089,351	43,686	179,070	700,029	23,079	26,697,897	311,589	12,046,377	553,905	
221	NET PTD PLANT	NT39	570,249,234	269,994,920	150,430,293	129,529	598,908	1,438,569	63,533	81,502,857	876,472	42,353,192	1,973,759	
222														
223	GENERAL & INTANGIBLE PLANT													
224	GEN & INTANG PLANT IN SERVICE	G129	3,435,000	1,801,858	824,841	613	3,908	8,008	433	431,785	3,737	237,071	8,864	
225	TOTAL GEN & INTG DEPREC RESERVE	G171	(1,827,000)	(958,380)	(438,728)	(325)	(2,081)	(4,261)	(229)	(229,644)	(1,987)	(126,088)	(4,712)	
226	NET GENERAL & INTANG PLANT	G229	1,608,000	843,478	386,113	288	1,827	3,747	204	202,141	1,750	110,983	4,152	
227														
228	COMMON & OTHER PLANT													
229	COMMON & OTH PLT IN SERVICE	C121	21,097,000	11,065,686	5,066,177	3,767	24,000	49,200	2,661	2,652,388	22,960	1,456,277	54,438	
230	TOTAL COM & OTH DEPREC RESERVE	C171	(10,228,000)	(5,363,873)	(2,455,549)	(1,826)	(11,633)	(23,845)	(1,290)	(1,285,573)	(11,128)	(705,849)	(26,386)	
231	NET COMMON & OTHER PLANT	C229	10,871,000	5,701,813	2,610,628	1,941	12,367	25,355	1,371	1,366,815	11,832	750,428	28,052	
232														
233	NET ELECTRIC PLANT IN SERVICE	NP29	582,728,234	276,540,211	153,427,034	131,758	613,102	1,467,671	65,108	83,071,813	890,054	43,214,603	2,005,963	
234														

	A	B	C	O	Q	R	S	U	V	W
1	DUKE ENERGY KENTUCKY									
2	COST OF SERVICE STUDY									
3	TWELVE MONTHS ENDING DECEMBER 31, 2007									
4	FR-9v-3 (TIME DIFFERENTIATED)									
5	ELECTRIC CASE NO: 2006-00172									
6			DP	TT	TT RTP	LT	OTHER	TOTAL		
7			PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT		ALL
8		ITEM	DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE		OTHER
200										
201		NET ELECTRIC PLANT								
202		PRODUCTION PLANT								
203		PRODUCTION PLANT IN SERVICE	P129	6,323,068	22,805,262	1,485,681	1,429,599	42,829	779,010,000	0
204		TOTAL PROD DEPREC RESERVE	P171	(3,263,822)	(11,771,550)	(766,874)	(737,926)	(22,107)	(402,107,000)	0
205		NET PRODUCTION PLANT	P229	3,059,246	11,033,712	718,807	691,673	20,722	376,903,000	0
206										
207		TRANSMISSION PLANT								
208		TRANSMISSION PLANT IN SERVICE	T129	192,904	695,742	45,325	43,614	1,307	23,766,000	0
209		TOTAL TRANS DEPREC RESERVE	T171	(82,816)	(298,689)	(19,459)	(18,724)	(561)	(10,203,000)	0
210		NET TRANSMISSION PLANT	T229	110,088	397,053	25,866	24,890	746	13,563,000	0
211										
212		NET PROD & TRANS PLANT		3,169,334	11,430,765	744,673	716,563	21,468	390,466,000	0
213										
214		DISTRIBUTION PLANT								
215		DISTRIBUTION PLANT IN SERVICE	D149	1,458,208	15,755	0	9,987,116	31,145	295,514,000	0
216		TOTAL DIST DEPREC RESERVE	D191	(510,616)	(3,387)	0	(6,160,609)	(13,213)	(115,730,766)	0
217		NET DISTRIBUTION PLANT	D249	947,592	12,368	0	3,826,507	17,932	179,783,234	0
218										
219										
220		NET TRANS & DIST PLANT	NT29	1,057,680	409,421	25,866	3,851,397	18,678	193,346,234	0
221		NET PTD PLANT	NT39	4,116,926	11,443,133	744,673	4,543,070	39,400	570,249,234	0
222										
223		GENERAL & INTANGIBLE PLANT								
224		GEN & INTANG PLANT IN SERVICE	G129	21,897	74,922	3,658	13,156	249	3,435,000	0
225		TOTAL GEN & INTG DEPREC RESERVE	G171	(11,644)	(39,841)	(1,944)	(7,003)	(133)	(1,827,000)	0
226		NET GENERAL & INTANG PLANT	G229	10,253	35,081	1,714	6,153	116	1,608,000	0
227										
228		COMMON & OTHER PLANT								
229		COMMON & OTH PLT IN SERVICE	C121	134,493	460,134	22,460	80,821	1,538	21,097,000	0
230		TOTAL COM & OTH DEPREC RESERVE	C171	(65,188)	(223,057)	(10,888)	(39,169)	(746)	(10,226,000)	0
231		NET COMMON & OTHER PLANT	C229	69,305	237,077	11,572	41,652	792	10,871,000	0
232										
233		NET ELECTRIC PLANT IN SERVICE	NP29	4,196,484	11,715,291	757,959	4,590,875	40,308	582,728,234	0
234										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-3 (TIME DIFFERENTIATED)													
6	ELECTRIC CASE NO: 2006-00172													
7				TOTAL	RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC_RTP	DT_PRI	DT_PRI_RTP
8		ITEM	ALLO	ELECTRIC	RESIDENTIAL	SECONDARY	INCR.	SECONDARY	SECONDARY	SECONDARY	SECONDARY	INCR.	PRIMARY	INCR.
9							SEC. DISTR.	DISTRIBUTION	DISTRIBUTION	DISTRIBUTION	DISTRIBUTION	SEC. DISTR.	DISTRIBUTION	PRI. DISTR.
235		RATE BASE ADJUSTMENTS		Schedule 5										
236		SUBTRACTIVE ADJUSTMENTS												
237		ACCUM DEF INC TAXES (282)												
238		B200	NP29	41,005,203	19,459,478	10,796,296	9,271	43,143	103,277	4,582	5,845,566	62,631	3,040,909	141,155
242		B208	NP29	331,400	157,268	87,255	75	349	835	37	47,243	506	24,576	1,141
247		B221		41,336,603	19,616,746	10,883,551	9,346	43,492	104,112	4,619	5,892,809	63,137	3,065,485	142,296
248														
249		ACCUM DEF INC TAXES (283/284)												
254		B234	NP29	(34,872)	(16,550)	(9,181)	(8)	(37)	(88)	(4)	(4,971)	(53)	(2,586)	(120)
256		B243		(34,872)	(16,550)	(9,181)	(8)	(37)	(88)	(4)	(4,971)	(53)	(2,586)	(120)
257														
263		B287		41,301,731	19,600,196	10,874,370	9,338	43,455	104,024	4,615	5,887,838	63,084	3,062,899	142,176
264														
265		ADDITIVE ADJUSTMENTS												
266		ACCUM DEF INC TAXES (190)												
272		V212	A315	1,295,808	679,683	311,169	231	1,474	3,022	163	162,907	1,410	89,444	3,344
273		V215		1,295,808	679,683	311,169	231	1,474	3,022	163	162,907	1,410	89,444	3,344
274														

	A	B	C	O	Q	R	S	U	V	W
1	DUKE ENERGY KENTUCKY									
2	COST OF SERVICE STUDY									
3	TWELVE MONTHS ENDING DECEMBER 31, 2007									
4	FR-9V-3 (TIME DIFFERENTIATED)									
5	ELECTRIC CASE NO: 2006-00172									
6				DP	TT	TT_RTP	LT	OTHER	TOTAL	
7				PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT	ALL
8		ITEM	ALLO	DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE	OTHER
235	RATE BASE ADJUSTMENTS Schedule 5									
236	SUBTRACTIVE ADJUSTMENTS									
237	ACCUM DEF INC TAXES (282)									
238	LIBERALIZED DEPRECIATION	B200	NP29	295,297	824,377	53,336	323,049	2,836	41,005,203	0
242	MISCELLANEOUS	B208	NP29	2,387	6,663	431	2,611	23	331,400	0
247	TOTAL ACCOUNT 282	B221		297,684	831,040	53,767	325,660	2,859	41,336,603	0
248										
249	ACCUM DEF INC TAXES (283/284)									
254	DEFERRED INCOME TAXES	B234	NP29	(251)	(701)	(45)	(275)	(2)	(34,872)	0
256	TOTAL ACCOUNT 283/284	B243		(251)	(701)	(45)	(275)	(2)	(34,872)	0
257										
263	TOTAL SUBTRACTIVE ADJUSTMENTS	B287		297,433	830,339	53,722	325,385	2,857	41,301,731	0
264										
265	ADDITIVE ADJUSTMENTS									
266	ACCUM DEF INC TAXES (190)									
272	MISCELLANEOUS DEFERRALS	V212	A315	8,260	28,263	1,380	4,964	94	1,295,808	0
273	TOTAL ACCOUNT 190	V215		8,260	28,263	1,380	4,964	94	1,295,808	0
274										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-3 (TIME DIFFERENTIATED)													
6	ELECTRIC CASE NO: 2006-00172													
7					RS	DS	DS RTP	GSFL	EH	SP	DT_SEC	DT_SEC RTP	DT_PRI	DT_PRI RTP
8		ITEM	ALLO	TOTAL	RESIDENTIAL	SECONDARY	INCR.	SECONDARY	SECONDARY	SECONDARY	SECONDARY	INCR.	PRIMARY	INCR.
				ELECTRIC		DISTRIBUTION	SEC. DISTR.	DISTRIBUTION	DISTRIBUTION	DISTRIBUTION	DISTRIBUTION	SEC. DISTR.	DISTRIBUTION	PRI. DISTR.
286	CONSTRUCTION WORK IN PROGRESS	Schedule 5a												
287	PRODUCTION	V232 P129		(3,443,000)	(1,558,946)	(934,882)	(784)	(3,835)	(6,747)	(370)	(500,642)	(5,160)	(276,852)	(12,970)
288	TRANSMISSION	V234 T129		1,245,000	563,719	338,056	284	1,387	2,440	134	181,034	1,866	100,111	4,690
289	DISTRIBUTION	V236 D149		6,461,000	3,361,651	1,558,776	1,426	5,828	24,084	763	861,323	10,290	368,669	16,929
290	GENERAL	V238 G129		0	0	0	0	0	0	0	0	0	0	0
291	COMMON	V240 C129		0	0	0	0	0	0	0	0	0	0	0
292	TOTAL RATE BASE CWIP	V255 CW29		4,263,000	2,366,424	961,950	926	3,380	19,777	527	541,715	6,996	191,928	8,649
293														
294	TOTAL ADDITIVE ADJUSTMENTS	V289		5,558,808	3,046,107	1,273,119	1,157	4,854	22,799	690	704,622	8,406	281,372	11,993
295														
296	NET ORIGINAL COST RATE BASE	RB29		546,985,311	259,986,122	143,825,783	123,577	574,501	1,386,446	61,183	77,888,597	835,376	40,433,076	1,875,780
297														

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
1	DUKE ENERGY KENTUCKY																						11/16/05 8:34 AM
2	COST OF SERVICE STUDY																						
3	TWELVE MONTHS ENDING DECEMBER 31, 2007																						
4	FR-3v-3 (TIME DIFFERENTIATED)																						
5																							
6	ELECTRIC CASE NO: 2006-00172																						
7																							
8																							
9																							
10																							
11	286	CONSTRUCTION WORK IN PROGRESS	Schedule 5a																				
12	287	PRODUCTION	V232 P129		(27,946)	(100,793)	(6,566)	(6,318)	(189)	(3,443,000)	0												
13	288	TRANSMISSION	V234 T129		10,105	36,447	2,374	2,285	68	1,245,000	0												
14	289	DISTRIBUTION	V236 D149		31,882	344	0	218,354	681	6,461,000	0												
15	290	GENERAL	V238 G129		0	0	0	0	0	0	0												
16	291	COMMON	V240 C129		0	0	0	0	0	0	0												
17	292	TOTAL RATE BASE CWIP	V255 CW29		14,041	(64,002)	(4,192)	214,321	560	4,263,000	0												
18	293																						
19	294	TOTAL ADDITIVE ADJUSTMENTS	V289		22,301	(35,739)	(2,812)	219,285	654	5,558,808	0												
20	295																						
21	296	NET ORIGINAL COST RATE BASE	RB29		3,921,352	10,849,213	701,425	4,484,775	38,105	546,985,311	0												
22	297																						

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-3 (TIME DIFFERENTIATED)													
6	ELECTRIC CASE NO: 2006-00172													
7				TOTAL	RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC_RTP	DT_PRI	DT_PRI_RTP
8	ITEM	ALLO	ELECTRIC	RESIDENTIAL	SECONDARY DISTRIBUTION	INCR. SEC. DISTR.	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	INCR. SEC. DIST	PRIMARY DISTRIBUTION	INCR. PRI. DIST	
298	WORKING CAPITAL													
299	MATERIALS & SUPPLIES													
300	FUEL INVENTORIES													
301	FUEL	W840 K301	8,873,933	3,357,250	2,298,382	2,230	13,799	31,134	892	1,608,995	17,881	959,800	44,163	
302	EMISSION ALLOWANCES	W842 K301	5,919,968	2,239,684	1,533,294	1,488	9,206	20,770	595	1,073,391	11,929	640,301	29,462	
303	TOTAL FUEL STOCKS	W844	14,793,901	5,596,934	3,831,676	3,718	23,005	51,904	1,487	2,682,386	29,810	1,600,101	73,625	
304														
305	PLANT MATERIALS & SUPPLIES													
309	OTHER	W848 NP29	8,467,889	4,018,532	2,229,518	1,915	8,909	21,327	946	1,207,154	12,934	627,971	29,150	
310	TOTAL PLANT MATERIALS & SUPPLIES	W850	8,467,889	4,018,532	2,229,518	1,915	8,909	21,327	946	1,207,154	12,934	627,971	29,150	
311														
312	TOTAL MATERIALS & SUPPLIES	W869	23,261,790	9,615,466	6,061,194	5,633	31,914	73,231	2,433	3,889,540	42,744	2,228,072	102,775	
313														
314	PREPAYMENTS													
315	INSURANCE	W870 A315	394,000	206,662	94,613	70	448	919	50	49,533	429	27,196	1,017	
316	COAL_SYN FUEL AND MARGIN DEPOSITS	W884 K301	6,305,569	2,385,568	1,633,166	1,585	9,805	22,123	634	1,143,307	12,706	682,007	31,381	
317	TOTAL PREPAYMENTS	W889	6,699,569	2,592,230	1,727,779	1,655	10,253	23,042	684	1,192,840	13,135	709,203	32,398	
318														
322	AUTO CALC (O&M-F-PP)S	W719	13,994,731	6,535,945	3,517,717	3,061	17,354	36,486	1,568	2,049,309	21,293	1,160,937	51,935	
324	TOTAL WORKING CASH	W729	13,994,731	6,535,945	3,517,717	3,061	17,354	36,486	1,568	2,049,309	21,293	1,160,937	51,935	
325														
326	TOTAL WORKING CAPITAL	WC79	43,956,090	18,743,641	11,306,690	10,349	59,521	132,759	4,685	7,131,689	77,172	4,098,212	187,108	
327	PRELIMINARY SUMMARY													
328	TOTAL SUBSTRACTIVE ADJUSTMENTS	B287	(41,301,731)	(19,600,196)	(10,874,370)	(9,338)	(43,455)	(104,024)	(4,615)	(5,887,838)	(63,084)	(3,062,899)	(142,176)	
329	TOTAL ADDITIVE ADJUSTMENTS	V289	5,558,808	3,046,107	1,273,119	1,157	4,854	22,799	690	704,622	8,406	281,372	11,993	
330	TOTAL WORKING CAPITAL	WC71	43,956,090	18,743,641	11,306,690	10,349	59,521	132,759	4,685	7,131,689	77,172	4,098,212	187,108	
331	TOTAL RATE BASE ADJUSTMENTS	RB71	8,213,167	2,189,552	1,705,439	2,168	20,920	51,534	760	1,948,473	22,494	1,316,685	56,925	
332														
333	RATE BASE CALCULATION													
334	NET ELECTRIC PLANT IN SERVICE	NP21	582,728,234	276,540,211	153,427,034	131,758	613,102	1,467,671	65,108	83,071,813	890,054	43,214,603	2,005,963	
335	TOTAL RATE BASE ADJUSTMENTS	RB71	8,213,167	2,189,552	1,705,439	2,168	20,920	51,534	760	1,948,473	22,494	1,316,685	56,925	
336	TOTAL RATE BASE	RB99 JR99	590,941,401	278,729,763	155,132,473	133,926	634,022	1,519,205	65,868	85,020,286	912,548	44,531,288	2,062,888	
337														
338	CAPITALIZATION ALLOC TO ELECTRIC OPER	ECAP RB99	557,080,702	262,758,663	146,243,446	126,252	597,693	1,432,155	62,094	80,148,658	860,260	41,979,664	1,944,685	
339														
340	TOTAL RATE OF RETURN ALLOWABLE	RORA	0.08761000	0.07649409	0.10496996	0.22045367	0.20709197	0.08709823	0.15754461	0.09047854	0.14730215	0.06769833	0.14131132	
341	RETURN ON CAPITALIZATION	R751	48,805,840	20,099,271	15,351,169	27,833	123,777	124,738	9,783	7,251,734	126,718	2,841,953	274,806	
342														

	A	B	C	O	Q	R	S	U	V	W
1	DUKE ENERGY KENTUCKY									
2	COST OF SERVICE STUDY									
3	TWELVE MONTHS ENDING DECEMBER 31, 2007									
4	FR-9v-3 (TIME DIFFERENTIATED)									
5	ELECTRIC CASE NO: 2006-00172									
6				DP	TT	TT RTP	LT	OTHER	TOTAL	
7				PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT	ALL
8	ITEM	ALLO		DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE	OTHER
298	WORKING CAPITAL									
299	MATERIALS & SUPPLIES									
300	FUEL INVENTORIES									
301	FUEL	W640	K301	75,540	383,362	24,468	55,322	715	8,873,933	0
302	EMISSION ALLOWANCES	W642	K301	50,394	255,748	16,323	36,906	477	5,919,968	0
303	TOTAL FUEL STOCKS	W644		125,934	639,110	40,791	92,228	1,192	14,793,901	0
304	PLANT MATERIALS & SUPPLIES									
309	OTHER	W646	NP29	60,981	170,240	11,014	66,712	586	8,467,889	0
310	TOTAL PLANT MATERIALS & SUPPLIES	W650		60,981	170,240	11,014	66,712	586	8,467,889	0
311	TOTAL MATERIALS & SUPPLIES									
312		W669		186,915	809,350	51,805	158,940	1,778	23,261,790	0
313	PREPAYMENTS									
315	INSURANCE	W670	A315	2,512	8,594	419	1,509	29	394,000	0
316	COAL, SYN FUEL AND MARGIN DEPOSITS	W684	K301	53,676	272,407	17,386	39,310	508	6,305,569	0
317	TOTAL PREPAYMENTS	W689		56,188	281,001	17,805	40,819	537	6,699,569	0
318	TOTAL WORKING CAPITAL									
323	AUTO CALC (O&M-F-PP)8	W719		103,001	411,818	25,484	57,834	989	13,994,731	0
324	TOTAL WORKING CASH	W729		103,001	411,818	25,484	57,834	989	13,994,731	0
325	PRELIMINARY SUMMARY									
326	TOTAL WORKING CAPITAL	WC79		346,104	1,502,169	95,094	257,593	3,304	43,956,090	0
327	TOTAL SUBTRACTIVE ADJUSTMENTS	B287		(297,433)	(830,339)	(53,722)	(325,385)	(2,857)	(41,301,731)	0
328	TOTAL ADDITIVE ADJUSTMENTS	V289		22,301	(35,739)	(2,812)	219,285	654	5,558,808	0
330	TOTAL WORKING CAPITAL	WC71		346,104	1,502,169	95,094	257,593	3,304	43,956,090	0
331	TOTAL RATE BASE ADJUSTMENTS	RB71		70,972	636,091	38,560	151,493	1,101	8,213,167	0
332	RATE BASE CALCULATION									
334	NET ELECTRIC PLANT IN SERVICE	NP21		4,196,484	11,715,291	757,959	4,590,875	40,308	582,728,234	0
335	TOTAL RATE BASE ADJUSTMENTS	RB71		70,972	636,091	38,560	151,493	1,101	8,213,167	0
336	TOTAL RATE BASE	RB99	JR99	4,267,456	12,351,382	796,519	4,742,368	41,409	590,941,401	0
337	CAPITALIZATION ALLOC TO ELECTRIC OPER									
338		ECAP	RB99	4,022,933	11,643,653	750,879	4,470,632	39,035	557,080,702	0
339	TOTAL RATE OF RETURN ALLOWABLE									
340		RORA		0.07743019	0.11384170	0.17743460	0.17957407	0.02528307	0.08761000	0.08761000
341	RETURN ON CAPITALIZATION	R751		311,496	1,325,533	133,232	802,810	987	48,805,840	0
342										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-3 (TIME DIFFERENTIATED)													
6	ELECTRIC CASE NO: 2006-00172													
7				TOTAL	RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC_RTP	DT_PRI	DT_PRI_RTP
8	ITEM	ALLO	ELECTRIC	RESIDENTIAL	SECONDARY DISTRIBUTION	INCR. SEC. DISTR.	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SEC. DIST	PRIMARY DISTRIBUTION	INCR. PRI. DIST
343	O&M EXPENSES	Schedule 6												
344	PRODUCTION O&M													
345	ENERGY RELATED PRODUCTION O&M													
346	FUEL	P300 K302	85,741,670	32,766,069	22,431,737	0	134,680	303,863	8,707	15,703,466	0	9,367,454	0	0
347	MISCELLANEOUS	P302 K301	0	0	0	0	0	0	0	0	0	0	0	0
349	EMISSION ALLOWANCES	P306 K301	5,436,451	2,056,756	1,408,061	1,366	8,454	19,074	547	985,721	10,954	588,004	27,056	
350	ELIMINATE EMISSION ALLOW & OTHER VAR CO:	P308 K301	8,104,357	3,066,097	2,099,059	2,037	12,603	28,434	815	1,469,458	16,330	876,563	40,333	
351	OTHER PRODUCTION EXPENSE - MAINTENANCE	P310 K301	13,120,712	4,963,922	3,398,313	3,298	20,403	46,034	1,319	2,379,009	26,438	1,419,130	65,298	
352	MISO TRANSMISSION CHARGES ACCT IN 555	P312 K301	12,047,693	4,557,969	3,120,397	3,028	18,735	42,269	1,211	2,184,452	24,276	1,303,073	59,958	
353	TOTAL ENERGY RELATED	P349	124,450,883	47,410,813	32,457,567	9,729	194,875	439,674	12,599	22,722,106	77,998	13,554,224	192,645	
354														
355	DEMAND RELATED PROD O&M													
356	ELIMINATE MISCELLANEOUS	P344 K201	0	0	0	0	0	0	0	0	0	0	0	0
359	OTHER PRODUCTION EXPENSE - OPERATIONS	P346 K201	19,373,154	8,771,909	5,260,417	4,412	21,580	37,962	2,079	2,817,024	29,035	1,557,798	72,982	
360	TOTAL DEMAND RELATED	P349	19,373,154	8,771,909	5,260,417	4,412	21,580	37,962	2,079	2,817,024	29,035	1,557,798	72,982	
361														
362	TOTAL PRODUCTION O&M	P459	143,824,037	56,182,722	37,717,984	14,141	216,455	477,636	14,678	25,539,130	107,033	15,112,022	265,627	
363														
364	TRANSMISSION O & M													
365	TRANSFORMER LEASE PAYMENTS	K201	1,933,776	875,588	525,081	440	2,154	3,789	208	281,188	2,898	155,495	7,285	
366	OTHER TRANSMISSION	T300 K201	17,816,229	8,066,953	4,837,663	4,058	19,846	34,911	1,912	2,590,634	26,702	1,432,605	67,117	
367	MISCELLANEOUS ADJUSTMENTS	K201	(4,188,158)	(1,896,344)	(1,137,216)	(954)	(4,665)	(8,207)	(450)	(608,994)	(6,277)	(336,770)	(15,777)	
368	NETWORK SERVICE RATES ADJUSTMENT	T300 K201	1,377,707	623,805	374,091	314	1,535	2,700	148	200,331	2,065	110,782	5,190	
369	TOTAL TRANSMISSION O & M	T349 K201	16,939,554	7,670,002	4,599,619	3,858	18,870	33,193	1,818	2,463,159	25,388	1,362,112	63,815	
370														
371	DISTRIBUTION O & M													
373	SUBSTATIONS	D300 S249	104,713	47,248	28,161	27	110	372	11	16,823	186	9,561	440	
374	POLES, TOWERS & FIXTURES	D302 PL49	4,585,555	2,103,862	1,253,977	1,188	4,898	16,552	491	749,109	8,283	357,615	16,465	
375	CONDUCTORS	D304 SL49	192,300	88,228	52,587	50	205	694	21	31,415	347	14,997	690	
376	TRANSFORMERS	D306 F249	79,636	52,641	17,915	18	47	413	9	8,018	148	0	0	
377	OTHER MAINTENANCE	D308 K303	340,208	134,907	92,359	90	555	1,251	36	64,657	719	38,569	1,775	
378	METERS	D310 M249	435,770	376,621	51,578	0	0	1,521	127	3,947	0	1,334	0	
379	STREET LIGHTS	D314 L249	0	0	0	0	0	0	0	0	0	0	0	
380	OTHER OPERATIONS	D316 K201	955,044	432,430	259,324	218	1,064	1,871	103	138,872	1,431	76,795	3,598	
381	MISCELLANEOUS EXPENSES	D318 K201	(1,624)	(736)	(441)	0	(2)	(3)	0	(236)	(2)	(131)	(6)	
382	AFFILIATED COMPANY RENTS	D320 D249	38,724	20,073	9,565	9	35	145	5	5,326	63	2,360	108	
383	TOTAL DISTRIBUTION O & M	D349	6,730,324	3,255,274	1,765,025	1,600	6,912	22,816	803	1,017,931	11,175	501,100	23,070	
384														
385	CUSTOMER ACCOUNTING													
386	CUSTOMER ACCOUNTING EXPENSE	C300 K409	3,724,356	3,289,384	409,408	405	2,508	3,965	631	6,857	213	1,204	175	
387	ADJUST UNCOLLECTIBLE ACCOUNTS	C302 K411	(2,398,582)	(2,145,129)	(224,829)	0	0	0	0	(28,590)	0	0	0	
388	METER READING	C304 K409	1,067,382	942,723	117,334	116	719	1,136	181	1,965	61	345	50	
389	LOSS ON SALE OF A/R & INCRE A/R ON INCREA:	C306 K411	3,412,755	3,052,137	319,891	0	0	0	0	40,679	0	0	0	
390	MISCELLANEOUS EXPENSE ADJUSTMENT	C308 K409	(17,185)	(15,176)	(1,889)	(2)	(12)	(18)	(3)	(32)	(1)	(6)	(1)	
391	TOTAL CUSTOMER ACCT EXPENSE	C319	5,788,726	5,123,939	619,915	519	3,215	5,083	809	20,879	273	1,543	224	
392														

	A	B	C	O	Q	R	S	U	V	W	
1	DUKE ENERGY KENTUCKY										11/16/05 8:34 AM
2	COST OF SERVICE STUDY										
3	TWELVE MONTHS ENDING DECEMBER 31, 2007										
4	FR-9v-3 (TIME DIFFERENTIATED)										
5	ELECTRIC CASE NO: 2006-00172										
6				DP	TT	TT RTP	LT	OTHER	TOTAL		
7				PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT	ALL	
8				DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE	OTHER	
	ITEM	ALLO									
343	O&M EXPENSES	Schedule B									
344	PRODUCTION O&M										
345	ENERGY RELATED PRODUCTION O&M										
346	FUEL	P300	K302	737,251	3,741,538	0	539,931	6,974	85,741,670	0	
347	MISCELLANEOUS	P302	K301	0	0	0	0	0	0	0	
348	EMISSION ALLOWANCES	P306	K301	46,278	234,860	14,990	33,892	438	5,436,451	0	
350	ELIMINATE EMISSION ALLOW & OTHER VAR CO:	P308	K301	68,989	350,116	22,346	50,524	653	8,104,357	0	
351	OTHER PRODUCTION EXPENSE - MAINTENANCI	P310	K301	111,690	566,827	36,177	81,797	1,057	13,120,712	0	
352	MISO TRANSMISSION CHARGES ACCT IN 555	P312	K301	102,556	520,472	33,219	75,108	970	12,047,693	0	
353	TOTAL ENERGY RELATED	P349		1,066,764	5,413,813	106,732	781,252	10,092	124,450,883	0	
354											
355	DEMAND RELATED PROD O&M										
358	ELIMINATE MISCELLANEOUS	P344	K201	0	0	0	0	0	0	0	
359	OTHER PRODUCTION EXPENSE - OPERATIONS	P346	K201	157,248	567,143	36,947	35,553	1,065	19,373,154	0	
360	TOTAL DEMAND RELATED	P349		157,248	567,143	36,947	35,553	1,065	19,373,154	0	
361											
362	TOTAL PRODUCTION O&M	P459		1,224,012	5,980,956	143,679	816,805	11,157	143,824,037	0	
363											
364	TRANSMISSION O & M										
385	TRANSFORMER LEASE PAYMENTS		K201	15,696	56,611	3,688	3,549	106	1,933,776	0	
386	OTHER TRANSMISSION	T300	K201	144,611	521,564	33,978	32,695	980	17,816,229	0	
387	MISCELLANEOUS ADJUSTMENTS		K201	(33,994)	(122,607)	(7,987)	(7,686)	(230)	(4,188,158)	0	
388	NETWORK SERVICE RATES ADJUSTMENT	T300	K201	11,183	40,332	2,627	2,528	76	1,377,707	0	
389	TOTAL TRANSMISSION O & M	T349	K201	137,496	495,900	32,306	31,086	932	16,939,554	0	
370											
371	DISTRIBUTION O & M										
373	SUBSTATIONS	D300	S249	828	0	0	940	8	104,713	0	
374	POLES, TOWERS & FIXTURES	D302	PL49	30,900	0	0	41,837	378	4,585,555	0	
375	CONDUCTORS	D304	SL49	1,296	0	0	1,754	16	192,300	0	
376	TRANSFORMERS	D306	F249	0	0	0	408	19	79,636	0	
377	OTHER MAINTENANCE	D308	K303	3,036	0	0	2,223	29	340,206	0	
378	METERS	D310	M249	151	464	0	27	0	435,770	0	
379	STREET LIGHTS	D314	L249	0	0	0	0	0	0	0	
380	OTHER OPERATIONS	D316	K201	7,752	27,959	1,821	1,753	53	955,044	0	
381	MISCELLANEOUS EXPENSES	D318	K201	(13)	(48)	(3)	(3)	0	(1,624)	0	
382	AFFILIATED COMPANY RENTS	D320	D249	204	3	0	824	4	38,724	0	
383	TOTAL DISTRIBUTION O & M	D349		44,152	28,378	1,818	49,763	507	6,730,324	0	
384											
385	CUSTOMER ACCOUNTING										
386	CUSTOMER ACCOUNTING EXPENSE	C300	K409	458	443	137	8,187	381	3,724,356	0	
387	ADJUST UNCOLLECTIBLE ACCOUNTS	C302	K411	0	0	0	(34)	0	(2,398,582)	0	
388	METER READING	C304	K409	131	127	39	2,346	109	1,067,382	0	
389	LOSS ON SALE OF A/R & INCRE A/R ON INCREA:	C308	K411	0	0	0	48	0	3,412,755	0	
390	MISCELLANEOUS EXPENSE ADJUSTMENT	C308	K409	(2)	(2)	(1)	(38)	(2)	(17,185)	0	
391	TOTAL CUSTOMER ACCT EXPENSE	C319		587	568	175	10,509	488	5,788,726	0	
392											

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-3 (TIME DIFFERENTIATED)													
6	ELECTRIC CASE NO: 2006-00172													
7				TOTAL	RS	DS	DS RTP	GSFL	EH	SP	DT_SEC	DT_SEC RTP	DT_PRI	DT_PRI RTP
8		ITEM	ALLO	ELECTRIC	RESIDENTIAL	SECONDARY DISTRIBUTION	INCR. SEC. DISTR.	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	INCR. SEC. DIST	PRIMARY DISTRIBUTION	INCR. PRI. DIST
393	CUSTOMER SERVICE & INFORMATION	Schedule 6												
394	CUSTOMER SERVICE & INFORMATION	C320 K413		572,101	378,366	178,448	142	2,169	1,746	405	2,574	88	475	70
395	INFORMATIONAL & INSTRUCTIONAL ADV	C322 K413		107,067	70,810	33,396	26	406	327	76	482	16	89	13
396	CUSTOMER SERVICE & INFORM PROFORMA	C324 K413		(206,796)	(136,767)	(64,503)	(51)	(784)	(631)	(146)	(930)	(32)	(172)	(25)
397	AMI	C326 K413		(367,326)	(242,935)	(114,575)	(91)	(1,393)	(1,121)	(260)	(1,653)	(56)	(305)	(45)
398	TOTAL CUSTOMER SERV & INFORMATION	C331		105,046	69,474	32,766	26	398	321	75	473	16	87	13
399														
400	SALES													
401	SALES EXPENSE	S300 K419		5,060	3,435	1,498	1	18	15	3	22	1	4	1
403	SALES EXPENSE PROFORMA	S304 K419		(4,332)	(2,940)	(1,283)	(1)	(16)	(13)	(3)	(18)	(1)	(3)	0
404	TOTAL SALES EXPENSE	S319		728	495	215	0	2	2	0	4	0	1	1
405														
406	SUBTOTAL O&M EXCL. A&G			173,388,415	72,301,906	44,735,524	20,144	245,852	539,051	18,183	29,041,576	143,885	16,976,865	352,750
407														
408	ADMINISTRATIVE & GENERAL													
409	A&G EXPENSE EXCL. REGULATORY EXP													
410	PRODUCTION-DEMAND RELATED	A300 P349		10,928,785	4,948,408	2,967,507	2,489	12,174	21,415	1,173	1,589,140	16,379	878,785	41,171
411	PRODUCTION-ENERGY RELATED	A302 E349		4,745,687	1,807,919	1,237,705	371	7,431	16,766	480	866,462	2,974	516,863	7,346
412	TRANSMISSION	A304 T349		700,565	317,206	190,225	160	780	1,373	75	101,868	1,050	56,333	2,639
413	DISTRIBUTION	A306 D349		4,565,482	2,208,200	1,197,296	1,085	4,689	15,477	545	690,508	7,581	339,919	15,649
414	CUSTOMER ACCOUNTING	A308 C319		4,521,829	4,002,534	484,243	405	2,511	3,971	632	16,310	213	1,205	175
415	CUSTOMER SERVICE & INFORMATION	A310 C331		521,351	344,804	162,620	129	1,975	1,593	372	2,348	79	432	65
416	SALES	A312 S319		0	0	0	0	0	0	0	0	0	0	0
417	A&G EXPENSE UNADJUSTED	A315		25,983,699	13,629,071	6,239,596	4,639	29,560	60,595	3,277	3,266,636	28,276	1,793,537	67,045
419	RATE CASE EXPENSE	A318 A315		78,333	41,088	18,810	14	89	183	10	9,848	85	5,407	202
426	ELIMINATE MISCELLANEOUS EXPENSES	A340 A315		(129,507)	(67,931)	(31,099)	(23)	(147)	(302)	(16)	(16,281)	(141)	(8,939)	(334)
427	IMPLEMENT AUTOMATED METER READING	A342 A315		82,589	43,320	19,833	15	94	193	10	10,383	90	5,701	213
431	AMORTIZATION OF DEFERRED EXPENSES	A352 A315		806,020	422,775	193,554	144	917	1,880	102	101,332	877	55,636	2,080
432	MISCELLANEOUS	A354 A315		0	0	0	0	0	0	0	0	0	0	0
433	ELIMINATE INCENTIVE COMPENSATION	A356 A315		(2,510,033)	(1,316,572)	(602,747)	(448)	(2,856)	(5,853)	(317)	(315,558)	(2,731)	(173,256)	(6,477)
434	TOTAL ADMIN. & GENERAL	A357		24,311,101	12,751,751	5,837,947	4,341	27,657	56,696	3,066	3,056,360	26,456	1,678,086	62,729
435														
436	TOTAL O & M EXPENSE	OM39		197,699,516	85,053,657	50,573,471	24,485	273,509	595,747	21,249	32,097,936	170,341	18,654,951	415,479

	A	B	C	O	Q	R	S	U	V	W
1	DUKE ENERGY KENTUCKY									
2	COST OF SERVICE STUDY									
3	TWELVE MONTHS ENDING DECEMBER 31, 2007									
4	FR-9v-3 (TIME DIFFERENTIATED)									
5	ELECTRIC CASE NO: 2006-00172									
6			DP	TT	TT_RTP	LT		OTHER	TOTAL	
7			PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING		WATER	AT	ALL
8	ITEM	ALLO	DISTRIBUTION	TIME OF DAY	TIME OF DAY			PUMPING	ISSUE	OTHER
393	CUSTOMER SERVICE & INFORMATION	Schedule 6								
394	CUSTOMER SERVICE & INFORMATION	C320 K413	177	159	52	7,071	159		572,101	0
395	INFORMATIONAL & INSTRUCTIONAL ADV	C322 K413	33	30	10	1,323	30		107,067	0
396	CUSTOMER SERVICE & INFORM PROFORMA	C324 K413	(64)	(58)	(19)	(2,556)	(58)		(206,796)	0
397	AMI	C328 K413	(114)	(102)	(34)	(4,540)	(102)		(367,326)	0
398	TOTAL CUSTOMER SERV & INFORMATION	C331	32	29	9	1,298	29		105,046	0
399										
400	SALES									
401	SALES EXPENSE	S300 K419	1	1	0	59	1		5,060	0
403	SALES EXPENSE PROFORMA	S304 K419	(1)	(1)	0	(51)	(1)		(4,332)	0
404	TOTAL SALES EXPENSE	S319	0	0	0	8	0		728	0
405										
406	SUBTOTAL O&M EXCL A&G		1,406,279	6,505,831	177,987	909,469	13,113		173,388,415	0
407										
408	ADMINISTRATIVE & GENERAL									
409	A&G EXPENSE EXCL REGULATORY EXP									
410	PRODUCTION-DEMAND RELATED	A300 P349	88,707	319,937	20,843	20,056	601		10,928,785	0
411	PRODUCTION-ENERGY RELATED	A302 E349	40,679	206,445	4,070	29,791	385		4,745,687	0
412	TRANSMISSION	A304 T349	5,686	20,509	1,336	1,286	39		700,565	0
413	DISTRIBUTION	A306 D349	29,950	19,250	1,233	33,756	344		4,565,482	0
414	CUSTOMER ACCOUNTING	A308 C319	459	444	137	8,209	381		4,521,829	0
415	CUSTOMER SERVICE & INFORMATION	A310 C331	159	144	45	6,442	144		521,351	0
416	SALES	A312 S319	0	0	0	0	0		0	0
417	A&G EXPENSE UNADJUSTED	A315	165,640	586,729	27,664	99,540	1,894		25,983,699	0
419	RATE CASE EXPENSE	A318 A315	499	1,709	83	300	6		78,333	0
426	ELIMINATE MISCELLANEOUS EXPENSES	A340 A315	(826)	(2,825)	(138)	(496)	(9)		(129,507)	0
427	IMPLEMENT AUTOMATED METER READING	A342 A315	526	1,801	88	316	6		82,569	0
431	AMORTIZATION OF DEFERRED EXPENSES	A352 A315	5,138	17,580	858	3,088	59		808,020	0
432	MISCELLANEOUS	A354 A315	0	0	0	0	0		0	0
433	ELIMINATE INCENTIVE COMPENSATION	A356 A315	(16,001)	(54,746)	(2,672)	(9,616)	(183)		(2,510,033)	0
434	TOTAL ADMIN. & GENERAL	A357	154,976	530,248	25,883	93,132	1,773		24,311,101	0
435										
436	TOTAL O & M EXPENSE	OM39	1,561,255	7,036,079	203,870	1,002,601	14,886		197,699,516	0

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-3 (TIME DIFFERENTIATED)													
6	ELECTRIC CASE NO: 2006-00172													
7				TOTAL	RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC_RTP	DT_PRI	DT_PRI_RTP
8	ITEM	ALLO	ELECTRIC	RESIDENTIAL	SECONDARY DISTRIBUTION	INCR. SEC. DISTR.	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	INCR. SEC. DIST.	PRIMARY DISTRIBUTION	INCR. PRI. DIST.
437														
438	DEPRECIATION EXPENSE	Schedule 7												
439	PRODUCTION DEPRECIATION													
440	PRODUCTION DEPRECIATION	P460 P229	22,346,000	10,117,973	6,067,637	5,090	24,892	43,787	2,398	3,249,302	33,491	1,796,845	84,181	
441	PROFORMA ADJUSTMENT	P462 P229	0	0	0	0	0	0	0	0	0	0	0	0
442	TOTAL PRODUCTION DEPREC EXP.	P469	22,346,000	10,117,973	6,067,637	5,090	24,892	43,787	2,398	3,249,302	33,491	1,796,845	84,181	
443														
444	TRANSMISSION DEPRECIATION													
445	TRANSMISSION DEPRECIATION	T460 T229	540,000	244,505	146,627	123	602	1,058	58	78,521	809	43,421	2,034	
446	PROFORMA ADJUSTMENT	T462 T229	0	0	0	0	0	0	0	0	0	0	0	0
447	TOTAL TRANSMISSION DEP. EXP.	T469	540,000	244,505	146,627	123	602	1,058	58	78,521	809	43,421	2,034	
448														
449	DISTRIBUTION DEPRECIATION													
450	DISTRIBUTION DEPRECIATION	D460 D249	9,557,220	4,954,329	2,360,639	2,158	8,716	35,801	1,149	1,314,411	15,483	582,405	26,729	
451	PROFORMA ADJUSTMENT	D462 D249	0	0	0	0	0	0	0	0	0	0	0	0
452	TOTAL DIST. DEPREC EXP.	D469	9,557,220	4,954,329	2,360,639	2,158	8,716	35,801	1,149	1,314,411	15,483	582,405	26,729	
453														
454	GENERAL DEPRECIATION													
455	GENERAL DEPRECIATION	G460 G229	99,000	51,929	23,772	18	112	231	13	12,445	108	6,833	256	
456	PROFORMA ADJUSTMENT	G462 G229	0	0	0	0	0	0	0	0	0	0	0	0
457	TOTAL GENERAL DEPREC EXP.	G469	99,000	51,929	23,772	18	112	231	13	12,445	108	6,833	256	
458														
459	COMMON AND OTHER DEPRECIATION													
460	COMMON DEPRECIATION	C460 C229	630,000	330,434	151,292	112	717	1,469	79	79,210	686	43,489	1,626	
461	PROFORMA ADJUSTMENT	C462 C229	0	0	0	0	0	0	0	0	0	0	0	0
462	TOTAL COM & OTHER DEPREC EXP.	C469	630,000	330,434	151,292	112	717	1,469	79	79,210	686	43,489	1,626	
463														
464	TOTAL DEPRECIATION EXPENSE	DE49	33,172,220	15,699,170	8,749,967	7,501	35,039	82,346	3,697	4,733,889	50,577	2,472,993	114,826	
465														

	A	B	C	O	Q	R	S	U	V	W
1	DUKE ENERGY KENTUCKY									
2	COST OF SERVICE STUDY									
3	TWELVE MONTHS ENDING DECEMBER 31, 2007									
4	FR-9v-3 (TIME DIFFERENTIATED)									
5	ELECTRIC CASE NO: 2006-00172									
6				DP	TT	TT_RTP	LT	OTHER	TOTAL	
7				PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT	
8				DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE	ALL
9	ITEM	ALLO								OTHER
437	DEPRECIATION EXPENSE Schedule 7									
438	PRODUCTION DEPRECIATION									
440	PRODUCTION DEPRECIATION	P460	P229	181,378	654,172	42,617	41,008	1,229	22,346,000	0
441	PROFORMA ADJUSTMENT	P462	P229	0	0	0	0	0	0	0
442	TOTAL PRODUCTION DEPREC EXP.	P469		181,378	654,172	42,617	41,008	1,229	22,346,000	0
443	TRANSMISSION DEPRECIATION									
444	TRANSMISSION DEPRECIATION	T460	T229	4,383	15,808	1,030	991	30	540,000	0
446	PROFORMA ADJUSTMENT	T462	T229	0	0	0	0	0	0	0
447	TOTAL TRANSMISSION DEP. EXP.	T489		4,383	15,808	1,030	991	30	540,000	0
448	DISTRIBUTION DEPRECIATION									
449	DISTRIBUTION DEPRECIATION	D460	D249	50,374	657	0	203,416	953	9,557,220	0
451	PROFORMA ADJUSTMENT	D462	D249	0	0	0	0	0	0	0
452	TOTAL DIST. DEPREC EXP.	D489		50,374	657	0	203,416	953	9,557,220	0
453	GENERAL DEPRECIATION									
454	GENERAL DEPRECIATION	G460	G229	631	2,160	106	379	7	99,000	0
456	PROFORMA ADJUSTMENT	G462	G229	0	0	0	0	0	0	0
457	TOTAL GENERAL DEPREC EXP.	G489		631	2,160	106	379	7	99,000	0
458	COMMON AND OTHER DEPRECIATION									
459	COMMON DEPRECIATION	C460	C229	4,016	13,739	671	2,414	46	630,000	0
461	PROFORMA ADJUSTMENT	C462	C229	0	0	0	0	0	0	0
462	TOTAL COM & OTHER DEPREC EXP.	C489		4,016	13,739	671	2,414	46	630,000	0
463	TOTAL DEPRECIATION EXPENSE									
464		DE49		240,782	686,536	44,424	248,208	2,265	33,172,220	0
465										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	TWELVE MONTHS ENDING DECEMBER 31, 2007													
4	FR-9v-3 (TIME DIFFERENTIATED)													
5														
6	ELECTRIC CASE NO: 2006-00172													
7	SUBSIDY EXCESS													
8														
	ITEM	ALLO	TOTAL ELECTRIC	RS RESIDENTIAL	DS SECONDARY DISTRIBUTION	DS_RTP INCR. SEC. DISTR.	GSFL SECONDARY DISTRIBUTION	EH SECONDARY DISTRIBUTION	SP SECONDARY DISTRIBUTION	DT_SEC SECONDARY DISTRIBUTION	DT_SEC_RTP INCR. SEC. DISTR.	DT_PRI PRIMARY DISTRIBUTION	DT_PRI_RTP INCR. PRI. DISTR.	
466	TAXES OTHER THAN INC & REV	Schedule 8												
467	REAL ESTATE & PROPERTY TAX													
468	PRODUCTION	L500 P229	2,627,784	1,189,827	713,525	599	2,927	5,149	282	382,103	3,938	211,300	9,899	
469	TRANSMISSION	L501 T229	271,224	122,808	73,646	62	302	531	29	39,438	406	21,809	1,022	
470	DISTRIBUTION	L502 D249	2,796,137	1,449,478	690,648	631	2,550	10,474	336	384,555	4,530	170,393	7,820	
471	OTHER	L514 NP29	0	0	0	0	0	0	0	0	0	0	0	
472	TOTAL REAL EST & PROP TAX	L529	5,695,145	2,762,113	1,477,819	1,292	5,779	16,154	647	806,096	8,874	403,502	18,741	
473														
474	MISCELLANEOUS TAXES													
475	PAYROLL RELATED	L566 A315	1,866,821	989,681	453,092	337	2,147	4,400	238	237,209	2,053	130,239	4,869	
476	OTHER STATE TAXES	L562 A315	0	0	0	0	0	0	0	0	0	0	0	
477	ELIMINATE NON-NATIVE SALES	L564 K301	(29,509)	(11,165)	(7,643)	(7)	(46)	(104)	(3)	(5,350)	(59)	(3,192)	(147)	
478	AUTO LICENSES, ETC	L560 A315	7,804	4,094	1,874	1	9	18	1	981	8	539	20	
479	ELIMINATE UNBILLED REVENUE	L562 J600	(152)	(64)	(43)	0	0	0	0	(25)	0	(13)	0	
480	AFFILIATED COMPANY RENTS	L564 A315	81	43	19	0	0	0	0	10	0	6	0	
481	MISCELLANEOUS	L568 A315	0	0	0	0	0	0	0	0	0	0	0	
482	DSM ELIMINATION	L568 K419	(3,370)	(2,287)	(998)	(1)	(12)	(10)	(2)	(14)	0	(3)	0	
483	TOTAL MISCELLANEOUS TAXES	L589	1,861,675	980,302	446,301	330	2,098	4,304	234	232,811	2,002	127,576	4,742	
484														
485	MISCELLANEOUS EXPENSES													
487	PSC MAINTENANCE ON INCREASE	L584 J600	77,689	31,886	21,785	23	154	227	11	12,533	112	6,486	256	
488	TOTAL MISCELLANEOUS EXPENSES	L589	77,689	31,886	21,785	23	154	227	11	12,533	112	6,486	256	
489														
490	TOTAL OTHER TAX & MISC EXPENSE	L591	7,634,509	3,774,301	1,945,905	1,645	8,031	20,685	892	1,051,440	10,988	537,564	23,739	
491														
492	PRELIMINARY SUMMARY													
493	TOTAL O&M EXPENSE	OM39	197,699,516	85,053,657	50,573,471	24,485	273,509	595,747	21,249	32,097,936	170,341	18,654,951	415,479	
494	TOTAL DEPRECIATION EXPENSE	DE49	33,172,220	15,699,170	8,749,967	7,501	35,039	82,346	3,697	4,733,889	50,577	2,472,993	114,826	
495	TOTAL OTHER TAX & MISC EXPENSE	L599	7,634,509	3,774,301	1,945,905	1,645	8,031	20,685	892	1,051,440	10,988	537,564	23,739	
496	TOTAL OP EXP EXC IT & OTHER TAX	OP69	238,506,245	104,527,128	61,269,343	33,631	316,579	698,778	25,838	37,883,265	231,906	21,665,508	554,044	
497														

	A	B	C	O	Q	R	S	U	V	W	
1	DUKE ENERGY KENTUCKY										11/16/05 8:34 AM
2	COST OF SERVICE STUDY										
3	TWELVE MONTHS ENDING DECEMBER 31, 2007										
4	FR-9v-3 (TIME DIFFERENTIATED)										
5	ELECTRIC CASE NO: 2006-00172										
6				DP	TT	TT_RTP	LT	OTHER	TOTAL		
7				PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT	ALL	
8	ITEM	ALLO		DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE	OTHER	
466	TAXES OTHER THAN INC & REV Schedule B										
467	REAL ESTATE & PROPERTY TAX										
468	PRODUCTION	L500 P229		21,329	76,928	5,012	4,822	144	2,627,784	0	
469	TRANSMISSION	L501 T229		2,201	7,940	517	498	15	271,224	0	
470	DISTRIBUTION	L502 D249		14,738	192	0	59,513	279	2,796,137	0	
471	OTHER	L514 NP29		0	0	0	0	0	0	0	
472	TOTAL REAL EST & PROP TAX	L529		38,268	85,060	5,529	64,833	438	5,695,145	0	
473	MISCELLANEOUS TAXES										
474	PAYROLL RELATED L568 A315 12,028 41,153 2,009 7,228 138 1,886,821 0										
475	OTHER STATE TAXES L562 A315 0 0 0 0 0 0 0										
476	ELIMINATE NON-NATIVE SALES L564 K301 (251) (1,275) (81) (184) (2) (29,509) 0										
477	AUTO LICENSES, ETC L560 A315 50 170 8 30 1 7,804 0										
478	ELIMINATE UNBILLED REVENUE L562 J600 (1) (5) 0 (1) 0 (152) 0										
479	AFFILIATED COMPANY RENTS L564 A315 1 2 0 0 0 81 0										
480	MISCELLANEOUS L568 A315 0 0 0 0 0 0 0										
481	DSM ELIMINATION L568 K419 (1) (1) 0 (40) (1) (3,370) 0										
482	TOTAL MISCELLANEOUS TAXES	L589		11,826	40,044	1,936	7,033	136	1,861,675	0	
483	MISCELLANEOUS EXPENSES										
484	PSC MAINTENANCE ON INCREASE L584 J600 576 2,787 132 717 4 77,689 0										
485	TOTAL MISCELLANEOUS EXPENSES	L599		576	2,787	132	717	4	77,689	0	
486	TOTAL OTHER TAX & MISC EXPENSE L591 50,670 127,891 7,597 72,583 578 7,634,509 0										
487	PRELIMINARY SUMMARY										
488	TOTAL O&M EXPENSE	OM39		1,581,255	7,036,079	203,870	1,002,601	14,866	197,699,516	0	
489	TOTAL DEPRECIATION EXPENSE	DE49		240,782	686,536	44,424	248,208	2,265	33,172,220	0	
490	TOTAL OTHER TAX & MISC EXPENSE	L599		50,670	127,891	7,597	72,583	578	7,634,509	0	
491	TOTAL OP EXP EXC IT & OTHER TAX	OP69		1,852,707	7,850,506	255,891	1,323,392	17,729	238,506,245	0	
492											
493											
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495											
496											
497											

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-3 (TIME DIFFERENTIATED)													
6	ELECTRIC CASE NO: 2006-00172													
7				TOTAL	RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC_RTP	DT_PRI	DT_PRI_RTP
8	ITEM	ALLO	ELECTRIC	RESIDENTIAL	SECONDARY DISTRIBUTION	INCR. SEC. DISTR.	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	INCR. SEC. DIST	PRIMARY DISTRIBUTION	INCR. PRI. DIST
498	INCOME TAX BASED ON RETURN Schedule 9													
499	FEDERAL INCOME TAX DEDUCTIONS													
500	AUTOMATIC INTEREST CALCULATION													
501	AUTO PROC INTEREST DED	Y751 NP29	16,237,028	7,705,464	4,275,062	3,671	17,083	40,895	1,814	2,314,697	24,800	1,204,123	55,894	
502	TOTAL INTEREST EXPENSE	Y783	16,237,028	7,705,464	4,275,062	3,671	17,083	40,895	1,814	2,314,697	24,800	1,204,123	55,894	
503	OTHER DEDUCTIONS													
505	DEPR. EXCESS TAX OVER BOOK	Y790 DE49	3,190,632	1,510,006	841,606	721	3,370	7,920	356	455,324	4,865	237,862	11,044	
507	LOSS ON REACQUIRED DEBT	Y794 NP29	(124,000)	(58,846)	(32,648)	(28)	(130)	(312)	(14)	(17,677)	(189)	(9,196)	(427)	
509	COST OF REMOVAL	Y798 DE49	1,519,000	718,886	400,673	343	1,604	3,771	169	216,771	2,316	113,242	5,258	
512	METER CAPITAL LEASE PRINCIPLE PAYMENTS	Y804 M249	758,000	655,116	89,717	0	0	2,645	221	6,866	0	2,320	0	
515	OTHER PERMANENT DIFFERENCES	Y816 NP29	1,423,562	675,568	374,811	322	1,498	3,585	159	202,938	2,174	105,570	4,900	
518	TOTAL OTHER DEDUCTIONS	Y828	6,767,194	3,500,730	1,674,159	1,358	6,342	17,609	891	864,222	9,166	449,798	20,775	
519														
520	NET DEDUCTIONS AND ADDITIONS	Y871	23,004,222	11,206,194	5,949,221	5,029	23,425	58,504	2,705	3,178,919	33,966	1,653,921	76,669	
521														
522	FEDERAL INCOME TAX ADJUSTMENTS													
523														
524	FED PROV DEF INC TAX DEFERRALS (410.1)													
528	ANNUALIZE DEPRECIATION	Z768 DE49	(75,095)	(35,541)	(19,808)	(17)	(79)	(186)	(8)	(10,717)	(114)	(5,598)	(260)	
531	MISCELLANEOUS	Z762 NP29	(563,296)	(267,316)	(148,311)	(127)	(593)	(1,419)	(63)	(80,302)	(860)	(41,774)	(1,939)	
532	MISCELLANEOUS PROFORMA ADJUSTMENT	Z770 NP29	0	0	0	0	0	0	0	0	0	0	0	
533	RECLASSIFY NON-JURIS INCOME TAX	Z770 NP29	2,512,728	1,192,443	661,578	568	2,644	6,329	261	358,206	3,838	186,342	8,650	
536	TOTAL FED PROV DEF IT DEFERRALS (410.1)	Z762	1,874,337	889,586	493,459	424	1,972	4,724	210	267,187	2,864	138,970	6,451	
537														

	A	B	C	D	Q	R	S	U	V	W
1	DUKE ENERGY KENTUCKY									
2	COST OF SERVICE STUDY									
3	TWELVE MONTHS ENDING DECEMBER 31, 2007									
4	FR-9v-3 (TIME DIFFERENTIATED)									
5	ELECTRIC CASE NO: 2006-00172									
6				DP	TT	TT_RTP	LT	OTHER	TOTAL	
7				PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT	ALL
8	ITEM	ALLO		DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE	OTHER
498	INCOME TAX BASED ON RETURN Schedule 9									
499	FEDERAL INCOME TAX DEDUCTIONS									
500	AUTOMATIC INTEREST CALCULATION									
501	AUTO PROC INTEREST DED	Y751	NP29	116,930	326,433	21,120	127,919	1,123	16,237,028	0
502	TOTAL INTEREST EXPENSE	Y783		116,930	326,433	21,120	127,919	1,123	16,237,028	0
503										
504	OTHER DEDUCTIONS									
505	DEPR. EXCESS TAX OVER BOOK	Y790	DE49	23,159	66,034	4,273	23,874	218	3,190,632	0
507	LOSS ON REACQUIRED DEBT	Y794	NP29	(893)	(2,493)	(161)	(977)	(9)	(124,000)	0
509	COST OF REMOVAL	Y798	DE49	11,026	31,437	2,034	11,366	104	1,519,000	0
512	METER CAPITAL LEASE PRINCIPLE PAYMENTS	Y804	M249	262	807	0	46	0	758,000	0
515	OTHER PERMANENT DIFFERENCES	Y816	NP29	10,252	28,620	1,852	11,215	98	1,423,562	0
518	TOTAL OTHER DEDUCTIONS	Y828		43,806	124,405	7,998	45,524	411	6,767,194	0
519										
520	NET DEDUCTIONS AND ADDITIONS	Y871		160,736	450,838	29,118	173,443	1,534	23,004,222	0
521										
522	FEDERAL INCOME TAX ADJUSTMENTS									
523										
524	FED PROV DEF INC TAX DEFERRALS (410.1)									
528	ANNUALIZE DEPRECIATION	Z788	DE49	(545)	(1,554)	(101)	(562)	(5)	(75,095)	0
531	MISCELLANEOUS	Z782	NP29	(4,057)	(11,325)	(733)	(4,438)	(39)	(563,296)	0
532	MISCELLANEOUS PROFORMA ADJUSTMENT	Z770	NP29	0	0	0	0	0	0	0
533	RECLASSIFY NON-JURIS INCOME TAX	Z770	NP29	18,095	50,516	3,268	19,796	174	2,512,728	0
536	TOTAL FED PROV DEF IT DEFERRALS (410.1)	Z782		13,493	37,637	2,434	14,796	130	1,874,337	0
537										

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1	DUKE ENERGY KENTUCKY													
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4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-3 (TIME DIFFERENTIATED)													
6	ELECTRIC CASE NO: 2006-00172													
7				TOTAL	RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC_RTP	DT_PRI	DT_PRI_RTP
8	ITEM	ALLO	ELECTRIC	RESIDENTIAL	SECONDARY DISTRIBUTION	INCR. SEC. DISTR.	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	INCR. SEC. DIST.	PRIMARY DISTRIBUTION	INCR. PRI. DIST.
554	AMORTIZED INV TAX CREDIT	Schedule 9a	0	0	0	0	0	0	0	0	0	0	0	0
555	MISCELLANEOUS	Z804 A315	0	0	0	0	0	0	0	0	0	0	0	0
556	AMORTIZE ITC	Z808 NP29	143,846	68,265	37,873	33	151	362	16	20,506	220	10,667	495	
557	TOTAL AMORTIZED ITC	Z813	143,846	68,265	37,873	33	151	362	16	20,506	220	10,667	495	
558														
559	TEST YEAR INV TAX CREDIT	A315	0	0	0	0	0	0	0	0	0	0	0	0
560	TEST YEAR INV TAX CREDIT	Z823	0	0	0	0	0	0	0	0	0	0	0	0
561														
562	PRELIMINARY SUMMARY													
563	TOTAL FED PROV DEF IT (410.1)	Z782	1,874,337	889,586	493,459	424	1,972	4,724	210	267,187	2,864	138,970	6,451	
564	TOTAL FED PROV DEF IT (411.1)	Z803	0	0	0	0	0	0	0	0	0	0	0	
565	TOTAL AMORTIZED ITC	Z813	(143,846)	(68,265)	(37,873)	(33)	(151)	(362)	(16)	(20,506)	(220)	(10,667)	(495)	
566	TOTAL FEDERAL TAX ADJUSTMENTS	Z863	1,730,491	821,321	455,586	391	1,821	4,362	194	246,681	2,644	128,303	5,956	
567														
568	FEDERAL INCOME TAX COMPUTATION													
569	RETURN ON CAPITALIZATION	R751	48,805,840	20,099,271	15,351,169	27,833	123,777	124,738	9,783	7,251,734	126,718	2,841,953	274,806	
570	NET DEDUCTIONS AND ADDITIONS	Y871	(23,004,222)	(11,206,194)	(5,949,221)	(5,029)	(23,425)	(58,504)	(2,705)	(3,178,919)	(33,966)	(1,653,921)	(76,669)	
571	TOTAL FEDERAL TAX ADJUSTMENTS	Z863	1,730,491	821,321	455,586	391	1,821	4,362	194	246,681	2,644	128,303	5,956	
572	TOTAL STATE PROV DEF IT (410.1)	Z911	394,834	187,393	103,950	89	415	995	45	56,284	603	29,275	1,358	
573	TOTAL STATE PROV DEF IT (411.1)	Z933	0	0	0	0	0	0	0	0	0	0	0	
574	AFUDC OFFSET	Z935	(373,481)	(207,321)	(84,276)	(81)	(296)	(1,733)	(46)	(47,460)	(613)	(16,815)	(758)	
575	BASE FOR FIT COMPUTATION	1865 J885	27,553,462	9,694,470	9,877,208	23,203	102,292	69,858	7,271	4,328,320	95,386	1,328,795	204,693	
576														
577	FIT FACTOR K190/(1-K190)	1867		0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	
578	PRELIM FED INCOME TAX	1869	14,836,480	5,220,099	5,318,497	12,494	55,080	37,616	3,915	2,330,634	51,362	715,505	110,219	
579	TOTAL FEDERAL TAX ADJUSTMENTS	Z863	1,730,491	821,321	455,586	391	1,821	4,362	194	246,681	2,644	128,303	5,956	
580	NET FED INCOME TAX ALLOWABLE	1879	16,566,971	6,041,420	5,774,083	12,885	56,901	41,978	4,109	2,577,315	54,006	843,808	116,175	
581														
582	INCOME TAX BASED ON RETURN													
583	FEDERAL INCOME TAX PAYABLE													
584	PRELIM FEDERAL INCOME TAX	1869	14,836,480	5,220,099	5,318,497	12,494	55,080	37,616	3,915	2,330,634	51,362	715,505	110,219	
585	TEST YEAR INV TAX CREDIT	Z823	0	0	0	0	0	0	0	0	0	0	0	
586	NET FED INCOME TAX PAYABLE	1889	14,836,480	5,220,099	5,318,497	12,494	55,080	37,616	3,915	2,330,634	51,362	715,505	110,219	

	A	B	C	D	Q	R	S	U	V	W
1	DUKE ENERGY KENTUCKY									
2	COST OF SERVICE STUDY									
3	TWELVE MONTHS ENDING DECEMBER 31, 2007									
4	FR-9v-3 (TIME DIFFERENTIATED)									
5	ELECTRIC CASE NO: 2006-00172									
6										
7										
8										
	ITEM	ALLO	DP PRIMARY DISTRIBUTION	TT TRANSMISSION TIME OF DAY	TT_RTP INCR. TRANS TIME OF DAY	LT LIGHTING	OTHER WATER PUMPING	TOTAL AT ISSUE	ALL OTHER	
554	AMORTIZED INV TAX CREDIT	Schedule 9a								
555	MISCELLANEOUS	Z804 A315	0	0	0	0	0	0	0	0
556	AMORTIZE ITC	Z806 NP29	1,036	2,892	187	1,133	10	143,846	0	0
557	TOTAL AMORTIZED ITC	Z813	1,036	2,892	187	1,133	10	143,846	0	0
558										
559	TEST YEAR INV TAX CREDIT	A315	0	0	0	0	0	0	0	0
560	TEST YEAR INV TAX CREDIT	Z823	0	0	0	0	0	0	0	0
561										
562	PRELIMINARY SUMMARY									
563	TOTAL FED PROV DEF IT (410.1)	Z782	13,493	37,637	2,434	14,796	130	1,874,337	0	0
564	TOTAL FED PROV DEF IT (411.1)	Z803	0	0	0	0	0	0	0	0
565	TOTAL AMORTIZED ITC	Z813	(1,036)	(2,892)	(187)	(1,133)	(10)	(143,846)	0	0
566	TOTAL FEDERAL TAX ADJUSTMENTS	Z863	12,457	34,745	2,247	13,663	120	1,730,491	0	0
567										
568	FEDERAL INCOME TAX COMPUTATION									
569	RETURN ON CAPITALIZATION	R751	311,496	1,325,533	133,232	802,810	987	48,805,840	0	0
570	NET DEDUCTIONS AND ADDITIONS	Y871	(160,736)	(450,838)	(29,118)	(173,443)	(1,534)	(23,004,222)	0	0
571	TOTAL FEDERAL TAX ADJUSTMENTS	Z863	12,457	34,745	2,247	13,663	120	1,730,491	0	0
572	TOTAL STATE PROV DEF IT (410.1)	Z811	2,842	7,931	512	3,115	27	394,834	0	0
573	TOTAL STATE PROV DEF IT (411.1)	Z933	0	0	0	0	0	0	0	0
574	AFUDC OFFSET	Z935	(1,230)	5,607	367	(18,777)	(49)	(373,481)	0	0
575	BASE FOR FIT COMPUTATION	1865 J865	164,829	922,978	107,240	627,368	(449)	27,553,462	0	0
576										
577	FIT FACTOR K190/(1-K190)	1867	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538
578	PRELIM FED INCOME TAX	1869	88,754	496,988	57,745	337,814	(242)	14,836,480	0	0
579	TOTAL FEDERAL TAX ADJUSTMENTS	Z863	12,457	34,745	2,247	13,663	120	1,730,491	0	0
580	NET FED INCOME TAX ALLOWABLE	1879	101,211	531,733	59,992	351,477	(122)	16,566,971	0	0
581										
582	INCOME TAX BASED ON RETURN									
583	FEDERAL INCOME TAX PAYABLE									
584	PRELIM FEDERAL INCOME TAX	1869	88,754	496,988	57,745	337,814	(242)	14,836,480	0	0
585	TEST YEAR INV TAX CREDIT	Z823	0	0	0	0	0	0	0	0
586	NET FED INCOME TAX PAYABLE	1889	88,754	496,988	57,745	337,814	(242)	14,836,480	0	0

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-3 (TIME DIFFERENTIATED)													
6	ELECTRIC CASE NO: 2006-00172													
7				TOTAL	RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC_RTP	DT_PRI	DT_PRI_RTP
8	ITEM	ALLO		ELECTRIC	RESIDENTIAL	SECONDARY DISTRIBUTION	INCR. SEC. DISTR.	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	INCR. SEC. DIST	PRIMARY DISTRIBUTION	INCR. PRI. DIST
587														
588	STATE INCOME TAX	Schedule 9b												
589														
590	DEDUCTIONS IN ADDITION TO Y871													
591	BONUS DEPRECIATION	Y890 DE49		1,109,000	524,848	292,525	251	1,171	2,753	124	158,261	1,691	82,676	3,839
594	DEDUCTIONS IN ADD TO Y871	Y911		1,109,000	524,848	292,525	251	1,171	2,753	124	158,261	1,691	82,676	3,839
595														
596	STATE INCOME TAX ADJUSTMENTS													
597														
598	STATE PROV DEF INC TAX DEFERRALS (410.1)													
600	NET DEFERRED TAXES	Z896 NP29		(39,700)	(18,838)	(10,453)	(9)	(42)	(100)	(4)	(5,660)	(61)	(2,944)	(137)
601	ANNUALIZE DEPRECIATION	Z896 DE49		(13,210)	(6,252)	(3,484)	(3)	(14)	(33)	(1)	(1,885)	(20)	(985)	(46)
604	NON-JURISDICTIONAL TAX	Z896 NP29		447,744	212,483	117,887	101	471	1,128	50	63,829	684	33,204	1,541
609	TOT STATE PROV DEF IT DEFERRALS (410.1)	Z911		394,834	187,393	103,950	89	415	995	45	56,284	603	29,275	1,358
610														
626	TOTAL STATE INC TAX ADJUSTMENT	Z957		394,834	187,393	103,950	89	415	995	45	56,284	603	29,275	1,358

	A	B	C	O	Q	R	S	U	V	W
1	DUKE ENERGY KENTUCKY									
2	COST OF SERVICE STUDY									
3	TWELVE MONTHS ENDING DECEMBER 31, 2007									
4	FR-9v-3 (TIME DIFFERENTIATED)									
5	ELECTRIC CASE NO: 2006-00172									
6			DP	TT	TT_RTP	LT		OTHER	TOTAL	
7			PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING		WATER	AT	ALL
8	ITEM	ALLO	DISTRIBUTION	TIME OF DAY	TIME OF DAY			PUMPING	ISSUE	OTHER
587	STATE INCOME TAX									
588	Schedule 9b									
589	DEDUCTIONS IN ADDITION TO Y871									
590	BONUS DEPRECIATION	Y890	DE49	8,050	22,952	1,485	8,298	76	1,109,000	0
594	DEDUCTIONS IN ADD TO Y871	Y911		8,050	22,952	1,485	8,298	76	1,109,000	0
595	STATE INCOME TAX ADJUSTMENTS									
596	STATE PROV DEF INC TAX DEFERRALS (410.1)									
597	NET DEFERRED TAXES	Z898	NP29	(286)	(798)	(52)	(313)	(3)	(39,700)	0
601	ANNUALIZE DEPRECIATION	Z898	DE49	(96)	(273)	(18)	(99)	(1)	(13,210)	0
604	NON-JURISDICTIONAL TAX	Z898	NP29	3,224	9,002	582	3,527	31	447,744	0
609	TOT STATE PROV DEF IT DEFERRALS (410.1)	Z911		2,842	7,931	512	3,115	27	394,834	0
610	TOTAL STATE INC TAX ADJUSTMENT	Z957		2,842	7,931	512	3,115	27	394,834	0

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	TWELVE MONTHS ENDING DECEMBER 31, 2007													
4	FR-9v-3 (TIME DIFFERENTIATED)													
5	ELECTRIC CASE NO: 2006-00172													
6				RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC_RTP	DT_PRI	DT_PRI_RTP	
7			TOTAL	RESIDENTIAL	SECONDARY	INCR.	SECONDARY	SECONDARY	SECONDARY	SECONDARY	INCR.	PRIMARY	INCR.	
8	ITEM	ALLO	ELECTRIC		DISTRIBUTION	SEC. DISTR.	DISTRIBUTION	DISTRIBUTION	DISTRIBUTION	DISTRIBUTION	SEC. DIST	DISTRIBUTION	PRI. DIST	
627	INCOME TAX BASED ON RETURN Schedule 9c													
628	SUMMARY OF SIT CALCULATION													
630	RETURN ON CAPITALIZATION	R751	48,805,840	20,099,271	15,351,169	27,833	123,777	124,738	9,783	7,251,734	126,718	2,841,953	274,806	
631	NET FED INCOME TAX ALLOWABLE	I679	16,566,971	6,041,420	5,774,083	12,885	56,901	41,978	4,109	2,577,315	54,006	843,808	116,175	
632	NET FED. DED. AND ADDITIONS	Y871	(23,004,222)	(11,206,194)	(5,949,221)	(5,029)	(23,425)	(58,504)	(2,705)	(3,178,919)	(33,966)	(1,653,921)	(76,669)	
633	DEDUCTIONS IN ADD TO Y871	Y811	(1,109,000)	(524,848)	(292,525)	(251)	(1,171)	(2,753)	(124)	(158,261)	(1,691)	(82,676)	(3,839)	
634	AFUDC OFFSET	LO33 CW29	(373,481)	(207,321)	(84,276)	(81)	(296)	(1,733)	(46)	(47,460)	(613)	(16,815)	(758)	
635	TOTAL STATE INC TAX ADJ	Z957	394,834	187,393	103,950	89	415	995	45	56,284	603	29,275	1,358	
636	BASE FOR SIT COMPUTATION	J965	41,280,942	14,389,721	14,903,180	35,446	156,201	104,721	11,062	6,500,693	145,057	1,961,624	311,073	
637														
638	SIT FACTOR K192/(1-K192)	J967		0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	
639	PRELIMINARY STATE INCOME TAX	J969	2,536,069	884,022	915,568	2,178	9,596	6,433	680	399,366	8,911	120,511	19,111	
640	TOTAL STATE INCOME TAX ADJ.	Z957	394,834	187,393	103,950	89	415	995	45	56,284	603	29,275	1,358	
641	NET STATE INC TAX ALLOWABLE	J979	2,930,903	1,071,415	1,019,518	2,267	10,011	7,428	725	455,650	9,514	149,786	20,469	
642														
643	STATE INCOME TAX PAYABLE													
644	PRELIMINARY STATE INCOME TAX	J969	2,536,069	884,022	915,568	2,178	9,596	6,433	680	399,366	8,911	120,511	19,111	
645	OTHER SIT ADJUSTMENTS	Z955	0	0	0	0	0	0	0	0	0	0	0	
646	NET STATE INCOME TAX PAYABLE	J989	2,536,069	884,022	915,568	2,178	9,596	6,433	680	399,366	8,911	120,511	19,111	
647														
648	COMPOSITE TAX RATE	CTAX	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	
649														
650														
651														
652														
653														
654														

	A	B	C	O	Q	R	S	U	V	W
1	DUKE ENERGY KENTUCKY									
2	COST OF SERVICE STUDY									
3	TWELVE MONTHS ENDING DECEMBER 31, 2007									
4	FR-9v-3 (TIME DIFFERENTIATED)									
5	ELECTRIC CASE NO: 2006-00172									
6			DP	TT	TT RTP	LT		OTHER	TOTAL	
7			PRIMARY	TRANSMISSION	INCR. TRANS		WATER	PUMPING	AT	ALL
8	ITEM	ALLO	DISTRIBUTION	TIME OF DAY	TIME OF DAY	LIGHTING			ISSUE	OTHER
627	INCOME TAX BASED ON RETURN Schedule 9c									
628	SUMMARY OF SIT CALCULATION									
630	RETURN ON CAPITALIZATION	R751	311,496	1,325,533	133,232	802,810	987	48,805,840	0	0
631	NET FED INCOME TAX ALLOWABLE	1879	101,211	531,733	59,992	351,477	(122)	16,566,971	0	0
632	NET FED. DED. AND ADDITIONS	Y871	(160,736)	(450,838)	(29,118)	(173,443)	(1,534)	(23,004,222)	0	0
633	DEDUCTIONS IN ADD TO Y871	Y911	(8,050)	(22,952)	(1,485)	(8,298)	(76)	(1,109,000)	0	0
634	AFUDC OFFSET	LO33 CW29	(1,230)	5,607	367	(18,777)	(49)	(373,481)	0	0
635	TOTAL STATE INC TAX ADJ	Z957	2,842	7,931	512	3,115	27	394,834	0	0
636	BASE FOR SIT COMPUTATION	J965	245,533	1,397,014	163,500	956,884	(767)	41,280,942	0	0
637	SIT FACTOR K192/(1-K192)	J967	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378
639	PRELIMINARY STATE INCOME TAX	J969	15,084	85,825	10,045	58,786	(47)	2,536,069	0	0
640	TOTAL STATE INCOME TAX ADJ.	Z957	2,842	7,931	512	3,115	27	394,834	0	0
641	NET STATE INC TAX ALLOWABLE	J979	17,926	93,756	10,557	61,901	(20)	2,930,903	0	0
642	STATE INCOME TAX PAYABLE									
644	PRELIMINARY STATE INCOME TAX	J969	15,084	85,825	10,045	58,786	(47)	2,536,069	0	0
645	OTHER SIT ADJUSTMENTS	Z955	0	0	0	0	0	0	0	0
646	NET STATE INCOME TAX PAYABLE	J989	15,084	85,825	10,045	58,786	(47)	2,536,069	0	0
647	COMPOSITE TAX RATE	CTAX	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621
648										
649										
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	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-3 (TIME DIFFERENTIATED)													
6	ELECTRIC CASE NO: 2006-00172													
7				RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC_RTP	DT_PRI	DT_PRI_RTP	
8	ITEM	ALLO	TOTAL ELECTRIC	RESIDENTIAL	SECONDARY DISTRIBUTION	INCR. SEC. DISTR.	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	INCR. SEC. DIST	PRIMARY DISTRIBUTION	INCR. PRI. DIST	
655	COST OF SERVICE COMPUTATION Schedule 10													
657	OTHER OPERATING REVENUES													
658	RENTAL REVENUE	Q000 NP29	1,505,049	714,237	396,266	340	1,583	3,791	168	214,555	2,299	111,613	5,181	
659	BAD CHECK CHARGE	Q002 J600	11,012	4,519	3,088	3	22	32	2	1,776	16	919	36	
660	ELIMINATE NON-NATIVE SALES	Q004 K301	(17,670,012)	(6,885,045)	(4,576,599)	(4,441)	(27,478)	(61,995)	(1,776)	(3,203,874)	(35,605)	(1,911,180)	(87,939)	
661	SALES FOR RESALE	Q012 K301	17,670,012	6,885,045	4,576,599	4,441	27,478	61,995	1,776	3,203,874	35,605	1,911,180	87,939	
662	RECONNECTION CHARGES	Q014 J600	57,413	23,563	16,099	17	114	168	8	9,262	83	4,793	189	
663	INTERRUPTIBLE CREDIT	Q020 J600	(58,320)	(23,936)	(16,354)	(17)	(116)	(170)	(9)	(9,408)	(84)	(4,869)	(192)	
664	BILLING CYCLE IMPROVEMENT	Q022 J600	407,070	167,072	114,147	120	807	1,188	60	65,670	588	33,987	1,339	
665	OTHER MISCELLANEOUS REVENUES	Q024 J600	56,036	22,998	15,713	17	111	164	8	9,040	81	4,679	184	
666	MISCELLANEOUS	Q026 J600	0	0	0	0	0	0	0	0	0	0	0	
669	TOTAL OTHER OPERATING REVS	Q035	1,978,260	908,453	528,959	480	2,521	5,173	237	290,895	2,983	151,122	6,737	
670														
671	COST OF SERVICE COMPUTATION													
672	TOTAL OP EXP EXC INC & REV TAX	OP69	238,506,245	104,527,128	61,269,343	33,631	316,579	698,778	25,838	37,883,265	231,906	21,665,508	554,044	
673	RETURN ON CAPITALIZATION	R751	48,805,840	20,099,271	15,351,169	27,833	123,777	124,738	9,783	7,251,734	126,718	2,841,953	274,806	
674	NET FED INCOME TAX ALLOWABLE	I879	16,566,971	6,041,420	5,774,083	12,885	56,901	41,978	4,109	2,577,315	54,006	843,808	116,175	
675	NET STATE INCOME TAX ALLOWABLE	J979	2,930,903	1,071,415	1,019,518	2,267	10,011	7,428	725	455,650	9,514	149,786	20,469	
676	TOTAL OTHER OPERATING REVENUES	Q027	(1,978,260)	(908,453)	(528,959)	(480)	(2,521)	(5,173)	(237)	(290,895)	(2,983)	(151,122)	(6,737)	
677	SUBTOTAL B	CS03	304,831,699	130,830,781	82,885,154	76,136	504,747	867,749	40,218	47,877,069	419,161	25,349,933	958,757	
678														
679	TOTAL OTHER OPERATING REVENUES	Q027	1,978,260	908,453	528,959	480	2,521	5,173	237	290,895	2,983	151,122	6,737	
680	LESS: OTHER ITEMS		0	0	0	0	0	0	0	0	0	0	0	
681	OTHER OPERATING REVS TO BE TAXED	OORT	1,978,260	908,453	528,959	480	2,521	5,173	237	290,895	2,983	151,122	6,737	
682														
685	AFUDC OFFSET	L032 CW29	(373,481)	(207,321)	(84,276)	(81)	(296)	(1,733)	(46)	(47,460)	(613)	(16,815)	(758)	
686	OTHER DEDUCTIONS TO COST OF SERVICE	L033	(373,481)	(207,321)	(84,276)	(81)	(296)	(1,733)	(46)	(47,460)	(613)	(16,815)	(758)	
687	TOTAL ELECTRIC COST OF SERVICE	CS09	304,458,218	130,623,460	82,800,878	76,055	504,451	866,016	40,172	47,829,609	418,548	25,333,118	957,999	
688														
689	PROPOSED REVENUES	R602	304,458,566	130,623,810	82,800,877	76,055	504,452	866,016	40,172	47,829,609	418,548	25,333,117	958,000	
690	TOTAL ELECTRIC COST OF SERVICE	CS09	(304,458,218)	(130,623,460)	(82,800,878)	(76,055)	(504,451)	(866,016)	(40,172)	(47,829,609)	(418,548)	(25,333,118)	(957,999)	
691	EXCESS REVENUES	XREV	348	350	(1)	0	1	0	0	0	0	(1)	1	
692	COMPOSITE TAX RATE	CTAX		0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	
693	EXCESS TAX	XTAX	135	136	0	0	0	0	0	0	0	0	0	
694	EXCESS RETURN	XRET	213	214	(1)	0	1	0	0	0	0	(1)	1	
695														

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-3 (TIME DIFFERENTIATED)													
6	ELECTRIC CASE NO: 2006-00172													
7				RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC RTP	DT_PRI	DT_PRI RTP	
8	ITEM	ALLO	TOTAL	RESIDENTIAL	SECONDARY	INCR.	SECONDARY	SECONDARY	SECONDARY	SECONDARY	INCR.	PRIMARY	INCR.	PRI. DIST
896	ROR AND TAX RATES Schedule 11													
697	RATE OF RETURN													
698														
699	CAPITALIZATION AMOUNTS													
700			Total Company	Ratio										
701	LONG TERM DEBT	K100	275,774,125	0.406259216										
702	PREFERRED STOCK	K102	0	0.000000000										
703	COMMON STOCK	K104	345,393,322	0.508819383										
704	SHORT TERM DEBT	K106	57,645,769	0.084921401										
705	UNAMORTIZED DISCOUNT	K108	0	0.000000000										
706	TOTAL	K115	678,813,216	1.000000000										
707	COST OF CAPITAL													
708	LONG TERM DEBT	K120	0.06090000											
709	PREFERRED STOCK	K122	0.00000000											
710	COMMON STOCK	K124	0.11500000											
711	SHORT TERM DEBT	K126	0.05138000											
712	UNAMORTIZED DISCOUNT	K128	0.00000000											
713														
714	WEIGHTED COST OF CAPITAL													
715	LONG TERM DEBT	K141	0.02474000											
716	PREFERRED STOCK	K143	0.00000000											
717	COMMON STOCK	K145	0.05851000											
718	SHORT TERM DEBT	K147	0.00436000											
719	UNAMORTIZED DISCOUNT	K149	0.00000000											
720	TOT RATE OF RETURN ALLOWABLE	RORA	0.08761000											
721														
722	TAX RATES AND SPECIAL FACTORS													
723	SHORT TERM DEBT COST	K180	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
724	FEDERAL INCOME TAX RATE	K190	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000
725	STATE INCOME TAX RATE	K192	0.057879	0.0578786	0.0578786	0.0578786	0.0578786	0.0578786	0.0578786	0.0578786	0.0578786	0.0578786	0.0578786	0.0578786
726	REVENUE TAX RATE	K196	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
727														
728														
729	PRESENT REVENUES	R600 J600	237,897,726	97,639,085	66,709,383	70,100	471,911	694,501	35,117	38,378,456	343,715	19,862,321	782,491	
730	PROPOSED REVENUES	R602 J602	304,458,566	130,623,810	82,800,877	76,055	504,452	866,016	40,172	47,829,609	418,548	25,333,117	958,000	
731	PRESENT NOI		8,045,600	(99,665)	5,497,078	24,186	103,850	19,706	6,687	1,464,047	80,892	(508,247)	167,328	
732	GROSS PRESENT REV AT AVERAGE ROR	1.4442432%	237,897,726	103,998,773	61,181,813	33,582	316,423	696,098	25,662	37,877,940	231,909	21,682,331	555,112	
733	SUBSIDY EXCESS		0	(6,359,688)	5,527,570	36,518	155,488	(1,597)	9,455	500,516	111,806	(1,820,010)	227,379	
734	REDUCTION IN SUBSIDY EXCESS	25%	0	(1,589,924)	1,381,893	9,130	38,872	(399)	2,364	125,129	27,952	(455,003)	56,845	
735	RATE INCREASE		66,560,840	31,394,801	17,473,387	15,085	71,413	171,116	7,419	9,576,282	102,785	5,015,793	232,354	
736	TAX COMPLEMENT	61.23789%												
737														
738														
739														
740														
741														
742														
743														
744														

	A	B	C	O	Q	R	S	U	V	W	
1	DUKE ENERGY KENTUCKY										11/16/05 8:34 AM
2	COST OF SERVICE STUDY										
3	TWELVE MONTHS ENDING DECEMBER 31, 2007										
4	FR-9v-3 (TIME DIFFERENTIATED)										
5	ELECTRIC CASE NO: 2006-00172										
6			DP	TT	TT RTP	LT	OTHER	TOTAL			
7			PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	WATER	AT		ALL	
8		ITEM	DISTRIBUTION	TIME OF DAY	TIME OF DAY		PUMPING	ISSUE		OTHER	
696	ROR AND TAX RATES Schedule 11										
697	RATE OF RETURN										
698											
699	CAPITALIZATION AMOUNTS										
700		LONG TERM DEBT	K100								
701		PREFERRED STOCK	K102								
702		COMMON STOCK	K104								
703		SHORT TERM DEBT	K106								
704		UNAMORTIZED DISCOUNT	K108								
705		TOTAL	K115								
706											
707	COST OF CAPITAL										
708		LONG TERM DEBT	K120								
709		PREFERRED STOCK	K122								
710		COMMON STOCK	K124								
711		SHORT TERM DEBT	K128								
712		UNAMORTIZED DISCOUNT	K128								
713											
714	WEIGHTED COST OF CAPITAL										
715		LONG TERM DEBT	K141								
716		PREFERRED STOCK	K143								
717		COMMON STOCK	K145								
718		SHORT TERM DEBT	K147								
719		UNAMORTIZED DISCOUNT	K149								
720	TOT RATE OF RETURN ALLOWABLE RORA										
721											
722	TAX RATES AND SPECIAL FACTORS										
723		SHORT TERM DEBT COST	K180	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
724		FEDERAL INCOME TAX RATE	K180	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	
725		STATE INCOME TAX RATE	K182	0.0578786	0.0578786	0.0578786	0.0578786	0.0578786	0.0578786	0.0578786	
726		REVENUE TAX RATE	K198	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
727											
728											
729		PRESENT REVENUES	R800 J600	1,764,802	8,534,952	404,272	2,194,212	12,408	237,897,726	0	
730		PROPOSED REVENUES	R602 J602	2,267,761	9,759,900	457,275	2,504,578	18,396	304,458,566	0	
731		PRESENT NOI		3,495	575,401	100,774	612,748	(2,680)	8,045,600	0	
732		GROSS PRESENT REV AT AVERAGE ROR	1.4442432%	1,853,972	7,869,942	257,419	1,299,045	17,705	237,897,726	0	
733		SUBSIDY EXCESS		(89,170)	665,010	146,853	895,167	(5,297)	0	0	
734		REDUCTION IN SUBSIDY EXCESS	25%	(22,293)	166,253	36,713	223,792	(1,324)	0	0	
735		RATE INCREASE		480,666	1,391,201	89,716	534,158	4,664	66,560,840	0	
736		TAX COMPLEMENT	61.23789%								
737											
738											
739											
740											
741											
742											
743											
744											

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	SUBSIDY EXCESS													
4	TWELVE MONTHS ENDING DECEMBER 31, 2007													
5	FR-9v-3 (TIME DIFFERENTIATED)													
6	ELECTRIC CASE NO: 2006-00172													
7				RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC_RTP	DT_PRI	DT_PRI_RTP	
8	ITEM	ALLO	TOTAL ELECTRIC	RESIDENTIAL	SECONDARY DISTRIBUTION	INCR. SEC. DISTR.	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	SECONDARY DISTRIBUTION	INCR. SEC. DIST.	PRIMARY DISTRIBUTION	INCR. PRI. DIST.	
745	INCOME TAX BASED ON REVENUES Schedule 12													
746	NET INCOME COMPUTATION													
747	TOTAL ELECTRIC COST OF SERVICE	CS09	304,458,218	130,623,460	82,800,878	76,055	504,451	866,016	40,172	47,829,609	418,548	25,333,118	957,999	
748	TOTAL OTHER OPERATING REVENUES	Q027	1,978,260	908,453	528,959	480	2,521	5,173	237	290,895	2,983	151,122	6,737	
749	TOTAL ELECTRIC REVENUE	CS07	306,436,478	131,531,913	83,329,837	76,535	506,972	871,189	40,409	48,120,504	421,531	25,484,240	964,736	
750	TOTAL OP EXP EXC IT & OTHER DEDUCTIONS	OP81	(238,506,245)	(104,527,128)	(61,269,343)	(33,631)	(316,579)	(698,778)	(25,838)	(37,883,265)	(231,906)	(21,665,508)	(554,044)	
751	OTHER	RTXP	0	0	0	0	0	0	0	0	0	0	0	
752	NET INCOME	NI01	67,930,233	27,004,785	22,060,494	42,904	190,393	172,411	14,571	10,237,239	189,625	3,818,732	410,692	
753	ADJUSTMENTS TO NET INCOME													
754	TOTAL INTEREST EXPENSE	Y783	(16,237,028)	(7,705,464)	(4,275,062)	(3,671)	(17,083)	(40,895)	(1,814)	(2,314,697)	(24,800)	(1,204,123)	(55,894)	
755	TOTAL OTHER DEDUCTIONS	Y828	(6,767,194)	(3,500,730)	(1,674,159)	(1,358)	(6,342)	(17,609)	(891)	(864,222)	(9,166)	(449,798)	(20,775)	
757	PRELIMINARY TAXABLE INCOME	TI01	44,926,011	15,798,591	16,111,273	37,875	166,968	113,907	11,866	7,058,320	155,659	2,164,811	334,023	
758	STATE INCOME TAX COMPUTATION													
759	PRELIMINARY TAX ABLE INCOME (INCL AFUDC)	TI01	44,926,011	15,798,591	16,111,273	37,875	166,968	113,907	11,866	7,058,320	155,659	2,164,811	334,023	
761	DEDUCTIONS IN ADD TO Y871	Y911	(1,109,000)	(524,848)	(292,525)	(251)	(1,171)	(2,753)	(124)	(158,261)	(1,691)	(82,676)	(3,839)	
762	STATE TAXABLE INCOME	SI01	43,817,011	15,273,743	15,818,748	37,624	165,797	111,154	11,742	6,900,059	153,968	2,082,135	330,184	
763	STATE INCOME TAX PAYABLE													
765	STATE INCOME TAX RATE	K192	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	
766	PRELIM SIT = SI01 * K192	ST01	2,536,070	884,023	915,568	2,178	9,596	6,433	680	399,366	8,911	120,511	19,111	
767	OTHER SIT ADJUSTMENTS	Z955	0	0	0	0	0	0	0	0	0	0	0	
768	STATE INCOME TAX PAYABLE	SP01	2,536,070	884,023	915,568	2,178	9,596	6,433	680	399,366	8,911	120,511	19,111	
769	SIT ALLOWABLE													
771	STATE INCOME TAX PAYABLE	SP01	2,536,070	884,023	915,568	2,178	9,596	6,433	680	399,366	8,911	120,511	19,111	
772	TOTAL STATE PROV DEF IT (410.1)	Z911	394,834	187,393	103,950	89	415	995	45	56,284	603	29,275	1,358	
773	TOTAL STATE PROV DEF IT (411.1)	Z933	0	0	0	0	0	0	0	0	0	0	0	
774	NET STATE INC TAX ALLOWABLE	SA01	2,930,904	1,071,416	1,019,518	2,267	10,011	7,428	725	455,650	9,514	149,786	20,469	
775	INCOME TAX BASED ON REVENUES													
776	FEDERAL INCOME TAX COMPUTATION													
778	PRELIMINARY TAXABLE INCOME (INCL AFUDC)	TI01	44,926,011	15,798,591	16,111,273	37,875	166,968	113,907	11,866	7,058,320	155,659	2,164,811	334,023	
779	STATE INC TAX PAYABLE	SP01	(2,536,070)	(884,023)	(915,568)	(2,178)	(9,596)	(6,433)	(680)	(399,366)	(8,911)	(120,511)	(19,111)	
780	NET FEDERAL TAXABLE INCOME	FI01	42,389,941	14,914,568	15,195,705	35,697	157,372	107,474	11,186	6,658,954	146,748	2,044,300	314,912	
781	FEDERAL INCOME TAX RATE	K190	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	
782	PRELIMINARY FIT = FI01 * K190	FT01	14,836,480	5,220,099	5,318,497	12,494	55,080	37,616	3,915	2,330,634	51,362	715,505	110,219	
783	TOTAL FED PROV DEF IT (410.1)	Z782	1,874,337	889,586	493,459	424	1,972	4,724	210	267,187	2,864	138,970	6,451	
784	TOTAL FED PROV DEF IT (411.1)	Z803	0	0	0	0	0	0	0	0	0	0	0	
785	TOTAL AMORTIZED ITC & SERVICE CO ALLOC.	Z813	(143,846)	(68,265)	(37,873)	(33)	(151)	(362)	(16)	(20,506)	(220)	(10,667)	(495)	
786	NET FED INC TAX ALLOWABLE	FA01	16,566,971	6,041,420	5,774,083	12,885	56,901	41,978	4,109	2,577,315	54,006	843,808	116,175	
787	FEDERAL INCOME TAX PAYABLE													
788	PRELIM FIT	FT01	14,836,480	5,220,099	5,318,497	12,494	55,080	37,616	3,915	2,330,634	51,362	715,505	110,219	
790	TEST YEAR INV TAX CREDIT	Z823	0	0	0	0	0	0	0	0	0	0	0	
791	FED INC TAX PAYABLE	FP01	14,836,480	5,220,099	5,318,497	12,494	55,080	37,616	3,915	2,330,634	51,362	715,505	110,219	
792	PRELIMINARY SUMMARY													
794	NET INCOME EXCLUDING AFUDC OFFSET	NI01	68,303,714	27,212,106	22,144,770	42,985	190,689	174,144	14,617	10,284,699	190,238	3,835,547	411,450	
795	NET FED INC TAX ALLOWABLE	FA01	(16,566,971)	(6,041,420)	(5,774,083)	(12,885)	(56,901)	(41,978)	(4,109)	(2,577,315)	(54,006)	(843,808)	(116,175)	
796	NET STATE INC TAX ALLOWABLE	SA01	(2,930,904)	(1,071,416)	(1,019,518)	(2,267)	(10,011)	(7,428)	(725)	(455,650)	(9,514)	(149,786)	(20,469)	
797	OVERALL RETURN EARNED-SCH 12	RETU	48,805,839	20,099,270	15,351,169	27,833	123,777	124,738	9,783	7,251,734	126,718	2,841,953	274,806	
798	RATE OF RETURN EARNED-SCH 12													
799		RORX	0.0876	0.0765	0.1050	0.2205	0.2071	0.0871	0.1576	0.0905	0.1473	0.0677	0.1413	

	A	B	C	O	Q	R	S	U	V	W	
1	DUKE ENERGY KENTUCKY										11/16/05 8:34 AM
2	COST OF SERVICE STUDY										
3	TWELVE MONTHS ENDING DECEMBER 31, 2007										
4	FR-9v-3 (TIME DIFFERENTIATED)										
5	ELECTRIC CASE NO: 2006-00172										
6			DP	TT	TT_RTP	LT		OTHER	TOTAL		
7		ALLO	PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING		WATER	AT	ALL	
8		ITEM	DISTRIBUTION	TIME OF DAY	TIME OF DAY			PUMPING	ISSUE	OTHER	
745	INCOME TAX BASED ON REVENUES Schedule 12										
746	NET INCOME COMPUTATION										
747	TOTAL ELECTRIC COST OF SERVICE	CS09	2,267,760	9,759,900	457,276	2,504,580	18,396	304,458,218	0		
748	TOTAL OTHER OPERATING REVENUES	Q027	14,350	47,235	2,763	16,223	129	1,978,260	0		
749	TOTAL ELECTRIC REVENUE	CS07	2,282,110	9,807,135	460,039	2,520,803	18,525	306,436,478	0		
750	TOTAL OP EXP EXC IT & OTHER DEDUCTIONS	OP61	(1,852,707)	(7,850,506)	(255,891)	(1,323,392)	(17,729)	(238,506,245)	0		
751	OTHER	RTXP	0	0	0	0	0	0	0		
752	NET INCOME	NI01	429,403	1,956,629	204,148	1,197,411	796	67,930,233	0		
753	ADJUSTMENTS TO NET INCOME										
754	TOTAL INTEREST EXPENSE	Y783	(116,930)	(326,433)	(21,120)	(127,919)	(1,123)	(16,237,028)	0		
756	TOTAL OTHER DEDUCTIONS	Y828	(43,806)	(124,405)	(7,998)	(45,524)	(411)	(6,767,194)	0		
757	PRELIMINARY TAXABLE INCOME	TI01	268,667	1,505,791	175,030	1,023,968	(738)	44,926,011	0		
758	STATE INCOME TAX COMPUTATION										
759	PRELIMINARY TAXABLE INCOME (INCL AFUDC)	TI01	268,667	1,505,791	175,030	1,023,968	(738)	44,926,011	0		
761	DEDUCTIONS IN ADD TO Y871	Y911	(8,050)	(22,952)	(1,485)	(8,298)	(76)	(1,109,000)	0		
762	STATE TAXABLE INCOME	SI01	260,617	1,482,839	173,545	1,015,670	(814)	43,817,011	0		
763	STATE INCOME TAX PAYABLE										
765	STATE INCOME TAX RATE	K192	0.05788	0.05788	0.05788	0.05788	0.05788		0.05788		
766	PRELIM SIT = SI01 * K192	ST01	15,084	85,825	10,045	58,786	(47)	2,536,070	0		
767	OTHER SIT ADJUSTMENTS	Z955	0	0	0	0	0	0	0		
768	STATE INCOME TAX PAYABLE	SP01	15,084	85,825	10,045	58,786	(47)	2,536,070	0		
769	SIT ALLOWABLE										
771	STATE INCOME TAX PAYABLE	SP01	15,084	85,825	10,045	58,786	(47)	2,536,070	0		
772	TOTAL STATE PROV DEF IT(410.1)	Z911	2,842	7,931	512	3,115	27	394,834	0		
773	TOTAL STATE PROV DEF IT(411.1)	Z933	0	0	0	0	0	0	0		
774	NET STATE INC TAX ALLOWABLE	SA01	17,926	93,756	10,557	61,901	(20)	2,930,904	0		
775	INCOME TAX BASED ON REVENUES										
777	FEDERAL INCOME TAX COMPUTATION										
778	PRELIMINARY TAXABLE INCOME (INCL AFUDC)	TI01	268,667	1,505,791	175,030	1,023,968	(738)	44,926,011	0		
779	STATE INC TAX PAYABLE	SP01	(15,084)	(85,825)	(10,045)	(58,786)	47	(2,536,070)	0		
780	NET FEDERAL TAXABLE INCOME	FI01	253,583	1,419,966	164,985	965,182	(691)	42,389,941	0		
781	FEDERAL INCOME TAX RATE	K190	0.35000	0.35000	0.35000	0.35000	0.35000		0.35000		
782	PRELIMINARY FIT = FI01 * K190	FT01	88,754	496,988	57,745	337,814	(242)	14,836,480	0		
783	TOTAL FED PROV DEF IT (410.1)	Z782	13,493	37,637	2,434	14,796	130	1,874,337	0		
784	TOTAL FED PROV DEF IT (411.1)	Z803	0	0	0	0	0	0	0		
785	TOTAL AMORTIZED ITC & SERVICE CO ALLOC.	Z813	(1,036)	(2,892)	(187)	(1,133)	(10)	(143,846)	0		
786	NET FED INC TAX ALLOWABLE	FA01	101,211	531,733	59,992	351,477	(122)	16,566,971	0		
787	FEDERAL INCOME TAX PAYABLE										
789	PRELIM FIT	FT01	88,754	496,988	57,745	337,814	(242)	14,836,480	0		
790	TEST YEAR INV TAX CREDIT	Z823	0	0	0	0	0	0	0		
791	FED INC TAX PAYABLE	FP01	88,754	496,988	57,745	337,814	(242)	14,836,480	0		
792	PRELIMINARY SUMMARY										
794	NET INCOME EXCLUDING AFUDC OFFSET	NI01	430,633	1,951,022	203,781	1,216,188	845	68,303,714	0		
795	NET FED INC TAX ALLOWABLE	FA01	(101,211)	(531,733)	(59,992)	(351,477)	122	(16,566,971)	0		
796	NET STATE INC TAX ALLOWABLE	SA01	(17,926)	(93,756)	(10,557)	(61,901)	20	(2,930,904)	0		
797	OVERALL RETURN EARNED-SCH 12	RETU	311,496	1,325,533	133,232	802,810	987	48,805,839	0		
798	RATE OF RETURN EARNED-SCH 12										
799		RORX	0.0774	0.1138	0.1774	0.1796	0.0253	0.0876	0.0000		

A	B	C	D	E	F	G	H	I	J	K	L	M
1	DUKE ENERGY KENTUCKY											
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4	FR-9v-3 (TIME DIFFERENTIATED)											
5	ELECTRIC CASE NO: 2006-00172											
6												
7												
8												
9												
10	ALLOCATORS	ITEM	ALLOC	TOTAL ELECTRIC	RS RESIDENTIAL	DS SECONDARY DISTRIBUTION	DS_RTP INCR. SEC. DISTR.	GSFL SECONDARY DISTRIBUTION	EH SECONDARY DISTRIBUTION	SP SECONDARY DISTRIBUTION	DT_SEC SECONDARY DISTRIBUTION	DT_SEC_RTP INCR. SEC. DIST
11												
12	DEMAND ENERGY & SPEC. ASSIGN		SCHEDULE: 13									
13	K201	TOTAL KW (TIME DIFFERENTIATED)		763,971	345,916	207,442	174	851	1,497	82	111,088	1,145
14		RATIO TO TOTAL ELECTRIC	K201	1.000000000	0.452786820	0.271531249	0.000227757	0.001113917	0.001959498	0.000107334	0.145408661	0.001498748
15	K203	SECONDARY NON-COIN PEAK (KW)		1,353,588	894,767	304,504	301	796	7,027	150	136,277	2,524
16		RATIO TO TOTAL ELECTRIC	K203	1.000000000	0.661033490	0.224960623	0.000222372	0.000588067	0.005191388	0.000110817	0.100678345	0.001864674
17	K205	DISTRIBUTION LINE - WTD. DIVERSIFIED CLASS		690,947	317,008	188,948	179	738	2,494	74	112,875	1,248
18		RATIO TO TOTAL ELECTRIC	K205	1.000000000	0.458802195	0.273462364	0.000259065	0.001068099	0.003609539	0.000107099	0.163362747	0.001806217
19	K207	JURISDICTIONAL KW DEMAND (COIN PEAK)		763,971	345,916	207,442	174	851	1,497	82	111,088	1,145
20		RATIO TO TOTAL ELECTRIC	K207	1.000000000	0.452786820	0.271531249	0.000227757	0.001113917	0.001959498	0.000107334	0.145408661	0.001498748
21	K209	GROSS DISTRIBUTION PLANT EXCL. CCNC		276,674,000	143,953,206	66,750,141	61,054	249,564	1,031,325	32,665	36,883,708	440,619
22		RATIO TO TOTAL ELECTRIC	K209	1.000000000	0.520299002	0.241259175	0.000220671	0.000902015	0.003727582	0.000118063	0.133311074	0.001592557
23	K215	TOTAL DIVERSIFIED CLASS DEMANDS		702,571	317,008	188,948	179	738	2,494	74	112,875	1,248
24		RATIO TO TOTAL ELECTRIC	K215	1.000000000	0.451211337	0.268937944	0.000254779	0.001050428	0.003549819	0.000105327	0.160659919	0.001776333
25	K217	WEIGHTED CUSTOMER SERVICE		136,161	121,452	12,293	0	147	357	27	1,520	0
26		RATIO TO TOTAL ELECTRIC	K217	1.000000000	0.891973473	0.090282827	0.000000000	0.001079604	0.002621896	0.000198295	0.011163255	0.000000000
27	K301	TOTAL KWH		4,318,019,707	1,833,623,871	1,118,383,192	1,085,288	6,714,746	15,149,755	434,115	782,930,553	8,700,822
28		RATIO TO TOTAL ELECTRIC	K301	1.000000000	0.378327099	0.259003726	0.000251339	0.001555052	0.003508496	0.000100536	0.181317040	0.002015003
29	K303	DISTRIBUTION KWH		4,119,571,267	1,633,623,871	1,118,383,192	1,085,288	6,714,746	15,149,755	434,115	782,930,553	8,700,822
30		RATIO TO TOTAL ELECTRIC	K303	1.000000000	0.396551914	0.271480482	0.000263447	0.001629962	0.003677508	0.000105379	0.190051465	0.002112070
31	K305	TOTAL KWH LESS LIGHTING		4,291,100,249	1,633,623,871	1,118,383,192	1,085,288	6,714,746	15,149,755	434,115	782,930,553	8,700,822
32		RATIO TO TOTAL ELECTRIC	K305	1.000000000	0.380700468	0.260628540	0.000252916	0.001564808	0.003530506	0.000101166	0.182454501	0.002027644
33	K307	ASSIGN 100% TO RESIDENTIAL		1	1	0	0	0	0	0	0	0
34		RATIO TO TOTAL ELECTRIC	K307	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000
35	K401	ASSIGN 100% TO LIGHTING		1	0	0	0	0	0	0	0	0
36		RATIO TO TOTAL ELECTRIC	K401	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000
37	K405	DISTRIBUTION CUSTOMERS		134,630	121,452	12,293	0	147	119	27	190	0
38		RATIO TO TOTAL ELECTRIC	K405	1.000000000	0.902116913	0.091309515	0.000000000	0.001091881	0.000883904	0.000200550	0.001411275	0.000000000
39	K407	METERS		40,596,398	35,086,187	4,804,971	0	0	141,678	11,862	367,725	0
40		RATIO TO TOTAL ELECTRIC	K407	1.000000000	0.864268475	0.118359540	0.000000000	0.000000000	0.003489916	0.000292193	0.009058070	0.000000000
41	K409	CUSTOMER ACCOUNTS 901-3, 905		3,915,187	3,457,929	430,386	426	2,636	4,168	663	7,208	224
42		RATIO TO TOTAL ELECTRIC	K409	1.000000000	0.883209155	0.109927316	0.000108807	0.000673276	0.001064572	0.000169341	0.001641036	0.000057213
43	K411	UNCOLLECTIBLE ACCOUNT 904		2,607,059	2,331,577	244,370	0	0	0	0	31,075	0
44		RATIO TO TOTAL ELECTRIC	K411	1.000000000	0.894332272	0.093733974	0.000000000	0.000000000	0.000000000	0.000000000	0.011919561	0.000000000
45	K413	CUST SERVICE & INFORM ACCOUNTS 908-10		646,790	427,763	201,745	160	2,452	1,974	458	2,910	99
46		RATIO TO TOTAL ELECTRIC	K413	1.000000000	0.661363039	0.311917315	0.000247376	0.003791030	0.003051995	0.000708112	0.004499142	0.000153064
47	K419	SALES ACCOUNTS 911, 913		72,135	48,948	21,360	17	260	209	48	308	10
48		RATIO TO TOTAL ELECTRIC	K419	1.000000000	0.678561031	0.296111458	0.000235669	0.003604353	0.002897345	0.000665419	0.004269772	0.000138629
49	K302	KWH SALES LESS RTP		4,274,838,087	1,633,623,871	1,118,383,192	0	6,714,746	15,149,755	434,115	782,930,553	0
50		RATIO TO TOTAL ELECTRIC	K302	1.000000000	0.382148712	0.261620012	0.000000000	0.001570760	0.003543937	0.000101551	0.183148586	0.000000000

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5	ELECTRIC CASE NO: 2006-00172											
6												
7												
8												
9												
10	ALLOCATORS	ITEM	ALLOC	TOTAL ELECTRIC	RS RESIDENTIAL	DS SECONDARY DISTRIBUTION	DS_RTP INCR. SEC. DISTR.	GSFL SECONDARY DISTRIBUTION	EH SECONDARY DISTRIBUTION	SP SECONDARY DISTRIBUTION	DT_SEC SECONDARY DISTRIBUTION	DT_SEC_RTP INCR. SEC. DISTR.
11												
51	ALLOCATORS & WEIGHTED RATIOS											
52	SPECIAL ALLOCATOR INFO FOR K209		SCHEDULE: 13a									
53	SUBSTATIONS			37,605,000	16,967,803	10,113,411	9,581	39,501	133,491	3,961	6,041,616	66,799
54	POLES, TOWERS & FIXTURES			48,820,000	22,398,721	13,350,433	12,648	52,145	176,218	5,229	7,975,369	88,180
55	CONDUCTORS			109,042,000	50,028,708	29,818,883	28,249	116,468	393,591	11,678	17,813,401	196,954
56	TRANSFORMERS			47,561,000	31,439,413	10,699,352	10,576	27,969	246,908	5,271	4,788,363	88,686
57	SERVICES			12,487,000	11,138,071	1,127,362	0	13,481	32,740	2,476	139,396	0
58	METERS			13,862,000	11,980,490	1,640,700	0	0	48,377	4,050	125,563	0
59	OTHERS			0	0	0	0	0	0	0	0	0
60	STREET LIGHTS			7,297,000	0	0	0	0	0	0	0	0
61	GROSS DISTR PLANT NOT INCL. ACCT 106			276,674,000	143,953,206	66,750,141	61,054	249,564	1,031,325	32,665	36,883,708	440,619
62	GROSS DISTR RESEV. NOT INCL. ACCT 106			(108,147,766)	(56,613,150)	(25,059,424)	(22,941)	(95,756)	(399,833)	(12,371)	(13,658,671)	(167,285)
63	NET DIST. PLT LESS ACCT 106			168,526,234	87,340,056	41,690,717	38,113	153,808	631,492	20,294	23,225,037	273,334
64		K211	K211	1.000000000	0.518257923	0.247384137	0.000226155	0.000912665	0.003747144	0.000120420	0.137812591	0.001621908
65	WEIGHTED RATIOS											
66	P129	GROSS ELECTRIC PLANT IN SERVICE										
67	P129	WTD GROSS PROD PLANT RATIOS	P129	1.000000000	0.452786820	0.271531249	0.000227757	0.001113916	0.001959497	0.000107334	0.145408661	0.001498748
68	T129	WTD GROSS TRANS PLANT RATIOS	T129	1.000000000	0.452786838	0.271531263	0.000227762	0.001113902	0.001959480	0.000107338	0.145408651	0.001498738
69	PT29	WTD GROSS P & T PLT RATIOS	PT29	1.000000000	0.452786821	0.271531249	0.000227757	0.001113916	0.001959497	0.000107334	0.145408661	0.001498748
70	D149	WTD GROSS DIST PLANT RATIOS	D149	1.000000000	0.520298998	0.241259176	0.000220670	0.000902015	0.003727583	0.000118062	0.133311075	0.001592557
71	TD29	WTD GROSS TRANS & DIST RATIOS	TD29	1.000000000	0.515273647	0.243512516	0.000221198	0.000917787	0.003595972	0.000117264	0.134211573	0.001585574
72	PD29	WTD GROSS PTD PLT RATIOS	PD29	1.000000000	0.470952145	0.263386022	0.000225850	0.001056900	0.002435231	0.000110220	0.142153595	0.001523989
73	G129	WTD GROSS G & I PLT RATIOS	G129	1.000000000	0.524558370	0.240128384	0.000178457	0.001137700	0.002331295	0.000126055	0.125701601	0.001087918
74	C129	WTD GROSS C & O PLANT RATIOS	C129	1.000000000	0.524514670	0.240137318	0.000178556	0.001137603	0.002332085	0.000126132	0.125723468	0.001088306
75	GP19	WTD GROSS PLANT RATIOS	GP19	1.000000000	0.472122540	0.262878045	0.000224817	0.001058664	0.002432975	0.000110568	0.141794554	0.001514469
76	DR19	WTD TOTAL DEPRC RES RATIOS	DR19	1.000000000	0.469491373	0.262432612	0.000223426	0.001065721	0.002340570	0.000109314	0.140972247	0.001500526
77												
78	NET ELECTRIC PLANT											
79	P229	WTD NET PROD PLANT RATIOS	P229	1.000000000	0.452786820	0.271531248	0.000227759	0.001113915	0.001959496	0.000107333	0.145408660	0.001498749
80	T229	WTD NET TRANS PLANT RATIOS	T229	1.000000000	0.452786847	0.271531298	0.000227752	0.001113913	0.001959448	0.000107351	0.145408612	0.001498710
81	S249	WTD NET DIST SUBSTATIONS PLANT RATIOS	S249	1.000000000	0.451211362	0.268937946	0.000254765	0.001050432	0.003549815	0.000105321	0.160659901	0.001776330
82	PL49	WTD NET DIST LINES - PRI/SEC RATIOS	PL49	1.000000000	0.458802119	0.273462382	0.000259069	0.001068128	0.003609535	0.000107121	0.163362737	0.001806243
83	SL49	WTD NET DIST LINES - PRI/SEC RATIOS	SL49	1.000000000	0.458802153	0.273462369	0.000259066	0.001068101	0.003609541	0.000107100	0.163362754	0.001806226
84	F249	WTD NET DIST TRANSFORMERS PLT RATIOS	F249	1.000000000	0.661033427	0.224960631	0.000222351	0.000588065	0.005191400	0.000110845	0.100678359	0.001864683
85	SV49	WTD NET SERVICES PLANT RATIOS	SV49	1.000000000	0.891972734	0.090282918	0.000000000	0.001079702	0.002622000	0.000198322	0.011163365	0.000000000
86	M249	WTD NET METERS PLANT RATIOS	M249	1.000000000	0.864268449	0.118359588	0.000000000	0.000000000	0.003489929	0.000292115	0.009058080	0.000000000
87	L249	WTD NET STREET LIGHT PLANT RATIOS	L249	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000
88	D249	WTD NET TOTAL DIST PLANT RATIOS	D249	1.000000000	0.518385719	0.247000630	0.000225811	0.000911998	0.003745917	0.000120273	0.137530733	0.001620073
89	NT29	WTD NET TRANS & DIST RATIOS	NT29	1.000000000	0.513784039	0.248721426	0.000225947	0.000926162	0.003620598	0.000119366	0.138083357	0.001611560
90	G229	WTD NET G & I PLT RATIOS	G229	1.000000000	0.524550995	0.240120025	0.000179104	0.001136194	0.002330224	0.000126866	0.125709577	0.001088308
91	C229	WTD NET C & O PLANT RATIOS	C229	1.000000000	0.524497562	0.240146077	0.000178548	0.001137614	0.002332352	0.000126115	0.125730384	0.001088400
92	NP29	WTD NET PLANT RATIOS	NP29	1.000000000	0.474561202	0.263290888	0.000226105	0.001052123	0.002518620	0.000111730	0.142556698	0.001527391
93												

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6		ELECTRIC CASE NO: 2006-00172											
7													
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9													
10		ALLOCATORS	ITEM	ALLOC	TOTAL ELECTRIC	RESIDENTIAL	DS SECONDARY DISTRIBUTION	DS_RTP INCR. SEC. DISTR.	GSFL SECONDARY DISTRIBUTION	EH SECONDARY DISTRIBUTION	SP SECONDARY DISTRIBUTION	DT_SEC SECONDARY DISTRIBUTION	DT_SEC_RTP INCR. SEC. DISTR.
11													
94		RATE BASE ADJUSTMENTS	SCHEDULE: 13b										
95		WORKING CAPITAL											
96	W669	WTD MATERIAL & SUPPLY RATIOS	W669	W669	1.000000000	0.413358817	0.260564385	0.000242157	0.001371949	0.003148124	0.000104592	0.167207253	0.001837520
97	W689	WTD PREPAYMENTS RATIOS	W689	W689	1.000000000	0.386924890	0.257894053	0.000247031	0.001530397	0.003439326	0.000102096	0.178047274	0.001960574
98	W719	WTD CASH WORKING CAP RATIOS	W719	W719	1.000000000	0.467028984	0.251360101	0.000218725	0.001240038	0.002607124	0.000112042	0.146434326	0.001521501
99	W729	WTD TOTAL WORKING CASH RATIOS	W729	W729	1.000000000	0.467028984	0.251360101	0.000218725	0.001240038	0.002607124	0.000112042	0.146434326	0.001521501
100	WC79	WTD TOTAL WRKNG CAP RATIOS	WC79	WC79	1.000000000	0.426417386	0.257226928	0.000235440	0.001354101	0.003020264	0.000106584	0.162245755	0.001755661
101													
102		RATE BASE											
103	RB29	WTD NET OCRB RATIOS	RB29	RB29	1.000000000	0.475307320	0.262942679	0.000225924	0.001050304	0.002534704	0.000111855	0.142396140	0.001527237
104	RB99	WTD TOTAL RATE BASE RATIOS	RB99	RB99	1.000000000	0.471670732	0.262517523	0.000226632	0.001072902	0.002570822	0.000111463	0.143872617	0.001544228
105	CW29	WTD CWIP	CW29	CW29	1.000000000	0.555107671	0.225650950	0.000217218	0.000792869	0.004639221	0.000123622	0.127073657	0.001641098
106		WEIGHTED RATIOS											
107		O & M EXPENSES											
108	P349	WTD PROD DEMAND O&M EXP RATIOS	P349	P349	1.000000000	0.452786831	0.271531264	0.000227738	0.001113913	0.001959516	0.000107313	0.145408641	0.001498723
109	E349	WTD PROD ENERGY O&M EXP RATIOS	E349	E349	1.000000000	0.380960037	0.260806241	0.000078175	0.001565879	0.003532912	0.000101237	0.182578905	0.000626737
110	P459	WTD TOTAL PROD O&M EXP RATIOS	P459	P459	1.000000000	0.390635134	0.262250906	0.000098322	0.001504999	0.003320975	0.000102055	0.177572056	0.000744194
111	T349	WTD TRANS O&M EXP RATIOS	T349	T349	1.000000000	0.452786537	0.271531293	0.000227751	0.001113961	0.001959497	0.000107323	0.145408728	0.001498741
112	D349	WTD DIST O&M EXP RATIOS	D349	D349	1.000000000	0.483672703	0.262249633	0.000237730	0.001026994	0.003390030	0.000119311	0.151245468	0.001660396
113	C311	WTD UNCOLLECTIBLE ACCOUNT O&M	C311	C311	1.000000000	0.894252219	0.093849283	0.000000828	0.000004967	0.000007451	0.000001242	0.011847997	0.000000414
114	C319	WTD CUST ACCT O&M EXP RATIOS	C319	C319	1.000000000	0.885158323	0.107090057	0.000089657	0.000555390	0.000878086	0.000139754	0.003606839	0.000047161
115	C331	WTD CUST SERV & INFO O&M EXP RATIOS	C331	C331	1.000000000	0.661367401	0.311920492	0.000247511	0.003788816	0.003055804	0.000713973	0.004502789	0.000152314
116	S319	WTD SALES O&M EXP RATIOS	S319	S319	1.000000000	0.679945055	0.295329670	0.000000000	0.002747253	0.002747253	0.000000000	0.005494505	0.000000000
117	OM39	WTD O&M EXP RATIOS	OM39	OM39	1.000000000	0.430216820	0.255809787	0.000123850	0.001383458	0.003013396	0.000107481	0.162357180	0.000861616
118													
119		A & G EXPENSES											
120	A300	WTD PROD DEMAND A&G EXP RATIOS	A300	A300	1.000000000	0.452786655	0.271531282	0.000227747	0.001113939	0.001959504	0.000107331	0.145408662	0.001498703
121	A302	WTD PROD ENERGY A&G EXP RATIOS	A302	A302	1.000000000	0.380960438	0.260806286	0.000078176	0.001565843	0.003532892	0.000101144	0.182578834	0.000626674
122	A304	WTD TRANS A&G EXP RATIOS	A304	A304	1.000000000	0.452785966	0.271530836	0.000228387	0.001113387	0.001959847	0.000107056	0.145408349	0.001498790
123	A306	WTD DIST A&G EXP RATIOS	A306	A306	1.000000000	0.483672918	0.262249638	0.000237653	0.001027055	0.003390004	0.000119374	0.151245367	0.001660504
124	A308	WTD CUST ACCT A&G EXP RATIOS	A308	A308	1.000000000	0.885158196	0.107090074	0.000089566	0.000555306	0.000878184	0.000139766	0.003606948	0.000047105
125	A310	WTD CUST SERV & INFO A&G EXP RATIOS	A310	A310	1.000000000	0.661366335	0.311920376	0.000247434	0.003788235	0.003055523	0.000713531	0.004503684	0.000151529
126	A312	WTD SALES A&G EXP RATIOS	A312	A312	1.000000000	0.679945000	0.295329600	0.000000000	0.002747253	0.002747253	0.000000000	0.005494500	0.000000000
127	A315	WTD A&G EXPENSE UNADJUSTED	A315	A315	1.000000000	0.524523895	0.240135017	0.000178535	0.001137636	0.002332039	0.000126118	0.125718667	0.001088221
128	A357	WTD A&G EXP RATIOS	A357	A357	1.000000000	0.524523797	0.240135031	0.000178560	0.001137628	0.002332103	0.000126115	0.125718699	0.001088227
129													
130		DEPRECIATION EXPENSES											
131	P489	WTD PRODUCTION DEPREC RATIOS	P489	P489	1.000000000	0.452786763	0.271531236	0.000227781	0.001113935	0.001959501	0.000107312	0.145408664	0.001498747
132	T489	WTD TRANS DEPREC RATIOS	T489	T489	1.000000000	0.452787037	0.271531481	0.000227778	0.001114815	0.001959259	0.000107407	0.145409259	0.001498148
133	D489	WTD DIST DEPREC RATIOS	D489	D489	1.000000000	0.518385995	0.247000592	0.000225798	0.000911981	0.003745964	0.000120223	0.137530684	0.001620032
134	G489	WTD GENERAL DEPREC EXP RATIOS	G489	G489	1.000000000	0.524535354	0.240121212	0.000181818	0.001131313	0.002333333	0.000131313	0.125707071	0.001090909
135	C489	WTD COM & OTHER DEP EXP RATIOS	C489	C489	1.000000000	0.524498413	0.240146032	0.000177778	0.001138095	0.002331746	0.000125397	0.125730159	0.001088889
136	DE49	WTD TOT DEPREC EXP RATIOS	DE49	DE49	1.000000000	0.473262567	0.263773935	0.000226123	0.001056275	0.002482378	0.000111449	0.142706427	0.001524679
137													

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1	DUKE ENERGY KENTUCKY											
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6	ELECTRIC CASE NO: 2006-00172											
7												
8				TOTAL	RS	DS	DS_RTP	GSFL	EH	SP	DT_SEC	DT_SEC_RTP
9			ELECTRIC	RESIDENTIAL	SECONDARY	INCR.	SECONDARY	SECONDARY	SECONDARY	SECONDARY	SECONDARY	INCR.
10	ALLOCATORS	ITEM	ALLOC		DISTRIBUTION	SEC. DISTR.	DISTRIBUTION	DISTRIBUTION	DISTRIBUTION	DISTRIBUTION	DISTRIBUTION	SEC. DIST
11												
138	OTHER TAXES & MISC EXPENSES		SCHEDULE: 13c									
139	L529	WTD R. E. & PROP TAX RATIOS	L529	1.000000000	0.484994324	0.259487511	0.000226860	0.001014724	0.002836451	0.000113606	0.141540909	0.001558169
140	L589	WTD MISC TAX RATIOS	L589	1.000000000	0.526569890	0.239730888	0.000177260	0.001126942	0.002311897	0.000125693	0.125054588	0.001075376
141	L599	WTD OTHER TAX RATIOS	L599	1.000000000	0.494373770	0.254882796	0.000215469	0.001051934	0.002709408	0.000116838	0.137722020	0.001439254
142	OP69	WTD OP EXP EX IT & REV RATIOS	OP69	1.000000000	0.438257405	0.256887793	0.000141007	0.001327341	0.002929810	0.000108333	0.158835527	0.000972327
143												
144	INCOME TAXES											
145	CS09	WTD TOTAL ELEC REVENUE	CS09	1.000000000	0.429035750	0.271961383	0.000249804	0.001656881	0.002844449	0.000131946	0.157097448	0.001374731
146												
147	WAGES & SALARIES (K600-K639)											
148	K669	WTD RATIOS	K669	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000
149												
150	JURISDICTIONAL RATE BASE, NET PLANT, A&G AND O&M RATIOS											
151	P429	JUR. WTD NET PROD PLANT RATIOS	P429	1.000000000	0.452786820	0.271531248	0.000227759	0.001113915	0.001959496	0.000107333	0.145408660	0.001498749
152	T429	JUR. WTD NET TRANS PLANT RATIOS	T429	1.000000000	0.452786847	0.271531298	0.000227752	0.001113913	0.001959448	0.000107351	0.145408612	0.001498710
153	D449	JUR. WTD NET DIST PLANT RATIOS	D449	1.000000000	0.518385719	0.247000630	0.000225811	0.000911998	0.003745917	0.000120273	0.137530733	0.001620073
154	NT49	JUR. WTD NET TRANS & DIST RATIOS	NT49	1.000000000	0.473468273	0.263797449	0.000227145	0.001050257	0.002522702	0.000111413	0.142924974	0.001536998
155	G429	JUR. WTD NET G & I PLT RATIOS	G429	1.000000000	0.524550995	0.240120025	0.000179104	0.001136194	0.002330224	0.000126866	0.125709577	0.001088308
156	C429	JUR. WTD NET C & O PLANT RATIOS	C429	1.000000000	0.524497562	0.240146077	0.000178548	0.001137614	0.002332352	0.000126115	0.125730384	0.001088400
157	NP49	JUR. WTD NET PLANT RATIOS	NP49	1.000000000	0.474561202	0.263290888	0.000226105	0.001052123	0.002518620	0.000111730	0.142556698	0.001527391
158	O429	JUR. WTD NET GEN & COMMON PLT RATIOS	O429	1.000000000	0.524504447	0.240142720	0.000178620	0.001137431	0.002332078	0.000126212	0.125727703	0.001088388
159	J349	JUR. WTD PROD O&M RATIOS	J349	1.000000000	0.390635134	0.262250906	0.000098322	0.001504999	0.003320975	0.000102055	0.177572056	0.000744194
160	J315	JUR. WTD A&G EXCL. REGULATORY RATIOS	J315	1.000000000	0.524523895	0.240135017	0.000178535	0.001137636	0.002332039	0.000126118	0.125718667	0.001088221
161	J600	JUR. PRESENT REVENUE RATIOS	J600	1.000000000	0.410424625	0.280412025	0.000294664	0.001983672	0.002919326	0.000147614	0.161323341	0.001444802
162	J602	JUR. PROPOSED REVENUE RATIOS	J602	1.000000000	0.429036410	0.271961069	0.000249804	0.001656882	0.002844446	0.000131946	0.157097268	0.001374729
163	J865	JUR. BASE FOR FIT COMPUTATION RATIOS	J865	1.000000000	0.351842175	0.358474300	0.000842108	0.003712492	0.002535362	0.000263887	0.157088064	0.003461852
164	JR99	JUR. OCD RATE BASE	JR99	1.000000000	0.471670732	0.262517523	0.000226632	0.001072902	0.002570822	0.000111463	0.143872617	0.001544228

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7											
8											
9											
10											
11											
12	DEMAND ENERGY & SPEC. ASSIGN SCHEDULE: 13										
13	K201	TOTAL KW (TIME DIFFERENTIATED)	61,431	2,878	6,201	22,365	1,457	1,402	42	763,971	0
14		RATIO TO TOTAL ELECTRIC	0.080410120	0.003767159	0.008116800	0.029274671	0.001907140	0.001835148	0.000054978	1.000000000	0.000000000
15	K203	SECONDARY NON-COIN PEAK (KW)	0	0	0	0	0	0	315	1,353,588	0
16		RATIO TO TOTAL ELECTRIC	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.005117510	0.000232714	1.000000000	0.000000000
17	K205	DISTRIBUTION LINE - WTD. DIVERSIFIED CLASS	53,885	2,481	4,656	-0	0	6,304	57	690,947	0
18		RATIO TO TOTAL ELECTRIC	0.077987168	0.003590724	0.006738576	0.000000000	0.000000000	0.009123710	0.000082495	1.000000000	0.000000000
19	K207	JURISDICTIONAL KW DEMAND (COIN PEAK)	61,431	2,878	6,201	22,365	1,457	1,402	42	763,971	0
20		RATIO TO TOTAL ELECTRIC	0.080410120	0.003767159	0.008116800	0.029274671	0.001907140	0.001835148	0.000054978	1.000000000	0.000000000
21	K209	GROSS DISTRIBUTION PLANT EXCL. CCNC	15,787,211	724,951	1,365,242	14,751	0	9,350,404	29,159	276,674,000	0
22		RATIO TO TOTAL ELECTRIC	0.057060696	0.002620235	0.004934479	0.000053315	0.000000000	0.033795745	0.000105391	1.000000000	0.000000000
23	K215	TOTAL DIVERSIFIED CLASS DEMANDS	64,149	2,954	5,543	0	0	6,304	57	702,571	0
24		RATIO TO TOTAL ELECTRIC	0.091306074	0.004204557	0.007889594	0.000000000	0.000000000	0.008972759	0.000081130	1.000000000	0.000000000
25	K217	WEIGHTED CUSTOMER SERVICE	0	0	0	0	0	343	22	136,161	0
26		RATIO TO TOTAL ELECTRIC	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.002519077	0.000161573	1.000000000	0.000000000
27	K301	TOTAL KWH	467,034,883	21,489,618	36,757,242	186,542,548	11,905,892	26,919,458	347,724	4,318,019,707	0
28		RATIO TO TOTAL ELECTRIC	0.108159507	0.004976730	0.008512523	0.043200949	0.002757257	0.006234214	0.000080529	1.000000000	0.000000000
29	K303	DISTRIBUTION KWH	467,034,883	21,489,618	36,757,242	0	0	26,919,458	347,724	4,119,571,267	0
30		RATIO TO TOTAL ELECTRIC	0.113369779	0.005216470	0.008922589	0.000000000	0.000000000	0.006534529	0.000084406	1.000000000	0.000000000
31	K305	TOTAL KWH LESS LIGHTING	467,034,883	21,489,618	36,757,242	186,542,548	11,905,892	0	347,724	4,291,100,249	0
32		RATIO TO TOTAL ELECTRIC	0.108838027	0.005007951	0.008565925	0.043471962	0.002774555	0.000000000	0.000081031	1.000000000	0.000000000
33	K307	ASSIGN 100% TO RESIDENTIAL	0	0	0	0	0	0	0	1	0
34		RATIO TO TOTAL ELECTRIC	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000
35	K401	ASSIGN 100% TO LIGHTING	0	0	0	0	0	1	0	1	0
36		RATIO TO TOTAL ELECTRIC	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000	1.000000000	0.000000000
37	K405	DISTRIBUTION CUSTOMERS	37	0	11	0	0	343	11	134,630	0
38		RATIO TO TOTAL ELECTRIC	0.000274827	0.000000000	0.000081705	0.000000000	0.000000000	0.002547723	0.000081707	1.000000000	0.000000000
39	K407	METERS	124,275	0	14,025	43,200	0	2,475	0	40,596,398	0
40		RATIO TO TOTAL ELECTRIC	0.003061232	0.000000000	0.000345474	0.001064134	0.000000000	0.000060966	0.000000000	1.000000000	0.000000000
41	K409	CUSTOMER ACCOUNTS 901-3, 905	1,266	184	481	466	144	8,606	400	3,915,187	0
42		RATIO TO TOTAL ELECTRIC	0.000323356	0.000046996	0.000122855	0.000119024	0.000036780	0.002198107	0.000102166	1.000000000	0.000000000
43	K411	UNCOLLECTIBLE ACCOUNT 904	0	0	0	0	0	37	0	2,607,059	0
44		RATIO TO TOTAL ELECTRIC	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000014192	0.000000001	1.000000000	0.000000000
45	K413	CUST SERVICE & INFORM ACCOUNTS 908-10	537	79	200	180	59	7,994	180	646,790	0
46		RATIO TO TOTAL ELECTRIC	0.000830254	0.000122142	0.000309219	0.000278297	0.000091220	0.012359498	0.000278297	1.000000000	0.000000000
47	K419	SALES ACCOUNTS 911, 913	56	8	21	19	6	846	19	72,135	0
48		RATIO TO TOTAL ELECTRIC	0.000776322	0.000110903	0.000291121	0.000263395	0.000083177	0.011728010	0.000263396	1.000000000	0.000000000
49	K302	KWH SALES LESS RTP	467,034,883	0	36,757,242	186,542,548	0	26,919,458	347,724	4,274,838,087	0
50		RATIO TO TOTAL ELECTRIC	0.109252064	0.000000000	0.008598511	0.043637336	0.000000000	0.006297188	0.000081343	1.000000000	0.000000000

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7											
8			DT_PRI	DT_PRI_RTP	DP	TT	TT_RTP	LT			
9			PRIMARY	INCR.	PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	OTHER	TOTAL	ALL
10	ALLOCATORS	ITEM	DISTRIBUTION	PRI. DIST	DISTRIBUTION	TIME OF DAY	TIME OF DAY			AT ISSUE	OTHER
11											
51	ALLOCATORS & WEIGHTED RATIOS										
52	SPECIAL ALLOCATOR INFO FOR K209 SCHEDULE: 13a										
53			3,433,565	158,112	296,688	0	0	337,421	3,051	37,605,000	0
54		POLES, TOWERS & FIXTURES	3,807,334	175,299	328,977	0	0	445,420	4,027	48,820,000	0
55		CONDUCTORS	8,503,877	391,540	734,788	0	0	994,868	8,995	109,042,000	0
56		TRANSFORMERS	0	0	0	0	0	243,394	11,068	47,561,000	0
57		SERVICES	0	0	0	0	0	31,456	2,018	12,487,000	0
58		METERS	42,435	0	4,789	14,751	0	845	0	13,862,000	0
59		OTHERS	0	0	0	0	0	0	0	0	0
60		STREET LIGHTS	0	0	0	0	0	7,297,000	0	7,297,000	0
61		GROSS DISTR PLANT NOT INCL. ACCT 106	15,787,211	724,951	1,365,242	14,751	0	9,350,404	29,159	276,674,000	0
62		GROSS DISTR RESEV. NOT INCL. ACCT 106	(5,473,770)	(251,636)	(473,197)	(2,982)	0	(5,904,336)	(12,414)	(108,147,766)	0
63		NET DIST. PLT LESS ACCT 106	10,313,441	473,315	892,045	11,769	0	3,446,068	16,745	168,526,234	0
64			0.061197837	0.002808554	0.005293212	0.000069835	0.000000000	0.020448259	0.000099360	1.000000000	0.000000000
65		K211									
65	WEIGHTED RATIOS										
66	P129	GROSS ELECTRIC PLANT IN SERVICE									
67	P129	WTD GROSS PROD PLANT RATIOS	0.080410119	0.003767160	0.008116800	0.029274672	0.001907140	0.001835148	0.000054979	1.000000000	0.000000000
68	T129	WTD GROSS TRANS PLANT RATIOS	0.080410124	0.003767146	0.008116806	0.029274678	0.001907136	0.001835143	0.000054995	1.000000000	0.000000000
69	PT29	WTD GROSS P & T PLT RATIOS	0.080410119	0.003767159	0.008116800	0.029274672	0.001907140	0.001835148	0.000054979	1.000000000	0.000000000
70	D149	WTD GROSS DIST PLANT RATIOS	0.057060698	0.002620235	0.004934480	0.000053314	0.000000000	0.033795746	0.000105391	1.000000000	0.000000000
71	TD29	WTD GROSS TRANS & DIST RATIOS	0.058798741	0.002705606	0.005171361	0.002228442	0.000141960	0.031416719	0.000101640	1.000000000	0.000000000
72	PD29	WTD GROSS PTD PLT RATIOS	0.074127552	0.003458559	0.007260541	0.021412158	0.001393991	0.010434702	0.000068545	1.000000000	0.000000000
73	G129	WTD GROSS G & I PLT RATIOS	0.069016303	0.002580495	0.006374672	0.021811354	0.001064920	0.003829985	0.000072491	1.000000000	0.000000000
74	C129	WTD GROSS C & O PLANT RATIOS	0.069027682	0.002580367	0.006374982	0.021810400	0.001064606	0.003830924	0.000072901	1.000000000	0.000000000
75	GP19	WTD GROSS PLANT RATIOS	0.074016092	0.003439372	0.007241192	0.021420862	0.001386795	0.010290416	0.000068639	1.000000000	0.000000000
76	DR19	WTD TOTAL DEPRC RES RATIOS	0.073861793	0.003436144	0.007284080	0.022841449	0.001479678	0.012893004	0.000068063	1.000000000	0.000000000
77											
78	NET ELECTRIC PLANT										
79	P229	WTD NET PROD PLANT RATIOS	0.080410119	0.003767160	0.008116799	0.029274673	0.001907141	0.001835149	0.000054979	1.000000000	0.000000000
80	T229	WTD NET TRANS PLANT RATIOS	0.080410160	0.003767161	0.008116788	0.029274718	0.001907100	0.001835140	0.000055002	1.000000000	0.000000000
81	S249	WTD NET DIST SUBSTATIONS PLANT RATIOS	0.091306089	0.004204539	0.007889571	0.000000000	0.000000000	0.008972778	0.000081151	1.000000000	0.000000000
82	PL49	WTD NET DIST LINES - PRI/SEC RATIOS	0.077987192	0.003590728	0.006738550	0.000000000	0.000000000	0.009123718	0.000082480	1.000000000	0.000000000
83	SL49	WTD NET DIST LINES - PRI/SEC RATIOS	0.077987177	0.003590733	0.006738581	0.000000000	0.000000000	0.009123717	0.000082482	1.000000000	0.000000000
84	F249	WTD NET DIST TRANSFORMERS PLT RATIOS	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.005117531	0.000232708	1.000000000	0.000000000
85	SV49	WTD NET SERVICES PLANT RATIOS	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.002519226	0.000161733	1.000000000	0.000000000
86	M249	WTD NET METERS PLANT RATIOS	0.003061241	0.000000000	0.000345497	0.001064132	0.000000000	0.000060970	(0.000000001)	1.000000000	0.000000000
87	L249	WTD NET STREET LIGHT PLANT RATIOS	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000
88	D249	WTD NET TOTAL DIST PLANT RATIOS	0.060938797	0.002796762	0.005270747	0.000068794	0.000000000	0.021284004	0.000099742	1.000000000	0.000000000
89	NT29	WTD NET TRANS & DIST RATIOS	0.062304689	0.002864835	0.005470394	0.002117554	0.000133781	0.019919690	0.000096602	1.000000000	0.000000000
90	G229	WTD NET G & I PLT RATIOS	0.069019279	0.002582090	0.006376244	0.021816542	0.001065920	0.003826493	0.000072139	1.000000000	0.000000000
91	C229	WTD NET C & O PLANT RATIOS	0.069030264	0.002580443	0.006375218	0.021808205	0.001064483	0.003831478	0.000072857	1.000000000	0.000000000
92	NP29	WTD NET PLANT RATIOS	0.074159103	0.003442365	0.007201443	0.020104210	0.001300708	0.007878244	0.000069170	1.000000000	0.000000000
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6	ELECTRIC CASE NO: 2006-00172										
7											
8			DT_PRI	DT_PRI RTP	DP	TT	TT RTP	LT			
9			PRIMARY	INCR.	PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	OTHER	TOTAL	ALL
10	ALLOCATORS	ITEM	DISTRIBUTION	PRI. DIST	DISTRIBUTION	TIME OF DAY	TIME OF DAY			AT ISSUE	OTHER
11											
94	RATE BASE ADJUSTMENTS SCHEDULE: 13b										
95	WORKING CAPITAL										
96	W669	WTD MATERIAL & SUPPLY RATIOS	0.095782483	0.004418190	0.008035280	0.034793109	0.002227043	0.006832664	0.000076434	1.000000000	0.000000000
97	W689	WTD PREPAYMENTS RATIOS	0.105858004	0.004835833	0.008386808	0.041943146	0.002657634	0.006092780	0.000080154	1.000000000	0.000000000
98	W719	WTD CASH WORKING CAP RATIOS	0.082955292	0.003711040	0.007359984	0.029426646	0.001820971	0.004132555	0.000070671	1.000000000	0.000000000
99	W729	WTD TOTAL WORKING CASH RATIOS	0.082955292	0.003711040	0.007359984	0.029426646	0.001820971	0.004132555	0.000070671	1.000000000	0.000000000
100	WC79	WTD TOTAL WRKNG CAP RATIOS	0.093234225	0.004256703	0.007873858	0.034174309	0.002163386	0.005860235	0.000075165	1.000000000	0.000000000
101											
102	RATE BASE										
103	RB29	WTD NET OCRB RATIOS	0.073919857	0.003429306	0.007169026	0.019834560	0.001282347	0.008199078	0.000069663	1.000000000	0.000000000
104	RB99	WTD TOTAL RATE BASE RATIOS	0.075356521	0.003490850	0.007221454	0.020901196	0.001347882	0.008025107	0.000070071	1.000000000	0.000000000
105	CW29	WTD CWIP	0.045021816	0.002028853	0.003293690	(0.015013371)	(0.000983345)	0.050274689	0.000131362	1.000000000	0.000000000
106	WEIGHTED RATIOS										
107	O & M EXPENSES										
108	P349	WTD PROD DEMAND O&M EXP RATIOS	0.080410139	0.003767172	0.008116799	0.029274686	0.001907124	0.001835168	0.000054973	1.000000000	0.000000000
109	E349	WTD PROD ENERGY O&M EXP RATIOS	0.108912236	0.001547960	0.008571767	0.043501604	0.000857623	0.006277593	0.000081094	1.000000000	0.000000000
110	P459	WTD TOTAL PROD O&M EXP RATIOS	0.105072993	0.001846889	0.008510483	0.041585232	0.000998992	0.005679197	0.000077573	1.000000000	0.000000000
111	T349	WTD TRANS O&M EXP RATIOS	0.080410145	0.003767218	0.008116861	0.029274679	0.001907134	0.001835113	0.000055019	1.000000000	0.000000000
112	D349	WTD DIST O&M EXP RATIOS	0.074454068	0.003427770	0.006560160	0.004216439	0.000270121	0.007393849	0.000075328	1.000000000	0.000000000
113	C311	WTD UNCOLLECTIBLE ACCOUNT O&M	0.000002484	0.000000414	0.000000828	0.000000828	0.000000414	0.000029804	0.000000827	1.000000000	0.000000000
114	C319	WTD CUST ACCT O&M EXP RATIOS	0.000266553	0.000038696	0.000101404	0.000098122	0.000030231	0.001815425	0.000084302	1.000000000	0.000000000
115	C331	WTD CUST SERV & INFO O&M EXP RATIOS	0.000828209	0.000123755	0.000304628	0.000276070	0.000085677	0.012356491	0.000276070	1.000000000	0.000000000
116	S319	WTD SALES O&M EXP RATIOS	0.001373626	0.001373626	0.000000000	0.000000000	0.000000000	0.010989011	0.000000001	1.000000000	0.000000000
117	OM39	WTD O&M EXP RATIOS	0.094360125	0.002101568	0.007897111	0.035589763	0.001031211	0.005071338	0.000075296	1.000000000	0.000000000
118											
119	A & G EXPENSES										
120	A300	WTD PROD DEMAND A&G EXP RATIOS	0.080410128	0.003767207	0.008116822	0.029274709	0.001907165	0.001835154	0.000054992	1.000000000	0.000000000
121	A302	WTD PROD ENERGY A&G EXP RATIOS	0.108912155	0.001547932	0.008571783	0.043501605	0.000857621	0.006277489	0.000081128	1.000000000	0.000000000
122	A304	WTD TRANS A&G EXP RATIOS	0.080410811	0.003766960	0.008116306	0.029274942	0.001907032	0.001835661	0.000055670	1.000000000	0.000000000
123	A306	WTD DIST A&G EXP RATIOS	0.074454132	0.003427678	0.006560096	0.004216422	0.000270070	0.007393743	0.000075346	1.000000000	0.000000000
124	A308	WTD CUST ACCT A&G EXP RATIOS	0.000266485	0.000038701	0.000101508	0.000098190	0.000030297	0.001815416	0.000084258	1.000000000	0.000000000
125	A310	WTD CUST SERV & INFO A&G EXP RATIOS	0.000828616	0.000124676	0.000304977	0.000276205	0.000086314	0.012356359	0.000276206	1.000000000	0.000000000
126	A312	WTD SALES A&G EXP RATIOS	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000
127	A315	WTD A&G EXPENSE UNADJUSTED	0.069025469	0.002580272	0.006374766	0.021810944	0.001064668	0.003830863	0.000072890	1.000000000	0.000000000
128	A357	WTD A&G EXP RATIOS	0.069025504	0.002580262	0.006374701	0.021810941	0.001064658	0.003830843	0.000072931	1.000000000	0.000000000
129											
130	DEPRECIATION EXPENSES										
131	P489	WTD PRODUCTION DEPREC RATIOS	0.080410141	0.003767162	0.008116799	0.029274680	0.001907142	0.001835138	0.000054999	1.000000000	0.000000000
132	T489	WTD TRANS DEPREC RATIOS	0.080409259	0.003766667	0.008116667	0.029274074	0.001907407	0.001835185	0.000055557	1.000000000	0.000000000
133	D489	WTD DIST DEPREC RATIOS	0.060938746	0.002796734	0.005270780	0.000068744	0.000000000	0.021284014	0.000099713	1.000000000	0.000000000
134	G489	WTD GENERAL DEPREC EXP RATIOS	0.069020202	0.002585859	0.006373737	0.021818182	0.001070707	0.003828283	0.000070707	1.000000000	0.000000000
135	C489	WTD COM & OTHER DEP EXP RATIOS	0.069030159	0.002580952	0.006374603	0.021807937	0.001065079	0.003831746	0.000073015	1.000000000	0.000000000
136	DE49	WTD TOT DEPREC EXP RATIOS	0.074550121	0.003461511	0.007258543	0.020696113	0.001339193	0.007482405	0.000068281	1.000000000	0.000000000
137											

A	B	C	N	O	P	R	S	T	V	W	X	
1	DUKE ENERGY KENTUCKY											
2												
3	COST OF SERVICE STUDY 5/26/06 10:44 AM											
4	TWELVE MONTHS ENDING DECEMBER 31, 2007											
5	FR-9v-3 (TIME DIFFERENTIATED)											
6	ELECTRIC CASE NO: 2006-00172											
7												
8			DT_PRI	DT_PRI_RTP	DP	TT	TT_RTP	LT				
9			PRIMARY	INCR.	PRIMARY	TRANSMISSION	INCR. TRANS	LIGHTING	OTHER	TOTAL	ALL	
10	ALLOCATORS	ITEM	DISTRIBUTION	PRI. DIST	DISTRIBUTION	TIME OF DAY	TIME OF DAY			AT ISSUE	OTHER	
11												
138	OTHER TAXES & MISC EXPENSES		SCHEDULE: 13c									
139	L529	WTD R. E. & PROP TAX RATIOS	L529	0.070850172	0.003290698	0.006719407	0.014935528	0.000970827	0.011383907	0.000076907	1.000000000	0.000000000
140	L589	WTD MISC TAX RATIOS	L589	0.068527536	0.002547169	0.006352344	0.021509662	0.001039924	0.003777781	0.000073050	1.000000000	0.000000000
141	L599	WTD OTHER TAX RATIOS	L599	0.070412387	0.003109434	0.006636969	0.016751699	0.000995087	0.009507226	0.000075709	1.000000000	0.000000000
142	OP69	WTD OP EXP EX IT & REV RATIOS	OP69	0.090838326	0.002322975	0.007767960	0.032915306	0.001072890	0.005548668	0.000074332	1.000000000	0.000000000
143												
144	INCOME TAXES											
145	CS09	WTD TOTAL ELEC REVENUE	CS09	0.083207207	0.003146570	0.007448510	0.032056615	0.001501934	0.008226350	0.000060422	1.000000000	0.000000000
146												
147	WAGES & SALARIES (K600-K639)											
148	K669	WTD RATIOS	K669	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000
149												
150	JURISDICTIONAL RATE BASE, NET PLANT, A&G AND O&M RATIOS											
151	P429	JUR. WTD NET PROD PLANT RATIOS	P429	0.080410119	0.003767160	0.008116799	0.029274673	0.001907141	0.001835149	0.000054979	1.000000000	0.000000000
152	T429	JUR. WTD NET TRANS PLANT RATIOS	T429	0.080410160	0.003767161	0.008116788	0.029274718	0.001907100	0.001835140	0.000055002	1.000000000	0.000000000
153	D449	JUR. WTD NET DIST PLANT RATIOS	D449	0.060938797	0.002796762	0.005270747	0.000068794	0.000000000	0.021284004	0.000099742	1.000000000	0.000000000
154	NT49	JUR. WTD NET TRANS & DIST RATIOS	NT49	0.074271370	0.003461222	0.007219520	0.020066898	0.001305873	0.007966815	0.000069091	1.000000000	0.000000000
155	G429	JUR. WTD NET G & I PLT RATIOS	G429	0.069019279	0.002582090	0.006376244	0.021816542	0.001065920	0.003826493	0.000072139	1.000000000	0.000000000
156	C429	JUR. WTD NET C & O PLANT RATIOS	C429	0.069030264	0.002580443	0.006375218	0.021808205	0.001064483	0.003831478	0.000072857	1.000000000	0.000000000
157	NP49	JUR. WTD NET PLANT RATIOS	NP49	0.074159103	0.003442365	0.007201443	0.020104210	0.001300708	0.007878244	0.000069170	1.000000000	0.000000000
158	O429	JUR. WTD NET GEN & COMMON PLT RATIOS	O429	0.069028848	0.002580656	0.006375351	0.021809280	0.001064669	0.003830836	0.000072761	1.000000000	0.000000000
159	J349	JUR. WTD PROD O&M RATIOS	J349	0.105072993	0.001846889	0.008510483	0.041585232	0.000998992	0.005679197	0.000077573	1.000000000	0.000000000
160	J315	JUR. WTD A&G EXCL. REGULATORY RATIOS	J315	0.069025469	0.002580272	0.006374766	0.021810944	0.001064668	0.003830863	0.000072890	1.000000000	0.000000000
161	J600	JUR. PRESENT REVENUE RATIOS	J600	0.083491008	0.003289191	0.007418322	0.035876560	0.001699352	0.009223342	0.000052156	1.000000000	0.000000000
162	J602	JUR. PROPOSED REVENUE RATIOS	J602	0.083207109	0.003146569	0.007448505	0.032056579	0.001501929	0.008226334	0.000060421	1.000000000	0.000000000
163	J865	JUR. BASE FOR FIT COMPUTATION RATIOS	J865	0.048226063	0.007428939	0.005982152	0.033497714	0.003892070	0.022769117	(0.000016295)	1.000000000	0.000000000
164	JR99	JUR. OCD RATE BASE	JR99	0.075356521	0.003490850	0.007221454	0.020901196	0.001347882	0.008025107	0.000070071	1.000000000	0.000000000

COST OF SERVICE STUDY

BY FUNCTION

RATE RS

FR 10(9)(v)-4

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-0v-1 KW (12 COIN PEAK)														
6	RS														
7			RS								TOTAL				
8	DESCRIPTION	ITEM	ALLOC	RESIDENTIAL	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
9				1	2	3	5	6	7	8	10	11	12	13	14
10	SUMMARY OF RESULTS	Schedule 1													
11	NET INCOME COMPUTATION														
12	GROSS ELECTRIC PLANT IN SERVICE	GP19		\$525,502,483	\$352,593,979	\$1,270,091	\$10,819,439	\$18,188,455	\$25,277,414	\$53,576,221	\$97,042,090	\$63,776,884	\$160,818,974	\$525,502,483	\$0
13	TOTAL DEPRECIATION RESERVE	DR19		(251,204,608)	(181,894,192)	(624,122)	(4,656,729)	(4,317,907)	(10,011,427)	(20,310,719)	(34,640,053)	(29,389,512)	(64,029,565)	(251,204,608)	0
14	TOTAL RATE BASE ADJUSTMENTS	RB71		2,289,340	(7,284,850)	8,222,779	1,090,323	(354,535)	201,936	(638,443)	(791,042)	1,052,130	261,088	2,289,340	0
15	TOTAL RATE BASE	RB99		276,587,215	163,414,937	8,868,748	7,253,033	13,516,013	15,467,923	32,627,059	61,610,995	35,439,502	97,050,497	276,587,215	0
16															
17	CAPITALIZATION ALLOC TO ELECTRIC OPER	ECAP		260,738,880	154,051,328	8,360,572	6,837,437	12,741,551	14,581,617	30,757,542	58,080,710	33,408,833	91,489,543	260,738,880	0
18															
19	OPERATING EXPENSES														
20	TOTAL O&M EXPENSE	OM39		84,777,855	13,980,860	48,924,301	6,940,903	210,184	3,566,563	463,319	4,240,066	10,691,725	14,931,791	84,777,855	0
21	TOTAL DEPRECIATION EXPENSE	DE49		15,567,749	10,118,636	37,736	247,193	737,529	815,157	1,768,761	3,321,447	1,842,737	5,164,184	15,567,749	0
22	TOTAL OTHER TAX & MISC EXPENSE	LS91		3,752,832	1,509,547	109,216	137,927	220,763	331,517	528,364	1,080,644	915,498	1,996,142	3,752,832	0
23	TOTAL OP EXP EXC INC & R TAX	OP69		104,098,436	25,609,043	49,071,253	7,326,023	1,168,476	4,713,237	2,760,444	8,642,157	13,449,960	22,092,117	104,098,436	0
24	NET FED INCOME TAX ALLOWABLE	IB79		6,087,437	4,623,822	293,166	129,106	218,837	218,848	523,344	961,029	80,314	1,041,343	6,087,437	0
25	NET STATE INCOME TAX ALLOWABLE	J979		1,079,408	805,101	55,982	22,742	36,809	41,300	87,961	166,070	29,513	195,583	1,079,408	0
26	AFUDC OFFSET	LO33	K_CWIP	(208,413)	134,874	0	(48,771)	(34,715)	(45,826)	(102,354)	(182,895)	(111,621)	(294,516)	(208,413)	0
27	TOTAL OPERATING EXPENSE	OPEX		111,056,868	31,172,840	49,420,401	7,429,100	1,389,407	4,927,559	3,269,395	9,586,361	13,448,166	23,034,527	111,056,868	0
28															
29	RETURN ON CAPITALIZATION	R751		20,120,212	11,887,459	645,160	527,624	983,226	1,125,219	2,373,466	4,481,911	2,578,058	7,059,969	20,120,212	0
30	TOTAL OTHER OPERATING REVENUES			(902,661)	(504,318)	(76,194)	(27,738)	(39,304)	(48,379)	(94,190)	(181,873)	(112,538)	(294,411)	(902,661)	0
31	TOTAL ELECTRIC COST OF SERVICE	CS09		130,274,419	42,555,981	49,989,367	7,928,986	2,333,329	6,004,399	5,548,671	13,886,399	15,913,666	29,800,085	130,274,419	0
32															
33	PROPOSED REVENUES	R602		130,273,914	42,555,682	49,989,351	7,928,973	2,333,305	6,004,371	5,548,611	13,886,287	15,913,621	29,799,908	130,273,914	0
34	EXCESS REVENUES	XREV		(505)	(299)	(16)	(13)	(24)	(28)	(60)	(112)	(65)	(177)	(505)	0
35															
36	TOTAL RETURN EARNED	RETE		20,119,906	11,887,365	645,143	527,611	983,201	1,125,190	2,373,405	4,481,796	2,577,991	7,059,787	20,119,906	0
37	RATE OF RETURN EARNED ON CAPITALIZATION	RORE	DUAL_RETURN_FROM	0.077164963	0.077164963	0.077164963	0.077164963	0.077164963	0.077164963	0.077164963	0.077164963	0.077164963	0.077164963	0.077164963	0.00000
38	TOTAL RATE OF RETURN ALLOWABLE	RORA		0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761
39	RETURN EARNED ON COMMON EQUITY	REOE		0.10303	0.10303	0.10303	0.10303	0.10303	0.10303	0.10303	0.10303	0.10303	0.10303	0.10303	0.00000
40	ALLOWED RETURN ON COMMON EQUITY	AROE		0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499
41															
42	PRESENT REVENUES	R600		97,639,085	31,895,088	37,466,553	5,942,691	1,748,790	4,500,220	4,158,632	10,407,642	11,927,111	22,334,753	97,639,085	0
43	REVENUE INCREASE JUSTIFIED	RIJD		32,635,334	10,660,893	12,522,814	1,986,295	584,539	1,504,179	1,390,039	3,478,757	3,986,575	7,465,332	32,635,334	0
44	PER UNIT PRES REV	RIJP	PRESREV_FROM	0.33424										0.33424	0.00000
45	REVENUE INCREASE REQUESTED	RIRD		32,634,829										32,634,829	0
46	PER UNIT PRES REV	RIRP	PRESINCR_FROM	0.33424										0.33424	0.00000
47															
48															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 COIN PEAK)														
6	RS														
7	RS														
8	DESCRIPTION	ITEM	ALLOC	RESIDENTIAL	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
49	GROSS ELECTRIC PLANT IN SERVICE														
50	Schedule 2														
51	PRODUCTION PLANT														
51	PRODUCTION - STEAM	P100	K_rtprod_d	224,090,599	224,090,599	0	0	0	0	0	0	0	0	224,090,599	0
52	PRODUCTION - OTHER	P108	K_rtprod_d	124,227,790	124,227,790	0	0	0	0	0	0	0	0	124,227,790	0
53	PRODUCTION PLANT IN SERVICE	P129		348,318,389	348,318,389	0	0	0	0	0	0	0	0	348,318,389	0
54	TRANSMISSION PLANT														
56	MAIN STEP-UP TRANSFORMERS	T100	K_rtrstran_stepup	0	0	0	0	0	0	0	0	0	0	0	0
57	OTHER TRANSMISSION	T102	K_rtrstran_oth	10,626,479	0	0	10,626,479	0	0	0	0	0	0	10,626,479	0
58	TRANSMISSION PLANT IN SERVICE	T129		10,626,479	0	0	10,626,479	0	0	0	0	0	0	10,626,479	0
59	PRODUCTION PLANT & TRANSMISSION PLANT														
60	TOTAL PROD & TRANS PLANT	PT29		358,944,868	348,318,389	0	10,626,479	0	0	0	0	0	0	358,944,868	0
61	DISTRIBUTION PLANT														
63	SUBSTATIONS	D100	K_Subst	16,967,803	0	0	0	16,967,803	0	0	16,967,803	0	16,967,803	16,967,803	0
64	POLES, TOWERS & FIXTURES	D102	K_Poles	22,398,721	0	0	0	0	22,398,721	0	22,398,721	0	22,398,721	22,398,721	0
65	CONDUCTORS	D104	K_Conductors	50,028,708	0	0	0	0	0	50,028,708	50,028,708	0	50,028,708	50,028,708	0
66	TRANSFORMERS	D108	K_rtrdist_c	31,439,413	0	0	0	0	0	0	0	31,439,413	31,439,413	0	
67	SERVICES	D108	K_rtrdist_c	11,138,071	0	0	0	0	0	0	0	11,138,071	11,138,071	0	
68	METERS	D110	K_rtrdist_c	11,980,490	0	0	0	0	0	0	0	11,980,490	11,980,490	0	
70	STREET LIGHTS	D114	K_rtrdist_c	0	0	0	0	0	0	0	0	0	0	0	
71	CONSTRUCTION NOT CLASSIFIED	D118	K_dist_conc	9,802,432	0	0	0	1,155,416	1,525,231	3,406,683	6,087,330	3,715,102	9,802,432	9,802,432	0
72	DISTRIBUTION PLANT IN SERVICE	D149		153,755,638	0	0	0	18,123,219	23,923,952	53,435,391	95,482,562	58,273,076	153,755,638	153,755,638	0
73	PRODUCTION PLANT & DISTRIBUTION PLANT														
74	TOTAL TRANS & DIST PLANT	TD29		164,382,117	0	0	10,626,479	18,123,219	23,923,952	53,435,391	95,482,562	58,273,076	153,755,638	164,382,117	0
75	TOTAL GROSS PTD PLANT	PD29		512,700,506	348,318,389	0	10,626,479	18,123,219	23,923,952	53,435,391	95,482,562	58,273,076	153,755,638	512,700,506	0
76	GENERAL & INTANGIBLE PLANT														
78	PRODUCTION-DEMAND	G100	K_rtprod_d	646,102	646,102	0	0	0	0	0	0	0	0	646,102	0
79	PRODUCTION-ENERGY	G102	K_rtprod_e	238,860	0	238,860	0	0	0	0	0	0	0	238,860	0
80	TRANSMISSION	G104	K_TransA&G	41,584	4,747	0	36,837	0	0	0	0	0	0	41,584	0
81	DISTRIBUTION	G108	K_DistA&G	291,171	0	0	0	11,975	196,650	26,477	235,102	56,069	291,171	291,171	0
82	CUSTOMER ACCOUNTING	G108	K_CA_A&G	529,324	0	0	0	0	0	0	0	529,324	529,324	529,324	0
83	CUSTOMER SERVICE & INFORMATION	G110	K_CSI_A&G	45,634	(52,126)	(61,232)	(9,712)	(2,858)	(7,355)	(6,796)	(17,009)	185,713	168,704	45,634	0
84	SALES	G112	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
85	GENERAL & INTANGIBLE PLANT IN SERVICE	G129		1,792,675	598,723	177,628	27,125	9,117	189,295	19,681	218,093	771,106	989,199	1,792,675	0
86	COMMON & OTHER PLANT														
88	PRODUCTION-DEMAND RELATED	C100	K_rtprod_d	3,967,381	3,967,381	0	0	0	0	0	0	0	0	3,967,381	0
89	PRODUCTION-ENERGY RELATED	C102	K_rtprod_e	1,467,840	0	1,467,840	0	0	0	0	0	0	0	1,467,840	0
90	TRANSMISSION	C104	K_TransA&G	254,419	29,044	0	225,375	0	0	0	0	0	0	254,419	0
91	DISTRIBUTION	C108	K_DistA&G	1,790,489	0	0	0	73,639	1,209,255	162,814	1,445,708	344,781	1,790,489	1,790,489	0
92	CUSTOMER ACCOUNTING	C108	K_CA_A&G	3,249,416	0	0	0	0	0	0	0	3,249,416	3,249,416	3,249,416	0
93	CUSTOMER SERVICE & INFORMATION	C110	K_CSI_A&G	279,757	(319,558)	(375,377)	(59,540)	(17,520)	(45,088)	(41,665)	(104,273)	1,138,505	1,034,232	279,757	0
94	SALES	C112	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
95	COMMON & OTHER PLANT IN SERVICE	C129		11,009,302	3,676,867	1,092,463	165,835	56,119	1,164,167	121,149	1,341,435	4,732,702	6,074,137	11,009,302	0
96	GROSS ELECTRIC PLANT IN SERVICE														
97	GP19			525,502,483	352,593,979	1,270,091	10,819,439	18,188,455	25,277,414	53,576,221	97,042,090	63,776,884	160,818,974	525,502,483	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
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3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 CON PEAK)														
6	RS														
7				RS						TOTAL					
8	DESCRIPTION	ITEM	ALLOC	RESIDENTIAL	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
98	DEPRECIATION RESERVE Schedule 3														
100	PRODUCTION PLANT														
101	PRODUCTION - STEAM	P150	K_rprod_d	123,135,454	123,135,454	0	0	0	0	0	0	0	0	123,135,454	0
102	PRODUCTION - OTHER	P152	K_rprod_d	56,658,469	56,658,469	0	0	0	0	0	0	0	0	56,658,469	0
103	TOTAL PROD DEPREC RESERVE	P171		179,793,923	179,793,923	0	0	0	0	0	0	0	0	179,793,923	0
104	TRANSMISSION PLANT														
105	MAIN STEP-UP TRANSFORMERS		K_rbrtan_stepup	0	0	0	0	0	0	0	0	0	0	0	0
107	OTHER TRANSMISSION	T150	K_rbrtan_oth	4,562,063	0	0	4,562,063	0	0	0	0	0	0	4,562,063	0
109	TOTAL TRANS DEPREC RESERVE	T171		4,562,063	0	0	4,562,063	0	0	0	0	0	0	4,562,063	0
110	TOTAL PROD & TRANS DEPREC RESERVE			184,355,986	179,793,923	0	4,562,063	0	0	0	0	0	0	184,355,986	0
111	DISTRIBUTION PLANT														
113	SUBSTATIONS	D150	K_Subst	3,806,870	0	0	0	3,806,870	0	0	3,806,870	0	3,806,870	3,806,870	0
114	POLES, TOWERS & FIXTURES	D152	K_Poles	8,714,489	0	0	0	0	8,714,489	0	8,714,489	0	8,714,489	8,714,489	0
115	CONDUCTORS	D154	K_Conductors	18,829,244	0	0	0	0	0	18,829,244	18,829,244	0	18,829,244	18,829,244	0
116	TRANSFORMERS	D156	K_Transformer	15,421,251	0	0	0	0	0	0	15,421,251	0	15,421,251	15,421,251	0
117	SERVICES	D158	K_rbdist_c	7,310,616	0	0	0	0	0	0	7,310,616	0	7,310,616	7,310,616	0
118	METERS	D160	K_rbdist_c	2,412,174	0	0	0	0	0	0	2,412,174	0	2,412,174	2,412,174	0
119	DEPRECIATION EXPENSE ADJUSTMENT	D182	K_rdist_cnc	118,506	0	0	0	13,968	18,439	41,185	73,592	44,914	118,506	118,506	0
120	STREET LIGHTS	D184	K_rbdist_c	0	0	0	0	0	0	0	0	0	0	0	0
121	COMPLETED CONSTRUCTION NOT CLASSIFIED	D186	K_rdist_cnc	4,768,019	0	0	0	562,007	741,891	1,657,051	2,960,949	1,807,070	4,768,019	4,768,019	0
122	RETIREMENT WORK IN PROGRESS	D188	K_rdist_cnc	(822,592)	0	0	0	(96,959)	(127,993)	(285,879)	(510,831)	(311,761)	(822,592)	(822,592)	0
123	TOTAL DIST DEPREC RESERVE	D191		60,558,577	0	0	0	4,285,886	9,346,826	20,241,601	33,874,313	26,684,264	60,558,577	60,558,577	0
124	TOTAL TRANS & DIST DEPREC RESERVE			65,120,640	0	0	4,562,063	4,285,886	9,346,826	20,241,601	33,874,313	26,684,264	60,558,577	65,120,640	0
125	TOTAL GROSS PTD PLANT DEPREC RESERVE			244,914,563	179,793,923	0	4,562,063	4,285,886	9,346,826	20,241,601	33,874,313	26,684,264	60,558,577	244,914,563	0
127	GENERAL & INTANGIBLE PLANT														
129	PRODUCTION-DEMAND	G150	K_rprod_d	343,395	343,395	0	0	0	0	0	0	0	0	343,395	0
130	PRODUCTION-ENERGY	G152	K_rprod_e	127,241	0	127,241	0	0	0	0	0	0	0	127,241	0
131	TRANSMISSION	G154	K_TransA&G	21,909	2,501	0	19,408	0	0	0	0	0	0	21,909	0
132	DISTRIBUTION	G156	K_DistA&G	155,003	0	0	0	6,375	104,685	14,095	125,155	29,848	155,003	155,003	0
133	CUSTOMER ACCOUNTING	G158	K_CA_A&G	281,481	0	0	0	0	0	0	0	281,481	281,481	281,481	0
134	CUSTOMER SERVICE & INFORMATION	G160	K_CSI_A&G	24,471	(27,953)	(32,835)	(5,208)	(1,532)	(3,944)	(3,645)	(9,121)	99,588	90,467	24,471	0
135	SALES	G162	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
136	TOTAL GEN & INTANGIBLE DEPREC RES.	G171		953,500	317,943	94,406	14,200	4,843	100,741	10,450	116,034	410,917	526,951	953,500	0
137	COMMON & OTHER PLANT														
139	PRODUCTION-DEMAND	C150	K_rprod_d	1,923,105	1,923,105	0	0	0	0	0	0	0	0	1,923,105	0
140	PRODUCTION-ENERGY	C152	K_rprod_e	711,634	0	711,634	0	0	0	0	0	0	0	711,634	0
141	TRANSMISSION	C154	K_TransA&G	123,409	14,088	0	109,321	0	0	0	0	0	0	123,409	0
142	DISTRIBUTION	C156	K_DistA&G	867,236	0	0	0	35,668	585,711	78,860	700,239	166,997	867,236	867,236	0
143	CUSTOMER ACCOUNTING	C158	K_CA_A&G	1,575,583	0	0	0	0	0	0	0	1,575,583	1,575,583	1,575,583	0
144	CUSTOMER SERVICE & INFORMATION	C160	K_CSI_A&G	135,578	(154,867)	(181,918)	(28,855)	(8,490)	(21,851)	(20,192)	(50,533)	551,751	501,218	135,578	0
145	SALES	C162	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
146	TOTAL COM & OTHER PLT RESERVE	C171		5,336,545	1,782,326	529,716	80,466	27,178	563,860	58,668	649,706	2,294,331	2,944,037	5,336,545	0
147	TOTAL DEPRECIATION RESERVE														
148		DR19		251,204,608	181,894,192	624,122	4,656,729	4,317,907	10,011,427	20,310,719	34,640,053	29,389,512	64,029,565	251,204,608	0

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4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW(12 COH PEAK)														
6	RS														
7				RS							TOTAL	DISTRIBUTION	TOTAL		ALL
8	DESCRIPTION	ITEM	ALLOC	RESIDENTIAL	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	DISTRIBUTION	TOTAL	OTHER
149	NET ELECTRIC PLANT IN SERVICE Schedule 4														
151	PRODUCTION PLANT														
152	PRODUCTION - STEAM			100,955,145	100,955,145	0	0	0	0	0	0	0	0	100,955,145	0
153	PRODUCTION - OTHER			67,569,321	67,569,321	0	0	0	0	0	0	0	0	67,569,321	0
154	TOTAL PROD	P229		168,524,466	168,524,466	0	0	0	0	0	0	0	0	168,524,466	0
155	TRANSMISSION PLANT														
157	MAIN STEP-UP TRANSFORMERS			0	0	0	0	0	0	0	0	0	0	0	0
158	OTHER TRANSMISSION			6,064,416	0	0	6,064,416	0	0	0	0	0	0	6,064,416	0
159	TOTAL TRANSMISSION	T229		6,064,416	0	0	6,064,416	0	0	0	0	0	0	6,064,416	0
160	NET PROD & TRANS PLANT														
161				174,588,882	168,524,466	0	6,064,416	0	0	0	0	0	0	174,588,882	0
162	DISTRIBUTION PLANT														
164	SUBSTATIONS	S249		13,160,933	0	0	0	13,160,933	0	0	13,160,933	0	13,160,933	13,160,933	0
165	POLES, TOWERS & FIXTURES	PL49		13,684,232	0	0	0	0	13,684,232	0	13,684,232	0	13,684,232	13,684,232	0
166	CONDUCTORS	SL49		31,199,464	0	0	0	0	0	31,199,464	31,199,464	0	31,199,464	31,199,464	0
167	TRANSFORMERS	F249		16,018,162	0	0	0	0	0	0	0	16,018,162	16,018,162	16,018,162	0
168	SERVICES	SV49		3,827,455	0	0	0	0	0	0	0	3,827,455	3,827,455	3,827,455	0
169	METERS	M249		9,568,316	0	0	0	0	0	0	0	9,568,316	9,568,316	9,568,316	0
170	OTHER	O249		(118,506)	0	0	0	(13,968)	(18,439)	(41,185)	(73,592)	(44,914)	(118,506)	(118,506)	0
171	STREET LIGHTS	L249		0	0	0	0	0	0	0	0	0	0	0	0
172	CONSTRUCTION NOT CLASSIFIED	CN49		5,034,413	0	0	0	593,409	783,340	1,749,632	3,126,381	1,908,032	5,034,413	5,034,413	0
173	RETIREMENT WORK IN PROGRESS	CN49		822,592	0	0	0	96,959	127,993	285,879	510,831	311,761	822,592	822,592	0
174	TOTAL DIST	D249		93,197,061	0	0	0	13,837,333	14,577,126	33,193,790	61,608,249	31,588,812	93,197,061	93,197,061	0
175	NET TRANS & DIST PLANT														
176		NT29		99,261,477	0	0	6,064,416	13,837,333	14,577,126	33,193,790	61,608,249	31,588,812	93,197,061	99,261,477	0
177	NET PTD PLANT	NT39		267,785,943	168,524,466	0	6,064,416	13,837,333	14,577,126	33,193,790	61,608,249	31,588,812	93,197,061	267,785,943	0
178	GENERAL & INTANGIBLE PLANT														
180	PRODUCTION-DEMAND			302,707	302,707	0	0	0	0	0	0	0	0	302,707	0
181	PRODUCTION-ENERGY			111,619	0	111,619	0	0	0	0	0	0	0	111,619	0
182	TRANSMISSION			19,675	2,246	0	17,429	0	0	0	0	0	0	19,675	0
183	DISTRIBUTION			136,168	0	0	0	5,600	91,965	12,382	109,947	26,221	136,168	136,168	0
184	CUSTOMER ACCOUNTING			247,843	0	0	0	0	0	0	0	247,843	247,843	247,843	0
185	CUSTOMER SERVICE & INFORMATION			21,163	(24,173)	(28,397)	(4,504)	(1,326)	(3,411)	(3,151)	(7,888)	86,125	78,237	21,163	0
186	SALES			0	0	0	0	0	0	0	0	0	0	0	0
187	TOTAL GENERAL AND INTANGIBLE PLANT	G229		839,175	280,780	83,222	12,925	4,274	88,554	9,231	102,059	360,189	462,248	839,175	0
188	COMMON & OTHER PLANT														
190	PRODUCTION-DEMAND			2,044,276	2,044,276	0	0	0	0	0	0	0	0	2,044,276	0
191	PRODUCTION-ENERGY			756,206	0	756,206	0	0	0	0	0	0	0	756,206	0
192	TRANSMISSION			131,010	14,956	0	116,054	0	0	0	0	0	0	131,010	0
193	DISTRIBUTION			923,253	0	0	0	37,971	623,544	83,954	745,469	177,784	923,253	923,253	0
194	CUSTOMER ACCOUNTING			1,673,833	0	0	0	0	0	0	0	1,673,833	1,673,833	1,673,833	0
195	CUSTOMER SERVICE & INFORMATION			144,179	(164,691)	(193,459)	(30,685)	(9,030)	(23,237)	(21,473)	(53,740)	586,754	533,014	144,179	0
196	SALES			0	0	0	0	0	0	0	0	0	0	0	0
197	TOTAL COM & OTHER PLT	C229		5,672,757	1,894,541	562,747	85,369	28,941	600,307	62,481	691,729	2,438,371	3,130,100	5,672,757	0
198	TOTAL ELECTRIC PLANT IN SERVICE														
199		NP29		274,297,875	170,599,787	645,969	6,162,710	13,870,548	15,265,987	33,265,502	62,402,037	34,387,372	96,789,409	274,297,875	0

DUKE ENERGY KENTUCKY														5/28/08 7:36 AM	
COST OF SERVICE STUDY															
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ELECTRIC CASE NO: 2006-00172															
FR.#v-1 KW (12 COIN PEAK)															
RS															
DESCRIPTION	ITEM	ALLOC	RESIDENTIAL	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER	
200 NET ELECTRIC PLANT Schedule 4a															
202 PRODUCTION PLANT															
PRODUCTION PLANT IN SERVICE	P129		348,318,389	348,318,389	0	0	0	0	0	0	0	0	348,318,389	0	
TOTAL PROD DEPRC RESERVE	P171		(179,793,923)	(179,793,923)	0	0	0	0	0	0	0	0	(179,793,923)	0	
NET PRODUCTION PLANT	P229		168,524,466	168,524,466	0	0	0	0	0	0	0	0	168,524,466	0	
207 TRANSMISSION PLANT															
TRANSMISSION PLANT IN SERVICE	T129		10,626,479	0	0	10,626,479	0	0	0	0	0	0	10,626,479	0	
TOTAL TRANS DEPRC RESERVE	T171		(4,562,063)	0	0	(4,562,063)	0	0	0	0	0	0	(4,562,063)	0	
NET TRANSMISSION PLANT	T229		6,064,416	0	0	6,064,416	0	0	0	0	0	0	6,064,416	0	
NET PROD & TRANS PLANT			174,588,882	168,524,466	0	6,064,416	0	0	0	0	0	0	174,588,882	0	
214 DISTRIBUTION PLANT															
DISTRIBUTION PLANT IN SERVICE	D149		153,755,638	0	0	0	18,123,219	23,923,952	53,435,391	95,482,562	58,273,076	153,755,638	153,755,638	0	
TOTAL DIST DEPRC RESERVE	D191		(60,558,577)	0	0	0	(4,285,896)	(9,346,826)	(20,241,601)	(33,874,313)	(26,684,264)	(60,558,577)	(60,558,577)	0	
NET DISTRIBUTION PLANT	D249		93,197,061	0	0	0	13,837,333	14,577,126	33,193,790	61,608,249	31,588,812	93,197,061	93,197,061	0	
NET TRANS & DIST PLANT	NT29		99,261,477	0	0	6,064,416	13,837,333	14,577,126	33,193,790	61,608,249	31,588,812	93,197,061	99,261,477	0	
NET PTD PLANT	NT39		267,785,943	168,524,466	0	6,064,416	13,837,333	14,577,126	33,193,790	61,608,249	31,588,812	93,197,061	267,785,943	0	
223 GENERAL & INTANGIBLE PLANT															
GEN & INTANG PLANT IN SERVICE	G129		1,792,675	598,723	177,628	27,125	9,117	189,295	19,681	218,093	771,106	989,199	1,792,675	0	
TOTAL GEN & INTG DEPRC RESERVE	G171		(953,500)	(317,943)	(94,406)	(14,200)	(4,843)	(100,741)	(10,450)	(116,034)	(410,917)	(526,951)	(953,500)	0	
NET GENERAL & INTANG PLANT	G229		839,175	280,780	83,222	12,925	4,274	88,554	9,231	102,059	360,189	462,248	839,175	0	
228 COMMON & OTHER PLANT															
COMMON & OTH PLT IN SERVICE	C121		11,009,302	3,676,867	1,092,463	165,835	56,119	1,164,167	121,149	1,341,435	4,732,702	6,074,137	11,009,302	0	
TOTAL COM & OTH DEPRC RESERVE	C171		(5,336,545)	(1,782,326)	(529,716)	(80,466)	(27,178)	(563,860)	(58,668)	(649,706)	(2,294,331)	(2,944,037)	(5,336,545)	0	
NET COMMON & OTHER PLANT	C229		5,672,757	1,894,541	562,747	85,369	28,941	600,307	62,481	691,729	2,438,371	3,130,100	5,672,757	0	
NET ELECTRIC PLANT IN SERVICE	NP29		274,297,875	170,699,787	645,969	6,162,710	13,870,548	15,265,987	33,265,502	62,402,037	34,387,372	96,789,409	274,297,875	0	

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6	RS														
7	RS														
8	DESCRIPTION	ITEM	ALLOC	RESIDENTIAL	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
235	RATE BASE ADJUSTMENTS <i>Schedule 5</i>														
236	SUBTRACTIVE ADJUSTMENTS														
237	ACCUM DEF INC TAXES (282)			19,301,691	12,011,740	45,455	433,655	976,038	1,074,231	2,340,814	4,391,083	2,419,758	6,810,841	19,301,691	0
238	LIBERALIZED DEPRECIATION	B200	K_EPIS	19,301,691	12,011,740	45,455	433,655	976,038	1,074,231	2,340,814	4,391,083	2,419,758	6,810,841	19,301,691	0
242	MISCELLANEOUS	B208	K_EPIS	155,993	97,077	367	3,505	7,888	8,682	18,918	35,488	19,556	55,044	155,993	0
247	TOTAL ACCOUNT 282	B221		19,457,684	12,108,817	45,822	437,160	983,926	1,082,913	2,359,732	4,426,571	2,439,314	6,865,885	19,457,684	0
248															
249	ACCUM DEF INC TAXES (283/284)			(16,414)	(10,214)	(39)	(369)	(829)	(914)	(1,991)	(3,734)	(2,058)	(5,792)	(16,414)	0
254	DEFERRED INCOME TAXES	B234	K_EPIS	(16,414)	(10,214)	(39)	(369)	(829)	(914)	(1,991)	(3,734)	(2,058)	(5,792)	(16,414)	0
256	TOTAL ACCOUNT 283/284	B243		(16,414)	(10,214)	(39)	(369)	(829)	(914)	(1,991)	(3,734)	(2,058)	(5,792)	(16,414)	0
257															
263	TOTAL SUBTRACTIVE ADJUSTMENTS	B287		19,441,270	12,098,603	45,783	436,791	983,097	1,081,999	2,357,741	4,422,837	2,437,256	6,860,093	19,441,270	0
264															
265	ADDITIVE ADJUSTMENTS														
266	ACCUM DEF INC TAXES (190)			676,218	225,836	67,088	10,178	3,445	71,480	7,436	82,361	290,755	373,116	676,218	0
272	MISCELLANEOUS DEFERRALS	V212	K_A&GenAdj	676,218	225,836	67,088	10,178	3,445	71,480	7,436	82,361	290,755	373,116	676,218	0
273	TOTAL ACCOUNT 190	V215		676,218	225,836	67,088	10,178	3,445	71,480	7,436	82,361	290,755	373,116	676,218	0
274															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 COW PEAK)														
6	RS														
7	RS														
8	DESCRIPTION	ITEM	ALLOC	RESIDENTIAL	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
286	CONSTRUCTION WORK IN PROGRESS	Schedule 5a													
287	PRODUCTION	V232	K_gross_prodpit	(1,539,467)	(1,539,467)	0	0	0	0	0	0	0	0	(1,539,467)	0
288	TRANSMISSION	V234	K_gross_transpit	556,675	0	0	556,675	0	0	0	0	0	0	556,675	0
289	DISTRIBUTION	V236	K_gross_dispit	3,361,651	0	0	0	396,238	523,064	1,168,290	2,087,592	1,274,059	3,361,651	3,361,651	0
290	GENERAL	V238	K_gross_genpit	0	0	0	0	0	0	0	0	0	0	0	0
291	COMMON	V240	K_gross_compit	0	0	0	0	0	0	0	0	0	0	0	0
292	TOTAL RATE BASE CWIP	V255		2,378,859	(1,539,467)	0	556,675	396,238	523,064	1,168,290	2,087,592	1,274,059	3,361,651	2,378,859	0
293															
294	TOTAL ADDITIVE ADJUSTMENTS	V289		3,055,077	(1,313,631)	67,088	566,853	399,683	594,544	1,175,726	2,169,953	1,564,814	3,734,767	3,055,077	0
295															
296	NET ORIGINAL COST RATE BASE	RB29		257,911,682	157,287,553	667,274	6,292,772	13,287,134	14,778,532	32,083,487	60,149,153	33,514,930	93,664,083	257,911,682	0
297															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 COIN PEAK)														
6	RS														
7	RS														
8	DESCRIPTION	ITEM	ALLOC	RESIDENTIAL	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
298	WORKING CAPITAL														
299	MATERIALS & SUPPLIES														
300	FUEL INVENTORIES														
301	FUEL	W640	K_rbrod_e	3,357,250	0	3,357,250	0	0	0	0	0	0	0	3,357,250	0
302	EMISSION ALLOWANCES	W642	K_rbrod_e	2,239,684	0	2,239,684	0	0	0	0	0	0	0	2,239,684	0
303	TOTAL FUEL STOCKS	W644		5,596,934	0	5,596,934	0	0	0	0	0	0	0	5,596,934	0
304															
305	PLANT MATERIALS & SUPPLIES														
306	OTHER	W648	K_EPIS	3,985,948	2,480,517	9,387	89,553	201,559	221,837	483,396	906,792	499,699	1,406,491	3,985,948	0
310	TOTAL PLANT MATERIALS & SUPPLIES	W650		3,985,948	2,480,517	9,387	89,553	201,559	221,837	483,396	906,792	499,699	1,406,491	3,985,948	0
311															
312	TOTAL MATERIALS & SUPPLIES	W669	TOT_M&S	9,582,882	2,480,517	5,606,321	89,553	201,559	221,837	483,396	906,792	499,699	1,406,491	9,582,882	0
313															
314	PREPAYMENTS														
315	INSURANCE	W670	K_A&GlezAdj	205,610	68,667	20,399	3,095	1,047	21,734	2,261	25,042	88,407	113,449	205,610	0
316	COAL SYN FUEL AND MARGIN DEPOSITS	W684	K_rbrod_e	2,385,568	0	2,385,568	0	0	0	0	0	0	0	2,385,568	0
317	TOTAL PREPAYMENTS	W689		2,591,178	68,667	2,405,967	3,095	1,047	21,734	2,261	25,042	88,407	113,449	2,591,178	0
322															
323	AUTO CALC (O&M-F-PP)/8	W719		6,501,473	3,578,200	189,186	867,613	26,273	445,820	57,915	530,008	1,336,466	1,866,474	6,501,473	0
324	TOTAL WORKING CASH	W729		6,501,473	3,578,200	189,186	867,613	26,273	445,820	57,915	530,008	1,336,466	1,866,474	6,501,473	0
325															
326	TOTAL WORKING CAPITAL	WC79		18,675,533	6,127,384	8,201,474	960,261	228,879	689,391	543,572	1,461,842	1,924,572	3,386,414	18,675,533	0
327	PRELIMINARY SUMMARY														
328	TOTAL SUBTRACTIVE ADJUSTMENTS	B287		(19,441,270)	(12,098,603)	(45,783)	(436,791)	(983,097)	(1,081,999)	(2,357,741)	(4,422,837)	(2,437,256)	(6,860,093)	(19,441,270)	0
329	TOTAL ADDITIVE ADJUSTMENTS	V289		3,055,077	(1,313,631)	67,088	566,853	399,683	594,544	1,175,726	2,169,953	1,564,814	3,734,767	3,055,077	0
330	TOTAL WORKING CAPITAL	WC71		18,675,533	6,127,384	8,201,474	960,261	228,879	689,391	543,572	1,461,842	1,924,572	3,386,414	18,675,533	0
331	TOTAL RATE BASE ADJUSTMENTS	RB71		2,289,340	(7,284,850)	8,222,779	1,090,323	(354,535)	201,936	(638,443)	(791,042)	1,052,130	261,088	2,289,340	0
332															
333	RATE BASE CALCULATION														
334	NET ELECTRIC PLANT IN SERVICE	NP21		274,297,875	170,699,787	645,969	6,162,710	13,870,548	15,265,987	33,265,502	62,402,037	34,387,372	96,789,409	274,297,875	0
336	TOTAL RATE BASE ADJUSTMENTS	RB71		2,289,340	(7,284,850)	8,222,779	1,090,323	(354,535)	201,936	(638,443)	(791,042)	1,052,130	261,088	2,289,340	0
336	TOTAL RATE BASE	RB99	TOT_RB	276,587,215	163,414,937	8,868,748	7,253,033	13,516,013	15,467,923	32,627,059	61,610,995	35,439,502	97,050,497	276,587,215	0
337															
338	CAPITALIZATION ALLOC TO ELECTRIC OPER	ECAP	K_OCDRB	260,738,880	154,051,328	8,360,572	6,837,437	12,741,551	14,581,617	30,757,542	58,080,710	33,408,833	91,489,543	260,738,880	0
339															
340	TOTAL RATE OF RETURN ALLOWABLE	RORA	ror_Allow_from	0.0772	0.0772	0.0772	0.0772	0.0772	0.0772	0.0772	0.0772	0.0772	0.0772	0.0772	0.0772
341	RETURN ON CAPITALIZATION	R761		20,120,212	11,887,459	645,160	527,624	983,226	1,125,219	2,373,466	4,481,911	2,578,058	7,059,969	20,120,212	0
342															

DUKE ENERGY KENTUCKY													5/26/08 7:38 AM	
COST OF SERVICE STUDY														
TWELVE MONTHS ENDING DECEMBER 31, 2005														
ELECTRIC CASE NO: 2006-00172														
FR-IV-1 KW (12 COIN PEAK)														
RS														
DESCRIPTION	ITEM	ALLOC	RESIDENTIAL	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
CUSTOMER SERVICE & INFORMATION														
393	CUSTOMER SERVICE & INFORMATION													
394	CUSTOMER SERVICE & INFORMATION	C320	K_rtdist_c	378,366	0	0	0	0	0	0	378,366	378,366	378,366	0
395	INFORMATIONAL & INSTRUCTIONAL ADV	C322	K_rtdist_c	70,810	0	0	0	0	0	0	70,810	70,810	70,810	0
396	CUSTOMER SERVICE & INFORM PROFORMA	C324	K_rtdist_c	(136,767)	0	0	0	0	0	0	(136,767)	(136,767)	(136,767)	0
397	AMI	C326	K_Func_Rev	(242,935)	(79,358)	(93,220)	(14,786)	(4,351)	(11,197)	(10,347)	(25,895)	(29,676)	(55,571)	(242,935)
398	TOTAL CUSTOMER SERV & INFORMATION	C331		69,474	(79,358)	(93,220)	(14,786)	(4,351)	(11,197)	(10,347)	(25,895)	282,733	256,838	69,474
SALES														
400	SALES		Schedule 6											
401	SALES EXPENSE	S300	K_rtdist_c	3,435	0	0	0	0	0	0	3,435	3,435	3,435	0
403	SALES EXPENSE PROFORMA	S304	K_rtdist_c	(2,940)	0	0	0	0	0	0	(2,940)	(2,940)	(2,940)	0
404	TOTAL SALES EXPENSE	S319		495	0	0	0	0	0	0	495	495	495	0
405														
406	SUBTOTAL O&M EXCL. A&G			72,091,082	9,743,883	47,665,635	6,749,941	145,555	2,225,503	323,805	2,694,863	5,236,760	7,931,623	72,091,082
407														
ADMINISTRATIVE & GENERAL														
408	A&G EXPENSE EXCL. REGULATORY EXP													
410	PRODUCTION-DEMAND RELATED	A300	K_rtprod_d	4,886,583	4,886,583	0	0	0	0	0	0	0	4,886,583	0
411	PRODUCTION-ENERGY RELATED	A302	K_rtprod_e	1,807,919	0	1,807,919	0	0	0	0	0	0	1,807,919	0
412	TRANSMISSION	A304	K_tranO&M	313,243	35,759	0	277,484	0	0	0	0	0	313,243	0
413	DISTRIBUTION	A308	K_distO&M	2,204,541	0	0	90,668	1,488,896	200,465	1,780,029	424,512	2,204,541	2,204,541	0
414	CUSTOMER ACCOUNTING	A308	K_CA_O&M	4,002,534	0	0	0	0	0	0	4,002,534	4,002,534	4,002,534	0
415	CUSTOMER SERVICE & INFORMATION	A310	K_CSI_O&M	344,804	(393,859)	(462,657)	(73,384)	(21,594)	(55,571)	(51,353)	(128,518)	1,403,222	1,274,704	344,804
416	SALES	A312	K_Sales_O&M	0	0	0	0	0	0	0	0	0	0	0
417	A&G EXPENSE UNADJUSTED	A315		13,559,624	4,528,483	1,345,262	204,100	69,074	1,433,325	149,112	1,651,511	5,830,268	7,481,779	13,559,624
419	RATE CASE EXPENSE	A318	K_AA&GexAdj	40,879	13,652	4,056	615	208	4,321	450	4,979	17,577	22,556	40,879
425	ELIMINATE MISCELLANEOUS EXPENSES	A340	K_AA&GexAdj	(67,586)	(22,572)	(6,705)	(1,017)	(345)	(7,144)	(743)	(8,232)	(29,060)	(37,292)	(67,586)
427	IMPLEMENT AUTOMATED METER READING	A342	K_AA&GexAdj	43,099	14,393	4,276	649	220	4,556	474	5,250	18,531	23,781	43,099
431	AMORTIZATION OF DEFERRED EXPENSES	A352	K_AA&GexAdj	420,623	140,475	41,730	6,331	2,144	44,462	4,625	51,231	180,856	232,087	420,623
432	MISCELLANEOUS	A354	K_AA&GexAdj	0	0	0	0	0	0	0	0	0	0	0
433	ELIMINATE INCENTIVE COMPENSATION	A358	K_AA&GexAdj	(1,309,866)	(437,454)	(129,953)	(19,716)	(6,672)	(138,460)	(14,404)	(159,536)	(563,207)	(722,743)	(1,309,866)
434	TOTAL ADMIN. & GENERAL	A357		12,686,773	4,236,977	1,258,666	190,962	64,629	1,341,060	139,514	1,545,203	5,454,965	7,000,168	12,686,773
435														
436	TOTAL O & M EXPENSE	OM39	TOT O&M	84,777,855	13,980,860	48,924,301	6,940,903	210,184	3,566,563	463,319	4,240,066	10,691,725	14,931,791	84,777,855

A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R	
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005													5/28/08 7:36 AM	
4	ELECTRIC CASE NO: 2006-00172														
5	FR#v-1 KW (12 CON PEAK)														
6	RS														
7			RS							TOTAL					
8	DESCRIPTION	ITEM	ALLOC	RESIDENTIAL	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
437	DEPRECIATION EXPENSE	Schedule 7													
438	PRODUCTION DEPRECIATION														
440	PRODUCTION DEPRECIATION	P460	K_rprod_d	9,991,556	9,991,556	0	0	0	0	0	0	0	0	9,991,556	0
441	PROFORMA ADJUSTMENT	P462	K_rprod_d	0	0	0	0	0	0	0	0	0	0	0	0
442	TOTAL PRODUCTION DEPREC EXP.	P489		9,991,556	9,991,556	0	0	0	0	0	0	0	0	9,991,556	0
443															
444	TRANSMISSION DEPRECIATION														
445	TRANSMISSION DEPRECIATION	T460	K_trannet	241,450	0	0	241,450	0	0	0	0	0	0	241,450	0
446	PROFORMA ADJUSTMENT	T462	K_trannet	0	0	0	0	0	0	0	0	0	0	0	0
447	TOTAL TRANSMISSION DEP. EXP.	T489		241,450	0	0	241,450	0	0	0	0	0	0	241,450	0
448															
449	DISTRIBUTION DEPRECIATION														
450	DISTRIBUTION DEPRECIATION	D460	K_distnet	4,954,329	0	0	0	735,589	774,916	1,764,572	3,275,077	1,679,252	4,954,329	4,954,329	0
451	PROFORMA ADJUSTMENT	D462	K_distnet	0	0	0	0	0	0	0	0	0	0	0	0
452	TOTAL DIST. DEPREC EXP.	D489		4,954,329	0	0	0	735,589	774,916	1,764,572	3,275,077	1,679,252	4,954,329	4,954,329	0
453															
454	GENERAL DEPRECIATION														
455	GENERAL DEPRECIATION	G460	K_gennet	51,665	17,286	5,124	796	263	5,452	568	6,283	22,176	28,459	51,665	0
456	PROFORMA ADJUSTMENT	G462	K_gennet	0	0	0	0	0	0	0	0	0	0	0	0
457	TOTAL GENERAL DEPREC EXP.	G489		51,665	17,286	5,124	796	263	5,452	568	6,283	22,176	28,459	51,665	0
458															
459	COMMON AND OTHER DEPRECIATION														
460	COMMON DEPRECIATION	C460	K_comnet	328,749	109,794	32,612	4,947	1,677	34,789	3,621	40,087	141,309	181,396	328,749	0
461	PROFORMA ADJUSTMENT	C462	K_comnet	0	0	0	0	0	0	0	0	0	0	0	0
462	TOTAL COM & OTHER DEPREC EXP.	C489		328,749	109,794	32,612	4,947	1,677	34,789	3,621	40,087	141,309	181,396	328,749	0
463															
464	TOTAL DEPRECIATION EXPENSE	DE49	TOT_DEPREX	15,567,749	10,118,636	37,736	247,193	737,529	815,157	1,768,761	3,321,447	1,842,737	5,164,184	15,567,749	0
465															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-99-1 KW (12 COIN PEAK)														
6	RS														
7	RS														
8	DESCRIPTION	ITEM	ALLOC	RESIDENTIAL	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
466	TAXES OTHER THAN INC & REV	Schedule 8													
467	REAL ESTATE & PROPERTY TAX														
468	PRODUCTION	L500	K_rtprod_d	1,174,957	1,174,957	0	0	0	0	0	0	0	0	1,174,957	0
469	TRANSMISSION	L501	K_tranmet	121,272	0	0	121,272	0	0	0	0	0	0	121,272	0
470	DISTRIBUTION	L502	K_distmet	1,449,478	0	0	0	215,210	226,716	516,257	958,183	491,295	1,449,478	1,449,478	0
471	OTHER	L514	K_EPIS	0	0	0	0	0	0	0	0	0	0	0	0
472	TOTAL REAL EST & PROP TAX	L529	PROP_TAX	2,745,707	1,174,957	0	121,272	215,210	226,716	516,257	958,183	491,295	1,449,478	2,745,707	0
473	MISCELLANEOUS TAXES														
474	PAYROLL RELATED	L568	K_AA&GezAcj	984,638	328,837	97,687	14,821	5,016	104,082	10,828	119,926	423,367	543,293	984,638	0
475	OTHER STATE TAXES	L562	K_AA&GezAcj	0	0	0	0	0	0	0	0	0	0	0	0
477	ELIMINATE NON-NATIVE SALES	L564	K_AA&GezAcj	(11,165)	(3,729)	(1,108)	(168)	(56)	(1,180)	(123)	(1,359)	(4,801)	(6,160)	(11,165)	0
478	AUTO LICENSES, ETC	L590	K_AA&GezAcj	4,074	1,361	404	61	20	431	45	496	1,752	2,248	4,074	0
479	ELIMINATE UNBILLED REVENUE	L562	K_AA&GezAcj	(64)	(22)	(6)	(1)	1	(7)	(1)	(7)	(28)	(35)	(64)	0
480	AFFILIATED COMPANY RENTS	L564	K_AA&GezAcj	43	14	4	1	1	5	0	6	18	24	43	0
481	MISCELLANEOUS	L568	K_AA&GezAcj	0	0	0	0	0	0	0	0	0	0	0	0
482	DSM ELIMINATION	L568	K_rtprod_d	(2,287)	(2,287)	0	0	0	0	0	0	0	0	(2,287)	0
483	TOTAL MISCELLANEOUS TAXES	L589		975,239	324,174	96,981	14,714	4,982	103,331	10,749	119,062	420,308	539,370	975,239	0
484	MISCELLANEOUS EXPENSES														
485	PSC MAINTENANCE ON INCREASE	L584	K_Func_Rev	31,886	10,416	12,235	1,941	571	1,470	1,358	3,399	3,895	7,294	31,886	0
488	TOTAL MISCELLANEOUS EXPENSES	L599		31,886	10,416	12,235	1,941	571	1,470	1,358	3,399	3,895	7,294	31,886	0
489	TOTAL OTHER TAX & MISC EXPENSE	L591		3,752,832	1,509,547	109,216	137,927	220,763	331,517	528,364	1,080,644	915,498	1,996,142	3,752,832	0
491	PRELIMINARY SUMMARY														
493	TOTAL O&M EXPENSE	OM39		84,777,855	13,980,860	48,924,301	6,940,903	210,184	3,566,563	463,319	4,240,066	10,691,725	14,931,791	84,777,855	0
494	TOTAL DEPRECIATION EXPENSE	DE49		15,567,749	10,118,636	37,736	247,193	737,529	815,157	1,768,761	3,321,447	1,842,737	5,164,184	15,567,749	0
495	TOTAL OTHER TAX & MISC EXPENSE	L599		3,752,832	1,509,547	109,216	137,927	220,763	331,517	528,364	1,080,644	915,498	1,996,142	3,752,832	0
496	TOTAL OP EXP EXC IT & OTHER TAX	OP69		104,098,436	25,609,043	49,071,253	7,328,023	1,168,476	4,713,237	2,760,444	8,642,157	13,449,960	22,092,117	104,098,436	0
497															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 COIN PEAK)														
6	RS														
7	RS														
8	DESCRIPTION	ITEM	ALLOC	RESIDENTIAL	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
498	INCOME TAX BASED ON RETURN														
499	FEDERAL INCOME TAX DEDUCTIONS														
500	AUTOMATIC INTEREST CALCULATION														
501	AUTO PROC INTEREST DED	Y751	K_EPIS	7,642,984	4,756,346	17,999	171,717	386,486	425,369	926,904	1,738,759	958,163	2,696,922	7,642,984	0
502	TOTAL INTEREST EXPENSE	Y783	TOT_INT	7,642,984	4,756,346	17,999	171,717	386,486	425,369	926,904	1,738,759	958,163	2,696,922	7,642,984	0
503															
504	OTHER DEDUCTIONS														
505	DEPR. EXCESS TAX OVER BOOK	Y790	K_Depr_Ex	1,497,366	973,249	3,630	23,776	70,938	78,405	170,126	319,469	177,242	496,711	1,497,366	0
507	LOSS ON REACQUIRED DEBT	Y794	K_EPIS	(58,368)	(36,324)	(137)	(1,311)	(2,952)	(3,248)	(7,079)	(13,279)	(7,317)	(20,596)	(58,368)	0
509	COST OF REMOVAL	Y798	K_Depr_Ex	712,868	463,346	1,728	11,319	33,773	37,327	80,994	152,094	84,381	236,475	712,868	0
512	METER CAPITAL LEASE PRINCIPLE PAYMENTS	Y804	K_rdist_c	655,116	0	0	0	0	0	0	0	655,116	655,116	655,116	0
515	OTHER PERMANENT DIFFERENCES	Y816	K_EPIS	670,089	417,007	1,578	15,055	33,884	37,294	81,265	152,443	84,006	236,449	670,089	0
518	TOTAL OTHER DEDUCTIONS	Y828		3,477,071	1,817,278	6,799	48,839	135,643	149,778	325,306	610,727	993,428	1,604,155	3,477,071	0
519															
520	NET DEDUCTIONS AND ADDITIONS	Y871		11,120,055	6,573,624	24,798	220,556	522,129	575,147	1,252,210	2,349,486	1,951,591	4,301,077	11,120,055	0
521															
522	FEDERAL INCOME TAX ADJUSTMENTS														
523															
524	FED PROV DEF INC TAX DEFERRALS (410.1)														
526	ANNUALIZE DEPRECIATION	Z788	K_EPIS	(35,244)	(21,933)	(83)	(792)	(1,783)	(1,961)	(4,274)	(8,018)	(4,418)	(12,436)	(35,244)	0
531	MISCELLANEOUS	Z762	K_AdGevAdj	(265,153)	(88,553)	(26,306)	(3,991)	(1,350)	(28,028)	(2,916)	(32,294)	(114,009)	(146,303)	(265,153)	0
532	MISCELLANEOUS PROFORMA ADJUSTMENT	Z770	K_EPIS	0	0	0	0	0	0	0	0	0	0	0	0
533	RECLASSIFY NON-JURIS INCOME TAX	Z770	K_rprod_d	1,182,775	1,182,775	0	0	0	0	0	0	0	0	1,182,775	0
534	TOTAL FED PROV DEF IT DEFERRALS (410.1)	Z762		882,378	1,072,289	(26,389)	(4,783)	(3,133)	(29,989)	(7,190)	(40,312)	(118,427)	(158,739)	882,378	0
537															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-0v-1 KW (12 CORN PEAK)														
6	RS														
7				RS							TOTAL	DISTRIBUTION	TOTAL		
8	DESCRIPTION	ITEM	ALLOC	RESIDENTIAL	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	DISTRIBUTION	TOTAL	ALL OTHER
554	AMORTIZED INV TAX CREDIT	Schedule 9a													
555	MISCELLANEOUS	Z804	K_AA_GenAdj	0	0	0	0	0	0	0	0	0	0	0	0
556	AMORTIZE ITC	Z806	K_EPIS	67,710	42,138	159	1,521	3,424	3,768	8,212	15,404	8,488	23,892	67,710	0
557	TOTAL AMORTIZED ITC	Z813		67,710	42,138	159	1,521	3,424	3,768	8,212	15,404	8,488	23,892	67,710	0
558															
559	TEST YEAR INV TAX CREDIT			0											
560	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
561															
562	PRELIMINARY SUMMARY														
563	TOTAL FED PROV DEF IT (410.1)	Z782		882,378	1,072,289	(26,389)	(4,783)	(3,133)	(29,989)	(7,190)	(40,312)	(118,427)	(158,739)	882,378	0
564	TOTAL FED PROV DEF IT (411.1)	Z803		0	0	0	0	0	0	0	0	0	0	0	0
565	TOTAL AMORTIZED ITC	Z813		(67,710)	(42,138)	(159)	(1,521)	(3,424)	(3,768)	(8,212)	(15,404)	(8,488)	(23,892)	(67,710)	0
566	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		814,668	1,030,151	(26,548)	(6,304)	(6,557)	(33,757)	(15,402)	(55,716)	(126,915)	(182,631)	814,668	0
567															
568	FEDERAL INCOME TAX COMPUTATION														
569	RETURN ON CAPITALIZATION	R751		20,120,212	11,887,459	645,160	527,624	983,226	1,125,219	2,373,466	4,481,911	2,578,058	7,059,969	20,120,212	0
570	NET DEDUCTIONS AND ADDITIONS	Y871		(11,120,055)	(6,573,624)	(24,798)	(220,556)	(522,129)	(575,147)	(1,252,210)	(2,349,486)	(1,951,591)	(4,301,077)	(11,120,055)	0
571	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		814,668	1,030,151	(26,548)	(6,304)	(6,557)	(33,757)	(15,402)	(55,716)	(126,915)	(182,631)	814,668	0
572	TOTAL STATE PROV DEF IT (410.1)	Z911		185,869	195,097	(59)	(518)	(1,238)	(1,365)	(2,971)	(5,574)	(3,077)	(8,651)	185,869	0
573	TOTAL STATE PROV DEF IT (411.1)	Z933		0	0	0	0	0	0	0	0	0	0	0	0
574	AFUDC OFFSET	Z935		(208,413)	134,874	0	(48,771)	(34,715)	(45,826)	(102,354)	(182,895)	(111,621)	(294,516)	(208,413)	0
575	BASE FOR FIT COMPUTATION	I885		9,792,281	6,673,957	593,755	251,475	418,587	469,124	1,000,529	1,888,240	384,854	2,273,094	9,792,281	0
576															
577	FIT FACTOR K190/(1-K190)	I887	FitComp_from	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538
578	PRELIM FED INCOME TAX	I869		5,272,769	3,593,671	319,714	135,410	225,394	252,605	538,746	1,016,745	207,229	1,223,974	5,272,769	0
579	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		814,668	1,030,151	(26,548)	(6,304)	(6,557)	(33,757)	(15,402)	(55,716)	(126,915)	(182,631)	814,668	0
580	NET FED INCOME TAX ALLOWABLE	I879		6,087,437	4,623,822	293,166	129,106	218,837	218,848	523,344	961,029	80,314	1,041,343	6,087,437	0
581															
582	INCOME TAX BASED ON RETURN														
583	FEDERAL INCOME TAX PAYABLE														
584	PRELIM FEDERAL INCOME TAX	I869		5,272,769	3,593,671	319,714	135,410	225,394	252,605	538,746	1,016,745	207,229	1,223,974	5,272,769	0
585	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
586	NET FED INCOME TAX PAYABLE	I889		5,272,769	3,593,671	319,714	135,410	225,394	252,605	538,746	1,016,745	207,229	1,223,974	5,272,769	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 COIN PEAK)														
6	RS														
7	RS														
8	DESCRIPTION	ITEM	ALLOC	RESIDENTIAL	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
587	STATE INCOME TAX	Schedule 9b													
588															
589	DEDUCTIONS IN ADDITION TO Y871														
590	BONUS DEPRECIATION	Y890	K_Depr_Ex	520,453	338,281	1,262	8,264	24,657	27,252	59,132	111,041	61,605	172,646	520,453	0
591	DEDUCTIONS IN ADD TO Y871	Y811		520,453	338,281	1,262	8,264	24,657	27,252	59,132	111,041	61,605	172,646	520,453	0
592															
593	STATE INCOME TAX ADJUSTMENTS														
594															
595	STATE PROV DEF INC TAX DEFERRALS (410.1)														
596	NET DEFERRED TAXES	Z896	K_EPIS	(18,688)	(11,630)	(44)	(420)	(945)	(1,040)	(2,266)	(4,251)	(2,343)	(6,594)	(18,688)	0
597	ANNUALIZE DEPRECIATION	Z898	K_Depr_Ex	(6,202)	(4,032)	(15)	(98)	(293)	(325)	(705)	(1,323)	(734)	(2,057)	(6,202)	0
598	NON-JURISDICTIONAL TAX	Z896	K_rtprod_d	210,759	210,759	0	0	0	0	0	0	0	0	210,759	0
599	TOT STATE PROV DEF IT DEFERRALS (410.1)	Z911		185,869	195,097	(59)	(518)	(1,238)	(1,365)	(2,971)	(5,574)	(3,077)	(8,651)	185,869	0
600															
601	TOTAL STATE INC TAX ADJUSTMENT	Z957		185,869	195,097	(59)	(518)	(1,238)	(1,365)	(2,971)	(5,574)	(3,077)	(8,651)	185,869	0
602															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 COIN PEAK)														
6	RS														
7	RS														
8	DESCRIPTION	ITEM	ALLOC	RESIDENTIAL	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
627	INCOME TAX BASED ON RETURN Schedule 9c														
628	SUMMARY OF SIT CALCULATION														
630	RETURN ON CAPITALIZATION	R751		20,120,212	11,887,459	645,160	527,624	983,226	1,125,219	2,373,466	4,481,911	2,578,058	7,059,969	20,120,212	0
631	NET FED INCOME TAX ALLOWABLE	I879		6,087,437	4,623,822	293,166	129,106	218,837	218,848	523,344	961,029	80,314	1,041,343	6,087,437	0
632	NET FED. DED. AND ADDITIONS	Y871		(11,120,055)	(6,573,624)	(24,798)	(220,556)	(522,129)	(575,147)	(1,252,210)	(2,349,486)	(1,951,591)	(4,301,077)	(11,120,055)	0
633	DEDUCTIONS IN ADD TO Y871	Y911		(520,453)	(338,281)	(1,262)	(8,264)	(24,657)	(27,252)	(59,132)	(111,041)	(61,605)	(172,646)	(520,453)	0
634	AFUDC OFFSET	L033		(208,413)	134,874	0	(48,771)	(34,715)	(45,826)	(102,354)	(182,895)	(111,621)	(294,516)	(208,413)	0
635	TOTAL STATE INC TAX ADJ	Z957		185,869	195,097	(59)	(518)	(1,238)	(1,365)	(2,971)	(5,574)	(3,077)	(8,651)	185,869	0
636	BASE FOR SIT COMPUTATION	J965		14,544,597	9,929,347	912,207	378,621	619,324	694,477	1,480,143	2,793,944	530,478	3,324,422	14,544,597	0
637															
638	SIT FACTOR K192/(1-K192)	J967	all_from	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378
639	PRELIMINARY STATE INCOME TAX	J969		893,539	610,004	56,041	23,260	38,047	42,665	90,932	171,644	32,590	204,234	893,539	0
640	TOTAL STATE INCOME TAX ADJ.	Z957		185,869	195,097	(59)	(518)	(1,238)	(1,365)	(2,971)	(5,574)	(3,077)	(8,651)	185,869	0
641	NET STATE INC TAX ALLOWABLE	J979		1,079,408	805,101	55,982	22,742	36,809	41,300	87,961	166,070	29,513	195,583	1,079,408	0
642															
643	STATE INCOME TAX PAYABLE														
644	PRELIMINARY STATE INCOME TAX	J969		893,539	610,004	56,041	23,260	38,047	42,665	90,932	171,644	32,590	204,234	893,539	0
645	OTHER SIT ADJUSTMENTS	Z955		0	0	0	0	0	0	0	0	0	0	0	0
646	NET STATE INCOME TAX PAYABLE	J989		893,539	610,004	56,041	23,260	38,047	42,665	90,932	171,644	32,590	204,234	893,539	0
647															
648	COMPOSITE TAX RATE	CTAX	cost_from	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621
649															
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DUKE ENERGY KENTUCKY														
COST OF SERVICE STUDY														
TWELVE MONTHS ENDING DECEMBER 31, 2006														
ELECTRIC CASE NO: 2006-00172														
FR-Inv-1 KW (12 COIN PEAK)														
RS														
DESCRIPTION	ITEM	ALLOC	RESIDENTIAL	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
COST OF SERVICE COMPUTATION Schedule 10														
OTHER OPERATING REVENUES														
RENTAL REVENUE	Q000	K_EPIS	708,445	440,876	1,668	15,917	35,825	39,428	85,917	161,170	88,814	249,984	708,445	0
BAD CHECK CHARGE	Q002	K_Func_Rev	4,519	1,476	1,734	275	82	208	192	482	552	1,034	4,519	0
ELIMINATE NON-NATIVE SALES	Q002	K_tbrod_e	(6,685,045)	0	(6,685,045)	0	0	0	0	0	0	0	(6,685,045)	0
SALES FOR RESALE	Q002	K_tbrod_e	6,685,045	0	6,685,045	0	0	0	0	0	0	0	6,685,045	0
RECONNECTION CHARGES	Q002	K_Func_Rev	23,563	7,697	9,042	1,434	422	1,086	1,004	2,512	2,878	5,390	23,563	0
INTERRUPTIBLE CREDIT	Q002	K_Func_Rev	(23,936)	(7,819)	(9,185)	(1,457)	(429)	(1,103)	(1,019)	(2,551)	(2,924)	(5,475)	(23,936)	0
BILLING CYCLE IMPROVEMENT	Q004	K_Func_Rev	167,072	54,576	64,110	10,169	2,992	7,700	7,116	17,808	20,409	38,217	167,072	0
OTHER MISCELLANEOUS REVENUES	Q006	K_Func_Rev	22,998	7,512	8,825	1,400	412	1,060	980	2,452	2,809	5,261	22,998	0
MISCELLANEOUS	Q008	K_Func_Rev	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL OTHER OPERATING REVS	Q027		902,661	504,318	76,194	27,738	39,304	48,379	94,190	181,873	112,538	294,411	902,661	0
COST OF SERVICE COMPUTATION														
TOTAL OP EXP EXC INC & REV TAX	OP69		104,098,436	25,609,043	49,071,253	7,326,023	1,168,476	4,713,237	2,760,444	8,642,157	13,449,960	22,092,117	104,098,436	0
RETURN ON CAPITALIZATION	R751		20,120,212	11,887,459	645,160	527,624	983,226	1,125,219	2,373,466	4,481,911	2,578,058	7,059,969	20,120,212	0
NET FED INCOME TAX ALLOWABLE	I879		6,087,437	4,623,822	293,166	129,106	218,837	218,848	523,344	961,029	80,314	1,041,343	6,087,437	0
NET STATE INCOME TAX ALLOWABLE	J979		1,079,408	805,101	55,982	22,742	36,809	41,300	87,961	166,070	29,513	195,583	1,079,408	0
TOTAL OTHER OPERATING REVENUES	Q027		(902,661)	(504,318)	(76,194)	(27,738)	(39,304)	(48,379)	(94,190)	(181,873)	(112,538)	(294,411)	(902,661)	0
SUBTOTAL B	CS03		130,482,832	42,421,107	49,989,367	7,977,757	2,368,044	6,050,225	5,651,025	14,069,294	16,025,307	30,094,601	130,482,832	0
TOTAL OTHER OPERATING REVENUES	Q027		902,661	504,318	76,194	27,738	39,304	48,379	94,190	181,873	112,538	294,411	902,661	0
LESS: OTHER ITEMS			0	0	0	0	0	0	0	0	0	0	0	0
OTHER OPERATING REVS TO BE TAXED	OORT		902,661	504,318	76,194	27,738	39,304	48,379	94,190	181,873	112,538	294,411	902,661	0
AFUDC OFFSET	L032		(208,413)	134,874	0	(48,771)	(34,715)	(45,826)	(102,354)	(182,895)	(111,621)	(294,516)	(208,413)	0
OTHER DEDUCTIONS TO COST OF SERVICE	L033		(208,413)	134,874	0	(48,771)	(34,715)	(45,826)	(102,354)	(182,895)	(111,621)	(294,516)	(208,413)	0
TOTAL ELECTRIC COST OF SERVICE	CS09		130,274,419	42,555,981	49,989,367	7,928,986	2,333,329	6,004,399	5,548,671	13,886,399	15,913,686	29,800,085	130,274,419	0
PROPOSED REVENUES	R602		130,273,914										130,273,914	0
TOTAL ELECTRIC COST OF SERVICE	CS09		(130,274,419)										(130,274,419)	0
EXCESS REVENUES	XREV		(505)										(505)	0
COMPOSITE TAX RATE	CTAX	PRCOMP_TAX_FROM	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621
EXCESS TAX	XTAX		(199)										(199)	0
EXCESS RETURN	XRET		(306)										(306)	0

A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R	
1	DUKE ENERGY KENTUCKY													5/28/06 7:36 AM	
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-0v-1 KW (12 CONN PEAK)														
6	RS														
7	RS														
8	DESCRIPTION	ITEM	ALLOC	RESIDENTIAL	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND *	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
695	ROR AND TAX RATES Schedule 11														
697	RATE OF RETURN														
698															
699	CAPITALIZATION AMOUNTS		CAP_FROM	Total Company	Ratio			Ratio							
700	LONG TERM DEBT	K100		275,774,125	0.406259216	0.406259216									
701	PREFERRED STOCK	K102		0	0.000000000	0.000000000									
702	COMMON STOCK	K104		345,393,322	0.508819383	0.508819383									
703	SHORT TERM DEBT	K108		57,645,769	0.084921401	0.084921401									
704	UNAMORTIZED DISCOUNT	K108		0	0.000000000	0.000000000									
705	TOTAL	K115		678,813,216	1.000000000	1.000000000									
706															
707	COST OF CAPITAL														
708	LONG TERM DEBT	K120		0.0609											
709	PREFERRED STOCK	K122		0.0000											
710	COMMON STOCK	K124		0.1150											
711	SHORT TERM DEBT	K126		0.0514											
712	UNAMORTIZED DISCOUNT	K128		0.0000											
713															
714	WEIGHTED COST OF CAPITAL														
715	LONG TERM DEBT	K141		0.0247											
716	PREFERRED STOCK	K143		0.0000											
717	COMMON STOCK	K145		0.0585											
718	SHORT TERM DEBT	K147		0.0044											
719	UNAMORTIZED DISCOUNT	K149		0.0000											
720	TOT RATE OF RETURN ALLOWABLE	RORA	ROR_EARN_FROM	0.0876											
721															
722	TAX RATES AND SPECIAL FACTORS														
723	SHORT TERM DEBT COST	K180		0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
724	FEDERAL INCOME TAX RATE	K190	FIT_FROM	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	
725	STATE INCOME TAX RATE	K192	STATETX_FROM	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	
726	REVENUE TAX RATE	K196		0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
727															
728															
729	PRESENT REVENUES	R800		97,639,085	0	0	0	0	0	0	0	0	0	97,639,085	
730	PROPOSED REVENUES	R802		130,273,914	0	0	0	0	0	0	0	0	0	130,273,914	
731	PRESENT NOI			135,024											
732	GROSS PRESENT REV AT AVERAGE ROR			103,567,898											
733	SUBSIDY EXCESS			(5,928,813)											
734	REDUCTION IN SUBSIDY EXCESS			(1,482,204)											
735	RATE INCREASE			31,152,625											
736	TAX COMPLEMENT														
737															
738															
739															
740															
741															
742															
743															
744															

DUKE ENERGY KENTUCKY														
COST OF SERVICE STUDY														
TWELVE MONTHS ENDING DECEMBER 31, 2005														
ELECTRIC CASE NO: 2006-00172														
FR-9v-1 KW (12 COIN PEAK)														
RS														
DESCRIPTION	ITEM	ALLOC	RESIDENTIAL	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
INCOME TAX BASED ON REVENUES														
Schedule 12														
NET INCOME COMPUTATION														
TOTAL ELECTRIC COST OF SERVICE	CS08		130,274,419	42,555,981	49,989,367	7,928,986	2,333,329	6,004,399	5,548,671	13,886,399	15,913,686	29,800,085	130,274,419	0
TOTAL OTHER OPERATING REVENUES	Q027		902,661	504,318	76,194	27,738	39,304	48,379	94,190	181,873	112,538	294,411	902,661	0
TOTAL ELECTRIC REVENUE	CS07		131,177,080	43,060,299	50,065,561	7,956,724	2,372,633	6,052,778	5,642,861	14,068,272	16,026,224	30,094,496	131,177,080	0
TOTAL OP EXP EXC IT & OTHER DEDUCTIONS	OP61		(104,098,436)	(25,609,043)	(49,071,253)	(7,326,023)	(1,168,476)	(4,713,237)	(2,760,444)	(8,642,157)	(13,449,960)	(22,092,117)	(104,098,436)	0
OTHER	RTXP		0	0	0	0	0	0	0	0	0	0	0	0
NET INCOME	NI01		27,078,644	17,451,256	994,308	630,701	1,204,157	1,339,541	2,882,417	5,426,115	2,576,264	8,002,379	27,078,644	0
ADJUSTMENTS TO NET INCOME														
TOTAL INTEREST EXPENSE	Y783		(7,642,984)	(4,756,346)	(17,999)	(171,717)	(386,486)	(425,369)	(926,904)	(1,738,759)	(958,163)	(2,696,922)	(7,642,984)	0
TOTAL OTHER DEDUCTIONS	Y828		(3,477,071)	(1,817,278)	(6,799)	(48,839)	(135,643)	(149,778)	(325,306)	(610,727)	(993,428)	(1,604,155)	(3,477,071)	0
PRELIMINARY TAXABLE INCOME	T101		15,958,589	10,877,632	969,510	410,145	682,028	764,394	1,630,207	3,076,629	624,673	3,701,302	15,958,589	0
STATE INCOME TAX COMPUTATION														
PRELIMINARY TAX ABLE INCOME (INCL AFUDC)	T101		15,958,589	10,877,632	969,510	410,145	682,028	764,394	1,630,207	3,076,629	624,673	3,701,302	15,958,589	0
DEDUCTIONS IN ADD TO Y871	Y911		(520,453)	(338,281)	(1,262)	(9,264)	(24,657)	(27,252)	(59,132)	(111,041)	(61,605)	(172,646)	(520,453)	0
STATE TAXABLE INCOME	SI01		15,438,136	10,539,351	968,248	401,881	657,371	737,142	1,571,075	2,965,588	563,068	3,528,656	15,438,136	0
STATE INCOME TAX PAYABLE														
STATE INCOME TAX RATE	K192	STATETX_FROM	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788
PRELIM SIT = SI01 * K192	ST01		893,538	610,003	56,041	23,260	38,047	42,665	90,932	171,644	32,590	204,234	893,538	0
OTHER SIT ADJUSTMENTS	Z955		0	0	0	0	0	0	0	0	0	0	0	0
STATE INCOME TAX PAYABLE	SP01		893,538	610,003	56,041	23,260	38,047	42,665	90,932	171,644	32,590	204,234	1,065,182	0
SIT ALLOWABLE														
STATE INCOME TAX PAYABLE	SP01		893,538	610,003	56,041	23,260	38,047	42,665	90,932	171,644	32,590	204,234	893,538	0
TOTAL STATE PROV DEF IT(410.1)	Z911		185,869	195,097	(59)	(518)	(1,238)	(1,365)	(2,971)	(5,574)	(3,077)	(8,651)	185,869	0
TOTAL STATE PROV DEF IT(411.1)	Z933		0	0	0	0	0	0	0	0	0	0	0	0
NET STATE INC TAX ALLOWABLE	SA01		1,079,407	805,100	55,982	22,742	36,809	41,300	87,961	166,070	29,513	195,583	1,245,477	0
INCOME TAX BASED ON REVENUES														
FEDERAL INCOME TAX COMPUTATION														
PRELIMINARY TAXABLE INCOME (INCL AFUDC)	T101		15,958,589	10,877,632	969,510	410,145	682,028	764,394	1,630,207	3,076,629	624,673	3,701,302	15,958,589	0
STATE INC TAX PAYABLE	SP01		(893,538)	(610,003)	(56,041)	(23,260)	(38,047)	(42,665)	(90,932)	(171,644)	(32,590)	(204,234)	(893,538)	0
NET FEDERAL TAXABLE INCOME	FI01		15,065,051	10,267,629	913,469	386,885	643,981	721,729	1,539,275	2,904,985	592,083	3,497,068	15,065,051	0
FEDERAL INCOME TAX RATE	K190	FIT_FROM	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000
PRELIMINARY FIT = FI01 * K190	FT01		5,272,768	3,593,670	319,714	135,410	225,394	252,605	538,746	1,016,745	207,229	1,223,974	5,272,768	0
TOTAL FED PROV DEF IT (410.1)	Z782		882,378	1,072,289	(26,389)	(4,783)	(3,133)	(29,989)	(7,190)	(40,312)	(118,427)	(158,739)	882,378	0
TOTAL FED PROV DEF IT (411.1)	Z803		0	0	0	0	0	0	0	0	0	0	0	0
TOTAL AMORTIZED ITC & SERVICE CO ALLOC.	Z813		(67,710)	(42,138)	(159)	(1,521)	(3,424)	(3,768)	(8,212)	(15,404)	(8,488)	(23,892)	(67,710)	0
NET FED INC TAX ALLOWABLE	FA01		6,087,436	4,623,821	293,166	129,106	218,837	218,848	523,344	961,029	80,314	1,041,343	7,048,465	0
FEDERAL INCOME TAX PAYABLE														
PRELIM FIT	FT01		5,272,768	3,593,670	319,714	135,410	225,394	252,605	538,746	1,016,745	207,229	1,223,974	5,272,768	0
TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
FED INC TAX PAYABLE	FP01		5,272,768	3,593,670	319,714	135,410	225,394	252,605	538,746	1,016,745	207,229	1,223,974	5,272,768	0
PRELIMINARY SUMMARY														
NET INCOME EXCLUDING AFUDC OFFSET	NI01		27,287,057	17,316,382	994,308	679,472	1,238,872	1,385,367	2,984,771	5,609,010	2,687,885	8,296,895	27,287,057	0
NET FED INC TAX ALLOWABLE	FA01		(6,087,436)	(4,623,821)	(293,166)	(129,106)	(218,837)	(218,848)	(523,344)	(961,029)	(80,314)	(1,041,343)	(6,087,436)	0
NET STATE INC TAX ALLOWABLE	SA01		(1,079,407)	(805,100)	(55,982)	(22,742)	(36,809)	(41,300)	(87,961)	(166,070)	(29,513)	(195,583)	(1,079,407)	0
OVERALL RETURN EARNED-SCH 12	RETU		20,120,214	11,887,461	645,160	527,624	983,226	1,125,219	2,373,466	4,481,911	2,578,058	7,059,969	20,120,214	0
RATE OF RETURN EARNED-SCH 12														
RORX	ROR_EARN_FROM		0.0772	0.0772	0.0772	0.0772	0.0772	0.0772	0.0772	0.0772	0.0772	0.0772	0.0772	0.0000

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY																
2	COST OF SERVICE STUDY																
3	TWELVE MONTHS ENDING DECEMBER 31, 2005																
4	ELECTRIC CASE NO: 2006-00172																
5			RS														05/26/06
6	DESCRIPTION	ALLOC	RESIDENTIAL	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER			
7																	
8	Schedule 13																
9	Prod-Demand	K_rbprod_d		1.00000								0.00000					
10	Prod-Energy	K_rbprod_e			1.00000							0.00000					
11	Main Step-Up Transformers	K_rbtran_stepup										0.00000					
12	Transmission Other	K_rbtran_oth				1.00000						0.00000					
13	Substations	K_Subst					1.00000					1.00000					
14	Poles Towers & Fixtures	K_Poles						1.00000				1.00000					
15	Conductors	K_Conductors							1.00000			1.00000					
16	Transformers	K_Transformer										1.00000					
17	Distribution Demand	K_rbdist_d								1.00000		1.00000					
18	Distribution Customer	K_rbdist_c									1.00000	1.00000					
19	All Other	K_FERC															1.00000
20																	
21	Gross Dist Plant excl CCNC-OC (106)		143,953,206	0	0	0	16,967,803	22,398,721	50,028,708	89,395,232	54,557,974	143,953,206	143,953,206	0			
22	Ratio	K_dist_ccnc	1.000000000	0.000000000	0.000000000	0.000000000	0.117870268	0.155597236	0.347534518	0.621002022	0.378997978	1.000000000	1.000000000	0.000000000			
23																	
24	Gross Plant (OC)		525,502,483	352,593,979	1,270,091	10,819,439	18,188,455	25,277,414	53,576,221	97,042,090	63,776,884	160,818,974	525,502,483	0			
25	Ratio	K_grossPlt	1.000000000	0.670965390	0.002416908	0.020588750	0.034611549	0.048101417	0.101952365	0.184665331	0.121363621	0.306028952	1.000000000	0.000000000			
26																	
27	Gross Prod Plant (OC)		348,318,389	348,318,389	0	0	0	0	0	0	0	348,318,389	348,318,389	0			
28	Ratio	K_gross_prodpit	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	0.000000000			
29																	
30	Gross Plant-Prod/Trans/Dist (OC)		512,700,506	348,318,389	0	10,626,479	18,123,219	23,923,952	53,435,391	95,482,562	58,273,076	153,755,638	512,700,506	0			
31	Ratio	K_grossPDT	1.000000000	0.679379843	0.000000000	0.020726484	0.035348549	0.046662626	0.104223402	0.186234577	0.113659096	0.298893673	1.000000000	0.000000000			
32																	
33	Gross Distribution Plant (OC)		153,755,638	0	0	0	18,123,219	23,923,952	53,435,391	95,482,562	58,273,076	153,755,638	153,755,638	0			
34	Ratio	K_gross_distpit	1.000000000	0.000000000	0.000000000	0.000000000	0.117870273	0.155597234	0.347534514	0.621002021	0.378997979	1.000000000	1.000000000	0.000000000			
35																	
36	Gross Transmission Plant (OC)		10,626,479	0	0	10,626,479	0	0	0	0	0	10,626,479	10,626,479	0			
37	Ratio	K_gross_tranpit	1.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	0.000000000			
38																	
39	Gross General Plant (OC)		1,792,675	598,723	177,628	27,125	9,117	189,295	19,681	218,093	771,106	989,199	1,792,675	0			
40	Ratio	K_gross_genpit	1.000000000	0.333983014	0.099085445	0.015131019	0.005085696	0.105593596	0.010978566	0.121657858	0.430142664	0.551800522	1.000000000	0.000000000			
41																	
42	Gross Common Plant (OC)		11,009,302	3,676,867	1,092,463	165,835	56,119	1,164,167	121,149	1,341,435	4,732,702	6,074,137	11,009,302	0			
43	Ratio	K_gross_complt	1.000000000	0.333978212	0.099230905	0.015063171	0.005097416	0.105743943	0.011004240	0.121845599	0.429882112	0.551727712	1.000000000	0.000000000			
44																	
45	Production Plant-Net (OC-Depr)		168,524,466	168,524,466	0	0	0	0	0	0	0	168,524,466	168,524,466	0			
46	Ratio	K_prodnet	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	0.000000000			
47																	
48	Distribution Plant-Net (OC-Depr)		93,197,061	0	0	0	13,837,333	14,577,126	33,193,790	61,608,249	31,588,812	93,197,061	93,197,061	0			
49	Ratio	K_distnet	1.000000000	0.000000000	0.000000000	0.000000000	0.148473919	0.156411864	0.356167777	0.661053560	0.338946440	1.000000000	1.000000000	0.000000000			
50																	
51	Transmission Plant-Net (OC-Depr)		6,064,416	0	0	6,064,416	0	0	0	0	0	6,064,416	6,064,416	0			
52	Ratio	K_tranet	1.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	0.000000000			
53																	
54	General Plant Plant-Net		839,175	280,780	83,222	12,925	4,274	88,554	9,231	102,059	360,189	462,248	839,175	0			
55	Ratio	K_gennet	1.000000000	0.334590520	0.099171210	0.015402032	0.005093098	0.105525069	0.011000089	0.121618256	0.429217982	0.550836238	1.000000000	0.000000000			
56																	
57	Transmission & Distr Plant in Service		99,261,477	0	0	6,064,416	13,837,333	14,577,126	33,193,790	61,608,249	31,588,812	93,197,061	99,261,477	0			
58	Ratio	K_T&D_net	1.000000000	0.000000000	0.000000000	0.061095363	0.139402852	0.146855824	0.334407577	0.620666253	0.318238394	0.938904637	1.000000000	0.000000000			
59																	
60	Net Electric Plant In Service		274,297,875	170,699,787	645,969	6,162,710	13,870,548	15,265,987	33,265,502	62,402,037	34,387,372	96,789,409	274,297,875	0			
61	Ratio	K_EPIS	1.000000000	0.622315383	0.002354991	0.022467217	0.050567464	0.055654777	0.121275099	0.227497340	0.125365069	0.352862409	1.000000000	0.000000000			
62																	
63	Common Plant- net		5,672,757	1,894,541	562,747	85,369	28,941	600,307	62,481	691,729	2,438,371	3,130,100	5,672,757	0			
64	Ratio	K_comnet	1.000000000	0.333971823	0.099201676	0.015048944	0.005101752	0.105822785	0.011014221	0.121938768	0.429838789	0.551777557	1.000000000	0.000000000			
65																	

	A	B	D	E	F	G	I	J	K	L	N	O	P	Q	R
	DUKE ENERGY KENTUCKY														
	COST OF SERVICE STUDY														
	TWELVE MONTHS ENDING DECEMBER 31, 2005														
	ELECTRIC CASE NO: 2006-00172														
		RS									TOTAL				
	DESCRIPTION	ALLOC	RESIDENTIAL	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER	
66	Common & General Plant-net		6,511,932	2,175,321	645,969	98,294	33,215	688,861	71,712	793,788	2,798,560	3,592,348	6,511,932	0	
67	Ratio	K_comgennet	1.000000000	0.334051553	0.099197750	0.015094445	0.005100637	0.105784428	0.011012400	0.121897465	0.429758787	0.551656252	1.000000000	0.000000000	
69	Total OCD Rate Base		276,587,215	163,414,937	8,868,748	7,253,033	13,516,013	15,467,923	32,627,059	61,610,995	35,439,502	97,050,497	276,587,215	0	
70	Ratio	K_OCDRB Schedule 13a	1.000000000	0.590826069	0.032064924	0.026223313	0.048867093	0.055924215	0.117963005	0.222754313	0.128131382	0.350885694	1.000000000	0.000000000	
72	Construction Work In Progress		2,378,859	(1,539,467)	0	556,675	396,238	523,064	1,168,290	2,087,592	1,274,059	3,361,651	2,378,859	0	
73	Ratio	K_CWIP	1.000000000	(0.647145123)	0.000000000	0.234009248	0.166566408	0.219880203	0.491113597	0.877560208	0.535575669	1.413135877	1.000000000	0.000000000	
75	A&G		12,686,773	4,236,977	1,258,666	190,962	64,629	1,341,060	139,514	1,545,203	5,454,965	7,000,168	12,686,773	0	
76	Ratio	K_A&G	1.000000000	0.333968062	0.099210887	0.015052055	0.005094204	0.105705367	0.010996807	0.121796378	0.429972618	0.551768996	1.000000000	0.000000000	
78	A&G (excluding adjustments)		13,559,624	4,528,483	1,345,262	204,100	69,074	1,433,325	149,112	1,651,511	5,830,268	7,481,779	13,559,624	0	
79	Ratio	K_A&GexAdj	1.000000000	0.333968184	0.099210863	0.015052040	0.005094094	0.105705365	0.010996765	0.121796224	0.429972690	0.551768913	1.000000000	0.000000000	
81	Dist A&G (ex reg exp)		2,204,541	0	0	0	90,668	1,488,896	200,465	1,780,029	424,512	2,204,541	2,204,541	0	
82	Ratio	K_DistA&G	1.000000000	0.000000000	0.000000000	0.000000000	0.041127836	0.675376870	0.090932761	0.807437467	0.192562533	1.000000000	1.000000000	0.000000000	
84	Transmission A&G		313,243	35,759	0	277,484	0	0	0	0	0	0	313,243	0	
85	Ratio	K_TransA&G	1.000000000	0.114157379	0.000000000	0.885842621	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000	
87	Customer Accounts A&G		4,002,534	0	0	0	0	0	0	0	4,002,534	4,002,534	4,002,534	0	
88	Ratio	K_CA_A&G	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000	
90	Cust Service & Informational A&G		344,804	(393,859)	(462,657)	(73,384)	(21,594)	(55,571)	(51,353)	(128,518)	1,403,222	1,274,704	344,804	0	
91	Ratio	K_CSI_A&G	1.000000000	(1.142269232)	(1.341797079)	(0.212828157)	(0.062626884)	(0.161166924)	(0.148933887)	(0.372727695)	4.069622162	3.696894468	1.000000000	0.000000000	
93	Sales A&G		0	0	0	0	0	0	0	0	0	0	0	0	
94	Ratio	K_Sales_A&G	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000	
96	Depreciation Expense		15,567,749	10,118,636	37,736	247,193	737,529	815,157	1,768,761	3,321,447	1,842,737	5,164,184	15,567,749	0	
97	Ratio	K_Depr_Ex	1.000000000	0.649974251	0.002423986	0.015878532	0.047375443	0.052361905	0.113617004	0.213354352	0.118368879	0.331723231	1.000000000	0.000000000	
99	O&M (no A&G)		72,091,082	9,743,883	47,665,635	6,749,941	145,555	2,225,503	323,805	2,694,863	5,236,760	7,931,623	72,091,082	0	
100	Ratio	K_O&M	1.000000000	0.135160727	0.661186289	0.093630735	0.002019042	0.030870712	0.004491610	0.037381364	0.072640885	0.110022249	1.000000000	0.000000000	
102	Production O&M		56,073,122	8,662,309	47,410,813	0	0	0	0	0	0	0	56,073,122	0	
103	Ratio	K_prodO&M	1.000000000	0.154482374	0.845517626	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000	
105	Dist O&M		3,249,883	0	0	0	133,661	2,194,896	295,521	2,624,078	625,805	3,249,883	3,249,883	0	
106	Ratio	K_distO&M	1.000000000	0.000000000	0.000000000	0.000000000	0.041127942	0.675376929	0.090932812	0.807437683	0.192562317	1.000000000	1.000000000	0.000000000	
108	Transmission O&M		7,574,169	864,646	0	6,709,523	0	0	0	0	0	0	7,574,169	0	
109	Ratio	K_tranO&M	1.000000000	0.114157210	0.000000000	0.885842790	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000	
111	Customer Accounting O&M		4,232,107	0	0	0	0	0	0	0	4,232,107	4,232,107	4,232,107	0	
112	Ratio	K_CA_O&M	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000	
114	Uncollectible Account O&M		(2,160,305)	(700,735)	(823,139)	(130,561)	(38,421)	(98,870)	(91,365)	(228,656)	(277,214)	(505,870)	(2,160,305)	0	
115	Ratio	K_UncoL_O&M	1.000000000	0.324368549	0.381029068	0.060436374	0.017784989	0.045766686	0.042292639	0.105844314	0.128321695	0.234166009	1.000000000	0.000000000	
117	Customer Service & Informational O&M		69,474	(79,358)	(93,220)	(14,786)	(4,351)	(11,197)	(10,347)	(25,895)	282,733	256,838	69,474	0	
118	Ratio	K_CSI_O&M	1.000000000	(1.142269051)	(1.341796931)	(0.212827820)	(0.062627745)	(0.161168207)	(0.148933414)	(0.372729366)	4.069623168	3.696893802	1.000000000	0.000000000	
121	Sales O&M		495	0	0	0	0	0	0	0	495	495	495	0	
122	Ratio	K_Sales_O&M	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000	
123	AutoCalc Wkg Capital (Incl A&G)		37,367,042	13,980,860	1,513,488	6,940,903	210,184	3,566,563	463,319	4,240,066	10,691,725	14,931,791	37,367,042	0	
124	Ratio	K_O&MxFuel	1.000000000	0.374149498	0.040503286	0.185749330	0.005624849	0.095446758	0.012399135	0.113470742	0.286127144	0.399597886	1.000000000	0.000000000	

COST OF SERVICE STUDY

BY FUNCTION

RATE DS

FR 10(9)(v)-5

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 CONN PEAK)														
6	DS														
7			DS	PRODUCTION	PRODUCTION	OTHER			POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL		ALL
8	DESCRIPTION	ITEM	ALLOC	DISTRIBUTION	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES	CONDUCTORS	DISTRIBUTION	CUSTOMER	DISTRIBUTION	TOTAL	OTHER
9				1	2	3	5	6	7	8	10	11	12	13	14
10	SUMMARY OF RESULTS														
11	Schedule 1														
12	NET INCOME COMPUTATION														
13	GROSS ELECTRIC PLANT IN SERVICE	GP19		\$290,575,522	\$209,706,683	\$944,614	\$6,443,347	\$10,850,914	\$15,081,288	\$31,957,092	\$57,889,294	\$15,591,584	\$73,480,878	\$290,575,522	\$0
14	TOTAL DEPRECIATION RESERVE	DR19		(139,382,371)	(108,181,602)	(464,215)	(2,773,816)	(2,578,514)	(5,974,560)	(12,117,578)	(20,670,652)	(7,292,086)	(27,962,738)	(139,382,371)	0
15	TOTAL RATE BASE ADJUSTMENTS	RB71		1,804,851	(4,179,702)	5,618,845	646,770	(208,795)	122,354	(374,495)	(460,936)	179,874	(281,062)	1,804,851	0
16	TOTAL RATE BASE	RB99		152,998,002	97,345,379	6,099,244	4,316,301	8,063,605	9,229,082	19,465,019	36,757,706	8,479,372	45,237,078	152,998,002	0
17	CAPITALIZATION ALLOC TO ELECTRIC OPER	ECAP		144,231,279	91,767,528	5,749,760	4,068,979	7,801,565	8,700,259	18,349,681	34,651,505	7,993,507	42,645,012	144,231,279	0
18	OPERATING EXPENSES														
19	TOTAL O&M EXPENSE	OM39		50,298,708	8,206,812	33,385,576	4,111,622	142,214	2,136,895	316,842	2,595,951	1,998,747	4,594,698	50,298,708	0
20	TOTAL DEPRECIATION EXPENSE	DE49		8,619,041	6,018,128	28,064	147,275	439,891	486,309	1,054,950	1,981,150	444,424	2,425,574	8,619,041	0
21	TOTAL OTHER TAX & MISC EXPENSE	L591		1,924,521	900,730	80,798	82,817	132,447	198,563	317,000	648,010	212,166	860,176	1,924,521	0
22	TOTAL OP EXP EXC INC & R TAX	OP69		60,842,270	15,125,670	33,494,438	4,341,714	714,552	2,821,767	1,688,792	5,225,111	2,655,337	7,880,448	60,842,270	0
23	NET FED INCOME TAX ALLOWABLE	IB79		5,819,928	4,106,942	283,279	140,104	250,356	262,426	601,495	1,114,277	175,326	1,289,603	5,819,928	0
24	NET STATE INCOME TAX ALLOWABLE	J979		1,027,484	718,964	53,813	24,768	43,063	48,469	103,423	194,955	34,984	229,939	1,027,484	0
25	AFUDC OFFSET	LO33	K_CWIP	(85,362)	80,205	0	(29,002)	(20,691)	(27,314)	(61,007)	(109,012)	(27,553)	(136,565)	(85,362)	0
26	TOTAL OPERATING EXPENSE	OPEX		67,604,320	20,031,781	33,831,530	4,477,584	987,280	3,105,348	2,332,703	6,425,331	2,838,094	9,263,425	67,604,320	0
27	RETURN ON CAPITALIZATION	R751		15,372,021	9,780,488	612,804	433,668	810,166	927,265	1,955,690	3,693,121	851,940	4,545,061	15,372,021	0
28	TOTAL OTHER OPERATING REVENUES			(523,189)	(309,693)	(56,580)	(17,354)	(24,219)	(29,963)	(58,049)	(112,231)	(27,331)	(139,562)	(523,189)	0
29	TOTAL ELECTRIC COST OF SERVICE	CS09		82,453,152	29,502,576	34,387,754	4,893,898	1,773,227	4,002,650	4,230,344	10,006,221	3,662,703	13,668,924	82,453,152	0
30	PROPOSED REVENUES	R602		82,456,013	29,504,396	34,387,868	4,893,979	1,773,377	4,002,823	4,230,708	10,006,908	3,662,862	13,669,770	82,456,013	0
31	EXCESS REVENUES	XREV		2,861	1,820	114	81	150	173	364	687	159	846	2,861	0
32	TOTAL RETURN EARNED	RETE		15,373,773	9,781,604	612,873	433,717	810,259	927,370	1,955,913	3,693,542	852,037	4,545,579	15,373,773	0
33	RATE OF RETURN EARNED ON CAPITALIZATION	RORE	SUM_RETURN_FROM	0.106591116	0.106591116	0.106591116	0.106591116	0.106591116	0.106591116	0.106591116	0.106591116	0.106591116	0.106591116	0.106591116	0.00000
34	TOTAL RATE OF RETURN ALLOWABLE	RORA		0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761
35	RETURN EARNED ON COMMON EQUITY	RECE		0.16086	0.16086	0.16086	0.16086	0.16086	0.16086	0.16086	0.16086	0.16086	0.16086	0.16086	0.00000
36	ALLOWED RETURN ON COMMON EQUITY	AROE		0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499
37	PRESENT REVENUES	R600		66,709,383	23,869,939	27,820,815	3,959,376	1,434,715	3,238,404	3,422,769	8,095,888	2,963,365	11,059,253	66,709,383	0
38	REVENUE INCREASE JUSTIFIED	RIJD		15,743,769	5,632,637	6,566,939	934,522	338,512	764,246	807,575	1,910,333	699,338	2,609,671	15,743,769	0
39	PER UNIT PRES REV	RIJP	PRESREV_FROM	0.23601										0.23601	0.00000
40	REVENUE INCREASE REQUESTED	RI RD		15,746,630										15,746,630	0
41	PER UNIT PRES REV	RI RP	PRESINC_FROM	0.23605										0.23605	0.00000

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY																	
2	COST OF SERVICE STUDY																	
3	TWELVE MONTHS ENDING DECEMBER 31, 2005																	
4	ELECTRIC CASE NO: 2006-00172																	
5	FR4v-1 KW (12 COIN PEAK)																	
6	DS																	
7				DS									TOTAL					
8	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER			
49	GROSS ELECTRIC PLANT IN SERVICE Schedule 2																	
50	PRODUCTION PLANT																	
51	PRODUCTION - STEAM	P100	K_rfbprod_d	133,260,343	133,260,343	0	0	0	0	0	0	0	0	133,260,343	0			
52	PRODUCTION - OTHER	P106	K_rfbprod_d	73,874,755	73,874,755	0	0	0	0	0	0	0	0	73,874,755	0			
53	PRODUCTION PLANT IN SERVICE	P129		207,135,098	207,135,098	0	0	0	0	0	0	0	0	207,135,098	0			
54	TRANSMISSION PLANT																	
55	MAIN STEP-UP TRANSFORMERS	T100	K_rbrtran_stepup	0	0	0	0	0	0	0	0	0	0	0	0			
57	OTHER TRANSMISSION	T102	K_rbrtran_oth	6,319,268	0	0	6,319,268	0	0	0	0	0	0	6,319,268	0			
58	TRANSMISSION PLANT IN SERVICE	T129		6,319,268	0	0	6,319,268	0	0	0	0	0	0	6,319,268	0			
60	TOTAL PROD & TRANS PLANT	PT29		213,454,366	207,135,098	0	6,319,268	0	0	0	0	0	0	213,454,366	0			
61	DISTRIBUTION PLANT																	
63	SUBSTATIONS	D100	K_Subst	10,113,411	0	0	0	10,113,411	0	0	10,113,411	0	10,113,411	10,113,411	0			
64	POLES, TOWERS & FIXTURES	D102	K_Poles	13,350,433	0	0	0	13,350,433	0	0	13,350,433	0	13,350,433	13,350,433	0			
65	CONDUCTORS	D104	K_Conductors	29,818,883	0	0	0	0	0	29,818,883	29,818,883	0	29,818,883	29,818,883	0			
66	TRANSFORMERS	D106	K_rfbdist_c	10,699,352	0	0	0	0	0	0	0	10,699,352	10,699,352	10,699,352	0			
67	SERVICES	D108	K_rfbdist_c	1,127,362	0	0	0	0	0	0	0	1,127,362	1,127,362	1,127,362	0			
68	METERS	D110	K_rfbdist_c	1,640,700	0	0	0	0	0	0	0	1,640,700	1,640,700	1,640,700	0			
70	STREET LIGHTS	D114	K_rfbdist_c	0	0	0	0	0	0	0	0	0	0	0	0			
71	CONSTRUCTION NOT CLASSIFIED	D116	K_dist_conc	4,545,323	0	0	0	688,669	909,092	2,030,504	3,628,265	917,058	4,545,323	4,545,323	0			
72	DISTRIBUTION PLANT IN SERVICE	D149		71,295,464	0	0	0	10,802,080	14,259,525	31,849,387	56,910,992	14,384,472	71,295,464	71,295,464	0			
74	TOTAL TRANS & DIST PLANT	TD29		77,614,732	0	0	6,319,268	10,802,080	14,259,525	31,849,387	56,910,992	14,384,472	71,295,464	77,614,732	0			
75	TOTAL GROSS PTD PLANT	PD29		284,749,830	207,135,098	0	6,319,268	10,802,080	14,259,525	31,849,387	56,910,992	14,384,472	71,295,464	284,749,830	0			
76	GENERAL & INTANGIBLE PLANT																	
78	PRODUCTION-DEMAND	G100	K_rfbprod_d	384,219	384,219	0	0	0	0	0	0	0	0	384,219	0			
79	PRODUCTION-ENERGY	G102	K_rfbprod_e	163,526	0	163,526	0	0	0	0	0	0	0	163,526	0			
80	TRANSMISSION	G104	K_TransA&G	24,728	2,823	0	21,905	0	0	0	0	0	0	24,728	0			
81	DISTRIBUTION	G106	K_DistA&G	157,655	0	0	0	8,444	118,588	18,917	145,949	11,706	157,655	157,655	0			
82	CUSTOMER ACCOUNTING	G108	K_CA_A&G	64,040	0	0	0	0	0	0	0	64,040	64,040	64,040	0			
83	CUSTOMER SERVICE & INFORMATION	G110	K_CSI_A&G	21,523	(26,930)	(31,387)	(4,467)	(1,617)	(3,654)	(3,862)	(9,133)	93,440	84,307	21,523	0			
84	SALES	G112	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0			
85	GENERAL & INTANGIBLE PLANT IN SERVICE	G129		815,691	360,112	132,139	17,438	6,827	114,934	15,055	136,816	169,186	306,002	815,691	0			
86	COMMON & OTHER PLANT																	
88	PRODUCTION-DEMAND RELATED	C100	K_rfbprod_d	2,359,289	2,359,289	0	0	0	0	0	0	0	0	2,359,289	0			
89	PRODUCTION-ENERGY RELATED	C102	K_rfbprod_e	1,004,887	0	1,004,887	0	0	0	0	0	0	0	1,004,887	0			
90	TRANSMISSION	C104	K_TransA&G	151,294	17,271	0	134,023	0	0	0	0	0	0	151,294	0			
91	DISTRIBUTION	C106	K_DistA&G	969,461	0	0	0	51,929	729,226	116,324	897,479	71,982	969,461	969,461	0			
92	CUSTOMER ACCOUNTING	C108	K_CA_A&G	393,128	0	0	0	0	0	0	0	393,128	393,128	393,128	0			
93	CUSTOMER SERVICE & INFORMATION	C110	K_CSI_A&G	131,942	(165,087)	(192,412)	(27,382)	(9,922)	(22,397)	(23,674)	(55,993)	572,816	516,823	131,942	0			
94	SALES	C112	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0			
95	COMMON & OTHER PLANT IN SERVICE	C129		5,010,001	2,211,473	812,475	106,641	42,007	706,829	92,650	841,486	1,037,926	1,879,412	5,010,001	0			
96	GROSS ELECTRIC PLANT IN SERVICE																	
97		GP19		290,575,522	209,706,683	944,614	6,443,347	10,850,914	15,081,288	31,957,092	57,889,294	15,591,584	73,480,878	290,575,522	0			

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
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3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR#v-1 KW(12 COIN PEAK)														
6	DS														
7															
8	DESCRIPTION	ITEM	ALLOC	DS SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
99	DEPRECIATION RESERVE														
100	Schedule 3														
101	PRODUCTION PLANT														
101	PRODUCTION - STEAM	P150	K_rtprod_d	73,225,173	73,225,173	0	0	0	0	0	0	0	0	73,225,173	0
102	PRODUCTION - OTHER	P152	K_rtprod_d	33,693,189	33,693,189	0	0	0	0	0	0	0	0	33,693,189	0
103	TOTAL PROD DEPREC RESERVE	P171		106,918,362	106,918,362	0	0	0	0	0	0	0	0	106,918,362	0
104	TRANSMISSION PLANT														
105	MAIN STEP-UP TRANSFORMERS		K_rtrtan_stepup	0	0	0	0	0	0	0	0	0	0	0	0
107	OTHER TRANSMISSION	T150	K_rtrtan_oth	2,712,930	0	0	2,712,930	0	0	0	0	0	0	2,712,930	0
108	TOTAL TRANS DEPREC RESERVE	T171		2,712,930	0	0	2,712,930	0	0	0	0	0	0	2,712,930	0
109	TOTAL PROD & TRANS DEPREC RESERVE														
110				109,631,292	106,918,362	0	2,712,930	0	0	0	0	0	0	109,631,292	0
111	DISTRIBUTION PLANT														
112	SUBSTATIONS	D150	K_Subst	2,269,029	0	0	0	2,269,029	0	0	2,269,029	0	2,269,029	2,269,029	0
114	POLES, TOWERS & FIXTURES	D152	K_Poles	5,194,144	0	0	0	0	5,194,144	0	5,194,144	0	5,194,144	5,194,144	0
115	CONDUCTORS	D154	K_Conductors	11,222,895	0	0	0	0	0	11,222,895	11,222,895	0	11,222,895	11,222,895	0
116	TRANSFORMERS	D156	K_Transformer	5,248,106	0	0	0	0	0	0	0	5,248,106	5,248,106	5,248,106	0
117	SERVICES	D158	K_rbdist_c	739,958	0	0	0	0	0	0	0	739,958	739,958	739,958	0
118	METERS	D160	K_rbdist_c	330,341	0	0	0	0	0	0	0	330,341	330,341	330,341	0
119	DEPRECIATION EXPENSE ADJUSTMENT	D162	K_dist_ccnc	54,951	0	0	0	8,325	10,991	24,548	43,864	11,087	54,951	54,951	0
120	STREET LIGHTS	D184	K_rbdist_c	0	0	0	0	0	0	0	0	0	0	0	0
121	COMPLETED CONSTRUCTION NOT CLASSIFIED	D168	K_dist_ccnc	2,210,899	0	0	0	334,977	442,193	987,661	1,764,831	446,068	2,210,899	2,210,899	0
122	RETIREMENT WORK IN PROGRESS	D168	K_dist_ccnc	(381,431)	0	0	0	(57,791)	(76,289)	(170,394)	(304,474)	(76,957)	(381,431)	(381,431)	0
123	TOTAL DIST DEPREC RESERVE	D191		26,888,892	0	0	0	2,554,540	5,571,039	12,064,710	20,190,289	6,698,603	26,888,892	26,888,892	0
124	TOTAL TRANS & DIST DEPREC RESERVE														
125				29,601,822	0	0	2,712,930	2,554,540	5,571,039	12,064,710	20,190,289	6,698,603	26,888,892	29,601,822	0
126	TOTAL GROSS PTD PLANT DEPREC RESERVE														
127				136,520,184	106,918,362	0	2,712,930	2,554,540	5,571,039	12,064,710	20,190,289	6,698,603	26,888,892	136,520,184	0
128	GENERAL & INTANGIBLE PLANT														
129	PRODUCTION-DEMAND	G150	K_rtprod_d	204,208	204,208	0	0	0	0	0	0	0	0	204,208	0
130	PRODUCTION-ENERGY	G152	K_rtprod_e	87,109	0	87,109	0	0	0	0	0	0	0	87,109	0
131	TRANSMISSION	G154	K_TransA&G	13,029	1,487	0	11,542	0	0	0	0	0	0	13,029	0
132	DISTRIBUTION	G158	K_DistA&G	83,926	0	0	0	4,496	63,129	10,070	77,695	6,231	83,926	83,926	0
133	CUSTOMER ACCOUNTING	G158	K_CA_A&G	34,055	0	0	0	0	0	0	0	34,055	34,055	34,055	0
134	CUSTOMER SERVICE & INFORMATION	G160	K_CSI_A&G	11,541	(14,441)	(16,830)	(2,395)	(867)	(1,959)	(2,071)	(4,897)	50,104	45,207	11,541	0
135	SALES	G162	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
136	TOTAL GEN & INTANGIBLE DEPREC RES.	G171		433,868	191,254	70,279	9,147	3,629	61,170	7,999	72,798	90,390	163,188	433,868	0
137	COMMON & OTHER PLANT														
138	PRODUCTION-DEMAND	C150	K_rtprod_d	1,143,616	1,143,616	0	0	0	0	0	0	0	0	1,143,616	0
140	PRODUCTION-ENERGY	C152	K_rtprod_e	487,186	0	487,186	0	0	0	0	0	0	0	487,186	0
141	TRANSMISSION	C154	K_TransA&G	73,387	8,378	0	65,009	0	0	0	0	0	0	73,387	0
142	DISTRIBUTION	C158	K_DistA&G	469,566	0	0	0	25,153	353,206	56,342	434,701	34,865	469,566	469,566	0
143	CUSTOMER ACCOUNTING	C158	K_CA_A&G	190,620	0	0	0	0	0	0	0	190,620	190,620	190,620	0
144	CUSTOMER SERVICE & INFORMATION	C160	K_CSI_A&G	63,944	(80,008)	(93,250)	(13,270)	(4,808)	(10,855)	(11,473)	(27,136)	277,608	250,472	63,944	0
145	SALES	C162	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
146	TOTAL COM & OTHER PLT RESERVE	C171		2,428,319	1,071,986	393,936	51,739	20,345	342,351	44,869	407,565	503,093	910,658	2,428,319	0
147	TOTAL DEPRECIATION RESERVE														
148		DR19		139,382,371	108,181,602	464,215	2,773,816	2,578,514	5,974,560	12,117,578	20,670,652	7,292,086	27,962,738	139,382,371	0

DUKE ENERGY KENTUCKY														
COST OF SERVICE STUDY														
TWELVE MONTHS ENDING DECEMBER 31, 2006														
ELECTRIC CASE NO: 2006-00172														
FR4v-1 KW (12 COIN PEAK)														
DS														
DS														
TOTAL														
DISTRIBUTION														
DISTRIBUTION														
TOTAL														
ALL														
OTHER														
DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
149	NET ELECTRIC PLANT IN SERVICE	Schedule 4												
151	PRODUCTION PLANT													
152	PRODUCTION - STEAM		60,035,170	60,035,170	0	0	0	0	0	0	0	0	60,035,170	0
153	PRODUCTION - OTHER		40,181,566	40,181,566	0	0	0	0	0	0	0	0	40,181,566	0
154	TOTAL PROD	P229	100,216,736	100,216,736	0	0	0	0	0	0	0	0	100,216,736	0
155	TRANSMISSION PLANT													
157	MAIN STEP-UP TRANSFORMERS		0	0	0	0	0	0	0	0	0	0	0	0
158	OTHER TRANSMISSION		3,606,338	0	0	3,606,338	0	0	0	0	0	0	3,606,338	0
159	TOTAL TRANSMISSION	T229	3,606,338	0	0	3,606,338	0	0	0	0	0	0	3,606,338	0
161	NET PROD & TRANS PLANT		103,823,074	100,216,736	0	3,606,338	0	0	0	0	0	0	103,823,074	0
162	DISTRIBUTION PLANT													
164	SUBSTATIONS	S249	7,844,382	0	0	0	7,844,382	0	0	7,844,382	0	7,844,382	7,844,382	0
165	POLES, TOWERS & FIXTURES	PL49	8,156,289	0	0	0	0	8,156,289	0	8,156,289	0	8,156,289	8,156,289	0
166	CONDUCTORS	SL49	18,595,988	0	0	0	0	0	18,595,988	18,595,988	0	18,595,988	18,595,988	0
167	TRANSFORMERS	F249	5,451,246	0	0	0	0	0	0	0	5,451,246	5,451,246	5,451,246	0
168	SERVICES	SV49	387,404	0	0	0	0	0	0	0	387,404	387,404	387,404	0
169	METERS	M249	1,310,359	0	0	0	0	0	0	0	1,310,359	1,310,359	1,310,359	0
170	OTHER	O249	(54,951)	0	0	0	(8,325)	(10,991)	(24,548)	(43,864)	(11,087)	(54,951)	(54,951)	0
171	STREET LIGHTS	L249	0	0	0	0	0	0	0	0	0	0	0	0
172	CONSTRUCTION NOT CLASSIFIED	CN49	2,334,424	0	0	0	353,692	466,899	1,042,843	1,863,434	470,990	2,334,424	2,334,424	0
173	RETIREMENT WORK IN PROGRESS	CN49	381,431	0	0	0	57,791	76,289	170,394	304,474	76,957	381,431	381,431	0
174	TOTAL DIST	D249	44,406,572	0	0	0	8,247,540	8,688,486	19,784,677	36,720,703	7,685,869	44,406,572	44,406,572	0
176	NET TRANS & DIST PLANT	NT29	48,012,910	0	0	3,606,338	8,247,540	8,688,486	19,784,677	36,720,703	7,685,869	44,406,572	48,012,910	0
177	NET PTD PLANT	NT39	148,229,646	100,216,736	0	3,606,338	8,247,540	8,688,486	19,784,677	36,720,703	7,685,869	44,406,572	148,229,646	0
178	GENERAL & INTANGIBLE PLANT													
180	PRODUCTION-DEMAND		180,011	180,011	0	0	0	0	0	0	0	0	180,011	0
181	PRODUCTION-ENERGY		76,417	0	76,417	0	0	0	0	0	0	0	76,417	0
182	TRANSMISSION		11,699	1,336	0	10,363	0	0	0	0	0	0	11,699	0
183	DISTRIBUTION		73,729	0	0	0	3,948	55,459	8,847	68,254	5,475	73,729	73,729	0
184	CUSTOMER ACCOUNTING		29,985	0	0	0	0	0	0	0	29,985	29,985	29,985	0
185	CUSTOMER SERVICE & INFORMATION		9,982	(12,489)	(14,557)	(2,072)	(750)	(1,695)	(1,791)	(4,236)	43,336	39,100	9,982	0
186	SALES		0	0	0	0	0	0	0	0	0	0	0	0
187	TOTAL GENERAL AND INTANGIBLE PLANT	G229	381,823	168,858	61,860	8,291	3,198	53,764	7,056	64,018	78,796	142,814	381,823	0
188	COMMON & OTHER PLANT													
190	PRODUCTION-DEMAND		1,215,673	1,215,673	0	0	0	0	0	0	0	0	1,215,673	0
191	PRODUCTION-ENERGY		517,701	0	517,701	0	0	0	0	0	0	0	517,701	0
192	TRANSMISSION		77,907	8,893	0	69,014	0	0	0	0	0	0	77,907	0
193	DISTRIBUTION		499,895	0	0	0	26,776	376,020	59,982	462,778	37,117	499,895	499,895	0
194	CUSTOMER ACCOUNTING		202,508	0	0	0	0	0	0	0	202,508	202,508	202,508	0
195	CUSTOMER SERVICE & INFORMATION		67,998	(85,079)	(99,162)	(14,112)	(5,114)	(11,542)	(12,201)	(28,857)	295,208	266,351	67,998	0
196	SALES		0	0	0	0	0	0	0	0	0	0	0	0
197	TOTAL COM & OTHER PLT	C229	2,581,682	1,139,487	418,539	54,902	21,662	364,478	47,781	433,921	534,833	968,754	2,581,682	0
199	TOTAL ELECTRIC PLANT IN SERVICE	NP29	151,193,151	101,525,081	480,399	3,669,531	8,272,400	9,106,728	19,839,514	37,218,642	8,299,498	45,518,140	151,193,151	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
	DUKE ENERGY KENTUCKY														
	COST OF SERVICE STUDY														
	TWELVE MONTHS ENDING DECEMBER 31, 2005														
	ELECTRIC CASE NO: 2006-00172														
	FR-N-1 KW (12 CORN PEAK)														
	DS														
				DS							TOTAL		TOTAL		
	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
200	NET ELECTRIC PLANT	Schedule 4a													
202	PRODUCTION PLANT														
203	PRODUCTION PLANT IN SERVICE	P129		207,135,098	207,135,098	0	0	0	0	0	0	0	0	207,135,098	0
204	TOTAL PROD DEPRC RESERVE	P171		(106,918,362)	(106,918,362)	0	0	0	0	0	0	0	0	(106,918,362)	0
205	NET PRODUCTION PLANT	P229		100,216,736	100,216,736	0	0	0	0	0	0	0	0	100,216,736	0
206	TRANSMISSION PLANT														
208	TRANSMISSION PLANT IN SERVICE	T129		6,319,268	0	0	6,319,268	0	0	0	0	0	0	6,319,268	0
209	TOTAL TRANS DEPREC RESERVE	T171		(2,712,930)	0	0	(2,712,930)	0	0	0	0	0	0	(2,712,930)	0
210	NET TRANSMISSION PLANT	T229		3,606,338	0	0	3,606,338	0	0	0	0	0	0	3,606,338	0
212	NET PROD & TRANS PLANT			103,823,074	100,216,736	0	3,606,338	0	0	0	0	0	0	103,823,074	0
214	DISTRIBUTION PLANT														
215	DISTRIBUTION PLANT IN SERVICE	D149		71,295,464	0	0	0	10,802,080	14,259,525	31,849,387	56,910,992	14,384,472	71,295,464	71,295,464	0
216	TOTAL DIST DEPREC RESERVE	D191		(26,888,892)	0	0	0	(2,554,540)	(5,571,039)	(12,064,710)	(20,190,289)	(6,698,603)	(26,888,892)	(26,888,892)	0
217	NET DISTRIBUTION PLANT	D249		44,406,572	0	0	0	8,247,540	8,688,486	19,784,677	36,720,703	7,685,869	44,406,572	44,406,572	0
220	NET TRANS & DIST PLANT	NT29		48,012,910	0	0	3,606,338	8,247,540	8,688,486	19,784,677	36,720,703	7,685,869	44,406,572	48,012,910	0
221	NET PTD PLANT	NT39		148,229,646	100,216,736	0	3,606,338	8,247,540	8,688,486	19,784,677	36,720,703	7,685,869	44,406,572	148,229,646	0
222	GENERAL & INTANGIBLE PLANT														
224	GEN & INTANG PLANT IN SERVICE	G129		815,691	360,112	132,139	17,438	6,827	114,934	15,055	136,816	169,186	306,002	815,691	0
225	TOTAL GEN & INTG DEPREC RESERVE	G171		(433,868)	(191,254)	(70,279)	(9,147)	(3,629)	(61,170)	(7,999)	(72,799)	(90,390)	(163,188)	(433,868)	0
226	NET GENERAL & INTANG PLANT	G229		381,823	168,858	61,860	8,291	3,198	53,764	7,056	64,018	78,796	142,814	381,823	0
227	COMMON & OTHER PLANT														
229	COMMON & OTH PLT IN SERVICE	C121		5,010,001	2,211,473	812,475	106,641	42,007	706,829	92,650	841,486	1,037,926	1,879,412	5,010,001	0
230	TOTAL COM & OTH DEPREC RESERVE	C171		(2,428,319)	(1,071,988)	(393,936)	(51,739)	(20,345)	(342,351)	(44,869)	(407,565)	(503,093)	(910,658)	(2,428,319)	0
231	NET COMMON & OTHER PLANT	C229		2,581,682	1,139,487	418,539	54,902	21,662	364,478	47,781	433,921	534,833	968,754	2,581,682	0
233	NET ELECTRIC PLANT IN SERVICE	NP29		151,193,151	101,525,081	480,399	3,669,531	8,272,400	9,106,728	19,839,514	37,218,642	8,299,498	45,518,140	151,193,151	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 COIN PEAK)														
6	DS														
7															
8	DESCRIPTION	ITEM	ALLOC	DS SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
225	RATE BASE ADJUSTMENTS														
226	SUBTRACTIVE ADJUSTMENTS														
227	ACCUM DEF INC TAXES (282)														
228	LIBERALIZED DEPRECIATION	B200	K_EPIS	10,639,103	7,144,079	33,805	258,216	582,109	640,819	1,396,059	2,618,987	584,016	3,203,003	10,639,103	0
242	MISCELLANEOUS	B208	K_EPIS	85,984	57,738	273	2,087	4,704	5,179	11,283	21,166	4,720	25,886	85,984	0
247	TOTAL ACCOUNT 282	B221		10,725,087	7,201,817	34,078	260,303	586,813	645,998	1,407,342	2,640,153	588,736	3,228,889	10,725,087	0
248															
249	ACCUM DEF INC TAXES (283/284)														
254	DEFERRED INCOME TAXES	B234	K_EPIS	(9,048)	(6,075)	(29)	(220)	(495)	(545)	(1,187)	(2,227)	(497)	(2,724)	(9,048)	0
256	TOTAL ACCOUNT 283/284	B243		(9,048)	(6,075)	(29)	(220)	(495)	(545)	(1,187)	(2,227)	(497)	(2,724)	(9,048)	0
257															
263	TOTAL SUBTRACTIVE ADJUSTMENTS	B287		10,716,039	7,195,742	34,049	260,083	586,318	645,453	1,406,155	2,637,926	588,239	3,226,165	10,716,039	0
264															
265	ADDITIVE ADJUSTMENTS														
266	ACCUM DEF INC TAXES (180)														
272	MISCELLANEOUS DEFERRALS	V212	K_AA/GenAdj	307,719	135,831	49,898	6,546	2,579	43,400	5,687	51,666	63,778	115,444	307,719	0
273	TOTAL ACCOUNT 180	V215		307,719	135,831	49,898	6,546	2,579	43,400	5,687	51,666	63,778	115,444	307,719	0
274															

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5	FR-4v-1 KW (12 COIN PEAK)														
6	DS														
7															
8	DESCRIPTION	ITEM	ALLOC	DS SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
286	CONSTRUCTION WORK IN PROGRESS	Schedule 5a													
287	PRODUCTION	V232		(915,478)	(915,478)	0	0	0	0	0	0	0	0	(915,478)	0
288	TRANSMISSION	V234		331,040	0	0	331,040	0	0	0	0	0	0	331,040	0
289	DISTRIBUTION	V238		1,558,776	0	0	0	236,173	311,765	696,342	1,244,280	314,496	1,558,776	1,558,776	0
290	GENERAL	V238		0	0	0	0	0	0	0	0	0	0	0	0
291	COMMON	V240		0	0	0	0	0	0	0	0	0	0	0	0
292	TOTAL RATE BASE CWIP	V255		974,338	(915,478)	0	331,040	236,173	311,765	696,342	1,244,280	314,496	1,558,776	974,338	0
293															
294	TOTAL ADDITIVE ADJUSTMENTS	V289		1,282,057	(779,647)	49,898	337,586	238,752	355,165	702,029	1,295,946	378,274	1,674,220	1,282,057	0
295															
296	NET ORIGINAL COST RATE BASE	RB29		141,759,169	93,549,692	496,248	3,747,034	7,924,834	8,816,440	19,135,388	35,876,662	8,089,533	43,966,195	141,759,169	0
297															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
	DUKE ENERGY KENTUCKY														
	COST OF SERVICE STUDY														
	TWELVE MONTHS ENDING DECEMBER 31, 2005														
	ELECTRIC CASE NO: 2006-00172														
	FR.#v-1 KW (12 COIN PEAK)														
	DS														
	DESCRIPTION	ITEM	ALLOC	DS SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
298	WORKING CAPITAL														
299	MATERIALS & SUPPLIES														
300	FUEL INVENTORIES														
301	FUEL	W640	K_rtprod_e	2,298,382	0	2,298,382	0	0	0	0	0	0	0	2,298,382	0
302	EMISSION ALLOWANCES	W642	K_rtprod_e	1,533,294	0	1,533,294	0	0	0	0	0	0	0	1,533,294	0
303	TOTAL FUEL STOCKS	W644		3,831,676	0	3,831,676	0	0	0	0	0	0	0	3,831,676	0
304	PLANT MATERIALS & SUPPLIES														
305	OTHER	W648	K_EPIS	2,197,056	1,475,306	6,981	53,324	120,210	132,334	288,297	540,841	120,604	661,445	2,197,056	0
310	TOTAL PLANT MATERIALS & SUPPLIES	W650		2,197,056	1,475,306	6,981	53,324	120,210	132,334	288,297	540,841	120,604	661,445	2,197,056	0
311	TOTAL MATERIALS & SUPPLIES														
312		W669	TOT_M&S	6,028,732	1,475,306	3,838,657	53,324	120,210	132,334	288,297	540,841	120,604	661,445	6,028,732	0
313	PREPAYMENTS														
315	INSURANCE	W670	K_AA&GenAdj	93,564	41,301	15,172	1,990	784	13,196	1,729	15,709	19,392	35,101	93,564	0
316	COAL, SYN FUEL AND MARGIN DEPOSITS	W684	K_rtprod_e	1,633,166	0	1,633,166	0	0	0	0	0	0	0	1,633,166	0
317	TOTAL PREPAYMENTS	W689		1,726,730	41,301	1,648,338	1,990	784	13,196	1,729	15,709	19,392	35,101	1,726,730	0
322	AUTO CALC (O&M-F-PP)/8	W719		3,483,371	2,279,080	116,001	513,953	17,777	267,112	39,605	324,494	249,843	574,337	3,483,371	0
324	TOTAL WORKING CASH	W729		3,483,371	2,279,080	116,001	513,953	17,777	267,112	39,605	324,494	249,843	574,337	3,483,371	0
325	TOTAL WORKING CAPITAL														
326		WC79		11,238,833	3,795,687	5,602,996	569,267	138,771	412,642	329,631	881,044	389,839	1,270,883	11,238,833	0
327	PRELIMINARY SUMMARY														
328	TOTAL SUBTRACTIVE ADJUSTMENTS	B287		(10,716,039)	(7,195,742)	(34,049)	(260,083)	(586,318)	(645,453)	(1,406,155)	(2,637,926)	(588,239)	(3,226,165)	(10,716,039)	0
329	TOTAL ADDITIVE ADJUSTMENTS	V289		1,282,057	(779,647)	49,898	337,586	238,752	355,165	702,029	1,295,946	378,274	1,674,220	1,282,057	0
330	TOTAL WORKING CAPITAL	WC71		11,238,833	3,795,687	5,602,996	569,267	138,771	412,642	329,631	881,044	389,839	1,270,883	11,238,833	0
331	TOTAL RATE BASE ADJUSTMENTS	RB71		1,804,851	(4,179,702)	5,618,845	646,770	(208,795)	122,354	(374,495)	(460,936)	179,874	(281,062)	1,804,851	0
332	RATE BASE CALCULATION														
334	NET ELECTRIC PLANT IN SERVICE	NP21		151,193,151	101,525,081	480,399	3,669,531	8,272,400	9,106,728	19,839,514	37,218,642	8,299,498	45,518,140	151,193,151	0
335	TOTAL RATE BASE ADJUSTMENTS	RB71		1,804,851	(4,179,702)	5,618,845	646,770	(208,795)	122,354	(374,495)	(460,936)	179,874	(281,062)	1,804,851	0
336	TOTAL RATE BASE	RB99	TOT_RB	152,998,002	97,345,379	6,099,244	4,316,301	8,063,605	9,229,082	19,465,019	36,757,706	8,479,372	45,237,078	152,998,002	0
337	CAPITALIZATION ALLOC TO ELECTRIC OPER														
338		ECAP	K_OCDRB	144,231,279	91,767,528	5,749,760	4,068,979	7,601,565	8,700,259	18,349,681	34,651,505	7,993,507	42,645,012	144,231,279	0
339	TOTAL RATE OF RETURN ALLOWABLE														
340		RORA	ror_allow_from	0.1066	0.1066	0.1066	0.1066	0.1066	0.1066	0.1066	0.1066	0.1066	0.1066	0.1066	0.1066
341	RETURN ON CAPITALIZATION	R751		15,372,021	9,780,488	612,804	433,688	810,166	927,265	1,955,690	3,693,121	851,940	4,545,061	15,372,021	0
342															

DUKE ENERGY KENTUCKY														
COST OF SERVICE STUDY														
TWELVE MONTHS ENDING DECEMBER 31, 2009														
ELECTRIC CASE NO: 2006-00172														
FR49-1 KW (12 COIN PEAK)														
DS														
5/26/06 7:38 AM														
			DS	PRODUCTION	PRODUCTION	OTHER				TOTAL	DISTRIBUTION	TOTAL		ALL
	DESCRIPTION	ITEM	SECONDARY	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	OTHER
343	O&M EXPENSES	Schedule 6												
344	PRODUCTION O&M													
345	ENERGY RELATED PRODUCTION O&M													
346	FUEL	P300	K_rprod_e	22,431,737	0	22,431,737	0	0	0	0	0	0	22,431,737	0
347	MISCELLANEOUS	P302	K_rprod_e	0	0	0	0	0	0	0	0	0	0	0
348	EMISSION ALLOWANCES	P306	K_rprod_e	1,408,061	0	1,408,061	0	0	0	0	0	0	1,408,061	0
349	ELIMINATE EMISSION ALLOW & OTHER VAR COST	P308	K_rprod_e	2,099,059	0	2,099,059	0	0	0	0	0	0	2,099,059	0
350	OTHER PRODUCTION EXPENSE - MAINTENANCE	P310	K_rprod_e	3,398,313	0	3,398,313	0	0	0	0	0	0	3,398,313	0
351	MISO TRANSMISSION CHARGES ACCT IN 555	P312	K_rprod_e	3,120,397	0	3,120,397	0	0	0	0	0	0	3,120,397	0
352	TOTAL ENERGY RELATED	P348		32,457,567	0	32,457,567	0	0	0	0	0	0	32,457,567	0
353														
354	DEMAND RELATED PROD O&M													
355	ELIMINATE MISCELLANEOUS	P344	K_rprod_d	0	0	0	0	0	0	0	0	0	0	0
356	OTHER PRODUCTION EXPENSE - OPERATIONS	P348	K_rprod_d	5,151,231	5,151,231	0	0	0	0	0	0	0	5,151,231	0
357	TOTAL DEMAND RELATED	P348		5,151,231	5,151,231	0	0	0	0	0	0	0	5,151,231	0
358														
359	TOTAL PRODUCTION O&M	P458		37,608,798	5,151,231	32,457,567	0	0	0	0	0	0	37,608,798	0
360														
361	TRANSMISSION O & M													
362	TRANSFORMER LEASE PAYMENTS	T300	K_rprod_d	514,182	514,182	0	0	0	0	0	0	0	514,182	0
363	OTHER TRANSMISSION	T302	K_rbrtan_oth	4,737,252	0	0	4,737,252	0	0	0	0	0	4,737,252	0
364	MISCELLANEOUS ADJUSTMENTS	T304	K_gross_transpl	(1,113,612)	0	0	(1,113,612)	0	0	0	0	0	(1,113,612)	0
365	NETWORK SERVICE RATES ADJUSTMENT	T305	K_gross_transpl	366,326	0	0	366,326	0	0	0	0	0	366,326	0
366	TOTAL TRANSMISSION O & M	T348		4,504,148	514,182	0	3,989,966	0	0	0	0	0	4,504,148	0
367														
368	DISTRIBUTION O & M													
369	SUBSTATIONS	D300	K_Subst	28,161	0	0	0	28,161	0	0	0	28,161	28,161	0
370	POLES, TOWERS & FIXTURES	D302	K_Poles	1,253,977	0	0	0	0	1,253,977	0	0	1,253,977	1,253,977	0
371	CONDUCTORS	D304	K_Conductors	52,587	0	0	0	0	52,587	0	0	52,587	52,587	0
372	TRANSFORMERS	D306	K_Transformer	17,915	0	0	0	0	0	17,915	0	17,915	17,915	0
373	OTHER MAINTENANCE	D308	K_distnet	92,359	0	0	17,154	18,071	41,149	76,374	15,985	92,359	92,359	0
374	METERS	D310	K_rbdist_c	51,578	0	0	0	0	0	0	51,578	51,578	51,578	0
375	STREET LIGHTS	D314	K_rbdist_c	0	0	0	0	0	0	0	0	0	0	0
376	OTHER OPERATIONS	D316	K_distnet	253,942	0	0	47,164	49,686	113,140	209,990	43,952	253,942	253,942	0
377	MISCELLANEOUS EXPENSES	D318	K_rbdist_c	(432)	0	0	0	0	0	0	(432)	(432)	(432)	0
378	AFFILIATED COMPANY RENTS	D320	K_distnet	9,565	0	0	1,776	1,871	4,262	7,909	1,656	9,565	9,565	0
379	TOTAL DISTRIBUTION O & M	D348		1,759,652	0	0	94,255	1,323,605	211,138	1,628,998	130,654	1,759,652	1,759,652	0
380														
381	CUSTOMER ACCOUNTING													
382	CUSTOMER ACCOUNTING EXPENSE	C300	K_rbdist_c	409,408	0	0	0	0	0	0	409,408	409,408	409,408	0
383	ADJUST UNCOLLECTIBLE ACCOUNTS	C302	K_Func_Rev	(224,829)	(80,448)	(93,764)	(13,344)	(4,836)	(10,914)	(11,536)	(9,987)	(37,273)	(224,829)	0
384	METER READING	C304	K_rbdist_c	117,334	0	0	0	0	0	0	117,334	117,334	117,334	0
385	LOSS ON SALE OF AVR & INCR AVR ON INCR	C308	K_Func_Rev	319,891	114,464	133,409	18,986	6,880	15,529	38,822	14,210	53,032	319,891	0
386	MISCELLANEOUS EXPENSE ADJUSTMENT	C308	K_rbdist_c	(1,889)	0	0	0	0	0	0	(1,889)	(1,889)	(1,889)	0
387	TOTAL CUSTOMER ACCT EXPENSE	C318		619,915	34,016	39,645	5,642	2,044	4,615	4,877	11,536	529,076	540,612	619,915
388														

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-0v-1 KW(12 CON PEAK)														
6	DS														
7				DS							TOTAL				
8	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
393	CUSTOMER SERVICE & INFORMATION														
394	CUSTOMER SERVICE & INFORMATION	C320	K_rbdist_c	178,448	0	0	0	0	0	0	0	178,448	178,448	178,448	0
395	INFORMATIONAL & INSTRUCTIONAL ADV	C322	K_rbdist_c	33,396	0	0	0	0	0	0	0	33,396	33,396	33,396	0
396	CUSTOMER SERVICE & INFORM PROFORMA	C324	K_rbdist_c	(64,503)	0	0	0	0	0	0	0	(64,503)	(64,503)	(64,503)	0
397	AM	C326	K_Func_Rev	(114,575)	(40,997)	(47,783)	(6,800)	(2,464)	(5,562)	(5,879)	(13,905)	(5,090)	(18,995)	(114,575)	0
398	TOTAL CUSTOMER SERV & INFORMATION	C331		32,766	(40,997)	(47,783)	(6,800)	(2,464)	(5,562)	(5,879)	(13,905)	142,251	128,346	32,766	0
401	SALES	Schedule 6													
401	SALES EXPENSE	S300	K_rbdist_c	1,498	0	0	0	0	0	0	0	1,498	1,498	1,498	0
403	SALES EXPENSE PROFORMA	S304	K_rbdist_c	(1,283)	0	0	0	0	0	0	0	(1,283)	(1,283)	(1,283)	0
404	TOTAL SALES EXPENSE	S319		215	0	0	0	0	0	0	0	215	215	215	0
405															
405	SUBTOTAL O&M EXCL. A&G			44,525,494	5,658,432	32,449,429	3,988,808	93,835	1,322,658	210,136	1,626,629	802,196	2,428,825	44,525,494	0
407															
408	ADMINISTRATIVE & GENERAL														
409	A&G EXPENSE EXCL. REGULATORY EXP														
410	PRODUCTION-DEMAND RELATED	A300	K_tprod_d	2,905,913	2,905,913	0	0	0	0	0	0	0	0	2,905,913	0
411	PRODUCTION-ENERGY RELATED	A302	K_tprod_e	1,237,705	0	1,237,705	0	0	0	0	0	0	0	1,237,705	0
412	TRANSMISSION	A304	K_tranO&M	186,277	21,265	0	165,012	0	0	0	0	0	0	186,277	0
413	DISTRIBUTION	A308	K_distO&M	1,193,651	0	0	0	63,938	897,861	143,224	1,105,023	88,628	1,193,651	1,193,651	0
414	CUSTOMER ACCOUNTING	A308	K_CA_O&M	484,243	0	0	0	0	0	0	0	484,243	484,243	484,243	0
415	CUSTOMER SERVICE & INFORMATION	A310	K_CSI_O&M	162,620	(203,471)	(237,150)	(33,749)	(12,229)	(27,605)	(29,178)	(69,012)	706,002	636,990	162,620	0
416	SALES	A312	K_Sales_O&M	0	0	0	0	0	0	0	0	0	0	0	0
417	A&G EXPENSE UNADJUSTED	A315		6,170,409	2,723,707	1,000,555	131,263	51,709	870,256	114,046	1,036,011	1,278,873	2,314,884	6,170,409	0
419	RATE CASE EXPENSE	A318	K_AA&GenAdj	18,602	8,211	3,016	396	156	2,624	344	3,124	3,855	6,979	18,602	0
426	ELIMINATE MISCELLANEOUS EXPENSES	A340	K_AA&GenAdj	(30,754)	(13,575)	(4,987)	(654)	(259)	(4,337)	(568)	(5,164)	(6,374)	(11,538)	(30,754)	0
427	IMPLEMENT AUTOMATED METER READING	A342	K_AA&GenAdj	19,613	8,658	3,180	417	164	2,766	363	3,293	4,065	7,358	19,613	0
431	AMORTIZATION OF DEFERRED EXPENSES	A352	K_AA&GenAdj	191,407	84,490	31,037	4,072	1,604	26,995	3,538	32,137	39,671	71,808	191,407	0
432	MISCELLANEOUS	A354	K_AA&GenAdj	0	0	0	0	0	0	0	0	0	0	0	0
433	ELIMINATE INCENTIVE COMPENSATION	A356	K_AA&GenAdj	(596,063)	(263,111)	(96,654)	(12,680)	(4,995)	(84,067)	(11,017)	(100,079)	(123,539)	(223,618)	(596,063)	0
434	TOTAL ADMIN. & GENERAL	A357		5,773,214	2,548,380	936,147	122,814	48,379	814,237	106,706	969,322	1,196,551	2,165,873	5,773,214	0
435															
436	TOTAL O & M EXPENSE	OM39	TOT O&M	50,298,708	8,206,812	33,385,576	4,111,622	142,214	2,136,895	316,842	2,595,951	1,998,747	4,594,698	50,298,708	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 CORN PEAK)														
6	DS														
7				DS						TOTAL					
8	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
437	DEPRECIATION EXPENSE Schedule 7														
438	PRODUCTION DEPRECIATION														
440	PRODUCTION DEPRECIATION	P480	K_rbprod_d	5,941,696	5,941,696	0	0	0	0	0	0	0	0	5,941,696	0
441	PROFORMA ADJUSTMENT	P462	K_rbprod_d	0	0	0	0	0	0	0	0	0	0	0	0
442	TOTAL PRODUCTION DEPREC EXP.	P489		5,941,696	5,941,696	0	0	0	0	0	0	0	0	5,941,696	0
443	TRANSMISSION DEPRECIATION														
444	TRANSMISSION DEPRECIATION	T460	K_tranmet	143,583	0	0	143,583	0	0	0	0	0	0	143,583	0
446	PROFORMA ADJUSTMENT	T462	K_tranmet	0	0	0	0	0	0	0	0	0	0	0	0
447	TOTAL TRANSMISSION DEP. EXP.	T489		143,583	0	0	143,583	0	0	0	0	0	0	143,583	0
448	DISTRIBUTION DEPRECIATION														
449	DISTRIBUTION DEPRECIATION	D460	K_distnet	2,360,639	0	0	0	438,437	461,877	1,051,747	1,952,061	408,578	2,360,639	2,360,639	0
451	PROFORMA ADJUSTMENT	D462	K_distnet	0	0	0	0	0	0	0	0	0	0	0	0
452	TOTAL DIST. DEPREC EXP.	D489		2,360,639	0	0	0	438,437	461,877	1,051,747	1,952,061	408,578	2,360,639	2,360,639	0
453	GENERAL DEPRECIATION														
454	GENERAL DEPRECIATION	G460	K_gennet	23,508	10,396	3,809	510	198	3,310	434	3,942	4,851	8,793	23,508	0
456	PROFORMA ADJUSTMENT	G462	K_gennet	0	0	0	0	0	0	0	0	0	0	0	0
457	TOTAL GENERAL DEPREC EXP.	G489		23,508	10,396	3,809	510	198	3,310	434	3,942	4,851	8,793	23,508	0
458	COMMON AND OTHER DEPRECIATION														
459	COMMON DEPRECIATION	C480	K_comnet	149,615	66,036	24,255	3,182	1,256	21,122	2,769	25,147	30,995	56,142	149,615	0
461	PROFORMA ADJUSTMENT	C462	K_comnet	0	0	0	0	0	0	0	0	0	0	0	0
462	TOTAL COM & OTHER DEPREC EXP.	C489		149,615	66,036	24,255	3,182	1,256	21,122	2,769	25,147	30,995	56,142	149,615	0
463	TOTAL DEPRECIATION EXPENSE														
464	TOTAL DEPRECIATION EXPENSE	DE49	TOT_DEPREX	8,619,041	6,018,128	28,064	147,275	439,891	486,309	1,054,950	1,981,150	444,424	2,425,574	8,619,041	0
465															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
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3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-iv-1 KW (12 COB PEAK)														
6	DS														
7				DS						TOTAL					
8	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
465	TAXES OTHER THAN INC & REV	Schedule B													
467	REAL ESTATE & PROPERTY TAX														
468	PRODUCTION	L500	K_rprod_d	698,715	698,715	0	0	0	0	0	0	0	0	698,715	0
469	TRANSMISSION	L501	K_tranmet	72,117	0	0	72,117	0	0	0	0	0	0	72,117	0
470	DISTRIBUTION	L502	K_distnet	690,648	0	0	0	128,272	135,131	307,708	571,111	119,537	690,648	690,648	0
471	OTHER	L514	K_EPIS	0	0	0	0	0	0	0	0	0	0	0	0
472	TOTAL REAL EST & PROP TAX	L529	PROP_TAX	1,461,480	698,715	0	72,117	128,272	135,131	307,708	571,111	119,537	690,648	1,461,480	0
473	MISCELLANEOUS TAXES														
475	PAYROLL RELATED	L566	K_A&GenAdj	448,068	197,783	72,656	9,532	3,755	63,194	8,282	75,231	92,866	168,097	448,068	0
476	OTHER STATE TAXES	L562	K_A&GenAdj	0	0	0	0	0	0	0	0	0	0	0	0
477	ELIMINATE NON-NATIVE SALES	L564	K_A&GenAdj	(7,643)	(3,374)	(1,239)	(163)	(64)	(1,078)	(141)	(1,283)	(1,584)	(2,867)	(7,643)	0
478	AUTO LICENSES, ETC	L580	K_A&GenAdj	1,853	819	300	39	16	261	34	311	384	695	1,853	0
479	ELIMINATE UNBILLED REVENUE	L562	K_A&GenAdj	(43)	(19)	(7)	(1)	0	(6)	(1)	(7)	(9)	(16)	(43)	0
480	AFFILIATED COMPANY RENTS	L564	K_A&GenAdj	19	9	3	0	0	3	0	3	4	7	19	0
481	MISCELLANEOUS	L566	K_A&GenAdj	0	0	0	0	0	0	0	0	0	0	0	0
482	DSM ELIMINATION	L566	K_rprod_d	(998)	(998)	0	0	0	0	0	0	0	0	(998)	0
483	TOTAL MISCELLANEOUS TAXES	L589		441,256	194,220	71,713	9,407	3,707	62,374	8,174	74,255	91,661	165,916	441,256	0
484	MISCELLANEOUS EXPENSES														
487	PSC MAINTENANCE ON INCREASE	L584	K_Func_Rav	21,785	7,795	9,085	1,293	468	1,058	1,118	2,644	968	3,612	21,785	0
488	TOTAL MISCELLANEOUS EXPENSES	L599		21,785	7,795	9,085	1,293	468	1,058	1,118	2,644	968	3,612	21,785	0
489	TOTAL OTHER TAX & MISC EXPENSE	L591		1,924,521	900,730	80,798	82,817	132,447	198,563	317,000	648,010	212,166	860,176	1,924,521	0
491	PRELIMINARY SUMMARY														
493	TOTAL O&M EXPENSE	OM39		50,298,708	8,206,812	33,385,576	4,111,622	142,214	2,136,895	316,842	2,595,951	1,898,747	4,594,698	50,298,708	0
494	TOTAL DEPRECIATION EXPENSE	DE49		8,619,041	6,018,128	28,064	147,275	439,891	486,309	1,054,950	1,981,150	444,424	2,425,574	8,619,041	0
495	TOTAL OTHER TAX & MISC EXPENSE	L599		1,924,521	900,730	80,798	82,817	132,447	198,563	317,000	648,010	212,166	860,176	1,924,521	0
496	TOTAL OP EXP EXC IT & OTHER TAX	OP69		60,842,270	15,125,670	33,494,438	4,341,714	714,552	2,821,767	1,688,792	5,225,111	2,655,337	7,880,448	60,842,270	0
497															

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY																
2	COST OF SERVICE STUDY																
3	TWELVE MONTHS ENDING DECEMBER 31, 2005																
4	ELECTRIC CASE NO: 2006-00172																
5	FR#4-1 KW (12 CONN PEAK)																
6	DS																
7	DESCRIPTION																
8	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DEMAND DISTRIBUTION	CUSTOMER DISTRIBUTION	TOTAL DISTRIBUTION	TOTAL	ALL OTHER			
489	INCOME TAX BASED ON RETURN Schedule 9																
490	FEDERAL INCOME TAX DEDUCTIONS	4,212,817	2,828,875	2,828,875	13,386	102,247	230,501	253,748	552,804	1,037,053	231,256	1,268,309	4,212,817	0			
491	AUTO PROC INTEREST DED	0	0	0	0	0	0	0	0	0	0	0	0	0			
492	TOTAL INTEREST EXPENSE	4,212,817	2,828,875	2,828,875	13,386	102,247	230,501	253,748	552,804	1,037,053	231,256	1,268,309	4,212,817	0			
493	OTHER DEDUCTIONS	829,013	578,848	2,699	14,165	42,311	46,775	101,469	190,555	42,746	233,301	829,013	0				
494	DEPR. EXCESS TAX OVER BOOK	K_Depr_Ex	578,848	2,699	14,165	42,311	46,775	101,469	190,555	42,746	233,301	829,013	0				
495	LOSS ON REACQUIRED DEBT	K_EPIS	(32,173)	(21,604)	(102)	(781)	(1,938)	(4,222)	(7,920)	(1,766)	(9,686)	(32,173)	0				
496	COST OF REMOVAL	K_Depr_Ex	394,677	275,578	1,285	6,744	22,269	48,308	90,719	20,351	394,677	0					
497	METER CAPITAL LEASE PRINCIPLE PAYMENTS	K_Depr_Ex	89,717	0	0	0	0	0	0	89,717	89,717	89,717	0				
498	OTHER PERMANENT DIFFERENCES	K_EPIS	369,354	248,018	1,174	8,964	48,467	90,923	20,275	111,198	369,354	0					
499	TOTAL OTHER DEDUCTIONS	Y828	1,650,588	1,080,840	5,056	29,092	80,902	194,022	364,277	171,323	535,600	1,650,588	0				
500	NET DEDUCTIONS AND ADDITIONS	Y871	5,863,405	3,909,715	18,442	131,339	311,403	746,826	1,401,330	402,579	1,803,909	5,863,405	0				
501	FEDERAL INCOME TAX ADJUSTMENTS	522															
502	FEDERAL DEF INC TAX DEFERRALS (410.1)	524	(19,512)	(13,102)	(62)	(474)	(1,068)	(2,560)	(4,803)	(1,071)	(5,874)	(19,512)	0				
503	ANNUALIZE DEPRECIATION	K_EPIS	(19,512)	(13,102)	(62)	(474)	(1,068)	(2,560)	(4,803)	(1,071)	(5,874)	(19,512)	0				
504	MISCELLANEOUS PROFORMA ADJUSTMENT	K_MiscAdj	(146,151)	(64,513)	(23,699)	(3,109)	(1,225)	(20,613)	(24,539)	(30,291)	(54,830)	(146,151)	0				
505	MISCELLANEOUS NON-JURIS INCOME TAX	K_EPIS	0	0	0	0	0	0	0	0	0	0	0				
506	TOTAL FED PROV DEF IT DEFERRALS (410.1)	Z782	486,283	574,331	(23,761)	(3,583)	(2,293)	(21,788)	(5,261)	(29,342)	(60,704)	486,283	0				

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	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
	DIKE ENERGY KENTUCKY														
	COST OF SERVICE STUDY														
	TWELVE MONTHS ENDING DECEMBER 31, 2005														
	ELECTRIC CASE NO: 2006-00172														
	FR-9v-1 KW (12 CONN PEAK)														
	DS														
	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
554	AMORTIZED INV TAX CREDIT	Schedule 9a													
555	MISCELLANEOUS	Z804	K_AA&GenAdj	0	0	0	0	0	0	0	0	0	0	0	0
556	AMORTIZE ITC	Z806	K_EPIS	37,322	25,061	119	906	2,042	2,248	4,897	9,187	2,049	11,236	37,322	0
557	TOTAL AMORTIZED ITC	Z813		37,322	25,061	119	906	2,042	2,248	4,897	9,187	2,049	11,236	37,322	0
558				0											
559	TEST YEAR INV TAX CREDIT														
560	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
561															
562	PRELIMINARY SUMMARY														
563	TOTAL FED PROV DEF IT (410.1)	Z782		486,283	574,331	(23,761)	(3,583)	(2,293)	(21,788)	(5,261)	(29,342)	(31,362)	(60,704)	486,283	0
564	TOTAL FED PROV DEF IT (411.1)	Z803		0	0	0	0	0	0	0	0	0	0	0	0
565	TOTAL AMORTIZED ITC	Z813		(37,322)	(25,061)	(119)	(906)	(2,042)	(2,248)	(4,897)	(9,187)	(2,049)	(11,236)	(37,322)	0
566	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		448,961	549,270	(23,880)	(4,489)	(4,335)	(24,036)	(10,158)	(38,529)	(33,411)	(71,940)	448,961	0
567															
568	FEDERAL INCOME TAX COMPUTATION														
569	RETURN ON CAPITALIZATION	R751		15,372,021	9,780,488	612,804	433,668	810,166	927,265	1,955,690	3,693,121	851,940	4,545,061	15,372,021	0
570	NET DEDUCTIONS AND ADDITIONS	Y871		(5,863,405)	(3,909,715)	(18,442)	(131,339)	(311,403)	(343,101)	(746,826)	(1,401,330)	(402,579)	(1,803,909)	(5,863,405)	0
571	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		448,961	549,270	(23,880)	(4,489)	(4,335)	(24,036)	(10,158)	(38,529)	(33,411)	(71,940)	448,961	0
572	TOTAL STATE PROV DEF IT (410.1)	Z911		102,438	106,858	(44)	(309)	(739)	(814)	(1,772)	(3,325)	(742)	(4,067)	102,438	0
573	TOTAL STATE PROV DEF IT (411.1)	Z933		0	0	0	0	0	0	0	0	0	0	0	0
574	AFUDC OFFSET	Z935		(85,362)	80,205	0	(29,002)	(20,691)	(27,314)	(61,007)	(109,012)	(27,553)	(136,565)	(85,362)	0
575	BASE FOR FIT COMPUTATION	I865		9,974,653	6,607,106	570,438	268,529	472,998	532,000	1,135,927	2,140,925	387,655	2,528,580	9,974,653	0
576															
577	FIT FACTOR K190/(1-K190)	I887	FitComp_from	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538
578	PRELIM FED INCOME TAX	I869		5,370,967	3,557,672	307,159	144,593	254,691	286,462	611,653	1,152,806	208,737	1,361,543	5,370,967	0
579	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		448,961	549,270	(23,880)	(4,489)	(4,335)	(24,036)	(10,158)	(38,529)	(33,411)	(71,940)	448,961	0
580	NET FED INCOME TAX ALLOWABLE	I879		5,819,928	4,106,942	283,279	140,104	250,356	262,426	601,495	1,114,277	175,326	1,289,603	5,819,928	0
581															
582	INCOME TAX BASED ON RETURN														
583	FEDERAL INCOME TAX PAYABLE														
584	PRELIM FEDERAL INCOME TAX	I869		5,370,967	3,557,672	307,159	144,593	254,691	286,462	611,653	1,152,806	208,737	1,361,543	5,370,967	0
585	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
586	NET FED INCOME TAX PAYABLE	I889		5,370,967	3,557,672	307,159	144,593	254,691	286,462	611,653	1,152,806	208,737	1,361,543	5,370,967	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-3v-1 KW(12 COIN PEAK)														
6	DS														
7															
8															
9	DESCRIPTION	ITEM	ALLOC	DS SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
587	STATE INCOME TAX	Schedule 9b													
588															
589	DEDUCTIONS IN ADDITION TO Y871														
590	BONUS DEPRECIATION	Y890	K_Depr_Ex	288,148	201,195	938	4,924	14,706	16,258	35,269	66,233	14,858	81,091	288,148	0
591															
592	DEDUCTIONS IN ADD TO Y871	Y811		288,148	201,195	938	4,924	14,706	16,258	35,269	66,233	14,858	81,091	288,148	0
593															
594	STATE INCOME TAX ADJUSTMENTS														
595															
596	STATE PROV DEF INC TAX DEFERRALS (410.1)														
597															
598	NET DEFERRED TAXES	Z896	K_EPIS	(10,300)	(6,916)	(33)	(250)	(564)	(620)	(1,352)	(2,536)	(565)	(3,101)	(10,300)	0
599															
600	ANNUALIZE DEPRECIATION	Z896	K_Depr_Ex	(3,432)	(2,396)	(11)	(59)	(175)	(194)	(420)	(789)	(177)	(966)	(3,432)	0
601															
602	NON-JURISDICTIONAL TAX	Z896	K_rtoprod_d	116,170	116,170	0	0	0	0	0	0	0	0	116,170	0
603															
604	TOT STATE PROV DEF IT DEFERRALS (410.1)	Z911		102,438	106,858	(44)	(309)	(739)	(814)	(1,772)	(3,325)	(742)	(4,067)	102,438	0
605															
606															
607	TOTAL STATE INC TAX ADJUSTMENT	Z857		102,438	106,858	(44)	(309)	(739)	(814)	(1,772)	(3,325)	(742)	(4,067)	102,438	0
608															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
	DESCRIPTION	ITEM	ALLOC	DS SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2006														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 CONN PEAK)														
6	DS														
7	5/26/06 7:36 AM														
8															
627	INCOME TAX BASED ON RETURN Schedule 9c														
628	SUMMARY OF SIT CALCULATION														
629	RETURN ON CAPITALIZATION	R751		15,372,021	9,780,488	612,804	433,668	810,166	927,265	1,955,690	3,693,121	851,940	4,545,061	15,372,021	0
630	NET FED INCOME TAX ALLOWABLE	1879		5,819,928	4,106,942	283,279	140,104	250,356	262,426	601,495	1,114,277	175,326	1,289,603	5,819,928	0
631	NET FED. DED. AND ADDITIONS	Y871		(5,863,405)	(3,909,715)	(18,442)	(131,339)	(311,403)	(343,101)	(746,826)	(1,401,330)	(402,579)	(1,803,909)	(5,863,405)	0
632	DEDUCTIONS IN ADD TO Y871	Y811		(288,148)	(201,195)	(938)	(4,924)	(14,706)	(16,258)	(35,269)	(66,233)	(14,858)	(81,091)	(288,148)	0
633	AFUDC OFFSET	L033		(85,362)	80,205	0	(29,002)	(20,691)	(27,314)	(61,007)	(109,012)	(27,553)	(136,565)	(85,362)	0
634	TOTAL STATE INC TAX ADJ	Z957		102,438	106,858	(44)	(309)	(739)	(814)	(1,772)	(3,325)	(742)	(4,067)	102,438	0
635	BASE FOR SIT COMPUTATION	J865		15,057,472	9,963,583	876,659	408,198	712,983	802,204	1,712,311	3,227,498	581,534	3,809,032	15,057,472	0
637	SIT FACTOR K182/(1-K182)	J967	sit_factor	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378
638	PRELIMINARY STATE INCOME TAX	J869		925,046	612,106	53,857	25,077	43,802	49,283	105,195	198,280	35,726	234,006	925,046	0
640	TOTAL STATE INCOME TAX ADJ.	Z957		102,438	106,858	(44)	(309)	(739)	(814)	(1,772)	(3,325)	(742)	(4,067)	102,438	0
641	NET STATE INC TAX ALLOWABLE	J878		1,027,484	718,964	53,813	24,768	43,063	48,469	103,423	194,955	34,984	229,939	1,027,484	0
642	STATE INCOME TAX PAYABLE														
643	PRELIMINARY STATE INCOME TAX	J869		925,046	612,106	53,857	25,077	43,802	49,283	105,195	198,280	35,726	234,006	925,046	0
645	OTHER SIT ADJUSTMENTS	Z955		0	0	0	0	0	0	0	0	0	0	0	0
646	NET STATE INCOME TAX PAYABLE	J889		925,046	612,106	53,857	25,077	43,802	49,283	105,195	198,280	35,726	234,006	925,046	0
647	COMPOSITE TAX RATE	CTAX	ctax_from	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621
648															
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	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														5/26/06 7:36 AM
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-11 KW (12 CON PEAK)														
6	DS														
7	DS														
8	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
655	COST OF SERVICE COMPUTATION														
656	Schedule 10														
657	OTHER OPERATING REVENUES														
658	RENTAL REVENUE	Q000	K_EPIS	390,496	262,214	1,241	9,478	21,365	23,521	51,241	96,127	21,436	117,563	390,496	0
659	BAD CHECK CHARGE	Q002	K_Func_Rev	3,088	1,105	1,288	183	67	150	158	375	137	512	3,088	0
660	ELIMINATE NON-NATIVE SALES	Q002	K_rtprod_e	(4,576,599)	0	(4,576,599)	0	0	0	0	0	0	0	(4,576,599)	0
661	SALES FOR RESALE	Q002	K_rtprod_e	4,576,599	0	4,576,599	0	0	0	0	0	0	0	4,576,599	0
662	RECONNECTION CHARGES	Q002	K_Func_Rev	16,099	5,760	6,714	956	346	782	826	1,954	715	2,669	16,099	0
663	INTERRUPTIBLE CREDIT	Q002	K_Func_Rev	(16,354)	(5,852)	(6,820)	(971)	(352)	(794)	(839)	(1,985)	(726)	(2,711)	(16,354)	0
664	BILLING CYCLE IMPROVEMENT	Q004	K_Func_Rev	114,147	40,844	47,604	6,775	2,455	5,541	5,857	13,853	5,071	18,924	114,147	0
665	OTHER MISCELLANEOUS REVENUES	Q008	K_Func_Rev	15,713	5,622	6,553	933	338	763	806	1,907	698	2,605	15,713	0
666	MISCELLANEOUS	Q008	K_Func_Rev	0	0	0	0	0	0	0	0	0	0	0	0
669	TOTAL OTHER OPERATING REVS	Q027		523,189	309,693	56,580	17,354	24,219	29,963	58,049	112,231	27,331	139,562	523,189	0
670	COST OF SERVICE COMPUTATION														
671	TOTAL OP EXP EXC INC & REV TAX	OP69		60,842,270	15,125,670	33,494,438	4,341,714	714,552	2,821,767	1,688,792	5,225,111	2,655,337	7,880,448	60,842,270	0
672	RETURN ON CAPITALIZATION	R751		15,372,021	9,780,488	612,804	433,668	810,166	927,265	1,955,690	3,693,121	851,940	4,545,061	15,372,021	0
674	NET FED INCOME TAX ALLOWABLE	IB79		5,819,928	4,106,942	283,279	140,104	250,356	262,426	601,495	1,114,277	175,326	1,289,603	5,819,928	0
675	NET STATE INCOME TAX ALLOWABLE	J979		1,027,484	718,964	53,813	24,768	43,063	48,469	103,423	194,955	34,984	229,939	1,027,484	0
676	TOTAL OTHER OPERATING REVENUES	Q027		(523,189)	(309,693)	(56,580)	(17,354)	(24,219)	(29,963)	(58,049)	(112,231)	(27,331)	(139,562)	(523,189)	0
677	SUBTOTAL B	CS03		82,538,514	29,422,371	34,387,754	4,922,900	1,793,918	4,029,964	4,291,351	10,115,233	3,690,256	13,805,489	82,538,514	0
678	COST OF SERVICE COMPUTATION														
679	TOTAL OTHER OPERATING REVENUES	Q027		523,189	309,693	56,580	17,354	24,219	29,963	58,049	112,231	27,331	139,562	523,189	0
680	LESS: OTHER ITEMS			0	0	0	0	0	0	0	0	0	0	0	0
681	OTHER OPERATING REVS TO BE TAXED	OORT		523,189	309,693	56,580	17,354	24,219	29,963	58,049	112,231	27,331	139,562	523,189	0
682	COST OF SERVICE COMPUTATION														
685	AFUDC OFFSET	L032		(85,362)	80,205	0	(29,002)	(20,691)	(27,314)	(61,007)	(109,012)	(27,553)	(136,565)	(85,362)	0
686	OTHER DEDUCTIONS TO COST OF SERVICE	L033		(85,362)	80,205	0	(29,002)	(20,691)	(27,314)	(61,007)	(109,012)	(27,553)	(136,565)	(85,362)	0
687	TOTAL ELECTRIC COST OF SERVICE	CS09		82,453,152	29,502,576	34,387,754	4,893,898	1,773,227	4,002,650	4,230,344	10,006,221	3,662,703	13,668,924	82,453,152	0
688	COST OF SERVICE COMPUTATION														
689	PROPOSED REVENUES	R602		82,456,013										82,456,013	0
690	TOTAL ELECTRIC COST OF SERVICE	CS09		(82,453,152)										(82,453,152)	0
691	EXCESS REVENUES	XREV		2,861										2,861	0
692	COMPOSITE TAX RATE	CTAX	PPCOMPTAX_FROM	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621
693	EXCESS TAX	XTAX		1,109										1,109	0
694	EXCESS RETURN	XRET		1,752										1,752	0

A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R	
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR#v-1 KW (12 CON PEAK)														
6	DS														
7	DS														
8	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
696	ROR AND TAX RATES Schedule 11														
697	RATE OF RETURN														
698															
699	CAPITALIZATION AMOUNTS		CAP_FROM	Total Company	Ratio			Ratio							
700	LONG TERM DEBT	K100		275,774,125	0.406259216				0.406259216						
701	PREFERRED STOCK	K102		0	0.000000000				0.000000000						
702	COMMON STOCK	K104		345,393,322	0.508819383				0.508819383						
703	SHORT TERM DEBT	K106		57,645,769	0.084921401				0.084921401						
704	UNAMORTIZED DISCOUNT	K108		0	0.000000000				0.000000000						
705	TOTAL	K115		678,813,216	1.000000000				1.000000000						
706															
707	COST OF CAPITAL														
708	LONG TERM DEBT	K120		0.0609											
709	PREFERRED STOCK	K122		0.0000											
710	COMMON STOCK	K124		0.1150											
711	SHORT TERM DEBT	K126		0.0514											
712	UNAMORTIZED DISCOUNT	K128		0.0000											
713															
714	WEIGHTED COST OF CAPITAL														
715	LONG TERM DEBT	K141		0.0247											
716	PREFERRED STOCK	K143		0.0000											
717	COMMON STOCK	K145		0.0585											
718	SHORT TERM DEBT	K147		0.0044											
719	UNAMORTIZED DISCOUNT	K149		0.0000											
720	TOT RATE OF RETURN ALLOWABLE	RORA	ROR_EARN_FROM	0.0876											
721															
722	TAX RATES AND SPECIAL FACTORS														
723	SHORT TERM DEBT COST	K180		0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
724	FEDERAL INCOME TAX RATE	K190	FIT_FROM	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000
725	STATE INCOME TAX RATE	K192	STATETX_FROM	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788
726	REVENUE TAX RATE	K198		0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
727															
728															
729	PRESENT REVENUES	R600		66,709,383	0	0	0	0	0	0	0	0	0	66,709,383	0
730	PROPOSED REVENUES	R602		82,456,013	0	0	0	0	0	0	0	0	0	82,456,013	0
731	PRESENT NOI			5,730,869											
732	GROSS PRESENT REV AT AVERAGE ROR			60,752,583											
733	SUBSIDY EXCESS			5,956,800											
734	REDUCTION IN SUBSIDY EXCESS			1,489,200											
735	RATE INCREASE			17,235,830											
736	TAX COMPLEMENT														
737															
738															
739															
740															
741															
742															
743															
744															

A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R	
1	DUKE ENERGY KENTUCKY													5/28/08 7:38 AM	
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR#v-1 KW (12 COIN PEAK)														
6	DS														
7	DESCRIPTION	ITEM	ALLOC	DS SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
745	INCOME TAX BASED ON REVENUES														
746	NET INCOME COMPUTATION														
747	TOTAL ELECTRIC COST OF SERVICE	CS09		82,453,152	29,502,576	34,387,754	4,893,898	1,773,227	4,002,650	4,230,344	10,006,221	3,662,703	13,668,924	82,453,152	0
748	TOTAL OTHER OPERATING REVENUES	Q027		523,189	309,693	56,580	17,354	24,219	29,963	58,049	112,231	27,331	139,562	523,189	0
749	TOTAL ELECTRIC REVENUE	CS07		82,976,341	29,812,269	34,444,334	4,911,252	1,797,446	4,032,613	4,288,393	10,118,452	3,690,034	13,808,486	82,976,341	0
750	TOTAL OP EXP EXC IT & OTHER DEDUCTIONS	OP61		(60,842,270)	(15,125,670)	(33,494,438)	(4,341,714)	(714,552)	(2,821,767)	(1,688,792)	(5,225,111)	(2,655,337)	(7,880,448)	(60,842,270)	0
751	OTHER	RTXP		0	0	0	0	0	0	0	0	0	0	0	0
752	NET INCOME	NI01		22,134,071	14,686,599	949,896	569,538	1,082,894	1,210,846	2,599,601	4,893,341	1,034,697	5,928,038	22,134,071	0
753	ADJUSTMENTS TO NET INCOME														
754	TOTAL INTEREST EXPENSE	Y763		(4,212,817)	(2,828,875)	(13,386)	(102,247)	(230,501)	(253,748)	(552,804)	(1,037,053)	(231,256)	(1,268,309)	(4,212,817)	0
756	TOTAL OTHER DEDUCTIONS	Y828		(1,650,588)	(1,080,840)	(5,056)	(29,092)	(80,902)	(89,353)	(194,022)	(364,277)	(171,323)	(535,600)	(1,650,588)	0
757	PRELIMINARY TAXABLE INCOME	TI01		16,270,666	10,776,884	931,454	438,199	771,491	867,745	1,852,775	3,492,011	632,118	4,124,129	16,270,666	0
759	STATE INCOME TAX COMPUTATION														
760	PRELIMINARY TAX ABLE INCOME (INCL AFUDC)	TI01		16,270,666	10,776,884	931,454	438,199	771,491	867,745	1,852,775	3,492,011	632,118	4,124,129	16,270,666	0
761	DEDUCTIONS IN ADD TO Y671	Y911		(288,148)	(201,195)	(938)	(4,924)	(14,706)	(16,258)	(35,269)	(66,233)	(14,859)	(81,091)	(288,148)	0
762	STATE TAXABLE INCOME	SI01		15,982,518	10,575,689	930,516	433,275	756,785	851,487	1,817,506	3,425,778	617,260	4,043,038	15,982,518	0
764	STATE INCOME TAX PAYABLE														
765	STATE INCOME TAX RATE	K192	STATETX_FROM	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788
766	PRELIM SIT = SI01 * K192	ST01		925,046	612,106	53,857	25,077	43,802	49,283	105,195	198,280	35,726	234,006	925,046	0
767	OTHER SIT ADJUSTMENTS	Z955		0	0	0	0	0	0	0	0	0	0	0	0
768	STATE INCOME TAX PAYABLE	SP01		925,046	612,106	53,857	25,077	43,802	49,283	105,195	198,280	35,726	234,006	1,123,326	0
770	SIT ALLOWABLE														
771	STATE INCOME TAX PAYABLE	SP01		925,046	612,106	53,857	25,077	43,802	49,283	105,195	198,280	35,726	234,006	925,046	0
772	TOTAL STATE PROV DEF IT(410.1)	Z911		102,438	106,858	(44)	(309)	(739)	(814)	(1,772)	(3,325)	(742)	(4,067)	102,438	0
773	TOTAL STATE PROV DEF IT(411.1)	Z933		0	0	0	0	0	0	0	0	0	0	0	0
774	NET STATE INC TAX ALLOWABLE	SA01		1,027,484	718,964	53,813	24,768	43,063	48,469	103,423	194,955	34,984	229,939	1,222,439	0
775	INCOME TAX BASED ON REVENUES														
776	FEDERAL INCOME TAX COMPUTATION														
777	PRELIMINARY TAXABLE INCOME (INCL AFUDC)	TI01		16,270,666	10,776,884	931,454	438,199	771,491	867,745	1,852,775	3,492,011	632,118	4,124,129	16,270,666	0
778	STATE INC TAX PAYABLE	SP01		(925,046)	(612,106)	(53,857)	(25,077)	(43,802)	(49,283)	(105,195)	(198,280)	(35,726)	(234,006)	(925,046)	0
780	NET FEDERAL TAXABLE INCOME	F101		15,345,620	10,164,778	877,597	413,122	727,689	818,462	1,747,580	3,293,731	596,392	3,890,123	15,345,620	0
781	FEDERAL INCOME TAX RATE	K190	FIT_FROM	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000
782	PRELIMINARY FIT = F101 * K190	FT01		5,370,967	3,557,672	307,159	144,593	254,691	286,462	611,653	1,152,806	208,737	1,361,543	5,370,967	0
783	TOTAL FED PROV DEF IT (410.1)	Z782		486,283	574,331	(23,761)	(3,583)	(2,293)	(21,788)	(5,261)	(29,342)	(31,362)	(60,704)	486,283	0
784	TOTAL FED PROV DEF IT (411.1)	Z803		0	0	0	0	0	0	0	0	0	0	0	0
785	TOTAL AMORTIZED ITC & SERVICE CO ALLOC.	Z813		(37,322)	(25,061)	(119)	(906)	(2,042)	(2,248)	(4,897)	(9,187)	(2,049)	(11,236)	(37,322)	0
786	NET FED INC TAX ALLOWABLE	FA01		5,819,928	4,106,942	283,279	140,104	250,356	262,426	601,495	1,114,277	175,326	1,289,603	6,934,205	0
788	FEDERAL INCOME TAX PAYABLE														
789	PRELIM FIT	FT01		5,370,967	3,557,672	307,159	144,593	254,691	286,462	611,653	1,152,806	208,737	1,361,543	5,370,967	0
790	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
791	FED INC TAX PAYABLE	FP01		5,370,967	3,557,672	307,159	144,593	254,691	286,462	611,653	1,152,806	208,737	1,361,543	5,370,967	0
792	PRELIMINARY SUMMARY														
794	NET INCOME EXCLUDING AFUDC OFFSET	NI01		22,219,433	14,606,394	949,896	598,540	1,103,585	1,238,160	2,660,608	5,002,353	1,062,250	6,064,603	22,219,433	0
795	NET FED INC TAX ALLOWABLE	FA01		(5,819,928)	(4,106,942)	(283,279)	(140,104)	(250,356)	(262,426)	(601,495)	(1,114,277)	(175,326)	(1,289,603)	(5,819,928)	0
796	NET STATE INC TAX ALLOWABLE	SA01		(1,027,484)	(718,964)	(53,813)	(24,768)	(43,063)	(48,469)	(103,423)	(194,955)	(34,984)	(229,939)	(1,027,484)	0
797	OVERALL RETURN EARNED-SCH 12	RETU		15,372,021	9,780,488	612,804	433,668	810,166	927,265	1,955,690	3,693,121	851,940	4,545,061	15,372,021	0
799	RATE OF RETURN EARNED-SCH 12	RORX	ROR_EARN_FROM	0.1066	0.1066	0.1066	0.1066	0.1066	0.1066	0.1066	0.1066	0.1066	0.1066	0.1066	0.0000

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
DUKE ENERGY KENTUCKY																	
COST OF SERVICE STUDY																	
TWELVE MONTHS ENDING DECEMBER 31, 2005																	
ELECTRIC CASE NO: 2006-00172																	
DESCRIPTION	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER				
Schedule 13																	
Prod-Demand	K_rbprod_d		1.00000									0.00000					
Prod-Energy	K_rbprod_e			1.00000								0.00000					
Main Step-Up Transformers	K_rbrtran_stepup											0.00000					
Transmission Other	K_rbrtran_oth				1.00000							0.00000					
Substations	K_Subst					1.00000						1.00000					
Poles Towers & Fixtures	K_Poles						1.00000					1.00000					
Conductors	K_Conductors							1.00000				1.00000					
Transformers	K_Transformer											1.00000	1.00000				
Distribution Demand	K_rbdist_d								1.00000			1.00000					
Distribution Customer	K_rbdist_c											1.00000	1.00000				
All Other	K_FERC																1.00000
Gross Dist Plant excl CCNC-OC (108)		66,750,141	0	0	0	10,113,411	13,350,433	29,818,883	53,282,727	13,467,414	66,750,141	66,750,141	0				
Ratio	K_dist_ccnc	1.000000000	0.000000000	0.000000000	0.000000000	0.151511456	0.200006064	0.446723895	0.798241415	0.201758585	1.000000000	1.000000000	0.000000000				
Gross Plant (OC)		290,575,522	209,706,683	944,614	6,443,347	10,850,914	15,081,288	31,957,092	57,889,294	15,591,584	73,480,878	290,575,522	0				
Ratio	K_grossPlt	1.000000000	0.721694249	0.003250638	0.022174431	0.037342836	0.051901440	0.109978610	0.199222886	0.053657596	0.252880482	1.000000000	0.000000000				
Gross Prod Plant (OC)		207,135,098	207,135,098	0	0	0	0	0	0	0	0	207,135,098	0				
Ratio	K_gross_prodpit	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
Gross Plant-Prod/Trans/Dist (OC)		284,749,830	207,135,098	0	6,319,268	10,802,080	14,259,525	31,849,387	56,910,992	14,384,472	71,295,464	284,749,830	0				
Ratio	K_grossPTD	1.000000000	0.727428347	0.000000000	0.022192350	0.037935335	0.050077378	0.111850416	0.199863129	0.050516174	0.250379303	1.000000000	0.000000000				
Gross Distribution Plant (OC)		71,295,464	0	0	0	10,802,080	14,259,525	31,849,387	56,910,992	14,384,472	71,295,464	71,295,464	0				
Ratio	K_gross_distpit	1.000000000	0.000000000	0.000000000	0.000000000	0.151511462	0.200006062	0.446723890	0.798241414	0.201758586	1.000000000	1.000000000	0.000000000				
Gross Transmission Plant (OC)		6,319,268	0	0	6,319,268	0	0	0	0	0	0	6,319,268	0				
Ratio	K_gross_tranpit	1.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
Gross General Plant (OC)		815,691	360,112	132,139	17,438	6,827	114,934	15,055	136,816	169,186	306,002	815,691	0				
Ratio	K_gross_genpit	1.000000000	0.441480905	0.161996393	0.021378193	0.008369591	0.140903847	0.018456744	0.167730182	0.207414327	0.375144509	1.000000000	0.000000000				
Gross Common Plant (OC)		5,010,001	2,211,473	812,475	106,641	42,007	706,829	92,650	841,486	1,037,926	1,879,412	5,010,001	0				
Ratio	K_gross_compit	1.000000000	0.441411689	0.162170626	0.021285624	0.008384629	0.141083605	0.018493010	0.167961244	0.207170817	0.375132061	1.000000000	0.000000000				
Production Plant-Net (OC-Depr)		100,216,736	100,216,736	0	0	0	0	0	0	0	0	100,216,736	0				
Ratio	K_prodnnet	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
Distribution Plant-Net (OC-Depr)		44,406,572	0	0	0	8,247,540	8,688,486	19,784,677	36,720,703	7,685,869	44,406,572	44,406,572	0				
Ratio	K_distnet	1.000000000	0.000000000	0.000000000	0.000000000	0.185727914	0.195657661	0.445534886	0.826920461	0.173079539	1.000000000	1.000000000	0.000000000				
Transmission Plant-Net (OC-Depr)		3,606,338	0	0	3,606,338	0	0	0	0	0	0	3,606,338	0				
Ratio	K_trannt	1.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
General Plant-Net		381,823	168,858	61,860	8,291	3,198	53,764	7,056	64,018	78,796	142,814	381,823	0				
Ratio	K_gennet	1.000000000	0.442241562	0.162012241	0.021714250	0.008375609	0.140808699	0.018479767	0.167664075	0.206367872	0.374031947	1.000000000	0.000000000				
Transmission & Distr Plant in Service		48,012,910	0	0	3,606,338	8,247,540	8,688,486	19,784,677	36,720,703	7,685,869	44,406,572	48,012,910	0				
Ratio	K_T&D_net	1.000000000	0.000000000	0.000000000	0.075111840	0.171777549	0.180961454	0.412069941	0.764808944	0.160079216	0.924888160	1.000000000	0.000000000				
Net Electric Plant in Service		151,193,151	101,525,081	480,399	3,669,531	8,272,400	9,106,728	19,839,514	37,218,642	8,299,498	45,518,140	151,193,151	0				
Ratio	K_EPIS	1.000000000	0.671492593	0.003177386	0.024270484	0.054714118	0.060232411	0.131219661	0.246166190	0.054893346	0.301059537	1.000000000	0.000000000				
Common Plant- net		2,581,682	1,139,487	418,539	54,902	21,662	364,478	47,781	433,921	534,833	968,754	2,581,682	0				
Ratio	K_comnet	1.000000000	0.441373880	0.162118727	0.021265981	0.008390653	0.141178503	0.018507702	0.168076858	0.207164554	0.375241412	1.000000000	0.000000000				

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY																	
2	COST OF SERVICE STUDY																	
3	TWELVE MONTHS ENDING DECEMBER 31, 2005																	
4	ELECTRIC CASE NO: 2006-00172																	
5			OS															
6	DESCRIPTION	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER				
66	Common & General Plant-net		2,963,505	1,308,345	480,399	63,193	24,860	418,242	54,837	497,939	613,629	1,111,568	2,963,505	0				
67	Ratio	K_comgennet	1.000000000	0.441485673	0.162105007	0.021323737	0.008388716	0.141130857	0.018504102	0.168023675	0.207061908	0.375085583	1.000000000	0.000000000				
68																		
69	Total OCD Rate Base		152,998,002	97,345,379	6,099,244	4,316,301	8,063,605	9,229,082	19,465,019	36,757,706	8,479,372	45,237,078	152,998,002	0				
70	Ratio	K_OCDRB	1.000000000	0.636252616	0.039864860	0.028211486	0.052703989	0.060321585	0.127224008	0.240249582	0.055421458	0.295671038	1.000000000	0.000000000				
71	Schedule 13a																	
72	Construction Work In Progress		974,338	(915,478)	0	331,040	236,173	311,765	696,342	1,244,280	314,496	1,558,776	974,338	0				
73	Ratio	K_CWIP	1.000000000	(0.939589753)	0.000000000	0.339758893	0.242393297	0.319976230	0.714682174	1.277051701	0.322779159	1.599830860	1.000000000	0.000000000				
74																		
75	A&G		5,773,214	2,548,380	936,147	122,814	48,379	814,237	106,706	969,322	1,196,551	2,165,873	5,773,214	0				
76	Ratio	K_A&G	1.000000000	0.441414435	0.162153525	0.021273073	0.008379907	0.141037038	0.018482946	0.167899891	0.207259076	0.375158967	1.000000000	0.000000000				
77																		
78	A&G (excluding adjustments)		6,170,409	2,723,707	1,000,555	131,263	51,709	870,256	114,046	1,036,011	1,278,873	2,314,884	6,170,409	0				
79	Ratio	K_A&GexAdj	1.000000000	0.441414337	0.162153757	0.021272982	0.008380158	0.141037004	0.018482729	0.167899891	0.207259033	0.375158924	1.000000000	0.000000000				
80																		
81	Dist A&G (ex reg exp)		1,193,651	0	0	0	63,938	897,861	143,224	1,105,023	88,628	1,193,651	1,193,651	0				
82	Ratio	K_DistA&G	1.000000000	0.000000000	0.000000000	0.000000000	0.053565071	0.752197250	0.119988171	0.925750492	0.074249508	1.000000000	1.000000000	0.000000000				
83																		
84	Transmission A&G		186,277	21,265	0	165,012	0	0	0	0	0	0	186,277	0				
85	Ratio	K_TransA&G	1.000000000	0.114157948	0.000000000	0.885842052	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
86																		
87	Customer Accounts A&G		484,243	0	0	0	0	0	0	0	484,243	484,243	484,243	0				
88	Ratio	K_CA_A&G	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000				
89																		
90	Cust Service & Informational A&G		162,620	(203,471)	(237,150)	(33,749)	(12,229)	(27,605)	(29,178)	(69,012)	706,002	636,990	162,620	0				
91	Ratio	K_CSI_A&G	1.000000000	(1.251205264)	(1.458307711)	(0.207532899)	(0.075199853)	(0.169751568)	(0.179424425)	(0.424375846)	4.341421719	3.917045874	1.000000000	0.000000000				
92																		
93	Sales A&G		0	0	0	0	0	0	0	0	0	0	0	0				
94	Ratio	K_Sales_A&G	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000				
95																		
96	Depreciation Expense		8,619,041	6,018,128	28,064	147,275	439,891	486,309	1,054,950	1,981,150	444,424	2,425,574	8,619,041	0				
97	Ratio	K_Depr_Ex	1.000000000	0.698236381	0.003256047	0.017087168	0.051037117	0.056422634	0.122397608	0.229857359	0.051563045	0.281420404	1.000000000	0.000000000				
98																		
99	O&M (no A&G)		44,525,494	5,658,432	32,449,429	3,988,808	93,835	1,322,658	210,136	1,626,629	802,196	2,428,825	44,525,494	0				
100	Ratio	K_O&M	1.000000000	0.127082969	0.728783133	0.089584812	0.002107444	0.029705633	0.004719454	0.036532531	0.018016555	0.054549086	1.000000000	0.000000000				
101																		
102	Production O&M		37,608,798	5,151,231	32,457,567	0	0	0	0	0	0	0	37,608,798	0				
103	Ratio	K_prodO&M	1.000000000	0.136968775	0.863031225	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
104																		
105	Dist O&M		1,759,652	0	0	0	94,255	1,323,605	211,138	1,628,998	130,654	1,759,652	1,759,652	0				
106	Ratio	K_distO&M	1.000000000	0.000000000	0.000000000	0.000000000	0.053564568	0.752197025	0.119988498	0.925750091	0.074249909	1.000000000	1.000000000	0.000000000				
107																		
108	Transmission O&M		4,504,148	514,182	0	3,989,966	0	0	0	0	0	0	4,504,148	0				
109	Ratio	K_tranO&M	1.000000000	0.114157439	0.000000000	0.885842561	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
110																		
111	Customer Accounting O&M		526,742	0	0	0	0	0	0	0	526,742	526,742	526,742	0				
112	Ratio	K_CA_O&M	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000				
113																		
114	Uncollectible Account O&M		(226,718)	(80,448)	(93,764)	(13,344)	(4,836)	(10,914)	(11,536)	(27,286)	(11,876)	(39,162)	(226,718)	0				
115	Ratio	K_Uncol_O&M	1.000000000	0.354837287	0.413571044	0.058857259	0.021330464	0.048139098	0.050882594	0.120352156	0.052382255	0.172734410	1.000000000	0.000000000				
116																		
117	Customer Service & Informational O&M		32,766	(40,997)	(47,783)	(6,800)	(2,464)	(5,562)	(5,879)	(13,905)	142,251	128,346	32,766	0				
118	Ratio	K_CSI_O&M	1.000000000	(1.251205518)	(1.458310444)	(0.207532198)	(0.075199902)	(0.169749130)	(0.179423793)	(0.424372825)	4.341420985	3.917048160	1.000000000	0.000000000				
119																		
120	Sales O&M		215	0	0	0	0	0	0	0	215	215	215	0				
121	Ratio	K_Sales_O&M	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000				
122																		
123	AutoCalc Wkg Capital (incl A&G)		17,841,141	8,206,812	928,009	4,111,622	142,214	2,136,895	316,842	2,595,951	1,998,747	4,594,698	17,841,141	0				
124	Ratio	K_O&MxFuel	1.000000000	0.459993674	0.052015115	0.230457346	0.007971127	0.119773449	0.017759066	0.145503642	0.112030223	0.257533865	1.000000000	0.000000000				

COST OF SERVICE STUDY

BY FUNCTION

RATE DS-RTP-SEC

FR 10(9)(v)-6

DUKE ENERGY KENTUCKY															
COST OF SERVICE STUDY															
TWELVE MONTHS ENDING DECEMBER 31, 2005															
ELECTRIC CASE NO: 2006-00172															
FR-#1 KW (12 COIN PEAK)															
DS_RTP															
DESCRIPTION	ITEM	ALLOC	DS RTP INCR. SEC. DISTR.	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER	
				1	2	3	5	6	7	8	10	11	12	13	14
SUMMARY OF RESULTS Schedule 1															
NET INCOME COMPUTATION															
GROSS ELECTRIC PLANT IN SERVICE	GP19		\$244,115	\$171,517	\$280	\$5,269	\$10,276	\$14,276	\$30,252	\$54,804	\$12,245	\$67,049	\$244,115	\$0	
TOTAL DEPRECIATION RESERVE	DR19		(116,405)	(88,483)	(138)	(2,269)	(2,438)	(5,655)	(11,469)	(19,562)	(5,953)	(25,515)	(116,405)	0	
TOTAL RATE BASE ADJUSTMENTS	RB71		2,347	(3,244)	5,347	529	(197)	113	(361)	(445)	160	(285)	2,347	0	
TOTAL RATE BASE	RB99		130,057	79,790	5,489	3,529	7,641	8,734	18,422	34,797	6,452	41,249	130,057	0	
CAPITALIZATION ALLOC TO ELECTRIC OPER	ECAP		122,605	75,218	5,174	3,327	7,204	8,234	17,366	32,804	6,082	38,886	122,605	0	
OPERATING EXPENSES															
TOTAL O&M EXPENSE	OM39		23,989	6,619	9,992	3,356	124	2,004	263	2,391	1,631	4,022	23,989	0	
TOTAL DEPRECIATION EXPENSE	DE49		7,262	4,922	8	120	416	461	998	1,875	337	2,212	7,262	0	
TOTAL OTHER TAX & MISC EXPENSE	L591		1,606	737	26	68	126	188	299	613	162	775	1,606	0	
TOTAL OP EXP EXC INC & R TAX	OP69		32,857	12,278	10,026	3,544	666	2,653	1,560	4,879	2,130	7,009	32,857	0	
NET FED INCOME TAX ALLOWABLE	IB79		12,969	8,277	618	330	703	781	1,700	3,184	560	3,744	12,969	0	
NET STATE INCOME TAX ALLOWABLE	J979		2,281	1,452	110	58	121	140	297	558	103	661	2,281	0	
AFUDC OFFSET	LO33	K_CWIP	(83)	66	0	(24)	(19)	(26)	(58)	(103)	(22)	(125)	(83)	0	
TOTAL OPERATING EXPENSE	OPEX		48,024	22,073	10,754	3,908	1,471	3,548	3,499	8,518	2,771	11,289	48,024	0	
RETURN ON CAPITALIZATION	R751		27,871	17,099	1,176	756	1,637	1,872	3,948	7,457	1,383	8,840	27,871	0	
TOTAL OTHER OPERATING REVENUES			(470)	(287)	(22)	(17)	(25)	(32)	(63)	(120)	(24)	(144)	(470)	0	
TOTAL ELECTRIC COST OF SERVICE	CS09		75,425	38,885	11,908	4,647	3,083	5,388	7,384	15,855	4,130	19,985	75,425	0	
PROPOSED REVENUES															
EXCESS REVENUES	XREV		(2,857)	(1,752)	(121)	(78)	(167)	(192)	(405)	(764)	(142)	(906)	(2,857)	0	
TOTAL RETURN EARNED	RETE		26,121	16,025	1,102	709	1,535	1,754	3,700	6,989	1,296	8,285	26,121	0	
RATE OF RETURN EARNED ON CAPITALIZATION	RORE	SUM_RETURN_FROM	0.213050039	0.213050039	0.213050039	0.213050039	0.213050039	0.213050039	0.213050039	0.213050039	0.213050039	0.213050039	0.213050039	0.00000	
TOTAL RATE OF RETURN ALLOWABLE	RORA		0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	
RETURN EARNED ON COMMON EQUITY	REOE		0.37009	0.37009	0.37009	0.37009	0.37009	0.37009	0.37009	0.37009	0.37009	0.37009	0.37009	0.00000	
ALLOWED RETURN ON COMMON EQUITY	AROE		0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	
PRESENT REVENUES															
REVENUE INCREASE JUSTIFIED	RIJD		5,325	3,015	522	233	266	369	642	1,277	278	1,555	5,325	0	
PER UNIT PRES REV	RIJP	PRESREV_FROM	0.07596										0.07596	0.00000	
REVENUE INCREASE REQUESTED	RIIRD		2,468										2,468	0	
PER UNIT PRES REV	RIRP	PRESINCR_FROM	0.03521										0.03521	0.00000	

DUKE ENERGY KENTUCKY

COST OF SERVICE STUDY

TWELVE MONTHS ENDING DECEMBER 31, 2005

ELECTRIC CASE NO: 2006-00172

FRY-1 (KW (12 CONN PEAK))

DS_RTP

A	B	C	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
49	Schedule 2															
48	GROSS ELECTRIC PLANT IN SERVICE															
47	DESCRIPTION															
46	ITEM	ALOC	SEC. DISTR.	DS_RTP	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DEMAND	DISTRIBUTION	CUSTOMER DISTRIBUTION	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
50	P100	K, ltrprod_d		109,030	60,442	109,030	0	0	0	0	0	0	0	0	109,030	0
51	P100	K, ltrprod_d		109,030	60,442	109,030	0	0	0	0	0	0	0	0	109,030	0
52	P108	K, ltrprod_d		60,442	60,442	60,442	0	0	0	0	0	0	0	0	60,442	0
53	P129			169,472	169,472	169,472	0	0	0	0	0	0	0	0	169,472	0
54				0	0	0	0	0	0	0	0	0	0	0	0	0
55	T100	K, ltrprod_d		0	0	0	0	0	0	0	0	0	0	0	0	0
56	T100	K, ltrprod_d		0	0	0	0	0	0	0	0	0	0	0	0	0
57	T102	K, ltrprod_d		5,170	5,170	5,170	0	0	0	0	0	0	0	0	5,170	0
58	T129			5,170	5,170	5,170	0	0	0	0	0	0	0	0	5,170	0
59				0	0	0	0	0	0	0	0	0	0	0	0	0
60	PT29			174,642	169,472	174,642	5,170	0	0	0	0	0	0	0	174,642	0
61				0	0	0	0	0	0	0	0	0	0	0	0	0
62	D100	K, substa		9,581	9,581	9,581	0	0	0	0	9,581	0	0	0	9,581	0
63	D100	K, substa		9,581	9,581	9,581	0	0	0	0	9,581	0	0	0	9,581	0
64	D102	K, poles		12,648	12,648	12,648	0	0	0	0	12,648	0	0	0	12,648	0
65	D104	K, conductors		28,249	28,249	28,249	0	0	0	0	28,249	0	0	0	28,249	0
66	D106	K, ltrprod_c		0	0	0	0	0	0	0	0	0	0	0	0	0
67	D108	K, ltrprod_c		0	0	0	0	0	0	0	0	0	0	0	0	0
68	D110	K, ltrprod_c		0	0	0	0	0	0	0	0	0	0	0	0	0
69	D110	K, ltrprod_c		0	0	0	0	0	0	0	0	0	0	0	0	0
70	D114	K, ltrprod_c		0	0	0	0	0	0	0	0	0	0	0	0	0
71	D116	K, ltrprod_c		4,157	4,157	4,157	0	0	0	0	3,437	720	0	0	4,157	0
72	D148	K, dist, conc		65,211	65,211	65,211	0	0	0	0	53,915	11,296	0	0	65,211	0
73				70,381	65,211	70,381	0	0	0	0	53,915	11,296	0	0	70,381	0
74	TD29			70,381	65,211	70,381	0	0	0	0	53,915	11,296	0	0	70,381	0
75	PD29			239,853	169,472	239,853	0	0	0	0	13,509	30,172	11,296	0	239,853	0
76				0	0	0	0	0	0	0	13,509	30,172	11,296	0	0	0
77	G100	K, ltrprod_d		314	314	314	0	0	0	0	0	0	0	0	314	0
78	G102	K, ltrprod_e		49	49	49	0	0	0	0	0	0	0	0	49	0
79	G102	K, ltrprod_e		49	49	49	0	0	0	0	0	0	0	49	0	
80	G104	K, ltrprod_g		20	20	20	0	0	0	0	0	0	0	20	0	
81	G106	K, ltrprod_g		143	143	143	0	0	0	0	0	0	0	143	0	
82	G108	K, Cal, Alag		54	54	54	0	0	0	0	0	0	0	54	0	
83	G110	K, Cal, Alag		17	17	17	0	0	0	0	0	0	0	17	0	
84	G112	K, Sales, Alag		0	0	0	0	0	0	0	0	0	0	0	0	
85	G129			597	266	597	39	14	7	107	125	133	258	597	0	
86				0	0	0	0	0	0	0	0	0	0	0	0	
87	C100	K, ltrprod_d		1,931	1,931	1,931	0	0	0	0	0	0	0	0	1,931	0
88	C102	K, ltrprod_e		301	301	301	0	0	0	0	0	0	0	0	301	0
89	C104	K, ltrprod_g		14	14	14	0	0	0	0	0	0	0	0	14	0
90	C106	K, ltrprod_g		876	876	876	0	0	0	0	842	34	876	0	0	
91	C108	K, Cal, Alag		329	329	329	0	0	0	0	0	0	0	0	329	0
92	C110	K, Cal, Alag		105	105	105	0	0	0	0	0	0	0	0	105	0
93	C112	K, Sales, Alag		0	0	0	0	0	0	0	0	0	0	0	0	
94	C129			3,665	1,759	3,665	241	85	35	660	764	816	1,580	3,665	0	
95				0	0	0	0	0	0	0	0	0	0	0	0	
96	GP18			244,115	171,517	244,115	280	5,269	10,276	14,276	30,252	54,804	12,245	67,049	244,115	0

5/29/08 7:30 AM

COST OF SERVICE STUDY
 TWELVE MONTHS ENDING DECEMBER 31, 2005
 ELECTRIC CASE NO: 2006-00172
 FR44-1 NW (12 COIN PEAK)
 DS_RTP
 DS_RTP

8	DESCRIPTION	ITEM	ALLOC	SEC. DISTR.	PRODUCTION DEMAND	PRODUCTION ENERGY	TRANSMISSION OTHER	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DEMAND DISTRIBUTION	CUSTOMER DISTRIBUTION	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
99	DEPRECIATION RESERVE	Schedule 3													
100	PRODUCTION PLANT														
101	PRODUCTION - STEAM	P150			59,911	27,567	0	0	0	0	0	0	0	0	59,911
102	PRODUCTION - OTHER	P152			0	0	0	0	0	0	0	0	0	0	27,567
103	TOTAL PROD DEPREC RESERVE	P171			87,478	87,478	0	0	0	0	0	0	0	0	87,478
104	TRANSMISSION PLANT														
105	TRANSMISSION PLANT														
106	MAIN STEP-UP TRANSFORMERS	K_trans_stepup			0	0	0	0	0	0	0	0	0	0	0
107	OTHER TRANSMISSION	T150			2,220	2,220	0	0	0	0	0	0	0	0	2,220
108	TOTAL TRANS DEPREC RESERVE	T171			2,220	2,220	0	0	0	0	0	0	0	0	2,220
109	TOTAL PROD & TRANS DEPREC RESERVE				89,698	87,478	0	0	0	0	0	0	0	0	89,698
110															
111															
112	DISTRIBUTION PLANT														
113	SUBSTATIONS	K_subst			2,150	2,150	0	0	0	0	0	0	0	0	2,150
114	POLES, TOWERS & FIXTURES	K_Poles			4,921	4,921	0	0	0	0	0	0	0	0	4,921
115	CONDUCTORS	K_Conductors			10,632	10,632	0	0	0	0	0	0	0	0	10,632
116	TRANSFORMERS	K_Transformers			5,188	5,188	0	0	0	0	0	0	0	0	5,188
117	SERVICES	K_services			0	0	0	0	0	0	0	0	0	0	0
118	METERS	K_meters			0	0	0	0	0	0	0	0	0	0	0
119	DEPRECIATION EXPENSE ADJUSTMENT	K_depr_adj			50	50	0	0	0	0	0	0	0	0	50
120	STREET LIGHTS	K_street_lights			0	0	0	0	0	0	0	0	0	0	0
121	COMPLETED CONSTRUCTION NOT CLASSIFIED	K_constr_comp			2,022	2,022	0	0	0	0	0	0	0	0	2,022
122	RETIREMENT WORK IN PROGRESS	K_retire_comp			(349)	(349)	0	0	0	0	0	0	0	0	(349)
123	TOTAL DIST DEPREC RESERVE	D181			24,614	24,614	0	0	0	0	0	0	0	0	24,614
124	TOTAL TRANS & DIST DEPREC RESERVE				26,834	22,220	0	0	0	0	0	0	0	0	26,834
125	TOTAL TRANS & DIST DEPREC RESERVE				26,834	22,220	0	0	0	0	0	0	0	0	26,834
126	TOTAL GROSS PTD PLANT DEPREC RESERVE				114,312	87,478	0	0	0	0	0	0	0	0	114,312
127															
128	GENERAL & INTANGIBLE PLANT														
129	PRODUCTION-DEMAND	K_depr_d			167	167	0	0	0	0	0	0	0	0	167
130	PRODUCTION-ENERGY	K_depr_e			26	26	0	0	0	0	0	0	0	0	26
131	TRANSMISSION	K_Transm			11	11	0	0	0	0	0	0	0	0	11
132	DISTRIBUTION	K_Distrib			76	76	0	0	0	0	0	0	0	0	76
133	CUSTOMER ACCOUNTING	K_CA_Acctg			28	28	0	0	0	0	0	0	0	0	28
134	CUSTOMER SERVICE & INFORMATION	K_CSI_Acctg			9	9	0	0	0	0	0	0	0	0	9
135	SALES	K_Sales_Acctg			0	0	0	0	0	0	0	0	0	0	0
136	TOTAL GEN & INTANGIBLE DEPREC RES.	G171			317	152	21	8	2	58	66	70	136	317	0
137															
138	COMMON & OTHER PLANT														
139	PRODUCTION-DEMAND	K_depr_d			936	936	0	0	0	0	0	0	0	0	936
140	PRODUCTION-ENERGY	K_depr_e			146	146	0	0	0	0	0	0	0	0	146
141	TRANSMISSION	K_Transm			60	60	0	0	0	0	0	0	0	0	60
142	DISTRIBUTION	K_Distrib			424	424	0	0	0	0	0	0	0	0	424
143	CUSTOMER ACCOUNTING	K_CA_Acctg			159	159	0	0	0	0	0	0	0	0	159
144	CUSTOMER SERVICE & INFORMATION	K_CSI_Acctg			51	51	0	0	0	0	0	0	0	0	51
145	SALES	K_Sales_Acctg			0	0	0	0	0	0	0	0	0	0	0
146	TOTAL COM & OTHER PTD RESERVE	C171			1,776	853	117	41	17	319	369	396	765	1,776	0
147															
148	TOTAL DEPRECIATION RESERVE	DR18			116,405	88,483	138	2,269	2,438	5,655	11,469	19,562	5,953	25,515	116,405

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R	
1	DUKE ENERGY KENTUCKY															
2	COST OF SERVICE STUDY															
3	TWELVE MONTHS ENDING DECEMBER 31, 2006															
4	ELECTRIC CASE NO: 2006-00172															
5	FR-4v-1 KW (12 COIN PEAK)															
6	DS_RTP															
7				DS_RTP							TOTAL	DISTRIBUTION	TOTAL		ALL	
8	DESCRIPTION	ITEM	ALLOC	INCR.	PRODUCTION	PRODUCTION	OTHER	SUBSTATIONS	POLES, TOWERS	CONDUCTORS	DISTRIBUTION	CUSTOMER	DISTRIBUTION	TOTAL	OTHER	
				SEC. DISTR.	DEMAND	ENERGY	TRANSMISSION		& FIXTURES		DEMAND					
149	NET ELECTRIC PLANT IN SERVICE Schedule 4															
151	PRODUCTION PLANT															
152				49,119	49,119	0	0	0	0	0	0	0	0	0	49,119	0
153				32,875	32,875	0	0	0	0	0	0	0	0	0	32,875	0
154	TOTAL PROD	P229		81,994	81,994	0	0	0	0	0	0	0	0	0	81,994	0
155	TRANSMISSION PLANT															
157	MAIN STEP-UP TRANSFORMERS			0	0	0	0	0	0	0	0	0	0	0	0	0
158	OTHER TRANSMISSION			2,950	0	0	2,950	0	0	0	0	0	0	0	2,950	0
159	TOTAL TRANSMISSION	T229		2,950	0	0	2,950	0	0	0	0	0	0	0	2,950	0
161	NET PROD & TRANS PLANT			84,944	81,994	0	2,950	0	0	0	0	0	0	0	84,944	0
163	DISTRIBUTION PLANT															
164	SUBSTATIONS	S249		7,431	0	0	0	7,431	0	0	7,431	0	7,431	7,431	0	0
165	POLES, TOWERS & FIXTURES	PL49		7,727	0	0	0	0	7,727	0	7,727	0	7,727	7,727	0	0
166	CONDUCTORS	SL49		17,617	0	0	0	0	0	17,617	17,617	0	17,617	17,617	0	0
167	TRANSFORMERS	F249		5,388	0	0	0	0	0	0	0	5,388	5,388	5,388	0	0
168	SERVICES	SV49		0	0	0	0	0	0	0	0	0	0	0	0	0
169	METERS	M249		0	0	0	0	0	0	0	0	0	0	0	0	0
170	OTHER	O249		(50)	0	0	0	(8)	(10)	(23)	(41)	(9)	(50)	(50)	0	0
171	STREET LIGHTS	L249		0	0	0	0	0	0	0	0	0	0	0	0	0
172	CONSTRUCTION NOT CLASSIFIED	CN49		2,135	0	0	0	336	442	987	1,765	370	2,135	2,135	0	0
173	RETIREMENT WORK IN PROGRESS	CN49		349	0	0	0	56	72	161	289	60	349	349	0	0
174	TOTAL DIST	D249		40,597	0	0	0	7,815	8,231	18,742	34,788	5,809	40,597	40,597	0	0
176	NET TRANS & DIST PLANT	NT29		43,547	0	0	2,950	7,815	8,231	18,742	34,788	5,809	40,597	43,547	0	0
177	NET PTD PLANT	NT39		125,541	81,994	0	2,950	7,815	8,231	18,742	34,788	5,809	40,597	125,541	0	0
179	GENERAL & INTANGIBLE PLANT															
180	PRODUCTION-DEMAND			147	147	0	0	0	0	0	0	0	0	147	0	0
181	PRODUCTION-ENERGY			23	0	23	0	0	0	0	0	0	0	23	0	0
182	TRANSMISSION			9	1	0	8	0	0	0	0	0	0	9	0	0
183	DISTRIBUTION			67	0	0	0	4	52	8	64	3	67	67	0	0
184	CUSTOMER ACCOUNTING			26	0	0	0	0	0	0	0	26	26	26	0	0
185	CUSTOMER SERVICE & INFORMATION			8	(14)	(5)	(2)	1	(3)	(3)	(5)	34	29	8	0	0
186	SALES			0	0	0	0	0	0	0	0	0	0	0	0	0
187	TOTAL GENERAL AND INTANGIBLE PLANT	G229		280	134	18	6	5	49	5	59	63	122	280	0	0
189	COMMON & OTHER PLANT															
190	PRODUCTION-DEMAND			995	995	0	0	0	0	0	0	0	0	995	0	0
191	PRODUCTION-ENERGY			155	0	155	0	0	0	0	0	0	0	155	0	0
192	TRANSMISSION			63	7	0	56	0	0	0	0	0	0	63	0	0
193	DISTRIBUTION			452	0	0	0	25	355	55	435	17	452	452	0	0
194	CUSTOMER ACCOUNTING			170	0	0	0	0	0	0	0	170	170	170	0	0
195	CUSTOMER SERVICE & INFORMATION			54	(98)	(31)	(12)	(7)	(14)	(19)	(40)	233	193	54	0	0
196	SALES			0	0	0	0	0	0	0	0	0	0	0	0	0
197	TOTAL COM & OTHER PLT	C229		1,889	906	124	44	18	341	36	395	420	815	1,889	0	0
199	TOTAL ELECTRIC PLANT IN SERVICE	NP29		127,710	83,034	142	3,000	7,838	8,621	18,783	35,242	6,292	41,534	127,710	0	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 CON PEAK)														
6	DS_RTP														
7				DS_RTP							TOTAL				
8	DESCRIPTION	ITEM	ALLOC	INCR. SEC. DISTR.	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
200	Schedule 4a														
201	NET ELECTRIC PLANT														
202	PRODUCTION PLANT														
203	PRODUCTION PLANT IN SERVICE	P129		169,472	169,472	0	0	0	0	0	0	0	0	169,472	0
204	TOTAL PROD DEPRC RESERVE	P171		(87,478)	(87,478)	0	0	0	0	0	0	0	0	(87,478)	0
205	NET PRODUCTION PLANT	P229		81,994	81,994	0	0	0	0	0	0	0	0	81,994	0
206															
207	TRANSMISSION PLANT														
208	TRANSMISSION PLANT IN SERVICE	T129		5,170	0	0	5,170	0	0	0	0	0	0	5,170	0
209	TOTAL TRANS DEPREC RESERVE	T171		(2,220)	0	0	(2,220)	0	0	0	0	0	0	(2,220)	0
210	NET TRANSMISSION PLANT	T229		2,950	0	0	2,950	0	0	0	0	0	0	2,950	0
211															
212	NET PROD & TRANS PLANT			84,944	81,994	0	2,950	0	0	0	0	0	0	84,944	0
213															
214	DISTRIBUTION PLANT														
215	DISTRIBUTION PLANT IN SERVICE	D149		65,211	0	0	0	10,234	13,509	30,172	53,915	11,296	65,211	65,211	0
216	TOTAL DIST DEPREC RESERVE	D191		(24,614)	0	0	0	(2,419)	(5,278)	(11,430)	(19,127)	(5,487)	(24,614)	(24,614)	0
217	NET DISTRIBUTION PLANT	D249		40,597	0	0	0	7,815	8,231	18,742	34,788	5,809	40,597	40,597	0
218															
219															
220	NET TRANS & DIST PLANT	NT29		43,547	0	0	2,950	7,815	8,231	18,742	34,788	5,809	40,597	43,547	0
221	NET PTD PLANT	NT39		125,541	81,994	0	2,950	7,815	8,231	18,742	34,788	5,809	40,597	125,541	0
222															
223	GENERAL & INTANGIBLE PLANT														
224	GEN & INTANG PLANT IN SERVICE	G129		597	286	39	14	7	107	11	125	133	258	597	0
225	TOTAL GEN & INTG DEPREC RESERVE	G171		(317)	(152)	(21)	(8)	(2)	(58)	(6)	(66)	(70)	(136)	(317)	0
226	NET GENERAL & INTANG PLANT	G229		280	134	18	6	5	49	5	59	63	122	280	0
227															
228	COMMON & OTHER PLANT														
229	COMMON & OTH PLT IN SERVICE	C121		3,665	1,759	241	85	35	660	69	764	816	1,580	3,665	0
230	TOTAL COM & OTH DEPREC RESERVE	C171		(1,776)	(853)	(117)	(41)	(17)	(319)	(33)	(369)	(396)	(765)	(1,776)	0
231	NET COMMON & OTHER PLANT	C229		1,889	906	124	44	18	341	36	395	420	815	1,889	0
232															
233	NET ELECTRIC PLANT IN SERVICE	NP29		127,710	83,034	142	3,000	7,838	8,621	18,783	35,242	6,292	41,534	127,710	0
234															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R	
1	DUKE ENERGY KENTUCKY															
2	COST OF SERVICE STUDY															
3	TWELVE MONTHS ENDING DECEMBER 31, 2005															
4	ELECTRIC CASE NO: 2006-00172															
5	FR-iv-1 KW (12 COIN PEAK)															
6	DS_RTP															
7				DS_RTP							TOTAL	DISTRIBUTION	TOTAL		ALL	
8	DESCRIPTION	ITEM	ALLOC	INCR. SEC. DISTR.	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	OTHER	
235	RATE BASE ADJUSTMENTS Schedule 5															
236	SUBTRACTIVE ADJUSTMENTS															
237	ACCUM DEF INC TAXES (282)															
238	LIBERALIZED DEPRECIATION	B200	K_EPIS	8,987	5,843	10	211	551	607	1,322	2,480	443	2,923	8,987	0	
242	MISCELLANEOUS	B208	K_EPIS	73	47	0	2	4	5	11	20	4	24	73	0	
247	TOTAL ACCOUNT 282	B221		9,060	5,890	10	213	555	612	1,333	2,500	447	2,947	9,060	0	
248																
249	ACCUM DEF INC TAXES (283/284)															
254	DEFERRED INCOME TAXES	B234	K_EPIS	(8)	(5)	0	0	(1)	(1)	(1)	(3)	0	(3)	(8)	0	
256	TOTAL ACCOUNT 283/284	B243		(8)	(5)	0	0	(1)	(1)	(1)	(3)	0	(3)	(8)	0	
257																
263	TOTAL SUBTRACTIVE ADJUSTMENTS	B287		9,052	5,885	10	213	554	611	1,332	2,497	447	2,944	9,052	0	
264																
265	ADDITIVE ADJUSTMENTS															
266	ACCUM DEF INC TAXES (190)															
272	MISCELLANEOUS DEFERRALS	V212	K_A&OexAdj	225	108	15	5	2	41	4	47	50	97	225	0	
273	TOTAL ACCOUNT 190	V215		225	108	15	5	2	41	4	47	50	97	225	0	
274																

A		B	C	E	F	G	H	I	J	K	L	N	O	P	Q	R
DUKE ENERGY KENTUCKY		5/28/06 7:36 AM														
COST OF SERVICE STUDY																
TWELVE MONTHS ENDING DECEMBER 31, 2005																
ELECTRIC CASE NO: 2006-00172																
FR-A-1 NW (12 COM PEAK)																
DS_RTP																
DESCRIPTION	ALLOC	DS RTP INCR. SECT. DISTR.	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER			
284 CONSTRUCTION WORK IN PROGRESS	Schedule 5a															
285 PRODUCTION	V232	(749)	(749)	0	0	0	0	0	0	0	0	0	(749)	0	0	0
286 TRANSMISSION	V234	271	0	0	271	0	0	0	0	0	0	0	271	0	0	0
287 DISTRIBUTION	V236	1,426	0	0	0	224	295	660	1,179	247	1,426	1,426	1,426	0	0	0
288 GENERAL	V238	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
289 COMMON	V240	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
290 TOTAL RATE BASE CWP	V255	948	(749)	0	271	224	295	660	1,179	247	1,426	1,426	948	0	0	0
291 TOTAL ADDITIVE ADJUSTMENTS	V289	1,173	(641)	15	276	226	336	664	1,226	297	1,523	1,173	1,173	0	0	0
292 NET ORIGINAL COST RATE BASE	R929	119,831	76,508	147	3,063	7,510	8,346	18,115	33,971	6,142	40,113	119,831	119,831	0	0	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-9v-1 KW(12 CONN PEAK)														
6	DS_RTP														
7	DESCRIPTION	ITEM	ALLOC	DS_RTP INCR. SEC. DISTR.	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
298	WORKING CAPITAL														
299	MATERIALS & SUPPLIES														
300	FUEL INVENTORIES														
301	FUEL	W640	K_rtprod_e	2,230	0	2,230	0	0	0	0	0	0	0	2,230	0
302	EMISSION ALLOWANCES	W642	K_rtprod_e	1,488	0	1,488	0	0	0	0	0	0	0	1,488	0
303	TOTAL FUEL STOCKS	W644		3,718	0	3,718	0	0	0	0	0	0	0	3,718	0
304	PLANT MATERIALS & SUPPLIES														
305	OTHER	W646	K_EPIS	1,856	1,206	2	44	115	125	273	513	91	604	1,856	0
310	TOTAL PLANT MATERIALS & SUPPLIES	W650		1,856	1,206	2	44	115	125	273	513	91	604	1,856	0
311	TOTAL MATERIALS & SUPPLIES	W669	TOT_M&S	5,574	1,206	3,720	44	115	125	273	513	91	604	5,574	0
312	PREPAYMENTS														
315	INSURANCE	W670	K_AA&GenAdj	68	33	4	2	1	12	1	14	15	29	68	0
316	COAL, SYN FUEL AND MARGIN DEPOSITS	W684	K_rtprod_e	1,585	0	1,585	0	0	0	0	0	0	0	1,585	0
317	TOTAL PREPAYMENTS	W689		1,653	33	1,589	2	1	12	1	14	15	29	1,653	0
322	AUTO CALC (O&M-F-PP)/8	W719		2,999	2,043	33	420	15	251	33	299	204	503	2,999	0
324	TOTAL WORKING CASH	W729		2,999	2,043	33	420	15	251	33	299	204	503	2,999	0
325	TOTAL WORKING CAPITAL	WC79		10,226	3,282	5,342	466	131	388	307	826	310	1,136	10,226	0
327	PRELIMINARY SUMMARY														
328	TOTAL SUBTRACTIVE ADJUSTMENTS	B287		(9,052)	(5,885)	(10)	(213)	(554)	(611)	(1,332)	(2,497)	(447)	(2,944)	(9,052)	0
329	TOTAL ADDITIVE ADJUSTMENTS	V289		1,173	(641)	15	276	226	336	664	1,226	297	1,523	1,173	0
330	TOTAL WORKING CAPITAL	WC71		10,226	3,282	5,342	466	131	388	307	826	310	1,136	10,226	0
331	TOTAL RATE BASE ADJUSTMENTS	RB71		2,347	(3,244)	5,347	529	(197)	113	(361)	(445)	160	(285)	2,347	0
332	RATE BASE CALCULATION														
334	NET ELECTRIC PLANT IN SERVICE	NP21		127,710	83,034	142	3,000	7,838	8,621	18,783	35,242	6,292	41,534	127,710	0
335	TOTAL RATE BASE ADJUSTMENTS	RB71		2,347	(3,244)	5,347	529	(197)	113	(361)	(445)	160	(285)	2,347	0
336	TOTAL RATE BASE	RB99	TOT_RB	130,057	79,790	5,489	3,529	7,641	8,734	18,422	34,797	6,452	41,249	130,057	0
337	CAPITALIZATION ALLOC TO ELECTRIC OPER														
338		ECAP	K_OCDRB	122,605	75,218	5,174	3,327	7,204	8,234	17,366	32,804	6,082	38,886	122,605	0
340	TOTAL RATE OF RETURN ALLOWABLE	RORA	ror_Allow_from	0.2273	0.2273	0.2273	0.2273	0.2273	0.2273	0.2273	0.2273	0.2273	0.2273	0.2273	0.2273
341	RETURN ON CAPITALIZATION	R751		27,871	17,099	1,176	756	1,637	1,872	3,948	7,457	1,383	8,840	27,871	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-9v-1 KW (12 COIN PEAK)														
6	DS_RTP														
7	DS_RTP														
8	DESCRIPTION	ITEM	ALLOC	DS_RTP INCR. SEC. DISTR.	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
343	O&M EXPENSES	Schedule B													
344	PRODUCTION O&M														
345	ENERGY RELATED PRODUCTION O&M														
346	FUEL	P300		K_rtpprod_e	0	0	0	0	0	0	0	0	0	0	0
347	MISCELLANEOUS	P302		K_rtpprod_e	0	0	0	0	0	0	0	0	0	0	0
348	EMISSION ALLOWANCES	P306		K_rtpprod_e	1,366	0	1,366	0	0	0	0	0	0	1,366	0
349	ELIMINATE EMISSION ALLOW & OTHER VAR COST	P308		K_rtpprod_e	2,037	0	2,037	0	0	0	0	0	0	2,037	0
350	OTHER PRODUCTION EXPENSE - MAINTENANCE	P310		K_rtpprod_e	3,298	0	3,298	0	0	0	0	0	0	3,298	0
351	MISO TRANSMISSION CHARGES ACCT IN 555	P312		K_rtpprod_e	3,028	0	3,028	0	0	0	0	0	0	3,028	0
352	TOTAL ENERGY RELATED	P349			9,729	0	9,729	0	0	0	0	0	0	9,729	0
353															
354	DEMAND RELATED PROD O&M														
355	ELIMINATE MISCELLANEOUS	P344		K_rtpprod_d	0	0	0	0	0	0	0	0	0	0	0
356	OTHER PRODUCTION EXPENSE - OPERATIONS	P348		K_rtpprod_d	4,215	4,215	0	0	0	0	0	0	0	4,215	0
357	TOTAL DEMAND RELATED	P349			4,215	4,215	0	0	0	0	0	0	0	4,215	0
358															
359	TOTAL PRODUCTION O&M	P459			13,944	4,215	9,729	0	0	0	0	0	0	13,944	0
360															
361	TRANSMISSION O & M														
362	TRANSFORMER LEASE PAYMENTS	T300		K_rtpprod_d	421	421	0	0	0	0	0	0	0	421	0
363	OTHER TRANSMISSION	T302		K_rtptran_oth	3,876	0	0	3,876	0	0	0	0	0	3,876	0
364	MISCELLANEOUS ADJUSTMENTS	T304		K_gross_tranpl	(911)	0	0	(911)	0	0	0	0	0	(911)	0
365	NETWORK SERVICE RATES ADJUSTMENT	T305		K_gross_tranpl	300	0	0	300	0	0	0	0	0	300	0
366	TOTAL TRANSMISSION O & M	T349			3,686	421	0	3,265	0	0	0	0	0	3,686	0
367															
368	DISTRIBUTION O & M														
369	SUBSTATIONS	D300		K_Subst	27	0	0	0	27	0	0	0	27	27	0
370	POLES, TOWERS & FIXTURES	D302		K_Poles	1,188	0	0	0	1,188	0	1,188	0	1,188	1,188	0
371	CONDUCTORS	D304		K_Conductors	50	0	0	0	0	50	50	0	50	50	0
372	TRANSFORMERS	D306		K_Transformer	18	0	0	0	0	0	0	18	18	18	0
373	OTHER MAINTENANCE	D308		K_distnet	90	0	0	0	17	18	42	77	13	90	0
374	METERS	D310		K_rbdist_c	0	0	0	0	0	0	0	0	0	0	0
375	STREET LIGHTS	D314		K_rbdist_c	0	0	0	0	0	0	0	0	0	0	0
376	OTHER OPERATIONS	D316		K_distnet	208	0	0	0	40	42	96	178	30	208	0
377	MISCELLANEOUS EXPENSES	D318		K_rbdist_c	0	0	0	0	0	0	0	0	0	0	0
378	AFFILIATED COMPANY RENTS	D320		K_distnet	9	0	0	0	2	2	4	8	1	9	0
379	TOTAL DISTRIBUTION O & M	D349			1,590	0	0	0	66	1,250	192	1,528	62	1,590	1,590
380															
381	CUSTOMER ACCOUNTING														
382	CUSTOMER ACCOUNTING EXPENSE	C300		K_rbdist_c	405	0	0	0	0	0	0	405	405	405	0
383	ADJUST UNCOLLECTIBLE ACCOUNTS	C302		K_Func_Rev	0	0	0	0	0	0	0	0	0	0	0
384	METER READING	C304		K_rbdist_c	116	0	0	0	0	0	0	116	116	116	0
385	LOSS ON SALE OF AVR & INCRE AVR ON INCR	C306		K_Func_Rev	0	0	0	0	0	0	0	0	0	0	0
386	MISCELLANEOUS EXPENSE ADJUSTMENT	C308		K_rbdist_c	(2)	0	0	0	0	0	0	(2)	(2)	(2)	0
387	TOTAL CUSTOMER ACCT EXPENSE	C319			519	0	0	0	0	0	0	519	519	519	0
388															

DUKE ENERGY KENTUCKY
 COST OF SERVICE STUDY
 TWELVE MONTHS ENDING DECEMBER 31, 2005
 ELECTRIC CASE NO: 2006-00172
 FR-3-V-1 RW (12 COIN PEAK)
 DS_RTP

5/28/06 7:39 AM

	A	B	C	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
	DESCRIPTION	ITEM	ALLOC	DS_RTP INCR SEC. DIST.	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER		
323	CUSTOMER SERVICE & INFORMATION	C320		142	0	0	0	0	0	0	0	142	142	142	0		
324	CUSTOMER SERVICE & INFORMATION	C322		26	0	0	0	0	0	0	0	26	26	26	0		
325	INFORMATIONAL & INSTRUCTIONAL ADV	C324		(51)	0	0	0	0	0	0	0	(51)	(51)	(51)	0		
326	CUSTOMER SERVICE & INFORM PROFORMA	C326		(91)	(15)	(46)	(6)	(3)	(7)	(9)	(18)	(5)	(24)	(91)	0		
327	AMI	C331		26	(46)	(15)	(6)	(3)	(7)	(7)	(19)	112	93	26	0		
328	TOTAL CUSTOMER SERV & INFORMATION																
329	Schedule 9																
403	SALES	S300		1	0	0	0	0	0	0	0	1	1	1	0		
404	SALES EXPENSE	S304		(1)	0	0	0	0	0	0	0	(1)	(1)	(1)	0		
405	SALES EXPENSE PROFORMA	S319		0	0	0	0	0	0	0	0	0	0	0	0		
406	TOTAL SALES EXPENSE																
407	SUBTOTAL O&M EXCL. A&G			19,765	4,590	9,714	3,259	83	1,243	183	1,509	693	2,202	19,765	0		
408	ADMINISTRATIVE & GENERAL																
409	A&G EXPENSE EXCL. REGULATORY EXP	A300		2,378	0	0	0	0	0	0	0	0	0	2,378	0		
410	PRODUCTION-DEMAND RELATED	A302		371	371	0	0	0	0	0	0	0	0	371	0		
411	PRODUCTION-ENERGY RELATED	A304		152	17	0	135	0	0	0	0	0	0	152	0		
412	TRANSMISSION	A306		1,079	0	0	0	59	848	130	1,037	42	1,079	1,079	0		
413	DISTRIBUTION	A308		405	0	0	0	0	0	0	0	405	405	405	0		
414	CUSTOMER ACCOUNTING	A310		129	(228)	(74)	(30)	(15)	(95)	(45)	(95)	556	461	129	0		
415	CUSTOMER SERVICE & INFORMATION	A312		0	0	0	0	0	0	0	0	0	0	0	0		
416	SALES	A315		4,514	2,167	287	105	44	813	85	942	1,003	1,945	4,514	0		
417	A&G EXPENSE UNADJUSTED	A318		14	7	1	0	0	0	3	0	3	6	14	0		
418	RATE CASE EXPENSE	A340		(22)	(11)	(1)	(1)	0	(4)	0	(4)	(5)	(9)	(22)	0		
419	ELIMINATE MISCELLANEOUS EXPENSES	A342		14	7	1	0	0	3	3	3	3	6	14	0		
420	IMPLEMENT AUTOMATED METER READING	A352		140	68	9	3	1	25	3	29	31	60	140	0		
421	AMORTIZATION OF DEFERRED EXPENSES	A354		0	0	0	0	0	0	0	0	0	0	0	0		
422	MISCELLANEOUS	A356		(436)	(209)	(29)	(10)	(4)	(79)	(8)	(91)	(97)	(188)	(436)	0		
423	ELIMINATE INCENTIVE COMPENSATION	A357		4,224	2,029	278	97	41	761	80	862	938	1,820	4,224	0		
424	TOTAL ADMIN. & GENERAL																
425	TOTAL O & M EXPENSE	OM39		23,989	6,619	9,992	3,356	124	2,004	263	2,391	1,631	4,022	23,989	0		

DUKE ENERGY KENTUCKY														
COST OF SERVICE STUDY														
TWELVE MONTHS ENDING DECEMBER 31, 2005														
ELECTRIC CASE NO: 2006-00172														
FR#v-1 KW (12 COIN PEAK)														
DS_RTP														
DESCRIPTION	ITEM	ALLOC	DS_RTP INCR. SEC. DISTR.	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
TAXES OTHER THAN INC & REV														
Schedule B														
4657 REAL ESTATE & PROPERTY TAX														
4658 PRODUCTION	L500	K_rtpprod_d	572	572	0	0	0	0	0	0	0	0	572	0
4659 TRANSMISSION	L501	K_transmit	59	0	0	59	0	0	0	0	0	0	59	0
470 DISTRIBUTION	L502	K_distnet	631	0	0	0	122	128	291	541	90	631	631	0
471 OTHER	L514	K_EPIS	0	0	0	0	0	0	0	0	0	0	0	0
472 TOTAL REAL EST & PROP TAX	L529	PROP_TAX	1,262	572	0	59	122	128	291	541	90	631	1,262	0
MISCELLANEOUS TAXES														
475 PAYROLL RELATED	L566	K_AltGasAdj	328	157	22	8	3	59	6	68	73	141	328	0
476 OTHER STATE TAXES	L562	K_AltGasAdj	0	0	0	0	0	0	0	0	0	0	0	0
477 ELIMINATE NON-NATIVE SALES	L564	K_AltGasAdj	(7)	(4)	0	0	0	(1)	0	(1)	(2)	(3)	(7)	0
478 AUTO LICENSES, ETC	L560	K_AltGasAdj	1	1	0	0	0	0	0	0	0	0	1	0
479 ELIMINATE UNBILLED REVENUE	L562	K_AltGasAdj	0	0	0	0	0	0	0	0	0	0	0	0
480 AFFILIATED COMPANY RENTS	L564	K_AltGasAdj	0	0	0	0	0	0	0	0	0	0	0	0
481 MISCELLANEOUS	L566	K_AltGasAdj	0	0	0	0	0	0	0	0	0	0	0	0
482 DSM ELIMINATION	L568	K_rtpprod_d	(1)	(1)	0	0	0	0	0	0	0	0	(1)	0
483 TOTAL MISCELLANEOUS TAXES	L589		321	153	22	8	3	58	6	67	71	138	321	0
MISCELLANEOUS EXPENSES														
487 PSC MAINTENANCE ON INCREASE	L584	K_Func_Rev	23	12	4	1	1	2	2	5	1	6	23	0
488 TOTAL MISCELLANEOUS EXPENSES	L589		23	12	4	1	1	2	2	5	1	6	23	0
490 TOTAL OTHER TAX & MISC EXPENSE	L591		1,606	737	26	68	126	188	299	613	162	775	1,606	0
PRELIMINARY SUMMARY														
493 TOTAL O&M EXPENSE	OM39		23,989	6,619	9,992	3,356	124	2,004	263	2,391	1,631	4,022	23,989	0
494 TOTAL DEPRECIATION EXPENSE	DE49		7,262	4,922	8	120	416	461	998	1,875	337	2,212	7,262	0
495 TOTAL OTHER TAX & MISC EXPENSE	L599		1,606	737	26	68	126	188	299	613	162	775	1,606	0
496 TOTAL OP EXP EXC IT & OTHER TAX	OP69		32,857	12,278	10,026	3,544	666	2,653	1,560	4,879	2,130	7,009	32,857	0

A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R		
1	DUKE ENERGY KENTUCKY															
2	COST OF SERVICE STUDY															
3	TWELVE MONTHS ENDING DECEMBER 31, 2005															
4	ELECTRIC CASE NO: 2006-00172															
5	FR-44-1 KW (12 CONN PEAK)															
6	DS_RTP															
7	DESCRIPTION	ITEM	ALLOC	DS_RTP INCR. SEC. DISTR.	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER	
498	INCOME TAX BASED ON RETURN Schedule 9															
499	FEDERAL INCOME TAX DEDUCTIONS															
500	AUTOMATIC INTEREST CALCULATION															
501	AUTO PROC INTEREST DED	Y751		K_EPIS	3,558	2,313	4	84	219	240	523	982	175	1,157	3,558	0
502	TOTAL INTEREST EXPENSE	Y783		TOT_INT	3,558	2,313	4	84	219	240	523	982	175	1,157	3,558	0
503	OTHER DEDUCTIONS															
505	DEPR. EXCESS TAX OVER BOOK	Y790		K_Depr_Ex	698	472	1	12	41	44	96	181	32	213	698	0
507	LOSS ON REACQUIRED DEBT	Y794		K_EPIS	(27)	(17)	0	(1)	(2)	(4)	(8)	(1)	(9)	(27)	0	
509	COST OF REMOVAL	Y798		K_Depr_Ex	333	226	0	6	19	21	46	86	15	101	333	0
512	METER CAPITAL LEASE PRINCIPLE PAYMENTS	Y804		K_rbdsl_c	0	0	0	0	0	0	0	0	0	0	0	0
515	OTHER PERMANENT DIFFERENCES	Y816		K_EPIS	312	204	0	7	19	21	46	86	15	101	312	0
518	TOTAL OTHER DEDUCTIONS	Y826			1,316	885	1	24	77	84	184	345	61	406	1,316	0
520	NET DEDUCTIONS AND ADDITIONS	Y871			4,874	3,198	5	108	296	324	707	1,327	236	1,563	4,874	0
521	FEDERAL INCOME TAX ADJUSTMENTS															
524	FED PROV DEF INC TAX DEFERRALS (410.1)															
526	ANNUALIZE DEPRECIATION	Z768		K_EPIS	(16)	(11)	0	0	(1)	(1)	(2)	(4)	(1)	(5)	(16)	0
531	MISCELLANEOUS	Z762		K_A&GenAdj	(123)	(59)	(8)	(3)	(2)	(22)	(2)	(26)	(27)	(53)	(123)	0
532	MISCELLANEOUS PROFORMA ADJUSTMENT	Z770		K_EPIS	0	0	0	0	0	0	0	0	0	0	0	0
533	RECLASSIFY NON-JURIS INCOME TAX	Z770		K_rtprod_d	551	551	0	0	0	0	0	0	0	0	551	0
536	TOTAL FED PROV DEF IT DEFERRALS (410.1)	Z782			412	481	(8)	(3)	(3)	(23)	(4)	(30)	(28)	(58)	412	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R	
1	DUKE ENERGY KENTUCKY															
2	COST OF SERVICE STUDY															
3	TWELVE MONTHS ENDING DECEMBER 31, 2005															
4	ELECTRIC CASE NO: 2006-00172															
5	FR-#v-1 KW (12 COWN PEAK)															
6	DS_RTP															
7				DS_RTP	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL		ALL	
8	DESCRIPTION	ITEM	ALLOC	INCR.	DEMAND	ENERGY	TRANSMISSION	SUBSTATONS	& FIXTURES	CONDUCTORS	DISTRIBUTION	CUSTOMER	DISTRIBUTION	TOTAL	OTHER	
				SEC. DISTR.							DEMAND					
554	AMORTIZED INV TAX CREDIT	Schedule Ra														
555	MISCELLANEOUS	Z804	K_AA_GenAdj	0	0	0	0	0	0	0	0	0	0	0	0	0
556	AMORTIZE ITC	Z806	K_EPIS	32	21	0	1	1	2	5	8	2	10	32	0	
557	TOTAL AMORTIZED ITC	Z813		32	21	0	1	1	2	5	8	2	10	32	0	
558				0												
559	TEST YEAR INV TAX CREDIT			0												
560	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0	0
561																
562	PRELIMINARY SUMMARY															
563	TOTAL FED PROV DEF IT (410.1)	Z782		412	481	(8)	(3)	(3)	(23)	(4)	(30)	(28)	(58)	412	0	
564	TOTAL FED PROV DEF IT (411.1)	Z803		0	0	0	0	0	0	0	0	0	0	0	0	
565	TOTAL AMORTIZED ITC	Z813		(32)	(21)	0	(1)	(1)	(2)	(5)	(8)	(2)	(10)	(32)	0	
566	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		380	460	(8)	(4)	(4)	(25)	(9)	(38)	(30)	(68)	380	0	
567																
568	FEDERAL INCOME TAX COMPUTATION															
569	RETURN ON CAPITALIZATION	R751		27,871	17,099	1,176	756	1,637	1,872	3,948	7,457	1,383	8,840	27,871	0	
570	NET DEDUCTIONS AND ADDITIONS	Y871		(4,874)	(3,198)	(5)	(108)	(296)	(324)	(707)	(1,327)	(236)	(1,563)	(4,874)	0	
571	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		380	460	(8)	(4)	(4)	(25)	(9)	(38)	(30)	(68)	380	0	
572	TOTAL STATE PROV DEF IT (410.1)	Z911		86	90	0	0	(2)	(1)	(1)	(4)	0	(4)	86	0	
573	TOTAL STATE PROV DEF IT (411.1)	Z933		0	0	0	0	0	0	0	0	0	0	0	0	
574	AFUDC OFFSET	Z935		(83)	66	0	(24)	(19)	(26)	(58)	(103)	(22)	(125)	(83)	0	
575	BASE FOR FIT COMPUTATION	1865		23,380	14,517	1,163	620	1,316	1,496	3,173	5,985	1,095	7,080	23,380	0	
576																
577	FIT FACTOR K190/(1-K190)	1867	FITcomp_from	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	
578	PRELIM FED INCOME TAX	1869		12,589	7,817	626	334	707	806	1,709	3,222	590	3,812	12,589	0	
579	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		380	460	(8)	(4)	(4)	(25)	(9)	(38)	(30)	(68)	380	0	
580	NET FED INCOME TAX ALLOWABLE	1879		12,969	8,277	618	330	703	781	1,700	3,184	560	3,744	12,969	0	
581																
582	INCOME TAX BASED ON RETURN															
583	FEDERAL INCOME TAX PAYABLE															
584	PRELIM FEDERAL INCOME TAX	1869		12,589	7,817	626	334	707	806	1,709	3,222	590	3,812	12,589	0	
585	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0	
586	NET FED INCOME TAX PAYABLE	1889		12,589	7,817	626	334	707	806	1,709	3,222	590	3,812	12,589	0	

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 COIN PEAK)														
6	DS_RTP														
7				DS RTP	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL		ALL
8	DESCRIPTION	ITEM	ALLOC	INCR. SEC. DISTR.	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	DISTRIBUTION	TOTAL	OTHER
587	STATE INCOME TAX		Schedule 9b												
588															
589															
590	DEDUCTIONS IN ADDITION TO Y871														
591	BONUS DEPRECIATION	Y890	K_Depr_Ex	243	165	0	4	15	15	33	63	11	74	243	0
594	DEDUCTIONS IN ADD TO Y871	Y911		243	165	0	4	15	15	33	63	11	74	243	0
595															
596	STATE INCOME TAX ADJUSTMENTS														
597															
598	STATE PROV DEF INC TAX DEFERRALS (410.1)														
600	NET DEFERRED TAXES	Z898	K_EPIS	(9)	(6)	0	0	(1)	(1)	(1)	(3)	0	(3)	(9)	0
601	ANNUALIZE DEPRECIATION	Z898	K_Depr_Ex	(3)	(2)	0	0	(1)	0	0	(1)	0	(1)	(3)	0
604	NON-JURISDICTIONAL TAX	Z898	K_rtprod_d	98	98	0	0	0	0	0	0	0	0	98	0
609	TOT STATE PROV DEF IT DEFERRALS (410.1)	Z911		86	90	0	0	(2)	(1)	(1)	(4)	0	(4)	86	0
610															
626	TOTAL STATE INC TAX ADJUSTMENT	Z957		86	90	0	0	(2)	(1)	(1)	(4)	0	(4)	86	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-Inv-1 KW (12 COIN PEAK)														
6	DS_RTP														
7	DESCRIPTION	ITEM	ALLOC	DS_RTP INCR. SEC. DISTR.	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
627	INCOME TAX BASED ON RETURN Schedule 9c														
628	SUMMARY OF SIT CALCULATION														
630	RETURN ON CAPITALIZATION	R751		27,871	17,099	1,176	756	1,637	1,872	3,948	7,457	1,383	8,840	27,871	0
631	NET FED INCOME TAX ALLOWABLE	I879		12,969	8,277	618	330	703	781	1,700	3,184	560	3,744	12,969	0
632	NET FED. DED. AND ADDITIONS	Y871		(4,874)	(3,198)	(5)	(108)	(296)	(324)	(707)	(1,327)	(236)	(1,563)	(4,874)	0
633	DEDUCTIONS IN ADD TO Y871	Y911		(243)	(165)	0	(4)	(15)	(15)	(33)	(63)	(11)	(74)	(243)	0
634	AFUDC OFFSET	L033		(83)	66	0	(24)	(19)	(26)	(58)	(103)	(22)	(125)	(83)	0
635	TOTAL STATE INC TAX ADJ	Z957		86	90	0	0	(2)	(1)	(1)	(4)	0	(4)	86	0
636	BASE FOR SIT COMPUTATION	J965		35,726	22,169	1,789	950	2,008	2,267	4,849	9,144	1,674	10,818	35,726	0
637	SIT FACTOR K182/(1-K182)														
638	PRELIMINARY STATE INCOME TAX	J969	st_fom	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378
640	TOTAL STATE INCOME TAX ADJ.	Z957		2,195	1,362	110	58	123	141	298	562	103	665	2,195	0
641	NET STATE INC TAX ALLOWABLE	J979		86	90	0	0	(2)	(1)	(1)	(4)	0	(4)	86	0
642	STATE INCOME TAX PAYABLE														
643	PRELIMINARY STATE INCOME TAX	J969		2,195	1,362	110	58	123	141	298	562	103	665	2,195	0
645	OTHER SIT ADJUSTMENTS	Z955		0	0	0	0	0	0	0	0	0	0	0	0
646	NET STATE INCOME TAX PAYABLE	J989		2,195	1,362	110	58	123	141	298	562	103	665	2,195	0
647	COMPOSITE TAX RATE														
648	CTAX	ctax_fom		0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621
649															
650															
651															
652															
653															
654															

DUKE ENERGY KENTUCKY
 COST OF SERVICE STUDY
 TWELVE MONTHS ENDING DECEMBER 31, 2005
 ELECTRIC CASE NO: 2006-00172
 FRAY, MW (12 COIN PEAK)
 DS, RTP

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R			
	DS, RTP	INCR	SEC. DISTR.	PRODUCTION	PRODUCTION	ENERGY	OTHER	TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DEMAND	DISTRIBUTION	CUSTOMER	DISTRIBUTION	TOTAL	ALL	
855	COST OF SERVICE COMPUTATION																	
856	Schedule 10																	
857	OTHER OPERATING REVENUES	330	215	0	8	20	22	49	91	16	107	330	0	0	0	0	0	0
858	RENTAL REVENUE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
859	BAD CHECK CHARGE	3	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
860	ELIMINATE NON-HATIVE SALES	(4,441)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
861	SALES FOR RESALE	4,441	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
862	RECONNECTION CHARGES	17	9	3	1	0	0	0	0	0	0	0	0	0	0	0	0	0
863	INTERRUPTIBLE CREDIT	(17)	(9)	(3)	(1)	0	0	0	0	0	0	0	0	0	0	0	0	0
864	BILLING CYCLE IMPROVEMENT	120	91	19	8	4	1	9	25	12	7	32	120	120	170	170	170	170
865	OTHER MISCELLANEOUS REVENUES	17	9	3	1	0	0	0	0	0	0	0	0	0	0	0	0	0
866	MISCELLANEOUS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
867	TOTAL OTHER OPERATING REVS	470	287	22	17	25	63	120	24	144	470	0	0	0	0	0	0	0
868	COST OF SERVICE COMPUTATION	32,857	12,278	10,026	3,544	666	2,653	1,560	4,879	7,009	32,857	0	0	0	0	0	0	0
869	TOTAL OF EXP EXC INC & REV TAX	27,871	17,099	11,776	756	1,637	1,872	3,948	7,457	8,840	27,871	0	0	0	0	0	0	0
870	RETURN ON CAPITALIZATION	27,871	17,099	11,776	756	1,637	1,872	3,948	7,457	8,840	27,871	0	0	0	0	0	0	0
871	NET FED INCOME TAX ALLOWABLE	12,969	8,277	618	330	703	781	1,700	3,184	560	3,744	12,969	0	0	0	0	0	0
872	NET STATE INCOME TAX ALLOWABLE	2,281	1,452	110	58	121	140	297	558	103	661	2,281	0	0	0	0	0	0
873	TOTAL OTHER OPERATING REVENUES	75,508	38,819	11,908	4,671	3,102	5,414	7,442	15,958	4,152	20,110	75,508	0	0	0	0	0	0
874	SUBTOTAL B	75,508	38,819	11,908	4,671	3,102	5,414	7,442	15,958	4,152	20,110	75,508	0	0	0	0	0	0
875	TOTAL OTHER OPERATING REVENUES	470	287	22	17	25	63	120	24	144	470	0	0	0	0	0	0	0
876	LESS: OTHER ITEMS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
877	OTHER OPERATING REVS TO BE TAXED	470	287	22	17	25	63	120	24	144	470	0	0	0	0	0	0	0
878	AFDUC OFFSET	(83)	66	0	(24)	(19)	(58)	(26)	(22)	(125)	(83)	0	0	0	0	0	0	0
879	OTHER DEDUCTIONS TO COST OF SERVICE	(83)	66	0	(24)	(19)	(58)	(26)	(22)	(125)	(83)	0	0	0	0	0	0	0
880	TOTAL ELECTRIC COST OF SERVICE	75,425	38,885	11,908	4,647	3,083	5,388	7,364	15,856	4,130	19,985	75,425	0	0	0	0	0	0
881	PROPOSED REVENUES	72,568										72,568	0	0	0	0	0	0
882	EXCESS REVENUES	(2,857)										(2,857)	0	0	0	0	0	0
883	TOTAL ELECTRIC COST OF SERVICE	(75,425)										(75,425)	0	0	0	0	0	0
884	EXCESS REVENUES	(2,857)										(2,857)	0	0	0	0	0	0
885	COMPOSITE TAX RATE	0.387621										0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	
886	EXCESS TAX	(1,107)										(1,107)	0	0	0	0	0	0
887	EXCESS RETURN	(1,750)										(1,750)	0	0	0	0	0	0

A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R	
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR#v-1 KW (12 COIN PEAK)														
6	DS_RTP														
7	5/28/08 7:38 AM														
8	DESCRIPTION	ITEM	ALLOC	DS_RTP INCR. SEC. DISTR.	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL TOTAL	ALL OTHER
696	ROR AND TAX RATES Schedule 11														
697	RATE OF RETURN														
698															
699	CAPITALIZATION AMOUNTS														
700	LONG TERM DEBT	K100	CAP_FROM	Total Company	Ratio										Ratio
701	PREFERRED STOCK	K102		275,774,125	0.406259216										0.406259216
702	COMMON STOCK	K104		0	0.000000000										0.000000000
703	SHORT TERM DEBT	K106		345,393,322	0.508819383										0.508819383
704	UNAMORTIZED DISCOUNT	K108		57,645,769	0.084921401										0.084921401
705	TOTAL	K115		0	0.000000000										0.000000000
706															
707	COST OF CAPITAL														
708	LONG TERM DEBT	K120		0.0609											
709	PREFERRED STOCK	K122		0.0000											
710	COMMON STOCK	K124		0.1150											
711	SHORT TERM DEBT	K126		0.0514											
712	UNAMORTIZED DISCOUNT	K128		0.0000											
713															
714	WEIGHTED COST OF CAPITAL														
715	LONG TERM DEBT	K141		0.0247											
716	PREFERRED STOCK	K143		0.0000											
717	COMMON STOCK	K145		0.0585											
718	SHORT TERM DEBT	K147		0.0044											
719	UNAMORTIZED DISCOUNT	K149		0.0000											
720	TOT RATE OF RETURN ALLOWABLE	RORA	ROR_EARNL_FROM	0.0876											
721															
722	TAX RATES AND SPECIAL FACTORS														
723	SHORT TERM DEBT COST	K180		0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
724	FEDERAL INCOME TAX RATE	K190	FTL_FROM	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000
725	STATE INCOME TAX RATE	K192	STATETXL_FROM	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788
726	REVENUE TAX RATE	K198		0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
727															
728	PRESENT REVENUES	R600		70,100	0	0	0	0	0	0	0	0	0	70,100	0
729	PROPOSED REVENUES	R602		72,568	0	0	0	0	0	0	0	0	0	72,568	0
730	PRESENT NOI			24,610											
731	GROSS PRESENT REV AT AVERAGE ROR			32,804											
732	SUBSIDY EXCESS			37,296											
733	REDUCTION IN SUBSIDY EXCESS			9,324											
734	RATE INCREASE			11,792											
735	TAX COMPLEMENT														
736															
737															
738															
739															
740															
741															
742															
743															
744															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-44-1 KW(12 CON PEAK)														
6	DS_RTP														
7															
8	DESCRIPTION	ITEM	ALLOC	DS_RTP INCR. SEC. DISTR.	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
745	INCOME TAX BASED ON REVENUES														
746	NET INCOME COMPUTATION														
747	TOTAL ELECTRIC COST OF SERVICE	CS09		75,425	38,885	11,908	4,647	3,083	5,388	7,384	15,855	4,130	19,985	75,425	0
748	TOTAL OTHER OPERATING REVENUES	Q027		470	287	22	17	25	32	63	120	24	144	470	0
749	TOTAL ELECTRIC REVENUE	CS07		75,895	39,172	11,930	4,664	3,108	5,420	7,447	15,975	4,154	20,129	75,895	0
750	TOTAL OP EXP EXC IT & OTHER DEDUCTIONS	OP61		(32,857)	(12,278)	(10,026)	(3,544)	(666)	(2,653)	(1,560)	(4,879)	(2,130)	(7,009)	(32,857)	0
751	OTHER	RTXP		0	0	0	0	0	0	0	0	0	0	0	0
752	NET INCOME	NI01		43,038	26,894	1,904	1,120	2,442	2,767	5,887	11,096	2,024	13,120	43,038	0
753	ADJUSTMENTS TO NET INCOME														
754	TOTAL INTEREST EXPENSE	Y783		(3,558)	(2,313)	(4)	(84)	(219)	(240)	(523)	(982)	(175)	(1,157)	(3,558)	0
756	TOTAL OTHER DEDUCTIONS	Y828		(1,316)	(885)	(1)	(24)	(77)	(84)	(184)	(345)	(61)	(406)	(1,316)	0
757	PRELIMINARY TAXABLE INCOME	TI01		38,164	23,696	1,899	1,012	2,146	2,443	5,180	9,769	1,788	11,557	38,164	0
759	STATE INCOME TAX COMPUTATION														
760	PRELIMINARY TAX ABLE INCOME (INCL AFUDC)	TI01		38,164	23,696	1,899	1,012	2,146	2,443	5,180	9,769	1,788	11,557	38,164	0
761	DEDUCTIONS IN ADD TO Y871	Y811		(243)	(165)	0	(4)	(15)	(15)	(33)	(63)	(11)	(74)	(243)	0
762	STATE TAXABLE INCOME	SI01		37,921	23,531	1,899	1,008	2,131	2,428	5,147	9,706	1,777	11,483	37,921	0
764	STATE INCOME TAX PAYABLE														
765	STATE INCOME TAX RATE	K192	STATETX_FROM	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788
766	PRELIM SIT = SI01 * K192	ST01		2,195	1,362	110	58	123	141	298	562	103	665	2,195	0
767	OTHER SIT ADJUSTMENTS	Z855		0	0	0	0	0	0	0	0	0	0	0	0
768	STATE INCOME TAX PAYABLE	SP01		2,195	1,362	110	58	123	141	298	562	103	665	2,757	0
769	SIT ALLOWABLE														
771	STATE INCOME TAX PAYABLE	SP01		2,195	1,362	110	58	123	141	298	562	103	665	2,195	0
772	TOTAL STATE PROV DEF IT(410.1)	Z811		86	90	0	0	(2)	(1)	(1)	(4)	0	(4)	86	0
773	TOTAL STATE PROV DEF IT(411.1)	Z833		0	0	0	0	0	0	0	0	0	0	0	0
774	NET STATE INC TAX ALLOWABLE	SA01		2,281	1,452	110	58	121	140	297	558	103	661	2,839	0
775	INCOME TAX BASED ON REVENUES														
777	FEDERAL INCOME TAX COMPUTATION														
778	PRELIMINARY TAXABLE INCOME (INCL AFUDC)	TI01		38,164	23,696	1,899	1,012	2,146	2,443	5,180	9,769	1,788	11,557	38,164	0
779	STATE INC TAX PAYABLE	SP01		(2,195)	(1,362)	(110)	(58)	(123)	(141)	(298)	(562)	(103)	(665)	(2,195)	0
780	NET FEDERAL TAXABLE INCOME	FI01		35,969	22,334	1,789	954	2,023	2,302	4,882	9,207	1,685	10,892	35,969	0
781	FEDERAL INCOME TAX RATE	K190	FIT_FROM	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000
782	PRELIMINARY FIT = FI01 * K190	FT01		12,589	7,817	626	334	707	806	1,709	3,222	590	3,812	12,589	0
783	TOTAL FED PROV DEF IT (410.1)	Z782		412	481	(8)	(3)	(3)	(23)	(4)	(30)	(28)	(58)	412	0
784	TOTAL FED PROV DEF IT (411.1)	Z803		0	0	0	0	0	0	0	0	0	0	0	0
785	TOTAL AMORTIZED ITC & SERVICE CO ALLOC.	Z813		(32)	(21)	0	(1)	(1)	(2)	(5)	(8)	(2)	(10)	(32)	0
786	NET FED INC TAX ALLOWABLE	FA01		12,969	8,277	618	330	703	781	1,700	3,184	560	3,744	16,153	0
787	FEDERAL INCOME TAX PAYABLE														
788	PRELIM FIT	FT01		12,589	7,817	626	334	707	806	1,709	3,222	590	3,812	12,589	0
789	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
791	FED INC TAX PAYABLE	FP01		12,589	7,817	626	334	707	806	1,709	3,222	590	3,812	12,589	0
792	PRELIMINARY SUMMARY														
794	NET INCOME EXCLUDING AFUDC OFFSET	NI01		43,121	26,828	1,904	1,144	2,461	2,793	5,945	11,199	2,046	13,245	43,121	0
795	NET FED INC TAX ALLOWABLE	FA01		(12,969)	(8,277)	(618)	(330)	(703)	(781)	(1,700)	(3,184)	(560)	(3,744)	(12,969)	0
796	NET STATE INC TAX ALLOWABLE	SA01		(2,281)	(1,452)	(110)	(58)	(121)	(140)	(297)	(558)	(103)	(661)	(2,281)	0
797	OVERALL RETURN EARNED-SCH 12	RETU		27,871	17,099	1,176	756	1,637	1,872	3,948	7,457	1,383	8,840	27,871	0
798	RATE OF RETURN EARNED-SCH 12														
799	RORX	ROR_EARN_FROM		0.2273	0.2273	0.2273	0.2272	0.2272	0.2274	0.2273	0.2273	0.2274	0.2273	0.2273	0.0000

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY																	
2	COST OF SERVICE STUDY																	
3	TWELVE MONTHS ENDING DECEMBER 31, 2005																	
4	ELECTRIC CASE NO: 2006-00172																	
5				DS_RTP										TOTAL				
6				INCR										DISTRIBUTION				
7				SEC. DISTR.	PRODUCTION	PRODUCTION	OTHER			POLES, TOWERS				DEMAND	DISTRIBUTION	TOTAL		ALL
8					DEMAND	ENERGY	TRANSMISSION		SUBSTATIONS	& FIXTURES	CONDUCTORS			CUSTOMER	DISTRIBUTION	TOTAL		OTHER
9																		
10	Schedule 13																	
11	Prod-Demand	K_rbprod_d			1.00000											0.00000		
12	Prod-Energy	K_rbprod_e				1.00000										0.00000		
13	Main Step-Up Transformers	K_rbtran_stepup														0.00000		
14	Transmission Other	K_rtran_oth					1.00000									0.00000		
15	Substations	K_Subs						1.00000								1.00000		
16	Poles Towers & Fbxtures	K_Poles							1.00000							1.00000		
17	Conductors	K_Conductors									1.00000					1.00000		
18	Transformers	K_Transformer													1.00000	1.00000		
19	Distribution Demand	K_rbdist_d												1.00000		1.00000		
20	Distribution Customer	K_rbdist_c													1.00000	1.00000		
21	All Other	K_FERC																1.00000
22	Gross Dist Plant excl CCNC-OC (106)			61,054	0	0	0	9,581	12,648	28,249	50,478	10,576	61,054	61,054	0			
23	Ratio	K_dist_ccnc		1.000000000	0.000000000	0.000000000	0.000000000	0.156926655	0.207160874	0.462688767	0.826776296	0.173223704	1.000000000	1.000000000	0.000000000			
24	Gross Plant (OC)			244,115	171,517	280	5,269	10,276	14,276	30,252	54,804	12,245	67,049	244,115	0			
25	Ratio	K_grossPlt		1.000000000	0.702607379	0.001147000	0.021584089	0.042094915	0.058480634	0.123925199	0.224500748	0.050160785	0.274661532	1.000000000	0.000000000			
26	Gross Prod Plant (OC)			169,472	169,472	0	0	0	0	0	0	0	0	169,472	0			
27	Ratio	K_gross_prodpit		1.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000			
28	Gross Plant-Prod/Trans/Dist (OC)			239,853	169,472	0	5,170	10,234	13,509	30,172	53,915	11,296	65,211	239,853	0			
29	Ratio	K_grossPTD		1.000000000	0.706566105	0.000000000	0.021554869	0.042667801	0.056321997	0.125793715	0.224783513	0.047095513	0.271879026	1.000000000	0.000000000			
30	Gross Distribution Plant (OC)			65,211	0	0	0	10,234	13,509	30,172	53,915	11,296	65,211	65,211	0			
31	Ratio	K_gross_distplt		1.000000000	0.000000000	0.000000000	0.000000000	0.156936713	0.207158302	0.462682676	0.826777691	0.173222309	1.000000000	1.000000000	0.000000000			
32	Gross Transmission Plant (OC)			5,170	0	0	5,170	0	0	0	0	0	0	5,170	0			
33	Ratio	K_gross_tranplt		1.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000			
34	Gross General Plant (OC)			597	286	39	14	7	107	11	125	133	258	597	0			
35	Ratio	K_gross_genplt		1.000000000	0.479061977	0.065326633	0.023450586	0.011725293	0.179229481	0.018425461	0.209380235	0.222780570	0.432160804	1.000000000	0.000000000			
36	Gross Common Plant (OC)			3,665	1,759	241	85	35	660	69	764	816	1,580	3,665	0			
37	Ratio	K_gross_complt		1.000000000	0.479945430	0.065757162	0.023192360	0.009549796	0.180081855	0.018826739	0.208458390	0.222646658	0.431105048	1.000000000	0.000000000			
38	Production Plant-Net (OC-Depr)			81,994	81,994	0	0	0	0	0	0	0	0	81,994	0			
39	Ratio	K_prodnet		1.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000			
40	Distribution Plant-Net (OC-Depr)			40,597	0	0	0	7,815	8,231	18,742	34,788	5,809	40,597	40,597	0			
41	Ratio	K_distnet		1.000000000	0.000000000	0.000000000	0.000000000	0.192501908	0.202748972	0.461659729	0.856910609	0.143089391	1.000000000	1.000000000	0.000000000			
42	Transmission Plant-Net (OC-Depr)			2,950	0	0	2,950	0	0	0	0	0	0	2,950	0			
43	Ratio	K_trannet		1.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000			
44	General Plant Plant-Net			280	134	18	6	5	49	5	59	63	122	280	0			
45	Ratio	K_gennet		1.000000000	0.478571429	0.064285714	0.021428571	0.017857143	0.175000000	0.017857143	0.210714286	0.225000000	0.435714286	1.000000000	0.000000000			
46	Transmission & Distr Plant In Service			43,547	0	0	2,950	7,815	8,231	18,742	34,788	5,809	40,597	43,547	0			
47	Ratio	K_T&D_net		1.000000000	0.000000000	0.000000000	0.067742898	0.179461272	0.189014169	0.430385560	0.798861001	0.133396101	0.932257102	1.000000000	0.000000000			
48	Net Electric Plant In Service			127,710	83,034	142	3,000	7,838	8,621	18,783	35,242	6,292	41,534	127,710	0			
49	Ratio	K_EPIS		1.000000000	0.650176181	0.001111894	0.023490721	0.061373425	0.067504502	0.147075405	0.275953332	0.049267873	0.325221204	1.000000000	0.000000000			
50	Common Plant- net			1,889	906	124	44	18	341	36	395	420	815	1,889	0			
51	Ratio	K_comnet		1.000000000	0.479618847	0.065643197	0.023292747	0.009528852	0.180518793	0.019057702	0.209105347	0.222339862	0.431445209	1.000000000	0.000000000			

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3	TWELVE MONTHS ENDING DECEMBER 31, 2005																	
4	ELECTRIC CASE NO: 2006-00172																	
5				DS RTP										TOTAL				
6				INCR.	PRODUCTION	PRODUCTION	OTHER			POLES, TOWERS				DISTRIBUTION	DISTRIBUTION	TOTAL		ALL
7	DESCRIPTION	ALLOC	SEC. DISTR.		DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS		& FIXTURES	CONDUCTORS			DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	OTHER
65	Common & General Plant-net			2,169	1,040	142	50	23		390	41		454	483	937	2,169	0	
66	Ratio	K_comgennt	1.00000000		0.479483632	0.065467958	0.023052098	0.010603965		0.179806362	0.018902720		0.209313047	0.222683264	0.431996312	1.00000000	0.00000000	
68	Total OCD Rate Base			130,057	79,790	5,489	3,529	7,641		8,734	18,422		34,797	6,452	41,249	130,057	0	
69	Ratio	K_OCDRB	1.00000000		0.613500234	0.042204572	0.027134257	0.058751164		0.067155170	0.141645586		0.267551920	0.049609018	0.317160937	1.00000000	0.00000000	
70	Construction Work In Progress			948	(749)	0	271	224		295	660		1,179	247	1,426	948	0	
71	Ratio	K_CWIP	1.00000000		(0.790084388)	0.000000000	0.285864979	0.236286919		0.311181435	0.696202532		1.243670886	0.260548523	1.504219409	1.00000000	0.00000000	
72	A&G			4,224	2,029	278	97	41		761	80		882	938	1,820	4,224	0	
73	Ratio	K_A&G	1.00000000		0.480350379	0.065814394	0.022964015	0.009706439		0.180160985	0.018939394		0.208806818	0.222064394	0.430871212	1.00000000	0.00000000	
74	A&G (excluding adjustments)			4,514	2,167	297	105	44		813	85		942	1,003	1,945	4,514	0	
75	Ratio	K_A&GexAdj	1.00000000		0.480062029	0.065795304	0.023260966	0.009747452		0.180106336	0.018830306		0.208684094	0.222197607	0.430881701	1.00000000	0.00000000	
76	Dist A&G (ex reg exp)			1,079	0	0	0	59		848	130		1,037	42	1,079	1,079	0	
77	Ratio	K_DistA&G	1.00000000		0.000000000	0.000000000	0.000000000	0.054680260		0.785912882	0.120481928		0.961075070	0.038924930	1.00000000	1.00000000	0.00000000	
78	Transmission A&G			152	17	0	135	0		0	0		0	0	0	152	0	
79	Ratio	K_TransA&G	1.00000000		0.111842105	0.000000000	0.888157895	0.000000000		0.000000000	0.000000000		0.000000000	0.000000000	0.000000000	1.00000000	0.00000000	
80	Customer Accounts A&G			405	0	0	0	0		0	0		0	405	405	405	0	
81	Ratio	K_CA_A&G	1.00000000		0.000000000	0.000000000	0.000000000	0.000000000		0.000000000	0.000000000		0.000000000	1.000000000	1.000000000	1.00000000	0.00000000	
82	Cust Service & Informational A&G			129	(228)	(74)	(30)	(15)		(35)	(45)		(95)	556	461	129	0	
83	Ratio	K_CSI_A&G	1.00000000		(1.767441860)	(0.573643411)	(0.232558140)	(0.116279071)		(0.271317829)	(0.348837209)		(0.736434109)	4.310077519	3.573643411	1.00000000	0.00000000	
84	Sales A&G			0	0	0	0	0		0	0		0	0	0	0	0	
85	Ratio	K_Sales_A&G	1.00000000		0.000000000	0.000000000	0.000000000	0.000000000		0.000000000	0.000000000		0.000000000	0.000000000	0.000000000	0.00000000	1.00000000	
86	Depeceation Expense			7,262	4,922	8	120	416		461	998		1,875	337	2,212	7,262	0	
87	Ratio	K_Depr_Ex	1.00000000		0.677774718	0.001101625	0.016524373	0.057284494		0.063481135	0.137427706		0.258193335	0.046405949	0.304599284	1.00000000	0.00000000	
88	O&M (no A&G)			19,765	4,590	9,714	3,259	83		1,243	183		1,509	693	2,202	19,765	0	
89	Ratio	K_O&M	1.00000000		0.232228688	0.491474829	0.164887427	0.004199342		0.062888945	0.009258791		0.076347078	0.035061978	0.111409056	1.00000000	0.00000000	
90	Production O&M			13,944	4,215	9,729	0	0		0	0		0	0	0	13,944	0	
91	Ratio	K_prodO&M	1.00000000		0.302280551	0.697719449	0.000000000	0.000000000		0.000000000	0.000000000		0.000000000	0.000000000	0.000000000	1.00000000	0.00000000	
92	Dist O&M			1,590	0	0	0	86		1,250	192		1,528	62	1,590	1,590	0	
93	Ratio	K_distO&M	1.00000000		0.000000000	0.000000000	0.000000000	0.054088050		0.786163522	0.120754717		0.961006289	0.038993711	1.00000000	1.00000000	0.00000000	
94	Transmission O&M			3,686	421	0	3,265	0		0	0		0	0	0	3,686	0	
95	Ratio	K_tranO&M	1.00000000		0.114215952	0.000000000	0.885784048	0.000000000		0.000000000	0.000000000		0.000000000	0.000000000	0.000000000	1.00000000	0.00000000	
96	Customer Accounting O&M			521	0	0	0	0		0	0		0	521	521	521	0	
97	Ratio	K_CA_O&M	1.00000000		0.000000000	0.000000000	0.000000000	0.000000000		0.000000000	0.000000000		0.000000000	1.000000000	1.000000000	1.00000000	0.00000000	
98	Uncollectible Account O&M			(2)	0	0	0	0		0	0		0	(2)	(2)	(2)	0	
99	Ratio	K_Uncol_O&M	1.00000000		0.000000000	0.000000000	0.000000000	0.000000000		0.000000000	0.000000000		0.000000000	1.000000000	1.000000000	1.00000000	0.00000000	
100	Customer Service & Informational O&M			26	(46)	(15)	(6)	(3)		(7)	(9)		(19)	112	93	26	0	
101	Ratio	K_CSI_O&M	1.00000000		(1.769230769)	(0.576923077)	(0.230769231)	(0.115384616)		(0.269230769)	(0.346153846)		(0.730769231)	4.307692308	3.576923077	1.00000000	0.00000000	
102	Sales O&M			0	0	0	0	0		0	0		0	0	0	0	0	
103	Ratio	K_Sales_O&M	1.00000000		0.000000000	0.000000000	0.000000000	0.000000000		0.000000000	0.000000000		0.000000000	0.000000000	0.000000000	0.00000000	1.00000000	
104	AutoCalc Wkg Capital (Incl A&G)			14,260	6,619	263	3,356	124		2,004	263		2,391	1,631	4,022	14,260	0	
105	Ratio	K_O&MxFuel	1.00000000		0.464165497	0.018443198	0.235343619	0.008695652		0.140532859	0.018443198		0.167671809	0.114375877	0.282047686	1.00000000	0.00000000	

COST OF SERVICE STUDY

BY FUNCTION

RATE GSFL

FR 10(9)(v)-7

DUKE ENERGY KENTUCKY														
COST OF SERVICE STUDY														
TWELVE MONTHS ENDING DECEMBER 31, 2005														
ELECTRIC CASE NO: 2006-00172														
FR#v-1 KW(12 COIN PEAK)														
GSFL														
5/28/06 7:38 AM														
DESCRIPTION	ITEM	ALLOC	GSFL SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
			1	2	3	5	6	7	8	10	11	12	13	14
SUMMARY OF RESULTS Schedule 1														
NET INCOME COMPUTATION														
GROSS ELECTRIC PLANT IN SERVICE	GP19		\$1,236,650	\$923,383	\$4,329	\$28,253	\$42,330	\$58,793	\$124,696	\$225,819	\$54,866	\$280,685	\$1,236,650	\$0
TOTAL DEPRECIATION RESERVE	DR19		(600,203)	(476,383)	(2,126)	(12,151)	(10,045)	(23,280)	(47,270)	(80,595)	(28,948)	(109,543)	(600,203)	0
TOTAL RATE BASE ADJUSTMENTS	RB71		19,881	(16,760)	33,448	2,817	(822)	464	(1,467)	(1,825)	2,201	376	19,881	0
TOTAL RATE BASE	RB99		656,328	430,240	35,651	18,919	31,463	35,977	75,959	143,399	28,119	171,518	656,328	0
CAPITALIZATION ALLOC TO ELECTRIC OPER	ECAP		618,721	405,588	33,608	17,835	29,659	33,916	71,607	135,182	26,508	161,690	618,721	0
OPERATING EXPENSES														
TOTAL O&M EXPENSE	OM39		276,379	34,137	198,589	17,906	551	8,264	1,230	10,045	15,702	25,747	276,379	0
TOTAL DEPRECIATION EXPENSE	DE49		36,406	26,497	128	645	1,717	1,896	4,117	7,730	1,406	9,136	36,406	0
TOTAL OTHER TAX & MISC EXPENSE	LS91		8,254	3,867	390	353	515	768	1,233	2,516	1,128	3,644	8,254	0
TOTAL OP EXP EXC INC & R TAX	OP69		321,039	64,501	199,107	18,904	2,783	10,928	6,580	20,291	18,236	38,527	321,039	0
NET FED INCOME TAX ALLOWABLE	IB79		56,423	38,418	3,424	1,516	2,467	2,743	5,944	11,154	1,911	13,065	56,423	0
NET STATE INCOME TAX ALLOWABLE	JB79		9,929	6,723	617	266	429	489	1,034	1,952	371	2,323	9,929	0
AFUDC OFFSET	LO33	K_CWIP	(285)	354	0	(128)	(80)	(107)	(239)	(426)	(85)	(511)	(285)	0
TOTAL OPERATING EXPENSE	OPEX		387,106	109,996	203,148	20,558	5,599	14,053	13,319	32,971	20,433	53,404	387,106	0
RETURN ON CAPITALIZATION	R751		123,561	80,997	6,712	3,562	5,923	6,773	14,300	26,996	5,294	32,290	123,561	0
TOTAL OTHER OPERATING REVENUES			(2,582)	(1,503)	(393)	(86)	(104)	(131)	(250)	(485)	(115)	(600)	(2,582)	0
TOTAL ELECTRIC COST OF SERVICE	CS09		508,085	189,490	209,467	24,034	11,418	20,695	27,369	59,482	25,612	85,094	508,085	0
PROPOSED REVENUES	R602		508,085	189,490	209,467	24,034	11,418	20,695	27,369	59,482	25,612	85,094	508,085	0
EXCESS REVENUES	XREV		0	0	0	0	0	0	0	0	0	0	0	0
TOTAL RETURN EARNED	RETE		123,561	80,997	6,712	3,562	5,923	6,773	14,300	26,996	5,294	32,290	123,561	0
RATE OF RETURN EARNED ON CAPITALIZATION	RORE	SUM_RETURN_FROM	0.199703905	0.199703905	0.199703905	0.199703905	0.199703905	0.199703905	0.199703905	0.199703905	0.199703905	0.199703905	0.199703905	0.00000
TOTAL RATE OF RETURN ALLOWABLE	RORA		0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761
RETURN EARNED ON COMMON EQUITY	REOE		0.34386	0.34386	0.34386	0.34386	0.34386	0.34386	0.34386	0.34386	0.34386	0.34386	0.34386	0.00000
ALLOWED RETURN ON COMMON EQUITY	AROE		0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499
PRESENT REVENUES	R600		471,911	175,998	194,554	22,323	10,605	19,222	25,420	55,247	23,789	79,036	471,911	0
REVENUE INCREASE JUSTIFIED	RIJD		36,174	13,492	14,913	1,711	813	1,473	1,949	4,235	1,823	6,058	36,174	0
PER UNIT PRES REV	RIJP	PRESREV_FROM	0.07665										0.07665	0.00000
REVENUE INCREASE REQUESTED	RIRD		36,174										36,174	0
PER UNIT PRES REV	RIRP	PRESINCR_FROM	0.07665										0.07665	0.00000

DUKE ENERGY KENTUCKY														
COST OF SERVICE STUDY														
TWELVE MONTHS ENDING DECEMBER 31, 2005														
ELECTRIC CASE NO: 2006-00172														
FR#v-1 KW (12 COIN PEAK)														
GSFL														
5/28/06 7:38 AM														
DESCRIPTION	ITEM	ALLOC	GSFL SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
GROSS ELECTRIC PLANT IN SERVICE														
Schedule 2														
PRODUCTION PLANT														
PRODUCTION - STEAM	P100	K_rtprod_d	587,783	587,783	0	0	0	0	0	0	0	0	587,783	0
PRODUCTION - OTHER	P106	K_rtprod_d	325,846	325,846	0	0	0	0	0	0	0	0	325,846	0
PRODUCTION PLANT IN SERVICE	P129		913,629	913,629	0	0	0	0	0	0	0	0	913,629	0
TRANSMISSION PLANT														
MAIN STEP-UP TRANSFORMERS	T100	K_rtrtran_stepup	0	0	0	0	0	0	0	0	0	0	0	0
OTHER TRANSMISSION	T102	K_rtrtran_oth	27,873	0	0	27,873	0	0	0	0	0	0	27,873	0
TRANSMISSION PLANT IN SERVICE	T129		27,873	0	0	27,873	0	0	0	0	0	0	27,873	0
TOTAL PROD & TRANS PLANT	PT29		941,502	913,629	0	27,873	0	0	0	0	0	0	941,502	0
DISTRIBUTION PLANT														
SUBSTATIONS	D100	K_Subst	39,501	0	0	0	39,501	0	0	39,501	0	39,501	39,501	0
POLES, TOWERS & FIXTURES	D102	K_Poles	52,145	0	0	0	0	52,145	0	52,145	0	52,145	52,145	0
CONDUCTORS	D104	K_Conductors	116,468	0	0	0	0	0	116,468	116,468	0	116,468	116,468	0
TRANSFORMERS	D106	K_rbdist_c	27,969	0	0	0	0	0	0	0	27,969	27,969	27,969	0
SERVICES	D108	K_rbdist_c	13,481	0	0	0	0	0	0	0	13,481	13,481	13,481	0
METERS	D110	K_rbdist_c	0	0	0	0	0	0	0	0	0	0	0	0
STREET LIGHTS	D114	K_rbdist_c	0	0	0	0	0	0	0	0	0	0	0	0
CONSTRUCTION NOT CLASSIFIED	D118	K_dist_conc	16,994	0	0	0	2,689	3,551	7,931	14,171	2,823	16,994	16,994	0
DISTRIBUTION PLANT IN SERVICE	D149		266,558	0	0	0	42,190	55,696	124,399	222,285	44,273	266,558	266,558	0
TOTAL TRANS & DIST PLANT	TD29		294,431	0	0	27,873	42,190	55,696	124,399	222,285	44,273	266,558	294,431	0
TOTAL GROSS PTD PLANT	PD29		1,208,060	913,629	0	27,873	42,190	55,696	124,399	222,285	44,273	266,558	1,208,060	0
GENERAL & INTANGIBLE PLANT														
PRODUCTION-DEMAND	G100	K_rtprod_d	1,695	1,695	0	0	0	0	0	0	0	0	1,695	0
PRODUCTION-ENERGY	G102	K_rtprod_e	982	0	982	0	0	0	0	0	0	0	982	0
TRANSMISSION	G104	K_TransA&G	109	12	0	97	0	0	0	0	0	0	109	0
DISTRIBUTION	G106	K_DistA&G	624	0	0	0	40	470	91	601	23	624	624	0
CUSTOMER ACCOUNTING	G108	K_CA_A&G	332	0	0	0	0	0	0	0	332	332	332	0
CUSTOMER SERVICE & INFORMATION	G110	K_CSI_A&G	261	(342)	(376)	(43)	(21)	(37)	(49)	(107)	1,129	1,022	261	0
SALES	G112	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
GENERAL & INTANGIBLE PLANT IN SERVICE	G129		4,003	1,365	606	54	19	433	42	494	1,484	1,978	4,003	0
COMMON & OTHER PLANT														
PRODUCTION-DEMAND RELATED	C100	K_rtprod_d	10,406	10,406	0	0	0	0	0	0	0	0	10,406	0
PRODUCTION-ENERGY RELATED	C102	K_rtprod_e	6,033	0	6,033	0	0	0	0	0	0	0	6,033	0
TRANSMISSION	C104	K_TransA&G	668	76	0	592	0	0	0	0	0	0	668	0
DISTRIBUTION	C106	K_DistA&G	3,839	0	0	0	245	2,894	557	3,696	143	3,839	3,839	0
CUSTOMER ACCOUNTING	C108	K_CA_A&G	2,039	0	0	0	0	0	0	0	2,039	2,039	2,039	0
CUSTOMER SERVICE & INFORMATION	C110	K_CSI_A&G	1,602	(2,093)	(2,310)	(266)	(124)	(230)	(302)	(656)	6,927	6,271	1,602	0
SALES	C112	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
COMMON & OTHER PLANT IN SERVICE	C129		24,587	8,389	3,723	326	121	2,664	255	3,040	9,109	12,149	24,587	0
GROSS ELECTRIC PLANT IN SERVICE	GP19		1,236,650	923,363	4,329	28,253	42,330	58,793	124,696	225,819	54,866	280,685	1,236,650	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-01-1 KW (12 COIN PEAK)														
6	GSFL														
7				GSFL							TOTAL				
8	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
98	DEPRECIATION RESERVE Schedule 3														
99	PRODUCTION PLANT														
100	PRODUCTION - STEAM	P150	K_rtrprod_d	322,980	322,980	0	0	0	0	0	0	0	0	322,980	0
101	PRODUCTION - OTHER	P152	K_rtrprod_d	148,613	148,613	0	0	0	0	0	0	0	0	148,613	0
102	TOTAL PROD DEPREC RESERVE	P171		471,593	471,593	0	0	0	0	0	0	0	0	471,593	0
103	TRANSMISSION PLANT														
104	MAIN STEP-UP TRANSFORMERS		K_rtrtran_stepup	0	0	0	0	0	0	0	0	0	0	0	0
105	OTHER TRANSMISSION	T150	K_rtrtran_oth	11,966	0	0	11,966	0	0	0	0	0	0	11,966	0
106	TOTAL TRANS DEPREC RESERVE	T171		11,966	0	0	11,966	0	0	0	0	0	0	11,966	0
107	TOTAL PROD & TRANS DEPREC RESERVE			483,559	471,593	0	11,966	0	0	0	0	0	0	483,559	0
108	DISTRIBUTION PLANT														
109	SUBSTATIONS	D150	K_Subst	8,862	0	0	0	8,862	0	0	8,862	0	8,862	8,862	0
110	POLES, TOWERS & FIXTURES	D152	K_Poles	20,287	0	0	0	0	20,287	0	20,287	0	20,287	20,287	0
111	CONDUCTORS	D154	K_Conductors	43,835	0	0	0	0	0	43,835	43,835	0	43,835	43,835	0
112	TRANSFORMERS	D156	K_Transformer	13,719	0	0	0	0	0	0	0	13,719	13,719	13,719	0
113	SERVICES	D158	K_rdist_c	8,848	0	0	0	0	0	0	0	8,848	8,848	8,848	0
114	METERS	D160	K_rdist_c	0	0	0	0	0	0	0	0	0	0	0	0
115	DEPRECIATION EXPENSE ADJUSTMENT	D162	K_dist_cenc	205	0	0	0	32	43	96	171	34	205	205	0
116	STREET LIGHTS	D164	K_rdist_c	0	0	0	0	0	0	0	0	0	0	0	0
117	COMPLETED CONSTRUCTION NOT CLASSIFIED	D166	K_dist_cenc	8,266	0	0	0	1,308	1,727	3,858	6,893	1,373	8,266	8,266	0
118	RETIREMENT WORK IN PROGRESS	D168	K_dist_cenc	(1,426)	0	0	0	(226)	(298)	(665)	(1,189)	(237)	(1,426)	(1,426)	0
119	TOTAL DIST DEPREC RESERVE	D191		102,596	0	0	0	9,976	21,759	47,124	78,859	23,737	102,596	102,596	0
120	TOTAL TRANS & DIST DEPREC RESERVE			114,562	0	0	11,966	9,976	21,759	47,124	78,859	23,737	102,596	114,562	0
121	TOTAL GROSS PTD PLANT DEPREC RESERVE			586,155	471,593	0	11,966	9,976	21,759	47,124	78,859	23,737	102,596	586,155	0
122	GENERAL & INTANGIBLE PLANT														
123	PRODUCTION-DEMAND	G150	K_rtrprod_d	901	901	0	0	0	0	0	0	0	0	901	0
124	PRODUCTION-ENERGY	G152	K_rtrprod_e	523	0	523	0	0	0	0	0	0	0	523	0
125	TRANSMISSION	G154	K_TransA&G	57	7	0	50	0	0	0	0	0	0	57	0
126	DISTRIBUTION	G156	K_DistA&G	332	0	0	0	22	250	48	320	12	332	332	0
127	CUSTOMER ACCOUNTING	G158	K_CA_A&G	177	0	0	0	0	0	0	0	177	177	177	0
128	CUSTOMER SERVICE & INFORMATION	G160	K_CSI_A&G	140	(183)	(202)	(23)	(11)	(20)	(26)	(57)	605	548	140	0
129	SALES	G162	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
130	TOTAL GEN & INTANGIBLE DEPREC RES.	G171		2,130	725	321	27	11	230	22	263	794	1,057	2,130	0
131	COMMON & OTHER PLANT														
132	PRODUCTION-DEMAND	C150	K_rtrprod_d	5,044	5,044	0	0	0	0	0	0	0	0	5,044	0
133	PRODUCTION-ENERGY	C152	K_rtrprod_e	2,925	0	2,925	0	0	0	0	0	0	0	2,925	0
134	TRANSMISSION	C154	K_TransA&G	324	37	0	287	0	0	0	0	0	0	324	0
135	DISTRIBUTION	C156	K_DistA&G	1,860	0	0	0	119	1,402	270	1,791	69	1,860	1,860	0
136	CUSTOMER ACCOUNTING	C158	K_CA_A&G	988	0	0	0	0	0	0	0	988	988	988	0
137	CUSTOMER SERVICE & INFORMATION	C160	K_CSI_A&G	777	(1,016)	(1,120)	(129)	(61)	(111)	(146)	(318)	3,360	3,042	777	0
138	SALES	C162	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
139	TOTAL COM & OTHER PLT RESERVE	C171		11,918	4,065	1,805	158	58	1,291	124	1,473	4,417	5,890	11,918	0
140	TOTAL DEPRECIATION RESERVE	DR19		600,203	476,383	2,126	12,151	10,045	23,280	47,270	80,595	28,948	109,543	600,203	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2006														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 COIN PEAK)														
6	GSFL														
7				GSFL							TOTAL		TOTAL		ALL
8	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	OTHER
150	NET ELECTRIC PLANT IN SERVICE	Schedule 4													
151	PRODUCTION PLANT														
152	PRODUCTION - STEAM			264,803	264,803	0	0	0	0	0	0	0	0	264,803	0
153	PRODUCTION - OTHER			177,233	177,233	0	0	0	0	0	0	0	0	177,233	0
154	TOTAL PROD	P229		442,036	442,036	0	0	0	0	0	0	0	0	442,036	0
155															
156	TRANSMISSION PLANT														
157	MAIN STEP-UP TRANSFORMERS			0	0	0	0	0	0	0	0	0	0	0	0
158	OTHER TRANSMISSION			15,907	0	0	15,907	0	0	0	0	0	0	15,907	0
159	TOTAL TRANSMISSION	T229		15,907	0	0	15,907	0	0	0	0	0	0	15,907	0
160															
161	NET PROD & TRANS PLANT			457,943	442,036	0	15,907	0	0	0	0	0	0	457,943	0
162															
163	DISTRIBUTION PLANT														
164	SUBSTATIONS	S249		30,639	0	0	0	30,639	0	0	30,639	0	30,639	30,639	0
165	POLES, TOWERS & FIXTURES	PL49		31,858	0	0	0	0	31,858	0	31,858	0	31,858	31,858	0
166	CONDUCTORS	SL49		72,633	0	0	0	0	0	72,633	72,633	0	72,633	72,633	0
167	TRANSFORMERS	F249		14,250	0	0	0	0	0	0	0	14,250	14,250	14,250	0
168	SERVICES	SV49		4,633	0	0	0	0	0	0	0	4,633	4,633	4,633	0
169	METERS	M249		0	0	0	0	0	0	0	0	0	0	0	0
170	OTHER	O249		(205)	0	0	0	(32)	(43)	(96)	(171)	(34)	(205)	(205)	0
171	STREET LIGHTS	L249		0	0	0	0	0	0	0	0	0	0	0	0
172	CONSTRUCTION NOT CLASSIFIED	CN49		8,728	0	0	0	1,381	1,824	4,073	7,278	1,450	8,728	8,728	0
173	RETIREMENT WORK IN PROGRESS	CN49		1,426	0	0	0	226	298	665	1,189	237	1,426	1,426	0
174	TOTAL DIST	D249		163,962	0	0	0	32,214	33,937	77,275	143,426	20,536	163,962	163,962	0
175															
176	NET TRANS & DIST PLANT	NT29		179,869	0	0	15,907	32,214	33,937	77,275	143,426	20,536	163,962	179,869	0
177	NET PTD PLANT	NT39		621,905	442,036	0	15,907	32,214	33,937	77,275	143,426	20,536	163,962	621,905	0
178															
179	GENERAL & INTANGIBLE PLANT														
180	PRODUCTION-DEMAND			794	794	0	0	0	0	0	0	0	0	794	0
181	PRODUCTION-ENERGY			459	0	459	0	0	0	0	0	0	0	459	0
182	TRANSMISSION			52	5	0	47	0	0	0	0	0	52	0	
183	DISTRIBUTION			292	0	0	0	18	220	43	281	11	292	292	0
184	CUSTOMER ACCOUNTING			155	0	0	0	0	0	0	0	155	155	155	0
185	CUSTOMER SERVICE & INFORMATION			121	(159)	(174)	(20)	(10)	(17)	(23)	(50)	524	474	121	0
186	SALES			0	0	0	0	0	0	0	0	0	0	0	0
187	TOTAL GENERAL AND INTANGIBLE PLANT	G229		1,873	640	285	27	8	203	20	231	690	921	1,873	0
188															
189	COMMON & OTHER PLANT														
190	PRODUCTION-DEMAND			5,362	5,362	0	0	0	0	0	0	0	0	5,362	0
191	PRODUCTION-ENERGY			3,108	0	3,108	0	0	0	0	0	0	0	3,108	0
192	TRANSMISSION			344	39	0	305	0	0	0	0	0	344	0	
193	DISTRIBUTION			1,979	0	0	0	126	1,492	287	1,905	74	1,979	1,979	0
194	CUSTOMER ACCOUNTING			1,051	0	0	0	0	0	0	0	1,051	1,051	1,051	0
195	CUSTOMER SERVICE & INFORMATION			825	(1,077)	(1,190)	(137)	(63)	(119)	(156)	(338)	3,567	3,229	825	0
196	SALES			0	0	0	0	0	0	0	0	0	0	0	0
197	TOTAL COM & OTHER PLT	C229		12,669	4,324	1,918	168	63	1,373	131	1,567	4,692	6,259	12,669	0
198															
199	TOTAL ELECTRIC PLANT IN SERVICE	NP29		636,447	447,000	2,203	16,102	32,285	35,513	77,426	145,224	25,918	171,142	636,447	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-9v-1 KW(12 COIN PEAK)														
6	GSFL														
7				GSFL							TOTAL				
8	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
200	NET ELECTRIC PLANT	Schedule 4a													
201	PRODUCTION PLANT														
202	PRODUCTION PLANT IN SERVICE	P129		913,629	913,629	0	0	0	0	0	0	0	0	913,629	0
203	TOTAL PROD DEPRC RESERVE	P171		(471,593)	(471,593)	0	0	0	0	0	0	0	0	(471,593)	0
204	NET PRODUCTION PLANT	P229		442,036	442,036	0	0	0	0	0	0	0	0	442,036	0
205	TRANSMISSION PLANT														
206	TRANSMISSION PLANT IN SERVICE	T129		27,873	0	0	27,873	0	0	0	0	0	0	27,873	0
207	TOTAL TRANS DEPREC RESERVE	T171		(11,966)	0	0	(11,966)	0	0	0	0	0	0	(11,966)	0
208	NET TRANSMISSION PLANT	T229		15,907	0	0	15,907	0	0	0	0	0	0	15,907	0
209	NET PROD & TRANS PLANT			457,943	442,036	0	15,907	0	0	0	0	0	0	457,943	0
210	DISTRIBUTION PLANT														
211	DISTRIBUTION PLANT IN SERVICE	D149		266,558	0	0	0	42,190	55,696	124,399	222,285	44,273	266,558	266,558	0
212	TOTAL DIST DEPREC RESERVE	D181		(102,596)	0	0	0	(9,976)	(21,759)	(47,124)	(78,859)	(23,737)	(102,596)	(102,596)	0
213	NET DISTRIBUTION PLANT	D249		163,962	0	0	0	32,214	33,937	77,275	143,426	20,536	163,962	163,962	0
214	NET TRANS & DIST PLANT	NT29		179,869	0	0	15,907	32,214	33,937	77,275	143,426	20,536	163,962	179,869	0
215	NET PTD PLANT	NT39		621,905	442,036	0	15,907	32,214	33,937	77,275	143,426	20,536	163,962	621,905	0
216	GENERAL & INTANGIBLE PLANT														
217	GEN & INTANG PLANT IN SERVICE	G129		4,003	1,365	606	54	19	433	42	494	1,484	1,978	4,003	0
218	TOTAL GEN & INTG DEPREC RESERVE	G171		(2,130)	(725)	(321)	(27)	(11)	(230)	(22)	(263)	(794)	(1,057)	(2,130)	0
219	NET GENERAL & INTANG PLANT	G229		1,873	640	285	27	8	203	20	231	690	921	1,873	0
220	COMMON & OTHER PLANT														
221	COMMON & OTH PLT IN SERVICE	C121		24,587	8,389	3,723	326	121	2,664	255	3,040	9,109	12,149	24,587	0
222	TOTAL COM & OTH DEPREC RESERVE	C171		(11,918)	(4,065)	(1,805)	(158)	(58)	(1,291)	(124)	(1,473)	(4,417)	(5,890)	(11,918)	0
223	NET COMMON & OTHER PLANT	C229		12,669	4,324	1,918	168	63	1,373	131	1,567	4,692	6,259	12,669	0
224	NET ELECTRIC PLANT IN SERVICE	NP29		636,447	447,000	2,203	16,102	32,285	35,513	77,426	145,224	25,918	171,142	636,447	0

										A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R	
										5/28/08 7:39 AM															
										DUKE ENERGY KENTUCKY COST OF SERVICE STUDY TWELVE MONTHS ENDING DECEMBER 31, 2005 ELECTRIC CASE NO: 2006-00172 FR-4v-1 kW (12 CORN PEAK)															
1	2	3	4	5	6	7	8	9	10	DESCRIPTION	ITEM	ALLOC	GSFL SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER	
255										RATE BASE ADJUSTMENTS	Schedule 5														
256										SUBTRACTIVE ADJUSTMENTS															
257										ACCUM DEF INC TAXES (282)															
258										LIBERALIZED DEPRECIATION															
259										MISCELLANEOUS															
260										TOTAL ACCOUNT 282															
261										ACCUM DEF INC TAXES (283/284)															
262										DEFERRED INCOME TAXES															
263										TOTAL ACCOUNT 283/284															
264										TOTAL SUBTRACTIVE ADJUSTMENTS															
265										ADDITIVE ADJUSTMENTS															
266										ACCUM DEF INC TAXES (190)															
267										MISCELLANEOUS DEFERRALS															
268										TOTAL ACCOUNT 190															
269																									
270																									
271																									
272																									
273																									
274																									

DUKE ENERGY KENTUCKY										5/29/06 7:38 AM									
COST OF SERVICE STUDY																			
TWELVE MONTHS ENDING DECEMBER 31, 2005																			
ELECTRIC CASE NO: 2006-00172																			
FR-44-1 RM (12 COW PEAK)																			
GSFL																			
A	B	C	E	F	G	H	I	J	K	L	M	N	O	P	Q	R			
DESCRIPTION	ITEM	ALLOC	GSFL SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER					
286	CONSTRUCTION WORK IN PROGRESS	Schedule 5a																	
287	PRODUCTION	V232	(4,038)	(4,038)	0	0	0	0	0	0	0	0	(4,038)	0					
288	TRANSMISSION	V234	1,460	0	0	1,460	0	0	0	0	0	0	1,460	0					
289	DISTRIBUTION	V238	5,828	0	0	0	922	1,218	2,720	4,860	968	5,828	5,828	0					
290	GENERAL	V238	0	0	0	0	0	0	0	0	0	0	0	0					
291	COMMON	V240	0	0	0	0	0	0	0	0	0	0	0	0					
292	TOTAL RATE BASE CNIP	V255	3,250	(4,038)	0	1,460	922	1,218	2,720	4,860	968	5,828	3,250	0					
293	TOTAL ADDITIVE ADJUSTMENTS	V289	4,760	(3,523)	229	1,480	928	1,382	2,736	5,046	1,528	6,574	4,760	0					
294	NET ORIGINAL COST RATE BASE	RB29	596,098	411,795	2,276	16,441	30,924	34,378	74,675	139,977	25,609	165,586	596,098	0					
295																			
296																			
297																			

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-#y-1 KW (12 COIN PEAK)														
6	GSFL														
7				GSFL						TOTAL		TOTAL		TOTAL	ALL
8	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	OTHER
298	WORKING CAPITAL														
299	MATERIALS & SUPPLIES														
300	FUEL INVENTORIES														
301	FUEL	W640	K_rtprod_e	13,799	0	13,799	0	0	0	0	0	0	0	13,799	0
302	EMISSION ALLOWANCES	W642	K_rtprod_e	9,206	0	9,206	0	0	0	0	0	0	0	9,206	0
303	TOTAL FUEL STOCKS	W644		23,005	0	23,005	0	0	0	0	0	0	0	23,005	0
304															
305	PLANT MATERIALS & SUPPLIES														
309	OTHER	W648	K_EPIS	9,249	6,496	32	234	469	516	1,125	2,110	377	2,487	9,249	0
310	TOTAL PLANT MATERIALS & SUPPLIES	W650		9,249	6,496	32	234	469	516	1,125	2,110	377	2,487	9,249	0
311															
312	TOTAL MATERIALS & SUPPLIES	W689	TOT_M&S	32,254	6,496	23,037	234	469	516	1,125	2,110	377	2,487	32,254	0
313															
314	PREPAYMENTS														
315	INSURANCE	W670	K_A&GenAdj	459	157	69	6	2	50	5	57	170	227	459	0
316	COAL, SYN FUEL AND MARGIN DEPOSITS	W684	K_rtprod_e	9,805	0	9,805	0	0	0	0	0	0	0	9,805	0
317	TOTAL PREPAYMENTS	W689		10,264	157	9,874	6	2	50	5	57	170	227	10,264	0
322															
323	AUTO CALC (O&M-F-PP)/8	W719		17,712	11,792	464	2,238	68	1,033	154	1,255	1,963	3,218	17,712	0
324	TOTAL WORKING CASH	W729		17,712	11,792	464	2,238	68	1,033	154	1,255	1,963	3,218	17,712	0
325															
326	TOTAL WORKING CAPITAL	WC79		60,230	18,445	33,375	2,478	539	1,599	1,284	3,422	2,510	5,932	60,230	0
327	PRELIMINARY SUMMARY														
328	TOTAL SUBTRACTIVE ADJUSTMENTS	B287		(45,109)	(31,682)	(156)	(1,141)	(2,289)	(2,517)	(5,487)	(10,293)	(1,837)	(12,130)	(45,109)	0
329	TOTAL ADDITIVE ADJUSTMENTS	V289		4,760	(3,523)	229	1,480	928	1,382	2,736	5,046	1,528	6,574	4,760	0
330	TOTAL WORKING CAPITAL	WC71		60,230	18,445	33,375	2,478	539	1,599	1,284	3,422	2,510	5,932	60,230	0
331	TOTAL RATE BASE ADJUSTMENTS	R871		19,881	(16,760)	33,448	2,817	(822)	464	(1,467)	(1,825)	2,201	376	19,881	0
332															
333	RATE BASE CALCULATION														
334	NET ELECTRIC PLANT IN SERVICE	NP21		636,447	447,000	2,203	16,102	32,285	35,513	77,426	145,224	25,918	171,142	636,447	0
335	TOTAL RATE BASE ADJUSTMENTS	R871		19,881	(16,760)	33,448	2,817	(822)	464	(1,467)	(1,825)	2,201	376	19,881	0
336	TOTAL RATE BASE	R899	TOT_RB	656,328	430,240	35,651	18,919	31,463	35,977	75,959	143,399	28,119	171,518	656,328	0
337															
338	CAPITALIZATION ALLOC TO ELECTRIC OPER	ECAP	K_OCDRB	618,721	405,588	33,608	17,835	29,659	33,916	71,607	135,182	26,508	161,690	618,721	0
339															
340	TOTAL RATE OF RETURN ALLOWABLE	RORA	ror_Allow_from	0.1997	0.1997	0.1997	0.1997	0.1997	0.1997	0.1997	0.1997	0.1997	0.1997	0.1997	0.1997
341	RETURN ON CAPITALIZATION	R751		123,561	80,997	6,712	3,562	5,923	6,773	14,300	26,996	5,294	32,290	123,561	0
342															

DUKE ENERGY KENTUCKY														
COST OF SERVICE STUDY														
TWELVE MONTHS ENDING DECEMBER 31, 2005														
ELECTRIC CASE NO: 2006-00172														
FR-4v-1 KW (12 COIN PEAK)														
GSFL														
			GSFL	PRODUCTION	PRODUCTION	OTHER				TOTAL	DISTRIBUTION	TOTAL		
			SECONDARY	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	ALL OTHER
DESCRIPTION	ITEM	ALLOC												
343	O&M EXPENSES Schedule 6													
344	PRODUCTION O&M													
345	ENERGY RELATED PRODUCTION O&M													
346	FUEL	P300	K_rtprod_e	134,680	0	134,680	0	0	0	0	0	0	134,680	0
347	MISCELLANEOUS	P302	K_rtprod_e	0	0	0	0	0	0	0	0	0	0	0
348	EMISSION ALLOWANCES	P308	K_rtprod_e	8,454	0	8,454	0	0	0	0	0	0	8,454	0
350	ELIMINATE EMISSION ALLOW & OTHER VAR COST	P308	K_rtprod_e	12,603	0	12,603	0	0	0	0	0	0	12,603	0
351	OTHER PRODUCTION EXPENSE - MAINTENANCE	P310	K_rtprod_e	20,403	0	20,403	0	0	0	0	0	0	20,403	0
352	MISO TRANSMISSION CHARGES ACCT IN 555	P312	K_rtprod_e	18,735	0	18,735	0	0	0	0	0	0	18,735	0
353	TOTAL ENERGY RELATED	P349		194,875	0	194,875	0	0	0	0	0	0	194,875	0
354	DEMAND RELATED PROD O&M													
355	ELIMINATE MISCELLANEOUS	P344	K_rtprod_d	0	0	0	0	0	0	0	0	0	0	0
359	OTHER PRODUCTION EXPENSE - OPERATIONS	P348	K_rtprod_d	22,721	22,721	0	0	0	0	0	0	0	22,721	0
360	TOTAL DEMAND RELATED	P349		22,721	22,721	0	0	0	0	0	0	0	22,721	0
362	TOTAL PRODUCTION O&M	P459		217,596	22,721	194,875	0	0	0	0	0	0	217,596	0
363	TRANSMISSION O & M													
365	TRANSFORMER LEASE PAYMENTS	T300	K_rtprod_d	2,268	2,268	0	0	0	0	0	0	0	2,268	0
366	OTHER TRANSMISSION	T302	K_rstran_oth	20,895	0	0	20,895	0	0	0	0	0	20,895	0
367	MISCELLANEOUS ADJUSTMENTS	T304	K_gross_transp	(4,912)	0	0	(4,912)	0	0	0	0	0	(4,912)	0
368	NETWORK SERVICE RATES ADJUSTMENT	T305	K_gross_transp	1,616	0	0	1,616	0	0	0	0	0	1,616	0
369	TOTAL TRANSMISSION O & M	T349		19,867	2,268	0	17,599	0	0	0	0	0	19,867	0
370	DISTRIBUTION O & M													
372	SUBSTATIONS	D300	K_Subst	110	0	0	0	110	0	110	0	110	110	0
374	POLES, TOWERS & FIXTURES	D302	K_Poles	4,898	0	0	0	4,898	0	4,898	0	4,898	4,898	0
375	CONDUCTORS	D304	K_Conductors	205	0	0	0	0	205	205	0	205	205	0
376	TRANSFORMERS	D306	K_Transformer	47	0	0	0	0	0	0	47	47	47	0
377	OTHER MAINTENANCE	D308	K_distnat	555	0	0	108	115	262	485	70	555	555	0
378	METERS	D310	K_rbdist_c	0	0	0	0	0	0	0	0	0	0	0
379	STREET LIGHTS	D314	K_rbdist_c	0	0	0	0	0	0	0	0	0	0	0
380	OTHER OPERATIONS	D318	K_distnat	1,120	0	0	220	232	528	980	140	1,120	1,120	0
381	MISCELLANEOUS EXPENSES	D318	K_rbdist_c	(2)	0	0	0	0	0	0	(2)	(2)	(2)	0
382	AFFILIATED COMPANY RENTS	D320	K_distnat	35	0	0	8	7	16	31	4	35	35	0
383	TOTAL DISTRIBUTION O & M	D349		6,968	0	0	446	5,252	1,011	6,709	259	6,968	6,968	0
384	CUSTOMER ACCOUNTING													
386	CUSTOMER ACCOUNTING EXPENSE	C300	K_rbdist_c	2,508	0	0	0	0	0	0	2,508	2,508	2,508	0
387	ADJUST UNCOLLECTIBLE ACCOUNTS	C302	K_Func_Rev	0	0	0	0	0	0	0	0	0	0	0
388	METER READING	C304	K_rbdist_c	719	0	0	0	0	0	0	719	719	719	0
389	LOSS ON SALE OF A/R & INCR A/R ON INCR	C306	K_Func_Rev	0	0	0	0	0	0	0	0	0	0	0
390	MISCELLANEOUS EXPENSE ADJUSTMENT	C308	K_rbdist_c	(12)	0	0	0	0	0	0	(12)	(12)	(12)	0
391	TOTAL CUSTOMER ACCT EXPENSE	C319		3,215	0	0	0	0	0	0	3,215	3,215	3,215	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R	
1	DUKE ENERGY KENTUCKY															
2	COST OF SERVICE STUDY															
3	TWELVE MONTHS ENDING DECEMBER 31, 2005															
4	ELECTRIC CASE NO: 2006-00172															
5	FR-4v-1 KW (12 COIN PEAK)															
6	GSFL															
7				GSFL	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL		ALL	
8	DESCRIPTION	ITEM	ALLOC	SECONDARY	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES	CONDUCTORS	DISTRIBUTION	CUSTOMER	DISTRIBUTION	TOTAL	OTHER	
393	CUSTOMER SERVICE & INFORMATION															
394	CUSTOMER SERVICE & INFORMATION	C320	K_rbdist_c	2,169	0	0	0	0	0	0	0	2,169	2,169	2,169	0	
395	INFORMATIONAL & INSTRUCTIONAL ADV	C322	K_rbdist_c	406	0	0	0	0	0	0	0	406	406	406	0	
396	CUSTOMER SERVICE & INFORM PROFORMA	C324	K_rbdist_c	(784)	0	0	0	0	0	0	0	(784)	(784)	(784)	0	
397	AMI	C326	K_Func_Rev	(1,393)	(520)	(574)	(66)	(31)	(57)	(75)	(163)	(70)	(233)	(1,393)	0	
398	TOTAL CUSTOMER SERV & INFORMATION	C331		398	(520)	(574)	(66)	(31)	(57)	(75)	(163)	1,721	1,558	398	0	
399																
400	SALES		Schedule 6													
401	SALES EXPENSE	S300	K_rbdist_c	18	0	0	0	0	0	0	0	18	18	18	0	
403	SALES EXPENSE PROFORMA	S304	K_rbdist_c	(16)	0	0	0	0	0	0	0	(16)	(16)	(16)	0	
404	TOTAL SALES EXPENSE	S319		2	0	0	0	0	0	0	0	2	2	2	0	
405																
406	SUBTOTAL O&M EXCL. A&G			248,046	24,469	194,301	17,533	415	5,195	936	6,546	5,197	11,743	248,046	0	
407																
408	ADMINISTRATIVE & GENERAL															
409	A&G EXPENSE EXCL. REGULATORY EXP															
410	PRODUCTION-DEMAND RELATED	A300	K_rbtprod_d	12,817	12,817	0	0	0	0	0	0	0	0	12,817	0	
411	PRODUCTION-ENERGY RELATED	A302	K_rbtprod_e	7,431	0	7,431	0	0	0	0	0	0	0	7,431	0	
412	TRANSMISSION	A304	K_tranO&M	822	94	0	728	0	0	0	0	0	0	822	0	
413	DISTRIBUTION	A306	K_distO&M	4,727	0	0	0	302	3,563	686	4,551	176	4,727	4,727	0	
414	CUSTOMER ACCOUNTING	A308	K_CA_O&M	2,511	0	0	0	0	0	0	0	2,511	2,511	2,511	0	
415	CUSTOMER SERVICE & INFORMATION	A310	K_CSI_O&M	1,975	(2,580)	(2,848)	(328)	(154)	(283)	(372)	(809)	8,540	7,731	1,975	0	
416	SALES	A312	K_Sales_O&M	0	0	0	0	0	0	0	0	0	0	0	0	
417	A&G EXPENSE UNADJUSTED	A315		30,283	10,331	4,583	400	148	3,280	314	3,742	11,227	14,969	30,283	0	
418	RATE CASE EXPENSE	A318	K_AA&GenAdj	91	31	14	1	0	10	1	11	34	45	91	0	
426	ELIMINATE MISCELLANEOUS EXPENSES	A340	K_AA&GenAdj	(151)	(51)	(23)	(2)	(1)	(16)	(2)	(19)	(56)	(75)	(151)	0	
427	IMPLEMENT AUTOMATED METER READING	A342	K_AA&GenAdj	96	33	15	1	0	10	1	11	36	47	96	0	
431	AMORTIZATION OF DEFERRED EXPENSES	A352	K_AA&GenAdj	939	321	142	12	4	102	10	116	348	464	939	0	
432	MISCELLANEOUS	A354	K_AA&GenAdj	0	0	0	0	0	0	0	0	0	0	0	0	
433	ELIMINATE INCENTIVE COMPENSATION	A356	K_AA&GenAdj	(2,925)	(997)	(443)	(39)	(15)	(317)	(30)	(362)	(1,084)	(1,446)	(2,925)	0	
434	TOTAL ADMIN. & GENERAL	A357		28,333	9,668	4,288	373	136	3,069	294	3,499	10,505	14,004	28,333	0	
435																
436	TOTAL O & M EXPENSE	OM39	TOT O&M	276,379	34,137	198,589	17,906	551	8,264	1,230	10,045	15,702	25,747	276,379	0	

A		B	C	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
DUKE ENERGY KENTUCKY		5/28/2006 7:36 AM															
COST OF SERVICE STUDY																	
TWELVE MONTHS ENDING DECEMBER 31, 2005																	
ELECTRIC CASE NO: 2006-00172																	
FR #1-1 KW (13 COW PEAK)																	
GSFL																	
DESCRIPTION	ITEM	ALLOC	GSFL SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER			
DEPRECIATION EXPENSE	Schedule #7																
PRODUCTION DEPRECIATION	P460	K_deprec_d	26,208	26,208	0	0	0	0	0	0	0	0	0	0	0	0	26,208
PRODUCTION DEPRECIATION	P462	K_deprec_d	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PROFORMA ADJUSTMENT	P489		26,208	26,208	0	0	0	0	0	0	0	0	0	0	0	0	26,208
TOTAL PRODUCTION DEPREC EXP.			26,208	26,208	0	0	0	0	0	0	0	0	0	0	0	0	26,208
TRANSMISSION DEPRECIATION	T460	K_transm	633	0	0	633	0	0	0	0	0	0	0	0	0	0	633
TRANSMISSION DEPRECIATION	T462	K_transm	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PROFORMA ADJUSTMENT	T489		633	0	0	633	0	0	0	0	0	0	0	0	0	0	633
TOTAL TRANSMISSION DEPREC EXP.			633	0	0	633	0	0	0	0	0	0	0	0	0	0	633
DISTRIBUTION DEPRECIATION	D460	K_distnet	8,716	0	0	0	1,712	1,804	4,108	7,624	1,092	8,716	8,716	0	0	0	8,716
DISTRIBUTION DEPRECIATION	D462	K_distnet	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PROFORMA ADJUSTMENT	D489		8,716	0	0	0	1,712	1,804	4,108	7,624	1,092	8,716	8,716	0	0	0	8,716
TOTAL DIST. DEPREC EXP.			8,716	0	0	0	1,712	1,804	4,108	7,624	1,092	8,716	8,716	0	0	0	8,716
GENERAL DEPRECIATION	G460	K_gennet	115	39	17	2	2	12	1	15	42	57	115	0	0	0	115
GENERAL DEPRECIATION	G462	K_gennet	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PROFORMA ADJUSTMENT	G488		115	39	17	2	2	12	1	15	42	57	115	0	0	0	115
TOTAL GENERAL DEPREC EXP.			115	39	17	2	2	12	1	15	42	57	115	0	0	0	115
COMMON AND OTHER DEPRECIATION	C460	K_comnet	734	250	111	10	3	80	8	91	272	363	734	0	0	0	734
COMMON DEPRECIATION	C462	K_comnet	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PROFORMA ADJUSTMENT	C489		734	250	111	10	3	80	8	91	272	363	734	0	0	0	734
TOTAL COM & OTHER DEPREC EXP.			734	250	111	10	3	80	8	91	272	363	734	0	0	0	734
TOTAL DEPRECIATION EXPENSE	DE49	TOT_DEPREC	36,406	26,497	128	645	1,717	1,896	4,117	7,730	1,406	9,136	36,406	0	0	0	36,406

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 COIN PEAK)														
6	GSFL														
7				GSFL							TOTAL				
8	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
498	INCOME TAX BASED ON RETURN														
499	FEDERAL INCOME TAX DEDUCTIONS														
500	AUTOMATIC INTEREST CALCULATION														
501	AUTO PROC INTEREST DED	Y751	K_EPIS	17,734	12,455	61	449	900	990	2,157	4,047	722	4,769	17,734	0
502	TOTAL INTEREST EXPENSE	Y783	TOT_INT	17,734	12,455	61	449	900	990	2,157	4,047	722	4,769	17,734	0
503															
504	OTHER DEDUCTIONS														
505	DEPR. EXCESS TAX OVER BOOK	Y790	K_Depr_Ex	3,502	2,549	12	62	166	182	396	744	135	879	3,502	0
507	LOSS ON REACQUIRED DEBT	Y794	K_EPIS	(135)	(96)	0	(3)	(7)	(8)	(16)	(31)	(5)	(36)	(135)	0
509	COST OF REMOVAL	Y798	K_Depr_Ex	1,667	1,213	6	30	78	87	189	354	64	418	1,667	0
512	METER CAPITAL LEASE PRINCIPLE PAYMENTS	Y804	K_rtdist_c	0	0	0	0	0	0	0	0	0	0	0	0
515	OTHER PERMANENT DIFFERENCES	Y816	K_EPIS	1,555	1,093	5	39	79	87	189	355	63	418	1,555	0
518	TOTAL OTHER DEDUCTIONS	Y828		6,589	4,759	23	128	316	348	758	1,422	257	1,679	6,589	0
519															
520	NET DEDUCTIONS AND ADDITIONS	Y871		24,323	17,214	84	577	1,216	1,338	2,915	5,469	979	6,448	24,323	0
521															
522	FEDERAL INCOME TAX ADJUSTMENTS														
523															
524	FED PROV DEF INC TAX DEFERRALS (410.1)														
526	ANNUALIZE DEPRECIATION	Z768	K_EPIS	(82)	(58)	0	(2)	(4)	(5)	(10)	(19)	(3)	(22)	(82)	0
531	MISCELLANEOUS	Z762	K_A&GenAdj	(615)	(210)	(93)	(8)	(3)	(67)	(6)	(76)	(228)	(304)	(615)	0
532	MISCELLANEOUS PROFORMA ADJUSTMENT	Z770	K_EPIS	0	0	0	0	0	0	0	0	0	0	0	0
533	RECLASSIFY NON-JURIS INCOME TAX	Z770	K_rtprod_d	2,744	2,744	0	0	0	0	0	0	0	0	2,744	0
536	TOTAL FED PROV DEF IT DEFERRALS (410.1)	Z762		2,047	2,476	(93)	(10)	(7)	(72)	(16)	(95)	(231)	(326)	2,047	0
537															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 COIN PEAK)														
6	GSFL														
7				GSFL							TOTAL				
8	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
554	AMORTIZED INV TAX CREDIT	Schedule 9a													
555	MISCELLANEOUS	Z804	K_A&GenAdj	0	0	0	0	0	0	0	0	0	0	0	0
556	AMORTIZE ITC	Z806	K_EPIS	157	110	1	4	8	9	19	36	6	42	157	0
557	TOTAL AMORTIZED ITC	Z813		157	110	1	4	8	9	19	36	6	42	157	0
558	TEST YEAR INV TAX CREDIT			0											
559	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
560	PRELIMINARY SUMMARY														
563	TOTAL FED PROV DEF IT (410.1)	Z782		2,047	2,476	(93)	(10)	(7)	(72)	(16)	(95)	(231)	(326)	2,047	0
564	TOTAL FED PROV DEF IT (411.1)	Z803		0	0	0	0	0	0	0	0	0	0	0	0
565	TOTAL AMORTIZED ITC	Z813		(157)	(110)	(1)	(4)	(8)	(9)	(19)	(36)	(6)	(42)	(157)	0
566	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		1,890	2,366	(94)	(14)	(15)	(81)	(35)	(131)	(237)	(368)	1,890	0
567	FEDERAL INCOME TAX COMPUTATION														
568	RETURN ON CAPITALIZATION	R751		123,561	80,997	6,712	3,562	5,923	6,773	14,300	26,996	5,294	32,290	123,561	0
570	NET DEDUCTIONS AND ADDITIONS	Y871		(24,323)	(17,214)	(84)	(577)	(1,216)	(1,338)	(2,915)	(5,469)	(979)	(6,448)	(24,323)	0
571	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		1,890	2,366	(94)	(14)	(15)	(81)	(35)	(131)	(237)	(368)	1,890	0
572	TOTAL STATE PROV DEF IT (410.1)	Z911		432	449	0	(1)	(3)	(3)	(7)	(13)	(3)	(16)	432	0
573	TOTAL STATE PROV DEF IT (411.1)	Z933		0	0	0	0	0	0	0	0	0	0	0	0
574	AFUDC OFFSET	Z935		(285)	354	0	(128)	(80)	(107)	(239)	(426)	(85)	(511)	(285)	0
575	BASE FOR FIT COMPUTATION	I865		101,275	66,952	6,534	2,842	4,609	5,244	11,104	20,957	3,990	24,947	101,275	0
576	FIT FACTOR K190/(1-K190)	I867	FITcomp_from	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538
578	PRELIM FEDERAL INCOME TAX	I869		54,533	36,052	3,518	1,530	2,482	2,824	5,979	11,285	2,148	13,433	54,533	0
579	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		1,890	2,366	(94)	(14)	(15)	(81)	(35)	(131)	(237)	(368)	1,890	0
580	NET FED INCOME TAX ALLOWABLE	I879		56,423	38,418	3,424	1,516	2,467	2,743	5,944	11,154	1,911	13,065	56,423	0
581	INCOME TAX BASED ON RETURN														
583	FEDERAL INCOME TAX PAYABLE														
584	PRELIM FEDERAL INCOME TAX	I869		54,533	36,052	3,518	1,530	2,482	2,824	5,979	11,285	2,148	13,433	54,533	0
585	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
586	NET FED INCOME TAX PAYABLE	I889		54,533	36,052	3,518	1,530	2,482	2,824	5,979	11,285	2,148	13,433	54,533	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-411 KW (12 COW PEAK)														
6	GSFL														
7	DESCRIPTION	ITEM	ALLOC	GSFL SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
587	STATE INCOME TAX														
588	Schedule 9b														
589	DEDUCTIONS IN ADDITION TO Y871														
590	BONUS DEPRECIATION	Y890	K_Depr_Ex	1,217	886	4	22	57	63	138	258	47	305	1,217	0
591	DEDUCTIONS IN ADD TO Y871	Y911		1,217	886	4	22	57	63	138	258	47	305	1,217	0
592	STATE INCOME TAX ADJUSTMENTS														
593	STATE PROV DEF INC TAX DEFERRALS (410.1)														
600	NET DEFERRED TAXES	Z896	K_EPIS	(43)	(30)	0	(1)	(3)	(2)	(5)	(10)	(2)	(12)	(43)	0
601	ANNUALIZE DEPRECIATION	Z896	K_Depr_Ex	(14)	(10)	0	0	0	(1)	(2)	(3)	(1)	(4)	(14)	0
604	NON-JURISDICTIONAL TAX	Z896	K_rtprod_d	489	489	0	0	0	0	0	0	0	0	489	0
605	TOT STATE PROV DEF IT DEFERRALS (410.1)	Z911		432	449	0	(1)	(3)	(3)	(7)	(13)	(3)	(16)	432	0
610	TOTAL STATE INC TAX ADJUSTMENT	Z957		432	449	0	(1)	(3)	(3)	(7)	(13)	(3)	(16)	432	0

DUKE ENERGY KENTUCKY														
COST OF SERVICE STUDY														
TWELVE MONTHS ENDING DECEMBER 31, 2005														
ELECTRIC CASE NO: 2006-00172														
FR-99-1 KW (12 COIN PEAK)														
GSFL														
DESCRIPTION	ITEM	ALLOC	GSFL SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
627	INCOME TAX BASED ON RETURN Schedule 9c													
628	SUMMARY OF SIT CALCULATION													
630	RETURN ON CAPITALIZATION	R751	123,561	80,997	6,712	3,562	5,923	6,773	14,300	26,996	5,294	32,290	123,561	0
631	NET FED INCOME TAX ALLOWABLE	I879	56,423	38,418	3,424	1,516	2,467	2,743	5,944	11,154	1,911	13,065	56,423	0
632	NET FED. DED. AND ADDITIONS	Y871	(24,323)	(17,214)	(84)	(577)	(1,216)	(1,338)	(2,915)	(5,469)	(979)	(6,448)	(24,323)	0
633	DEDUCTIONS IN ADD TO Y871	Y811	(1,217)	(886)	(4)	(22)	(57)	(63)	(138)	(258)	(47)	(305)	(1,217)	0
634	AFUDC OFFSET	L033	(285)	354	0	(128)	(80)	(107)	(239)	(426)	(85)	(511)	(285)	0
635	TOTAL STATE INC TAX ADJ	Z857	432	449	0	(1)	(3)	(3)	(7)	(13)	(3)	(16)	432	0
636	BASE FOR SIT COMPUTATION	J965	154,591	102,118	10,048	4,350	7,034	8,005	16,945	31,984	6,091	38,075	154,591	0
637														
638	SIT FACTOR K192/(1-K192)	J967	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378
639	PRELIMINARY STATE INCOME TAX	J969	9,497	6,274	617	267	432	492	1,041	1,965	374	2,339	9,497	0
640	TOTAL STATE INCOME TAX ADJ.	Z857	432	449	0	(1)	(3)	(3)	(7)	(13)	(3)	(16)	432	0
641	NET STATE INC TAX ALLOWABLE	J979	9,929	6,723	617	266	429	489	1,034	1,952	371	2,323	9,929	0
642														
643	STATE INCOME TAX PAYABLE													
644	PRELIMINARY STATE INCOME TAX	J969	9,497	6,274	617	267	432	492	1,041	1,965	374	2,339	9,497	0
645	OTHER SIT ADJUSTMENTS	Z855	0	0	0	0	0	0	0	0	0	0	0	0
646	NET STATE INCOME TAX PAYABLE	J989	9,497	6,274	617	267	432	492	1,041	1,965	374	2,339	9,497	0
647														
648	COMPOSITE TAX RATE	CTAX	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621
649														
650														
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653														
654														

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-Inv-1 KW (12 COIN PEAK)														
6	GSFL														
7			GSFL								TOTAL				
8	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
655	COST OF SERVICE COMPUTATION Schedule 10														
657	OTHER OPERATING REVENUES														
658	RENTAL REVENUE	Q000	K_EPIS	1,644	1,154	6	42	83	92	200	375	67	442	1,644	0
659	BAD CHECK CHARGE	Q002	K_Func_Rav	22	8	9	1	1	1	1	3	1	4	22	0
660	ELIMINATE NON-NATIVE SALES	Q002	K_rtprod_e	(27,478)	0	(27,478)	0	0	0	0	0	0	0	(27,478)	0
661	SALES FOR RESALE	Q002	K_rtprod_e	27,478	0	27,478	0	0	0	0	0	0	0	27,478	0
662	RECONNECTION CHARGES	Q002	K_Func_Rav	114	43	47	5	2	5	6	13	6	19	114	0
663	INTERRUPTIBLE CREDIT	Q002	K_Func_Rav	(116)	(44)	(48)	(5)	(2)	(5)	(6)	(13)	(6)	(19)	(116)	0
664	BILLING CYCLE IMPROVEMENT	Q004	K_Func_Rav	807	301	333	38	18	33	43	94	41	135	807	0
665	OTHER MISCELLANEOUS REVENUES	Q006	K_Func_Rav	111	41	46	5	2	5	6	13	6	19	111	0
666	MISCELLANEOUS	Q008	K_Func_Rav	0	0	0	0	0	0	0	0	0	0	0	0
667	TOTAL OTHER OPERATING REVS	Q027		2,582	1,503	393	86	104	131	250	485	115	600	2,582	0
670	COST OF SERVICE COMPUTATION														
672	TOTAL OP EXP EXC INC & REV TAX	OP89		321,039	64,501	199,107	18,904	2,783	10,928	6,580	20,291	18,236	38,527	321,039	0
673	RETURN ON CAPITALIZATION	R751		123,561	80,997	6,712	3,562	5,923	6,773	14,300	26,996	5,294	32,290	123,561	0
674	NET FED INCOME TAX ALLOWABLE	I879		56,423	38,418	3,424	1,516	2,467	2,743	5,944	11,154	1,911	13,065	56,423	0
675	NET STATE INCOME TAX ALLOWABLE	J979		9,929	6,723	617	266	429	489	1,034	1,952	371	2,323	9,929	0
676	TOTAL OTHER OPERATING REVENUES	Q027		(2,582)	(1,503)	(393)	(86)	(104)	(131)	(250)	(485)	(115)	(600)	(2,582)	0
677	SUBTOTAL B	CS03		508,370	189,136	209,467	24,162	11,498	20,802	27,608	59,908	25,697	85,605	508,370	0
678	TOTAL OTHER OPERATING REVENUES	Q027		2,582	1,503	393	86	104	131	250	485	115	600	2,582	0
680	LESS: OTHER ITEMS			0	0	0	0	0	0	0	0	0	0	0	0
681	OTHER OPERATING REVS TO BE TAXED	OOPT		2,582	1,503	393	86	104	131	250	485	115	600	2,582	0
682	AFUDC OFFSET														
685	AFUDC OFFSET	L032		(285)	354	0	(128)	(80)	(107)	(239)	(426)	(85)	(511)	(285)	0
686	OTHER DEDUCTIONS TO COST OF SERVICE	L033		(285)	354	0	(128)	(80)	(107)	(239)	(426)	(85)	(511)	(285)	0
687	TOTAL ELECTRIC COST OF SERVICE	CS09		508,085	189,490	209,467	24,034	11,418	20,695	27,369	59,482	25,612	85,094	508,085	0
688	PROPOSED REVENUES														
689	PROPOSED REVENUES	R802		508,085										508,085	0
690	TOTAL ELECTRIC COST OF SERVICE	CS09		(508,085)										(508,085)	0
691	EXCESS REVENUES	XREV		0										0	0
692	COMPOSITE TAX RATE	CTAX	PPCOMPTAX_FROM	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621
693	EXCESS TAX	XTAX		0										0	0
694	EXCESS RETURN	XRET		0										0	0

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4	ELECTRIC CASE NO: 2006-00172														
5	FR-#v-1 KW (12 COIN PEAK)														
6	GSFL														
7	GSFL														
8	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
696	ROR AND TAX RATES Schedule 11														
697	RATE OF RETURN														
698	CAPITALIZATION AMOUNTS														
700	LONG TERM DEBT	K100	CAP_FROM	Total Company	Ratio			Ratio							
701	PREFERRED STOCK	K102		275,774,125	0.406259216			0.406259216							
702	COMMON STOCK	K104		0	0.000000000			0.000000000							
703	SHORT TERM DEBT	K106		345,393,322	0.508819383			0.508819383							
704	UNAMORTIZED DISCOUNT	K108		57,645,769	0.084921401			0.084921401							
705	TOTAL	K115		0	0.000000000			0.000000000							
706	COST OF CAPITAL														
707	LONG TERM DEBT	K120		0.0609											
708	PREFERRED STOCK	K122		0.0000											
710	COMMON STOCK	K124		0.1150											
711	SHORT TERM DEBT	K126		0.0514											
712	UNAMORTIZED DISCOUNT	K128		0.0000											
713	WEIGHTED COST OF CAPITAL														
715	LONG TERM DEBT	K141		0.0247											
716	PREFERRED STOCK	K143		0.0000											
717	COMMON STOCK	K145		0.0585											
718	SHORT TERM DEBT	K147		0.0044											
719	UNAMORTIZED DISCOUNT	K149		0.0000											
720	TOT RATE OF RETURN ALLOWABLE	RORA	ROR_EARN_FROM	0.0876											
721	TAX RATES AND SPECIAL FACTORS														
722	SHORT TERM DEBT COST	K180		0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
724	FEDERAL INCOME TAX RATE	K190	FIT_FROM	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000
725	STATE INCOME TAX RATE	K192	STATETX_FROM	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788
726	REVENUE TAX RATE	K196		0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
727															
728															
729	PRESENT REVENUES	R600		471,911	0	0	0	0	0	0	0	0	0	471,911	0
730	PROPOSED REVENUES	R602		508,085	0	0	0	0	0	0	0	0	0	508,085	0
731	PRESENT NOI			101,409											
732	GROSS PRESENT REV AT AVERAGE ROR			320,905											
733	SUBSIDY EXCESS			151,006											
734	REDUCTION IN SUBSIDY EXCESS			37,752											
735	RATE INCREASE			73,926											
736	TAX COMPLEMENT														
737															
738															
739															
740															
741															
742															
743															
744															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
	DUKE ENERGY KENTUCKY														
	COST OF SERVICE STUDY														
	TWELVE MONTHS ENDING DECEMBER 31, 2005														
	ELECTRIC CASE NO: 2006-00172														
	FR-N-1 KW(12 CORN PEAK)														
	GSFL														
	DESCRIPTION	ITEM	ALLOC	GSFL SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
745	INCOME TAX BASED ON REVENUES	Schedule 12													
746	NET INCOME COMPUTATION														
747	TOTAL ELECTRIC COST OF SERVICE	CS09		508,085	189,490	209,467	24,034	11,418	20,695	27,369	59,482	25,612	85,094	508,085	0
748	TOTAL OTHER OPERATING REVENUES	Q027		2,582	1,503	393	86	104	131	250	485	115	600	2,582	0
749	TOTAL ELECTRIC REVENUE	CS07		510,667	190,993	209,860	24,120	11,522	20,826	27,619	59,967	25,727	85,694	510,667	0
750	TOTAL OP EXP EXC IT & OTHER DEDUCTIONS	OP61		(321,039)	(64,501)	(199,107)	(18,904)	(2,783)	(10,928)	(6,580)	(20,291)	(18,236)	(38,527)	(321,039)	0
751	OTHER	RTXP		0	0	0	0	0	0	0	0	0	0	0	0
752	NET INCOME	NI01		189,628	126,492	10,753	5,216	8,739	9,898	21,039	39,676	7,491	47,167	189,628	0
753	ADJUSTMENTS TO NET INCOME														
754	TOTAL INTEREST EXPENSE	Y783		(17,734)	(12,455)	(61)	(449)	(900)	(990)	(2,157)	(4,047)	(722)	(4,769)	(17,734)	0
755	TOTAL OTHER DEDUCTIONS	Y828		(6,589)	(4,759)	(23)	(128)	(316)	(348)	(758)	(1,422)	(257)	(1,679)	(6,589)	0
757	PRELIMINARY TAXABLE INCOME	T101		165,305	109,278	10,669	4,639	7,523	8,560	18,124	34,207	6,512	40,719	165,305	0
759	STATE INCOME TAX COMPUTATION														
760	PRELIMINARY TAX ABLE INCOME (INCL AFUDC)	T101		165,305	109,278	10,669	4,639	7,523	8,560	18,124	34,207	6,512	40,719	165,305	0
761	DEDUCTIONS IN ADD TO Y871	Y911		(1,217)	(886)	(4)	(22)	(57)	(63)	(138)	(258)	(47)	(305)	(1,217)	0
762	STATE TAXABLE INCOME	SI01		164,088	108,392	10,665	4,617	7,466	8,497	17,986	33,949	6,465	40,414	164,088	0
764	STATE INCOME TAX PAYABLE														
765	STATE INCOME TAX RATE	K192	STATETX_FROM	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788
766	PRELIM SIT = SI01 * K192	ST01		9,497	6,274	617	267	432	492	1,041	1,965	374	2,339	9,497	0
767	OTHER SIT ADJUSTMENTS	Z955		0	0	0	0	0	0	0	0	0	0	0	0
768	STATE INCOME TAX PAYABLE	SP01		9,497	6,274	617	267	432	492	1,041	1,965	374	2,339	11,462	0
770	SIT ALLOWABLE														
771	STATE INCOME TAX PAYABLE	SP01		9,497	6,274	617	267	432	492	1,041	1,965	374	2,339	9,497	0
772	TOTAL STATE PROV DEF IT(410.1)	Z911		432	449	0	(1)	(3)	(3)	(7)	(13)	(3)	(16)	432	0
773	TOTAL STATE PROV DEF IT(411.1)	Z933		0	0	0	0	0	0	0	0	0	0	0	0
774	NET STATE INC TAX ALLOWABLE	SA01		9,929	6,723	617	266	429	489	1,034	1,952	371	2,323	11,881	0
776	INCOME TAX BASED ON REVENUES														
777	FEDERAL INCOME TAX COMPUTATION														
778	PRELIMINARY TAXABLE INCOME (INCL AFUDC)	T101		165,305	109,278	10,669	4,639	7,523	8,560	18,124	34,207	6,512	40,719	165,305	0
779	STATE INC TAX PAYABLE	SP01		(9,497)	(6,274)	(617)	(267)	(432)	(492)	(1,041)	(1,965)	(374)	(2,339)	(9,497)	0
780	NET FEDERAL TAXABLE INCOME	F101		155,808	103,004	10,052	4,372	7,091	8,068	17,083	32,242	6,138	38,380	155,808	0
781	FEDERAL INCOME TAX RATE	K190	FIT_FROM	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000
782	PRELIMINARY FIT = F101 * K190	FT01		54,533	36,052	3,518	1,530	2,482	2,824	5,979	11,285	2,148	13,433	54,533	0
783	TOTAL FED PROV DEF IT (410.1)	Z782		2,047	2,476	(93)	(10)	(7)	(72)	(16)	(95)	(231)	(326)	2,047	0
784	TOTAL FED PROV DEF IT (411.1)	Z803		0	0	0	0	0	0	0	0	0	0	0	0
785	TOTAL AMORTIZED ITC & SERVICE CO ALLOC.	Z813		(157)	(110)	(1)	(4)	(8)	(9)	(19)	(36)	(6)	(42)	(157)	0
786	NET FED INC TAX ALLOWABLE	FA01		56,423	38,418	3,424	1,516	2,467	2,743	5,944	11,154	1,911	13,065	67,577	0
788	FEDERAL INCOME TAX PAYABLE														
789	PRELIM FIT	FT01		54,533	36,052	3,518	1,530	2,482	2,824	5,979	11,285	2,148	13,433	54,533	0
790	TEST YEAR INV TAX CREDIT	Z623		0	0	0	0	0	0	0	0	0	0	0	0
791	FED INC TAX PAYABLE	FP01		54,533	36,052	3,518	1,530	2,482	2,824	5,979	11,285	2,148	13,433	54,533	0
793	PRELIMINARY SUMMARY														
794	NET INCOME EXCLUDING AFUDC OFFSET	NI01		189,913	126,138	10,753	5,344	8,819	10,005	21,278	40,102	7,576	47,678	189,913	0
795	NET FED INC TAX ALLOWABLE	FA01		(56,423)	(38,418)	(3,424)	(1,516)	(2,467)	(2,743)	(5,944)	(11,154)	(1,911)	(13,065)	(56,423)	0
796	NET STATE INC TAX ALLOWABLE	SA01		(9,929)	(6,723)	(617)	(266)	(429)	(489)	(1,034)	(1,952)	(371)	(2,323)	(9,929)	0
797	OVERALL RETURN EARNED-SCH 12	RETU		123,561	80,997	6,712	3,562	5,923	6,773	14,300	26,996	5,294	32,290	123,561	0
798	RATE OF RETURN EARNED-SCH 12	RORX	ROR_EARN FROM	0.1997	0.1997	0.1997	0.1997	0.1997	0.1997	0.1997	0.1997	0.1997	0.1997	0.1997	0.0000

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	DUKE ENERGY KENTUCKY														
	COST OF SERVICE STUDY														
	TWELVE MONTHS ENDING DECEMBER 31, 2005														
	ELECTRIC CASE NO: 2006-00172														
	DESCRIPTION	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER	
8	Schedule 13														
9	Prod-Demand	K_rbprod_d		1.00000								0.00000			
10	Prod-Energy	K_rbprod_e			1.00000							0.00000			
11	Main Step-Up Transformers	K_rbtran_stepup										0.00000			
12	Transmission Other	K_rbtran_oth				1.00000						0.00000			
13	Substations	K_Subst					1.00000					1.00000			
14	Poles Towers & Fixtures	K_Poles						1.00000				1.00000			
15	Conductors	K_Conductors							1.00000			1.00000			
16	Transformers	K_Transformer									1.00000	1.00000			
17	Distribution Demand	K_rbdist_d								1.00000		1.00000			
18	Distribution Customer	K_rbdist_c									1.00000	1.00000			
19	All Other	K_FERC												1.00000	
21	Gross Dist Plant excl CCNC-OC (106)		249,564	0	0	0	39,501	52,145	116,468	208,114	41,450	249,564	249,564	0	
22	Ratio	K_dist_ccnc	1.000000000	0.000000000	0.000000000	0.000000000	0.158280041	0.208944399	0.466685900	0.833910340	0.166089660	1.000000000	1.000000000	0.000000000	
24	Gross Plant (OC)		1,236,650	923,383	4,329	28,253	42,330	58,793	124,696	225,819	54,866	280,685	1,236,650	0	
25	Ratio	K_grossPlt	1.000000000	0.746680952	0.003500586	0.022846400	0.034229572	0.047542150	0.100833704	0.182605426	0.044366636	0.226972062	1.000000000	0.000000000	
27	Gross Prod Plant (OC)		913,629	913,629	0	0	0	0	0	0	0	0	913,629	0	
28	Ratio	K_gross_prodpit	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000	
30	Gross Plant-Prod/Trans/Dist (OC)		1,208,060	913,629	0	27,873	42,190	55,696	124,399	222,285	44,273	266,558	1,208,060	0	
31	Ratio	K_grossPTD	1.000000000	0.756277833	0.000000000	0.023072530	0.034923762	0.046103670	0.102974190	0.184001622	0.036648014	0.220649637	1.000000000	0.000000000	
33	Gross Distribution Plant (OC)		266,558	0	0	0	42,190	55,696	124,399	222,285	44,273	266,558	266,558	0	
34	Ratio	K_gross_distpit	1.000000000	0.000000000	0.000000000	0.000000000	0.158276998	0.208945145	0.466686425	0.833908568	0.166091432	1.000000000	1.000000000	0.000000000	
36	Gross Transmission Plant (OC)		27,873	0	0	27,873	0	0	0	0	0	0	27,873	0	
37	Ratio	K_gross_tranpit	1.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000	
40	Gross General Plant (OC)		4,003	1,365	606	54	19	433	42	494	1,484	1,978	4,003	0	
41	Ratio	K_gross_genpit	1.000000000	0.340994254	0.151386460	0.013489883	0.004746440	0.108168873	0.010492131	0.123407444	0.370721959	0.494129403	1.000000000	0.000000000	
42	Gross Common Plant (OC)		24,587	8,389	3,723	326	121	2,664	255	3,040	9,109	12,149	24,587	0	
43	Ratio	K_gross_compit	1.000000000	0.341196568	0.151421483	0.013259039	0.004921300	0.108349941	0.010371334	0.123642575	0.370480335	0.494122910	1.000000000	0.000000000	
45	Production Plant-Net (OC-Depr)		442,036	442,036	0	0	0	0	0	0	0	0	442,036	0	
46	Ratio	K_prodnnet	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000	
48	Distribution Plant-Net (OC-Depr)		163,962	0	0	0	32,214	33,937	77,275	143,426	20,536	163,962	163,962	0	
49	Ratio	K_distnet	1.000000000	0.000000000	0.000000000	0.000000000	0.196472353	0.206980886	0.471298228	0.874751467	0.125248533	1.000000000	1.000000000	0.000000000	
51	Transmission Plant-Net (OC-Depr)		15,907	0	0	15,907	0	0	0	0	0	0	15,907	0	
52	Ratio	K_trannt	1.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000	
54	General Plant-Net		1,873	640	285	27	8	203	20	231	690	921	1,873	0	
55	Ratio	K_gennet	1.000000000	0.341697812	0.152162306	0.014415376	0.004271223	0.108382274	0.010678057	0.123331554	0.368392952	0.491724506	1.000000000	0.000000000	
57	Transmission & Distr Plant In Service		179,869	0	0	15,907	32,214	33,937	77,275	143,426	20,536	163,962	179,869	0	
58	Ratio	K_T&D_net	1.000000000	0.000000000	0.000000000	0.088436584	0.179097010	0.188676203	0.429618222	0.797391435	0.114171981	0.911563416	1.000000000	0.000000000	
60	Net Electric Plant In Service		636,447	447,000	2,203	16,102	32,285	35,513	77,426	145,224	25,918	171,142	636,447	0	
61	Ratio	K_EPIS	1.000000000	0.702336565	0.003461404	0.025299829	0.050726926	0.055798833	0.121653492	0.228179251	0.040722951	0.268902202	1.000000000	0.000000000	
63	Common Plant- net		12,669	4,324	1,918	168	63	1,373	131	1,567	4,692	6,259	12,669	0	
64	Ratio	K_comnet	1.000000000	0.341305550	0.151393164	0.013260715	0.004972769	0.108374773	0.010340200	0.123687742	0.370352830	0.494040571	1.000000000	0.000000000	

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY																	
2	COST OF SERVICE STUDY																	
3	TWELVE MONTHS ENDING DECEMBER 31, 2005																	
4	ELECTRIC CASE NO: 2006-00172																	
5					GSFL									TOTAL				
6	DESCRIPTION	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER				
68	Common & General Plant-net		14,542	4,964	2,203	195	71	1,576	151	1,798	5,382	7,180	14,542	0				
67	Ratio	K_comgennet	1.000000000	0.341356072	0.151492229	0.013409435	0.004882410	0.108375739	0.010383716	0.123641865	0.370100399	0.493742264	1.000000000	0.000000000				
69	Total OCD Rate Base		656,328	430,240	35,651	18,919	31,463	35,977	75,959	143,399	28,119	171,518	656,328	0				
70	Ratio	K_OCDRB	1.000000000	0.655525896	0.054318877	0.028825526	0.047937921	0.054815580	0.115733292	0.218486793	0.042842908	0.261329701	1.000000000	0.000000000				
71	Schedule 13a																	
72	Construction Work In Progress		3,250	(4,038)	0	1,460	922	1,218	2,720	4,860	968	5,828	3,250	0				
73	Ratio	K_CWIP	1.000000000	(1.242461538)	0.000000000	0.449230769	0.283692307	0.374769231	0.836923077	1.495384615	0.297846154	1.793230769	1.000000000	0.000000000				
75	A&G		28,333	9,668	4,288	373	136	3,069	294	3,499	10,505	14,004	28,333	0				
76	Ratio	K_A&G	1.000000000	0.341227544	0.151342957	0.013164861	0.004800057	0.108318921	0.010376593	0.123495571	0.370769068	0.494264638	1.000000000	0.000000000				
78	A&G (excluding adjustments)		30,283	10,331	4,583	400	148	3,280	314	3,742	11,227	14,969	30,283	0				
79	Ratio	K_A&GexAdj	1.000000000	0.341148499	0.151339035	0.013208731	0.004887230	0.108311594	0.010368854	0.123567678	0.370736057	0.494303735	1.000000000	0.000000000				
81	Dist A&G (ex reg exp)		4,727	0	0	0	302	3,563	686	4,551	176	4,727	4,727	0				
82	Ratio	K_DistA&G	1.000000000	0.000000000	0.000000000	0.000000000	0.063888302	0.753755024	0.145123757	0.962767083	0.037232917	1.000000000	1.000000000	0.000000000				
84	Transmission A&G		822	94	0	728	0	0	0	0	0	0	822	0				
85	Ratio	K_TranA&G	1.000000000	0.114355231	0.000000000	0.885644769	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
87	Customer Accounts A&G		2,511	0	0	0	0	0	0	0	2,511	2,511	2,511	0				
88	Ratio	K_CA_A&G	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000				
90	Cust Service & Informational A&G		1,975	(2,580)	(2,848)	(328)	(154)	(283)	(372)	(809)	8,540	7,731	1,975	0				
91	Ratio	K_CSI_A&G	1.000000000	(1.306329115)	(1.442025316)	(0.166075949)	(0.077974684)	(0.143291139)	(0.188354430)	(0.409620253)	4.324050633	3.914430380	1.000000000	0.000000000				
93	Sales A&G		0	0	0	0	0	0	0	0	0	0	0	0				
94	Ratio	K_Sales_A&G	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000				
96	Depreciation Expense		36,406	26,497	128	645	1,717	1,896	4,117	7,730	1,406	9,136	36,406	0				
97	Ratio	K_Depr_Ex	1.000000000	0.727819590	0.003515904	0.017716860	0.047162555	0.052079328	0.113085755	0.212327638	0.038620008	0.250947646	1.000000000	0.000000000				
99	O&M (no A&G)		248,046	24,469	194,301	17,533	415	5,195	936	6,546	5,197	11,743	248,046	0				
100	Ratio	K_O&M	1.000000000	0.098647025	0.783326480	0.070684470	0.001673076	0.020943696	0.003773494	0.026390266	0.020951759	0.047342025	1.000000000	0.000000000				
102	Production O&M		217,596	22,721	194,875	0	0	0	0	0	0	0	217,596	0				
103	Ratio	K_prodO&M	1.000000000	0.104418280	0.895581720	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
105	Dist O&M		6,968	0	0	0	446	5,252	1,011	6,709	259	6,968	6,968	0				
106	Ratio	K_distO&M	1.000000000	0.000000000	0.000000000	0.000000000	0.064006889	0.753731343	0.145091848	0.962830080	0.037169920	1.000000000	1.000000000	0.000000000				
108	Transmission O&M		19,867	2,268	0	17,599	0	0	0	0	0	0	19,867	0				
109	Ratio	K_tranO&M	1.000000000	0.114159158	0.000000000	0.885840842	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
111	Customer Accounting O&M		3,227	0	0	0	0	0	0	0	3,227	3,227	3,227	0				
112	Ratio	K_CA_O&M	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000				
114	Uncollectible Account O&M		(12)	0	0	0	0	0	0	0	(12)	(12)	(12)	0				
115	Ratio	K_Uncol_O&M	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000				
117	Customer Service & Informational O&M		398	(520)	(574)	(66)	(31)	(57)	(75)	(163)	1,721	1,558	398	0				
118	Ratio	K_CSI_O&M	1.000000000	(1.306532663)	(1.442211055)	(0.165829146)	(0.077889448)	(0.143216080)	(0.188442211)	(0.409547739)	4.324120603	3.914572864	1.000000000	0.000000000				
120	Sales O&M		2	0	0	0	0	0	0	0	2	2	2	0				
121	Ratio	K_Sales_O&M	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000				
123	AutoCalc Wkg Capital (incl A&G)		81,504	34,137	3,714	17,906	551	8,264	1,230	10,045	15,702	25,747	81,504	0				
124	Ratio	K_O&MxFuel	1.000000000	0.418838339	0.045568316	0.219694739	0.006760404	0.101393797	0.015091284	0.123245485	0.192653121	0.315898606	1.000000000	0.000000000				

COST OF SERVICE STUDY

BY FUNCTION

RATE EH

FR 10(9)(v)-8

DUKE ENERGY KENTUCKY														5/28/08 7:36 AM	
COST OF SERVICE STUDY															
TWELVE MONTHS ENDING DECEMBER 31, 2005															
ELECTRIC CASE NO: 2006-00172															
FR-9v-1 KW (12 COIN PEAK)															
EH															
DESCRIPTION	ITEM	ALLOC	EH SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER	
			1	2	3	5	6	7	8	10	11	12	13	14	
SUMMARY OF RESULTS Schedule 1															
NET INCOME COMPUTATION															
GROSS ELECTRIC PLANT IN SERVICE	GP18		\$3,895,718	\$2,669,826	\$15,827	\$82,524	\$143,298	\$199,325	\$421,988	\$764,611	\$362,930	\$1,127,541	\$3,895,718	\$0	
TOTAL DEPRECIATION RESERVE	DR18		(1,861,549)	(1,377,353)	(7,779)	(35,550)	(34,071)	(78,989)	(160,030)	(273,090)	(167,777)	(440,867)	(1,861,549)	0	
TOTAL RATE BASE ADJUSTMENTS	RB71		26,324	(52,852)	76,624	8,312	(2,762)	1,643	(4,949)	(6,068)	308	(5,760)	26,324	0	
TOTAL RATE BASE	RB99		2,060,493	1,239,621	84,672	55,286	106,465	121,979	257,009	485,453	195,461	680,914	2,060,493	0	
CAPITALIZATION ALLOC TO ELECTRIC OPER	ECAP		1,942,428	1,168,592	79,820	52,118	100,364	114,990	242,283	457,637	184,261	641,898	1,942,428	0	
OPERATING EXPENSES															
TOTAL O&M EXPENSE	OM39		665,421	100,781	455,361	52,818	1,831	28,347	4,070	34,248	22,213	56,461	665,421	0	
TOTAL DEPRECIATION EXPENSE	DE49		115,549	76,616	470	1,889	5,807	6,428	13,930	26,165	10,409	36,574	115,549	0	
TOTAL OTHER TAX & MISC EXPENSE	LS91		26,108	11,394	1,200	1,070	1,747	2,625	4,183	8,555	3,889	12,444	26,108	0	
TOTAL OP EXP EXC INC & R TAX	OP69		807,078	188,791	457,031	55,777	9,385	37,400	22,183	68,968	36,511	105,479	807,078	0	
NET FED INCOME TAX ALLOWABLE	IB79		30,351	24,742	1,823	509	865	642	2,049	3,556	(279)	3,277	30,351	0	
NET STATE INCOME TAX ALLOWABLE	JB79		5,408	4,316	393	94	141	148	332	621	(16)	605	5,408	0	
AFUDC OFFSET	LO33	K_CWIP	(1,457)	1,022	0	(370)	(273)	(360)	(805)	(1,438)	(671)	(2,109)	(1,457)	0	
TOTAL OPERATING EXPENSE	OPEX		841,380	218,871	459,247	56,010	10,118	37,830	23,759	71,707	35,545	107,252	841,380	0	
RETURN ON CAPITALIZATION	R751		119,452	71,864	4,909	3,205	6,173	7,071	14,899	28,143	11,331	39,474	119,452	0	
TOTAL OTHER OPERATING REVENUES			(6,636)	(4,720)	(21)	(121)	(282)	(311)	(677)	(1,270)	(504)	(1,774)	(6,636)	0	
TOTAL ELECTRIC COST OF SERVICE	CS09		954,196	286,015	464,135	59,094	16,009	44,590	37,981	98,580	46,372	144,952	954,196	0	
PROPOSED REVENUES	R802		954,202	286,019	464,135	59,094	16,009	44,590	37,982	98,581	46,373	144,954	954,202	0	
EXCESS REVENUES	XREV		6	4	0	0	0	0	1	1	1	2	6	0	
TOTAL RETURN EARNED	RETE		119,456	71,866	4,909	3,205	6,172	7,072	14,900	28,144	11,332	39,476	119,456	0	
RATE OF RETURN EARNED ON CAPITALIZATION	RORE	SUM_RETURN_FROM	0.061498290	0.061498290	0.061498290	0.061498290	0.061498290	0.061498290	0.061498290	0.061498290	0.061498290	0.061498290	0.061498290	0.00000	
TOTAL RATE OF RETURN ALLOWABLE	RORA		0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	
RETURN EARNED ON COMMON EQUITY	RECE		0.07224	0.07224	0.07224	0.07224	0.07224	0.07224	0.07224	0.07224	0.07224	0.07224	0.07224	0.00000	
ALLOWED RETURN ON COMMON EQUITY	AROE		0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	
PRESENT REVENUES	R800		694,501	208,174	337,813	43,011	11,652	32,454	27,645	71,751	33,752	105,503	694,501	0	
REVENUE INCREASE JUSTIFIED	RIJD		259,695	77,841	126,322	16,083	4,357	12,136	10,336	26,829	12,620	39,449	259,695	0	
PER UNIT PRES REV	RIJP	PRESREV_FROM	0.37393										0.37393	0.00000	
REVENUE INCREASE REQUESTED	RIRD		259,701										259,701	0	
PER UNIT PRES REV	RIRP	PRESINCR_FROM	0.37394										0.37394	0.00000	

DUKE ENERGY KENTUCKY														
COST OF SERVICE STUDY														
TWELVE MONTHS ENDING DECEMBER 31, 2005														
ELECTRIC CASE NO: 2006-00172														
FR-4v-1 KW (12 CONN PEAK)														
EH														
DESCRIPTION	ITEM	ALLOC	EH SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
49 GROSS ELECTRIC PLANT IN SERVICE Schedule 2														
50 PRODUCTION PLANT														
51	PRODUCTION - STEAM	P100	K_rbprod_d	1,698,350	1,698,350	0	0	0	0	0	0	0	1,698,350	0
52	PRODUCTION - OTHER	P106	K_rbprod_d	941,504	941,504	0	0	0	0	0	0	0	941,504	0
53	PRODUCTION PLANT IN SERVICE	P129		2,639,854	2,639,854	0	0	0	0	0	0	0	2,639,854	0
54														
55 TRANSMISSION PLANT														
56	MAIN STEP-UP TRANSFORMERS	T100	K_rbttran_stepup	0	0	0	0	0	0	0	0	0	0	0
57	OTHER TRANSMISSION	T102	K_rbttran_oth	80,537	0	0	80,537	0	0	0	0	0	80,537	0
58	TRANSMISSION PLANT IN SERVICE	T129		80,537	0	0	80,537	0	0	0	0	0	80,537	0
59														
60	TOTAL PROD & TRANS PLANT	PT29		2,720,391	2,639,854	0	80,537	0	0	0	0	0	2,720,391	0
61														
62 DISTRIBUTION PLANT														
63	SUBSTATIONS	D100	K_Subst	133,491	0	0	0	133,491	0	0	0	133,491	133,491	0
64	POLES, TOWERS & FIXTURES	D102	K_Poles	176,218	0	0	0	176,218	0	0	0	176,218	176,218	0
65	CONDUCTORS	D104	K_Conductors	393,591	0	0	0	0	393,591	0	0	393,591	393,591	0
66	TRANSFORMERS	D106	K_rbdst_c	246,908	0	0	0	0	0	0	246,908	246,908	246,908	0
67	SERVICES	D108	K_rbdst_c	32,740	0	0	0	0	0	0	32,740	32,740	32,740	0
68	METERS	D110	K_rbdst_c	48,377	0	0	0	0	0	0	48,377	48,377	48,377	0
69	STREET LIGHTS	D114	K_rbdst_c	0	0	0	0	0	0	0	0	0	0	0
70	CONSTRUCTION NOT CLASSIFIED	D116	K_dst_cconc	70,228	0	0	0	9,089	12,000	26,802	47,891	22,337	70,228	0
71	CONSTRUCTION NOT CLASSIFIED	D116	K_dst_cconc	70,228	0	0	0	9,089	12,000	26,802	47,891	22,337	70,228	0
72	DISTRIBUTION PLANT IN SERVICE	D149		1,101,553	0	0	0	142,580	188,218	420,393	751,191	350,362	1,101,553	0
73														
74	TOTAL TRANS & DIST PLANT	TD29		1,182,090	0	0	80,537	142,580	188,218	420,393	751,191	350,362	1,101,553	1,182,090
75	TOTAL GROSS PTD PLANT	PD29		3,821,944	2,639,854	0	80,537	142,580	188,218	420,393	751,191	350,362	1,101,553	3,821,944
76														
77 GENERAL & INTANGIBLE PLANT														
78	PRODUCTION-DEMAND	G100	K_rbprod_d	4,897	4,897	0	0	0	0	0	0	0	4,897	0
79	PRODUCTION-ENERGY	G102	K_rbprod_e	2,215	0	2,215	0	0	0	0	0	0	2,215	0
80	TRANSMISSION	G104	K_TransA&G	315	36	0	279	0	0	0	0	0	315	0
81	DISTRIBUTION	G106	K_DistA&G	2,166	0	0	0	101	1,553	223	1,877	289	2,166	0
82	CUSTOMER ACCOUNTING	G108	K_CA_A&G	525	0	0	0	0	0	0	0	525	525	0
83	CUSTOMER SERVICE & INFORMATION	G110	K_CSI_A&G	211	(737)	0	0	0	0	0	0	948	948	0
84	SALES	G112	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0
85	GENERAL & INTANGIBLE PLANT IN SERVICE	G129		10,329	4,196	2,215	279	101	1,553	223	1,877	1,762	3,639	10,329
86														
87 COMMON & OTHER PLANT														
88	PRODUCTION-DEMAND RELATED	C100	K_rbprod_d	30,068	30,068	0	0	0	0	0	0	0	30,068	0
89	PRODUCTION-ENERGY RELATED	C102	K_rbprod_e	13,612	0	13,612	0	0	0	0	0	0	13,612	0
90	TRANSMISSION	C104	K_TransA&G	1,928	220	0	1,708	0	0	0	0	0	1,928	0
91	DISTRIBUTION	C106	K_DistA&G	13,321	0	0	0	617	9,554	1,372	11,543	1,778	13,321	0
92	CUSTOMER ACCOUNTING	C108	K_CA_A&G	3,224	0	0	0	0	0	0	0	3,224	3,224	0
93	CUSTOMER SERVICE & INFORMATION	C110	K_CSI_A&G	1,292	(4,512)	0	0	0	0	0	0	5,804	5,804	0
94	SALES	C112	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0
95	COMMON & OTHER PLANT IN SERVICE	C129		63,445	25,776	13,612	1,708	617	9,554	1,372	11,543	10,806	22,349	63,445
96														
97	GROSS ELECTRIC PLANT IN SERVICE	GP19		3,895,718	2,669,826	15,827	82,524	143,298	199,325	421,988	764,611	362,930	1,127,541	3,895,718

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2006														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-IV-1 KW (12 CON PEAK)														
6	EH														
7															
8	DESCRIPTION	ITEM	ALLOC	EH SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
99	DEPRECIATION RESERVE Schedule 3														
100	PRODUCTION PLANT														
101	PRODUCTION - STEAM	P150	K_rtprod_d	933,225	933,225	0	0	0	0	0	0	0	0	933,225	0
102	PRODUCTION - OTHER	P152	K_rtprod_d	429,406	429,406	0	0	0	0	0	0	0	0	429,406	0
103	TOTAL PROD DEPREC RESERVE	P171		1,362,631	1,362,631	0	0	0	0	0	0	0	0	1,362,631	0
104	TRANSMISSION PLANT														
106	MAIN STEP-UP TRANSFORMERS		K_rbttran_stepup	0	0	0	0	0	0	0	0	0	0	0	0
107	OTHER TRANSMISSION	T150	K_rbttran_oth	34,575	0	0	34,575	0	0	0	0	0	0	34,575	0
109	TOTAL TRANS DEPREC RESERVE	T171		34,575	0	0	34,575	0	0	0	0	0	0	34,575	0
110	TOTAL PROD & TRANS DEPREC RESERVE			1,397,206	1,362,631	0	34,575	0	0	0	0	0	0	1,397,206	0
111	DISTRIBUTION PLANT														
113	SUBSTATIONS	D150	K_Subst	29,950	0	0	0	29,950	0	0	29,950	0	29,950	29,950	0
114	POLES, TOWERS & FIXTURES	D152	K_Poles	68,560	0	0	0	0	68,560	0	68,560	0	68,560	68,560	0
115	CONDUCTORS	D154	K_Conductors	148,135	0	0	0	0	0	148,135	148,135	0	148,135	148,135	0
116	TRANSFORMERS	D156	K_Transformer	121,110	0	0	0	0	0	0	0	121,110	121,110	121,110	0
117	SERVICES	D158	K_rbdist_c	21,489	0	0	0	0	0	0	0	21,489	21,489	21,489	0
118	METERS	D160	K_rbdist_c	9,740	0	0	0	0	0	0	0	9,740	9,740	9,740	0
119	DEPRECIATION EXPENSE ADJUSTMENT	D162	K_dist_conc	849	0	0	0	110	145	324	579	270	849	849	0
120	STREET LIGHTS	D164	K_rbdist_c	0	0	0	0	0	0	0	0	0	0	0	0
121	COMPLETED CONSTRUCTION NOT CLASSIFIED	D168	K_dist_conc	34,160	0	0	0	4,421	5,837	13,037	23,295	10,865	34,160	34,160	0
122	RETIREMENT WORK IN PROGRESS	D168	K_dist_conc	(5,893)	0	0	0	(763)	(1,007)	(2,249)	(4,019)	(1,874)	(5,893)	(5,893)	0
123	TOTAL DIST DEPREC RESERVE	D161		428,100	0	0	0	33,718	73,535	159,247	266,500	161,600	428,100	428,100	0
124	TOTAL TRANS & DIST DEPREC RESERVE			462,675	0	0	34,575	33,718	73,535	159,247	266,500	161,600	428,100	462,675	0
125	TOTAL GROSS PTD PLANT DEPREC RESERVE			1,825,306	1,362,631	0	34,575	33,718	73,535	159,247	266,500	161,600	428,100	1,825,306	0
126	GENERAL & INTANGIBLE PLANT														
129	PRODUCTION-DEMAND	G150	K_rtprod_d	2,602	2,602	0	0	0	0	0	0	0	0	2,602	0
130	PRODUCTION-ENERGY	G152	K_rtprod_e	1,180	0	1,180	0	0	0	0	0	0	0	1,180	0
131	TRANSMISSION	G154	K_TransA&G	166	19	0	147	0	0	0	0	0	166	166	0
132	DISTRIBUTION	G156	K_DistA&G	1,153	0	0	0	53	827	119	999	154	1,153	1,153	0
133	CUSTOMER ACCOUNTING	G158	K_CA_A&G	279	0	0	0	0	0	0	0	279	279	279	0
134	CUSTOMER SERVICE & INFORMATION	G160	K_CSI_A&G	113	(395)	0	0	0	0	0	0	508	508	113	0
135	SALES	G162	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
136	TOTAL GEN & INTANGIBLE DEPREC RES.	G171		5,493	2,226	1,180	147	53	827	119	999	941	1,940	5,493	0
137	COMMON & OTHER PLANT														
139	PRODUCTION-DEMAND	C150	K_rtprod_d	14,575	14,575	0	0	0	0	0	0	0	0	14,575	0
140	PRODUCTION-ENERGY	C152	K_rtprod_e	6,599	0	6,599	0	0	0	0	0	0	0	6,599	0
141	TRANSMISSION	C154	K_TransA&G	935	107	0	828	0	0	0	0	0	935	935	0
142	DISTRIBUTION	C156	K_DistA&G	6,452	0	0	0	300	4,627	664	5,591	861	6,452	6,452	0
143	CUSTOMER ACCOUNTING	C158	K_CA_A&G	1,563	0	0	0	0	0	0	0	1,563	1,563	1,563	0
144	CUSTOMER SERVICE & INFORMATION	C160	K_CSI_A&G	626	(2,186)	0	0	0	0	0	0	2,812	2,812	626	0
145	SALES	C162	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
146	TOTAL COM & OTHER PLT RESERVE	C171		30,750	12,496	6,599	828	300	4,627	664	5,591	5,236	10,827	30,750	0
147															
148	TOTAL DEPRECIATION RESERVE	DR19		1,861,549	1,377,353	7,779	35,550	34,071	78,989	160,030	273,090	167,777	440,867	1,861,549	0

ITEM	DESCRIPTION	EH	SECONDARY	PRODUCTION	PRODUCTION	ENERGY	TRANSMISSION	OTHER	POLES, TOWERS & FIXTURES	CONDUCTORS	DEMAND	DISTRIBUTION	CUSTOMER	DISTRIBUTION	TOTAL	ALL
145	NET ELECTRIC PLANT IN SERVICE															
150	Schedule 4															
151	PRODUCTION PLANT															
152	PRODUCTION - STEAM															
153	PRODUCTION - OTHER															
154	TOTAL PROD															
155	TRANSMISSION PLANT															
156	MAIN STEP-UP TRANSFORMERS															
157	OTHER TRANSMISSION															
158	TOTAL TRANSMISSION															
159	NET PROD & TRANS PLANT															
160																
161																
162	DISTRIBUTION PLANT															
163	SUBSTATIONS															
164	POLES, TOWERS & FIXTURES															
165	CONDUCTORS															
166	TRANSFORMERS															
167	SL48															
168	CONDUCTORS															
169	TRANSFORMERS															
170	METERS															
171	SERVICES															
172	OTHER															
173	STREET LIGHTS															
174	CONSTRUCTION NOT CLASSIFIED															
175	L248															
176	CONSTRUCTION WORK IN PROGRESS															
177	TOTAL DIST															
178	NET TRANS & DIST PLANT															
179	NET FTD PLANT															
180																
181	GENERAL & INTANGIBLE PLANT															
182	PRODUCTION-DEMAND															
183	PRODUCTION-ENERGY															
184	TRANSMISSION															
185	DISTRIBUTION															
186	CUSTOMER ACCOUNTING															
187	CUSTOMER SERVICE & INFORMATION															
188	SALES															
189	TOTAL COM & OTHER FLT															
190	TOTAL ELECTRIC PLANT IN SERVICE															
191	COMMON & OTHER PLANT															
192	PRODUCTION-ENERGY															
193	PRODUCTION-DEMAND															
194	TRANSMISSION															
195	DISTRIBUTION															
196	CUSTOMER ACCOUNTING															
197	CUSTOMER SERVICE & INFORMATION															
198	SALES															
199	TOTAL COM & OTHER FLT															
200	TOTAL ELECTRIC PLANT IN SERVICE															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														5/26/08 7:36 AM
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 COIN PEAK)														
6	EH														
7				EH							TOTAL				
8	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
200	NET ELECTRIC PLANT														
201	Schedule 4a														
202	PRODUCTION PLANT														
203	PRODUCTION PLANT IN SERVICE	P129		2,639,854	2,639,854	0	0	0	0	0	0	0	0	2,639,854	0
204	TOTAL PROD DEPRC RESERVE	P171		(1,362,631)	(1,362,631)	0	0	0	0	0	0	0	0	(1,362,631)	0
205	NET PRODUCTION PLANT	P229		1,277,223	1,277,223	0	0	0	0	0	0	0	0	1,277,223	0
206	TRANSMISSION PLANT														
208	TRANSMISSION PLANT IN SERVICE	T129		80,537	0	0	80,537	0	0	0	0	0	0	80,537	0
209	TOTAL TRANS DEPREC RESERVE	T171		(34,575)	0	0	(34,575)	0	0	0	0	0	0	(34,575)	0
210	NET TRANSMISSION PLANT	T229		45,962	0	0	45,962	0	0	0	0	0	0	45,962	0
211	NET PROD & TRANS PLANT														
212				1,323,185	1,277,223	0	45,962	0	0	0	0	0	0	1,323,185	0
213	DISTRIBUTION PLANT														
215	DISTRIBUTION PLANT IN SERVICE	D149		1,101,553	0	0	0	142,580	188,218	420,393	751,191	350,362	1,101,553	1,101,553	0
216	TOTAL DIST DEPREC RESERVE	D191		(428,100)	0	0	0	(33,718)	(73,535)	(159,247)	(266,500)	(161,600)	(428,100)	(428,100)	0
217	NET DISTRIBUTION PLANT	D249		673,453	0	0	0	108,862	114,683	261,146	484,691	188,762	673,453	673,453	0
218	NET TRANS & DIST PLANT														
219		NT29		719,415	0	0	45,962	108,862	114,683	261,146	484,691	188,762	673,453	719,415	0
220	NET PTD PLANT	NT39		1,996,638	1,277,223	0	45,962	108,862	114,683	261,146	484,691	188,762	673,453	1,996,638	0
221	GENERAL & INTANGIBLE PLANT														
224	GEN & INTANG PLANT IN SERVICE	G129		10,329	4,196	2,215	279	101	1,553	223	1,877	1,762	3,639	10,329	0
225	TOTAL GEN & INTG DEPREC RESERVE	G171		(5,493)	(2,226)	(1,180)	(147)	(53)	(827)	(119)	(999)	(941)	(1,940)	(5,493)	0
226	NET GENERAL & INTANG PLANT	G229		4,836	1,970	1,035	132	48	726	104	878	821	1,699	4,836	0
227	COMMON & OTHER PLANT														
228	COMMON & OTH PLT IN SERVICE	C121		63,445	25,776	13,612	1,708	617	9,554	1,372	11,543	10,806	22,349	63,445	0
229	TOTAL COM & OTH DEPREC RESERVE	C171		(30,750)	(12,496)	(6,599)	(828)	(300)	(4,627)	(664)	(5,591)	(5,236)	(10,827)	(30,750)	0
231	NET COMMON & OTHER PLANT	C229		32,695	13,280	7,013	880	317	4,927	708	5,952	5,570	11,522	32,695	0
232	NET ELECTRIC PLANT IN SERVICE														
233		NP29		2,034,169	1,292,473	8,048	46,974	109,227	120,336	261,958	491,521	195,153	686,674	2,034,169	0
234															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-IN-1 KW (12 COIN PEAK)														
6	EH														
7				EH							TOTAL	DISTRIBUTION	TOTAL		
8	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
235	RATE BASE ADJUSTMENTS Schedule 5														
236	SUBTRACTIVE ADJUSTMENTS														
237	ACCUM DEF INC TAXES (282)														
238	LIBERALIZED DEPRECIATION	B200	K_EPIS	143,140	90,949	566	3,305	7,687	8,468	18,433	34,588	13,732	48,320	143,140	0
242	MISCELLANEOUS	B208	K_EPIS	1,157	734	5	27	63	68	149	280	111	391	1,157	0
247	TOTAL ACCOUNT 282	B221		144,297	91,683	571	3,332	7,750	8,536	18,582	34,868	13,843	48,711	144,297	0
248															
249	ACCUM DEF INC TAXES (283/284)														
254	DEFERRED INCOME TAXES	B234	K_EPIS	(122)	(78)	0	(3)	(6)	(7)	(16)	(29)	(12)	(41)	(122)	0
256	TOTAL ACCOUNT 283/284	B243		(122)	(78)	0	(3)	(6)	(7)	(16)	(29)	(12)	(41)	(122)	0
257															
263	TOTAL SUBTRACTIVE ADJUSTMENTS	B287		144,175	91,605	571	3,329	7,744	8,529	18,566	34,839	13,831	48,670	144,175	0
264															
265	ADDITIVE ADJUSTMENTS														
266	ACCUM DEF INC TAXES (180)														
272	MISCELLANEOUS DEFERRALS	V212	K_AAGexAd	3,897	1,583	836	105	38	587	84	709	664	1,373	3,897	0
273	TOTAL ACCOUNT 190	V215		3,897	1,583	836	105	38	587	84	709	664	1,373	3,897	0
274															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-8v-1 KW (12 COIN PEAK)														
6	EH														
7															
8	DESCRIPTION	ITEM	ALLOC	EH SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
2566	CONSTRUCTION WORK IN PROGRESS	Schedule 5a													
2567	PRODUCTION	V232		(11,667)	(11,667)	0	0	0	0	0	0	0	0	(11,667)	0
2568	TRANSMISSION	V234		4,219	0	0	4,219	0	0	0	0	0	0	4,219	0
2569	DISTRIBUTION	V236		24,084	0	0	0	3,118	4,115	9,191	16,424	7,660	24,084	24,084	0
2570	GENERAL	V238		0	0	0	0	0	0	0	0	0	0	0	0
2571	COMMON	V240		0	0	0	0	0	0	0	0	0	0	0	0
2572	TOTAL RATE BASE CWIP	V255		16,636	(11,667)	0	4,219	3,118	4,115	9,191	16,424	7,660	24,084	16,636	0
2573															
2574	TOTAL ADDITIVE ADJUSTMENTS	V289		20,533	(10,084)	836	4,324	3,156	4,702	9,275	17,133	8,324	25,457	20,533	0
2575															
2576	NET ORIGINAL COST RATE BASE	RB29		1,910,527	1,190,784	8,313	47,969	104,639	116,509	252,667	473,815	189,646	663,461	1,910,527	0
2577															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														5/28/06 7:38 AM
4	ELECTRIC CASE NO: 2006-00172														
5	FR-#v-1 KW (12 COIN PEAK)														
6	EH														
7				EH							TOTAL	DISTRIBUTION	TOTAL		
8	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
298	WORKING CAPITAL														
299	MATERIALS & SUPPLIES														
300	FUEL INVENTORIES														
301	FUEL	W640	K_rtprod_e	31,134	0	31,134	0	0	0	0	0	0	0	31,134	0
302	EMISSION ALLOWANCES	W642	K_rtprod_e	20,770	0	20,770	0	0	0	0	0	0	0	20,770	0
303	TOTAL FUEL STOCKS	W644		51,904	0	51,904	0	0	0	0	0	0	0	51,904	0
304															
305	PLANT MATERIALS & SUPPLIES														
309	OTHER	W648	K_EPIS	29,559	18,781	117	683	1,586	1,749	3,807	7,142	2,836	9,978	29,559	0
310	TOTAL PLANT MATERIALS & SUPPLIES	W650		29,559	18,781	117	683	1,586	1,749	3,807	7,142	2,836	9,978	29,559	0
311															
312	TOTAL MATERIALS & SUPPLIES	W669	TOT_M&S	81,463	18,781	52,021	683	1,586	1,749	3,807	7,142	2,836	9,978	81,463	0
313															
314	PREPAYMENTS														
315	INSURANCE	W670	K_A&GasAdj	1,185	482	254	32	11	178	26	215	202	417	1,185	0
316	COAL, SYNFUEL AND MARGIN DEPOSITS	W684	K_rtprod_e	22,123	0	22,123	0	0	0	0	0	0	0	22,123	0
317	TOTAL PREPAYMENTS	W689		23,308	482	22,377	32	11	178	26	215	202	417	23,308	0
322															
323	AUTO CALC (O&M-F-PP)/8	W719		45,195	29,574	1,961	6,602	229	3,543	509	4,281	2,777	7,058	45,195	0
324	TOTAL WORKING CASH	W729		45,195	29,574	1,961	6,602	229	3,543	509	4,281	2,777	7,058	45,195	0
325															
326	TOTAL WORKING CAPITAL	WC79		149,966	48,837	76,359	7,317	1,826	5,470	4,342	11,638	5,815	17,453	149,966	0
327	PRELIMINARY SUMMARY														
328	TOTAL SUBTRACTIVE ADJUSTMENTS	B287		(144,175)	(91,605)	(571)	(3,329)	(7,744)	(8,529)	(18,566)	(34,839)	(13,831)	(48,670)	(144,175)	0
329	TOTAL ADDITIVE ADJUSTMENTS	V289		20,533	(10,084)	836	4,324	3,156	4,702	9,275	17,133	8,324	25,457	20,533	0
330	TOTAL WORKING CAPITAL	WC71		149,966	48,837	76,359	7,317	1,826	5,470	4,342	11,638	5,815	17,453	149,966	0
331	TOTAL RATE BASE ADJUSTMENTS	RB71		26,324	(52,852)	76,624	8,312	(2,762)	1,643	(4,949)	(6,068)	308	(5,760)	26,324	0
332															
333	RATE BASE CALCULATION														
334	NET ELECTRIC PLANT IN SERVICE	NP21		2,034,169	1,292,473	8,048	46,974	109,227	120,336	261,958	491,521	195,153	686,674	2,034,169	0
335	TOTAL RATE BASE ADJUSTMENTS	RB71		26,324	(52,852)	76,624	8,312	(2,762)	1,643	(4,949)	(6,068)	308	(5,760)	26,324	0
336	TOTAL RATE BASE	RB99	TOT_RB	2,060,493	1,239,621	84,672	55,286	106,465	121,979	257,009	485,453	195,461	680,914	2,060,493	0
337															
338	CAPITALIZATION ALLOC TO ELECTRIC OPER	ECAP	K_OcDRB	1,942,428	1,168,592	79,820	52,118	100,364	114,990	242,283	457,637	184,261	641,898	1,942,428	0
339															
340	TOTAL RATE OF RETURN ALLOWABLE	RORA	ror_Allow_from	0.0615	0.0615	0.0615	0.0615	0.0615	0.0615	0.0615	0.0615	0.0615	0.0615	0.0615	0.0615
341	RETURN ON CAPITALIZATION	R751		119,452	71,864	4,909	3,205	6,173	7,071	14,899	28,143	11,331	39,474	119,452	0
342															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
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3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW(12 CON PEAK)														
6	EH														
7	5/26/06 7:36 AM														
8	DESCRIPTION	ITEM	ALLOC	EH SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
343	O&M EXPENSES	Schedule 6													
344	PRODUCTION O&M														
345	ENERGY RELATED PRODUCTION O&M														
346	FUEL	P300	K_rtprod_e	303,863	0	303,863	0	0	0	0	0	0	0	303,863	0
347	MISCELLANEOUS	P302	K_rtprod_e	0	0	0	0	0	0	0	0	0	0	0	0
348	EMISSION ALLOWANCES	P306	K_rtprod_e	19,074	0	19,074	0	0	0	0	0	0	0	19,074	0
349	ELIMINATE EMISSION ALLOW & OTHER VAR COST	P308	K_rtprod_e	28,434	0	28,434	0	0	0	0	0	0	0	28,434	0
350	OTHER PRODUCTION EXPENSE - MAINTENANCE	P310	K_rtprod_e	46,034	0	46,034	0	0	0	0	0	0	0	46,034	0
351	MISO TRANSMISSION CHARGES ACCT IN 555	P312	K_rtprod_e	42,269	0	42,269	0	0	0	0	0	0	0	42,269	0
352	TOTAL ENERGY RELATED	P346		439,674	0	439,674	0	0	0	0	0	0	0	439,674	0
353	DEMAND RELATED PROD O&M														
354	ELIMINATE MISCELLANEOUS	P344	K_rtprod_d	0	0	0	0	0	0	0	0	0	0	0	0
355	OTHER PRODUCTION EXPENSE - OPERATIONS	P346	K_rtprod_d	65,650	65,650	0	0	0	0	0	0	0	0	65,650	0
356	TOTAL DEMAND RELATED	P349		65,650	65,650	0	0	0	0	0	0	0	0	65,650	0
357	TOTAL PRODUCTION O&M	P459		505,324	65,650	439,674	0	0	0	0	0	0	0	505,324	0
358	TRANSMISSION O & M														
359	TRANSFORMER LEASE PAYMENTS	T300	K_rtprod_d	6,553	6,553	0	0	0	0	0	0	0	0	6,553	0
360	OTHER TRANSMISSION	T302	K_rtrtran_oth	60,374	0	0	60,374	0	0	0	0	0	0	60,374	0
361	MISCELLANEOUS ADJUSTMENTS	T304	K_gross_transpjt	(14,193)	0	0	(14,193)	0	0	0	0	0	0	(14,193)	0
362	NETWORK SERVICE RATES ADJUSTMENT	T305	K_gross_transpjt	4,669	0	0	4,669	0	0	0	0	0	0	4,669	0
363	TOTAL TRANSMISSION O & M	T349		57,403	6,553	0	50,850	0	0	0	0	0	0	57,403	0
364	DISTRIBUTION O & M														
365	SUBSTATIONS	D300	K_Subst	372	0	0	0	372	0	0	372	0	372	372	0
366	POLES, TOWERS & FIXTURES	D302	K_Poles	16,552	0	0	0	0	16,552	0	16,552	0	16,552	16,552	0
367	CONDUCTORS	D304	K_Conductors	694	0	0	0	0	0	694	694	0	694	694	0
368	TRANSFORMERS	D306	K_Transformer	413	0	0	0	0	0	0	0	413	413	413	0
369	OTHER MAINTENANCE	D308	K_distnet	1,251	0	0	0	202	213	485	900	351	1,251	1,251	0
370	METERS	D310	K_rbdist_c	1,521	0	0	0	0	0	0	0	1,521	1,521	1,521	0
371	STREET LIGHTS	D314	K_rbdist_c	0	0	0	0	0	0	0	0	0	0	0	0
372	OTHER OPERATIONS	D316	K_distnet	3,236	0	0	0	523	551	1,255	2,329	907	3,236	3,236	0
373	MISCELLANEOUS EXPENSES	D318	K_rbdist_c	(6)	0	0	0	0	0	0	0	(6)	(6)	(6)	0
374	AFFILIATED COMPANY RENTS	D320	K_distnet	145	0	0	0	23	25	56	104	41	145	145	0
375	TOTAL DISTRIBUTION O & M	D349		24,178	0	0	0	1,120	17,341	2,490	20,951	3,227	24,178	24,178	0
376	CUSTOMER ACCOUNTING														
377	CUSTOMER ACCOUNTING EXPENSE	C300	K_rbdist_c	3,965	0	0	0	0	0	0	0	3,965	3,965	3,965	0
378	ADJUST UNCOLLECTIBLE ACCOUNTS	C302	K_Func_Rev	0	0	0	0	0	0	0	0	0	0	0	0
379	METER READING	C304	K_rbdist_c	1,136	0	0	0	0	0	0	0	1,136	1,136	1,136	0
380	LOSS ON SALE OF A/R & INCR A/R ON INCR	C306	K_Func_Rev	0	0	0	0	0	0	0	0	0	0	0	0
381	MISCELLANEOUS EXPENSE ADJUSTMENT	C308	K_rbdist_c	(18)	0	0	0	0	0	0	0	(18)	(18)	(18)	0
382	TOTAL CUSTOMER ACCT EXPENSE	C319		5,083	0	0	0	0	0	0	0	5,083	5,083	5,083	0

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DUKE ENERGY KENTUCKY

COST OF SERVICE STUDY

TWELVE MONTHS ENDING DECEMBER 31, 2005

ELECTRIC CASE NO: 2006-00172

FR-#1 KW (12 COIN PEAK)

EH

LINE	DESCRIPTION	ITEM	ALLOC	EH DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
356	CUSTOMER SERVICE & INFORMATION														
357	CUSTOMER SERVICE & INFORMATION	C320	K_inhdL_c	1,746	0	0	0	0	0	0	0	1,746	1,746	1,746	0
358	CUSTOMER SERVICE & INFORMATION	C322	K_inhdL_c	327	0	0	0	0	0	0	0	327	327	327	0
359	INFORMATIONAL & INSTRUCTIONAL ADV	C324	K_inhdL_c	0	0	0	0	0	0	0	0	(631)	(631)	(631)	0
360	CUSTOMER SERVICE & INFORM PROFORMA	C326	K_Func_Rev	(1,121)	(1,121)	0	0	0	0	0	0	0	0	0	(1,121)
361	AM			321	(1,121)	0	0	0	0	0	0	1,442	1,442	321	0
362	TOTAL CUSTOMER SERV & INFORMATION	C331		582,311	71,082	439,674	50,850	1,120	17,341	2,490	20,951	9,754	30,705	592,311	0
363	SUBTOTAL O&M EXCL A&G														
400	SALES	Schedule 6													
401	SALES EXPENSE	S300	K_inhdL_c	15	0	0	0	0	0	0	0	15	15	15	0
402	SALES EXPENSE PROFORMA	S304	K_inhdL_c	(13)	0	0	0	0	0	0	0	(13)	(13)	(13)	0
403	TOTAL SALES EXPENSE	S319		2	0	0	0	0	0	0	0	2	2	2	0
404	ADMINISTRATIVE & GENERAL														
405	A&G EXPENSE EXCL REGULATORY EXP	A300	K_inhdL_d	37,034	37,034	0	0	0	0	0	0	0	0	37,034	0
406	PRODUCTION-DEMAND RELATED	A302	K_inhdL_e	16,766	0	16,766	0	0	0	0	0	0	0	16,766	0
407	PRODUCTION-ENERGY RELATED	A304	K_inhdL_m	2,374	271	0	2,103	0	0	0	0	0	0	2,374	0
408	TRANSMISSION	A306	K_inhdL_n	16,401	0	0	0	760	11,763	1,689	14,212	2,189	16,401	16,401	0
409	DISTRIBUTION	A308	K_CA_O&M	3,971	0	0	0	0	0	0	0	3,971	3,971	3,971	0
410	CUSTOMER ACCOUNTING	A310	K_CS_O&M	1,593	(5,563)	0	0	0	0	0	0	7,156	7,156	1,593	0
411	CUSTOMER SERVICE & INFORMATION	A312	K_Sales_O&M	0	0	0	0	0	0	0	0	0	0	0	0
412	SALES	A315		78,139	31,742	16,766	2,103	760	11,763	1,689	14,212	13,316	27,528	78,139	0
413	A&G EXPENSE UNADJUSTED	A318	K_AAGExpA4	236	96	51	6	2	38	5	43	40	83	236	0
414	RATE CASE EXPENSE	A319	K_AAGExpA5	(389)	(159)	(83)	(10)	(4)	(59)	(8)	(71)	(66)	(137)	(389)	0
415	ELIMINATE MISCELLANEOUS EXPENSES	A340	K_AAGExpA6	248	101	53	7	3	37	5	45	42	87	248	0
416	IMPLEMENT AUTOMATED METER READING	A342	K_AAGExpA7	2,424	985	520	65	24	365	52	441	413	854	2,424	0
417	AMORTIZATION OF DEFERRED EXPENSES	A352	K_AAGExpA8	0	0	0	0	0	0	0	0	0	0	0	0
418	MISCELLANEOUS	A354	K_AAGExpA9	(7,548)	(3,065)	(1,620)	(203)	(74)	(1,136)	(163)	(1,373)	(1,286)	(2,659)	(7,548)	0
419	ELIMINATE INCENTIVE COMPENSATION	A358	K_AAGExpA10	73,110	29,699	15,687	1,968	711	11,006	1,580	13,297	12,459	25,756	73,110	0
420	TOTAL ADMIN. & GENERAL	A367		665,421	100,781	455,361	52,818	1,831	28,347	4,070	34,248	22,213	56,461	665,421	0
421	TOTAL O & M EXPENSE	OM39	TOT O&M	665,421	100,781	455,361	52,818	1,831	28,347	4,070	34,248	22,213	56,461	665,421	0

DUKE ENERGY KENTUCKY														5/28/06 7:38 AM		
COST OF SERVICE STUDY																
TWELVE MONTHS ENDING DECEMBER 31, 2005																
ELECTRIC CASE NO: 2006-00172																
FR#v-1 KW (12 COIN PEAK)																
EH																
DESCRIPTION	ITEM	ALLOC	EH SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER		
437	DEPRECIATION EXPENSE														Schedule 7	
438	PRODUCTION DEPRECIATION															
440	P480	K_rprod_d	75,725	75,725	0	0	0	0	0	0	0	0	75,725	0		
441	P482	K_rprod_d	0	0	0	0	0	0	0	0	0	0	0	0		
442	P489		75,725	75,725	0	0	0	0	0	0	0	0	75,725	0		
443	TRANSMISSION DEPRECIATION															
445	T480	K_trannet	1,830	0	0	1,830	0	0	0	0	0	0	1,830	0		
446	T482	K_trannet	0	0	0	0	0	0	0	0	0	0	0	0		
447	T489		1,830	0	0	1,830	0	0	0	0	0	0	1,830	0		
448	DISTRIBUTION DEPRECIATION															
450	D480	K_distnet	35,801	0	0	0	5,786	6,097	13,883	25,766	10,035	35,801	35,801	0		
451	D482	K_distnet	0	0	0	0	0	0	0	0	0	0	0	0		
452	D489		35,801	0	0	0	5,786	6,097	13,883	25,766	10,035	35,801	35,801	0		
453	GENERAL DEPRECIATION															
455	G480	K_gennet	298	121	64	8	3	45	6	54	51	105	298	0		
456	G482	K_gennet	0	0	0	0	0	0	0	0	0	0	0	0		
457	G489		298	121	64	8	3	45	6	54	51	105	298	0		
458	COMMON AND OTHER DEPRECIATION															
460	C480	K_comnet	1,895	770	406	51	18	286	41	345	323	668	1,895	0		
461	C482	K_comnet	0	0	0	0	0	0	0	0	0	0	0	0		
462	C489		1,895	770	406	51	18	286	41	345	323	668	1,895	0		
463	TOTAL DEPRECIATION EXPENSE														DE49 TOT_DEPREX	
464			115,549	76,616	470	1,889	5,807	6,428	13,930	26,165	10,409	36,574	115,549	0		

A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													5/28/06 7:38 AM
3	TWELVE MONTHS ENDING DECEMBER 31, 2005													
4	ELECTRIC CASE NO: 2006-00172													
5	FR-#v-1 KW (12 CONN PEAK)													
6	EH													
7			EH	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL		ALL
8	DESCRIPTION	ITEM	SECONDARY	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES	CONDUCTORS	DISTRIBUTION	CUSTOMER	DISTRIBUTION	TOTAL	OTHER
465	TAXES OTHER THAN INC & REV	Schedule B												
467	REAL ESTATE & PROPERTY TAX													
468	PRODUCTION	L500	K_rbprod_d	8,905	8,905	0	0	0	0	0	0	0	8,905	0
469	TRANSMISSION	L501	K_tranmet	919	0	0	919	0	0	0	0	0	919	0
470	DISTRIBUTION	L502	K_distnet	10,474	0	0	0	1,692	1,784	4,062	7,538	2,936	10,474	0
471	OTHER	L514	K_EPIS	0	0	0	0	0	0	0	0	0	0	0
472	TOTAL REAL EST & PROP TAX	L529	PROP_TAX	20,298	8,905	0	919	1,692	1,784	4,062	7,538	2,936	10,474	0
473														
474	MISCELLANEOUS TAXES													
475	PAYROLL RELATED	L566	K_A&GexAdj	5,674	2,305	1,217	153	55	854	123	1,032	967	1,999	5,674
476	OTHER STATE TAXES	L562	K_A&GexAdj	0	0	0	0	0	0	0	0	0	0	0
477	ELIMINATE NON-NATIVE SALES	L564	K_A&GexAdj	(104)	(42)	(22)	(3)	(1)	(16)	(2)	(19)	(18)	(37)	(104)
478	AUTO LICENSES, ETC	L560	K_A&GexAdj	23	9	5	1	1	3	0	4	4	8	23
479	ELIMINATE UNBILLED REVENUE	L562	K_A&GexAdj	0	0	0	0	0	0	0	0	0	0	0
480	AFFILIATED COMPANY RENTS	L564	K_A&GexAdj	0	0	0	0	0	0	0	0	0	0	0
481	MISCELLANEOUS	L566	K_A&GexAdj	0	0	0	0	0	0	0	0	0	0	0
482	DSM ELIMINATION	L568	K_rbprod_d	(10)	(10)	0	0	0	0	0	0	0	0	(10)
483	TOTAL MISCELLANEOUS TAXES	L569		5,583	2,262	1,200	151	55	841	121	1,017	953	1,970	5,583
484														
485	MISCELLANEOUS EXPENSES													
487	PSC MAINTENANCE ON INCREASE	L584	K_Func_Rev	227	227	0	0	0	0	0	0	0	0	227
488	TOTAL MISCELLANEOUS EXPENSES	L589		227	227	0	0	0	0	0	0	0	0	227
489														
490	TOTAL OTHER TAX & MISC EXPENSE	L591		26,108	11,394	1,200	1,070	1,747	2,625	4,183	8,555	3,889	12,444	26,108
491														
492	PRELIMINARY SUMMARY													
493	TOTAL O&M EXPENSE	OM39		665,421	100,781	455,361	52,818	1,831	28,347	4,070	34,248	22,213	56,461	665,421
494	TOTAL DEPRECIATION EXPENSE	DE49		115,549	76,616	470	1,889	5,807	6,428	13,930	26,165	10,409	36,574	115,549
495	TOTAL OTHER TAX & MISC EXPENSE	L599		26,108	11,394	1,200	1,070	1,747	2,625	4,183	8,555	3,889	12,444	26,108
496	TOTAL OP EXP EXC IT & OTHER TAX	OP69		807,078	188,791	457,031	55,777	9,385	37,400	22,183	68,968	36,511	105,479	807,078
497														

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
	DUKE ENERGY KENTUCKY														
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	ELECTRIC CASE NO: 2006-00172														
	FR-4v-1 KW (12 COIN PEAK)														
	EH														
				EH							TOTAL				
	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
498	INCOME TAX BASED ON RETURN														
	Schedule 9														
499	FEDERAL INCOME TAX DEDUCTIONS														
500	AUTOMATIC INTEREST CALCULATION														
501	AUTO PROC INTEREST DED	Y751	K_EPIS	56,680	36,014	224	1,309	3,043	3,353	7,299	13,695	5,438	19,133	56,680	0
502	TOTAL INTEREST EXPENSE	Y783	TOT_INT	56,680	36,014	224	1,309	3,043	3,353	7,299	13,695	5,438	19,133	56,680	0
503	OTHER DEDUCTIONS														
504	DEPR. EXCESS TAX OVER BOOK														
505	DEPR. EXCESS TAX OVER BOOK	Y790	K_Depr_Ex	11,114	7,369	45	182	559	618	1,340	2,517	1,001	3,518	11,114	0
507	LOSS ON REACQUIRED DEBT	Y794	K_EPIS	(433)	(275)	(2)	(10)	(22)	(26)	(56)	(104)	(42)	(146)	(433)	0
509	COST OF REMOVAL	Y798	K_Depr_Ex	5,291	3,508	22	86	266	294	638	1,198	477	1,675	5,291	0
512	METER CAPITAL LEASE PRINCIPLE PAYMENTS	Y804	K_rbdist_c	2,645	0	0	0	0	0	0	0	2,645	2,645	2,645	0
515	OTHER PERMANENT DIFFERENCES	Y816	K_EPIS	4,969	3,157	20	115	266	294	640	1,200	477	1,677	4,969	0
518	TOTAL OTHER DEDUCTIONS	Y828		23,586	13,759	85	373	1,069	1,180	2,562	4,811	4,558	9,369	23,586	0
519	NET DEDUCTIONS AND ADDITIONS														
520	NET DEDUCTIONS AND ADDITIONS	Y871		80,266	49,773	309	1,682	4,112	4,533	9,861	18,506	9,996	28,502	80,266	0
521	FEDERAL INCOME TAX ADJUSTMENTS														
522	FED PROV DEF INC TAX DEFERRALS (410.1)														
524	ANNUALIZE DEPRECIATION	Z768	K_EPIS	(262)	(167)	(1)	(6)	(14)	(15)	(34)	(63)	(25)	(88)	(262)	0
531	MISCELLANEOUS	Z762	K_A&GexAdj	(1,966)	(798)	(422)	(53)	(20)	(296)	(42)	(358)	(335)	(693)	(1,966)	0
532	MISCELLANEOUS PROFORMA ADJUSTMENT	Z770	K_EPIS	0	0	0	0	0	0	0	0	0	0	0	0
533	RECLASSIFY NON-JURIS INCOME TAX	Z770	K_rtprod_d	8,771	8,771	0	0	0	0	0	0	0	0	8,771	0
534	TOTAL FED PROV DEF IT DEFERRALS (410.1)	Z782		6,543	7,806	(423)	(59)	(34)	(311)	(76)	(421)	(360)	(781)	6,543	0
537															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
	DUKE ENERGY KENTUCKY														
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	ELECTRIC CASE NO: 2006-00172														
	FR Inv-1 KW (12 COIN PEAK)														
	EH														
				EH	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL		ALL
	DESCRIPTION	ITEM	ALLOC	SECONDARY	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES	CONDUCTORS	DISTRIBUTION	CUSTOMER	DISTRIBUTION	TOTAL	OTHER
554	AMORTIZED INV TAX CREDIT	Schedule Ba													
555	MISCELLANEOUS	Z804		0	0	0	0	0	0	0	0	0	0	0	0
556	AMORTIZE ITC	Z806	K_A&GeoAdj	502	319	2	12	26	30	65	121	48	169	502	0
557	TOTAL AMORTIZED ITC	Z813	K_EPIS	502	319	2	12	26	30	65	121	48	169	502	0
558															
559	TEST YEAR INV TAX CREDIT			0											
560	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
561															
562	PRELIMINARY SUMMARY														
563	TOTAL FED PROV DEF IT (410.1)	Z782		6,543	7,806	(423)	(59)	(34)	(311)	(76)	(421)	(360)	(781)	6,543	0
564	TOTAL FED PROV DEF IT (411.1)	Z803		0	0	0	0	0	0	0	0	0	0	0	0
565	TOTAL AMORTIZED ITC	Z813		(502)	(319)	(2)	(12)	(26)	(30)	(65)	(121)	(48)	(169)	(502)	0
566	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		6,041	7,487	(425)	(71)	(60)	(341)	(141)	(542)	(408)	(950)	6,041	0
567															
568	FEDERAL INCOME TAX COMPUTATION														
569	RETURN ON CAPITALIZATION	R751		119,452	71,864	4,909	3,205	6,173	7,071	14,899	28,143	11,331	39,474	119,452	0
570	NET DEDUCTIONS AND ADDITIONS	Y871		(80,266)	(49,773)	(309)	(1,682)	(4,112)	(4,533)	(9,861)	(18,506)	(9,996)	(28,502)	(80,266)	0
571	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		6,041	7,487	(425)	(71)	(60)	(341)	(141)	(542)	(408)	(950)	6,041	0
572	TOTAL STATE PROV DEF IT (410.1)	Z911		1,378	1,445	(1)	(4)	(10)	(11)	(24)	(45)	(17)	(62)	1,378	0
573	TOTAL STATE PROV DEF IT (411.1)	Z933		0	0	0	0	0	0	0	0	0	0	0	0
574	AFUDC OFFSET	Z935		(1,457)	1,022	0	(370)	(273)	(360)	(805)	(1,438)	(671)	(2,109)	(1,457)	0
575	BASE FOR FIT COMPUTATION	I865		45,148	32,045	4,174	1,078	1,718	1,826	4,068	7,612	239	7,851	45,148	0
576															
577	FIT FACTOR K190(1-K190)	I867	FITcomp_from	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538
578	PRELIM FED INCOME TAX	I869		24,310	17,255	2,248	580	925	983	2,190	4,098	129	4,227	24,310	0
579	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		6,041	7,487	(425)	(71)	(60)	(341)	(141)	(542)	(408)	(950)	6,041	0
580	NET FED INCOME TAX ALLOWABLE	I879		30,351	24,742	1,823	509	865	642	2,049	3,556	(279)	3,277	30,351	0
581															
582	INCOME TAX BASED ON RETURN														
583	FEDERAL INCOME TAX PAYABLE														
584	PRELIM FEDERAL INCOME TAX	I869		24,310	17,255	2,248	580	925	983	2,190	4,098	129	4,227	24,310	0
585	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
586	NET FED INCOME TAX PAYABLE	I889		24,310	17,255	2,248	580	925	983	2,190	4,098	129	4,227	24,310	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
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4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 COIN PEAK)														
6	EH														
7				EH							TOTAL		TOTAL		
8	DESCRIPTION	ITEM	ALLOC	SECONDARY	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS	CONDUCTORS	DISTRIBUTION	DISTRIBUTION	TOTAL	TOTAL	ALL
9				DISTRIBUTION	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES		DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	OTHER
587	STATE INCOME TAX	Schedule 9b													
588															
589	DEDUCTIONS IN ADDITION TO Y871														
590	BONUS DEPRECIATION	Y890	K_Depr_Ex	3,863	2,561	16	63	194	215	466	875	348	1,223	3,863	0
591	DEDUCTIONS IN ADD TO Y871	Y811		3,863	2,561	16	63	194	215	466	875	348	1,223	3,863	0
592															
593	STATE INCOME TAX ADJUSTMENTS														
594															
595	STATE PROV DEF INC TAX DEFERRALS (410.1)														
596	NET DEFERRED TAXES	Z896	K_EPIS	(139)	(88)	(1)	(3)	(8)	(8)	(18)	(34)	(13)	(47)	(139)	0
597	ANNUALIZE DEPRECIATION	Z898	K_Depr_Ex	(46)	(30)	0	(1)	(2)	(3)	(6)	(11)	(4)	(15)	(46)	0
598	NON-JURISDICTIONAL TAX	Z896	K_reprod_d	1,563	1,563	0	0	0	0	0	0	0	0	1,563	0
599	TOT STATE PROV DEF IT DEFERRALS (410.1)	Z911		1,378	1,445	(1)	(4)	(10)	(11)	(24)	(45)	(17)	(62)	1,378	0
600															
601	TOTAL STATE INC TAX ADJUSTMENT	Z957		1,378	1,445	(1)	(4)	(10)	(11)	(24)	(45)	(17)	(62)	1,378	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-9v-1 KW (12 COIN PEAK)														
6	EH														
7				EH							TOTAL	DISTRIBUTION	TOTAL		ALL
8	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	DISTRIBUTION	TOTAL	OTHER
627	INCOME TAX BASED ON RETURN Schedule 9c														
628	SUMMARY OF SIT CALCULATION														
629	RETURN ON CAPITALIZATION	R751		119,452	71,864	4,909	3,205	6,173	7,071	14,899	28,143	11,331	39,474	119,452	0
630	NET FED INCOME TAX ALLOWABLE	I879		30,351	24,742	1,823	509	865	642	2,049	3,556	(279)	3,277	30,351	0
631	NET FED. DED. AND ADDITIONS	Y871		(80,266)	(49,773)	(309)	(1,682)	(4,112)	(4,533)	(9,861)	(18,506)	(9,996)	(28,502)	(80,266)	0
632	DEDUCTIONS IN ADD TO Y871	Y811		(3,863)	(2,561)	(16)	(63)	(194)	(215)	(466)	(875)	(348)	(1,223)	(3,863)	0
633	AFUDC OFFSET	L033		(1,457)	1,022	0	(370)	(273)	(360)	(805)	(1,438)	(671)	(2,109)	(1,457)	0
634	TOTAL STATE INC TAX ADJ	Z857		1,378	1,445	(1)	(4)	(10)	(11)	(24)	(45)	(17)	(62)	1,378	0
635	BASE FOR SIT COMPUTATION	J965		65,595	46,739	6,406	1,595	2,449	2,594	5,792	10,835	20	10,855	65,595	0
636	SIT FACTOR K192/(1-K192)	J967	at_from	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378
637	PRELIMINARY STATE INCOME TAX	J969		4,030	2,871	394	98	151	159	356	666	1	667	4,030	0
638	TOTAL STATE INCOME TAX ADJ.	Z957		1,378	1,445	(1)	(4)	(10)	(11)	(24)	(45)	(17)	(62)	1,378	0
639	NET STATE INC TAX ALLOWABLE	J979		5,408	4,316	393	94	141	148	332	621	(16)	605	5,408	0
640	STATE INCOME TAX PAYABLE														
641	PRELIMINARY STATE INCOME TAX	J969		4,030	2,871	394	98	151	159	356	666	1	667	4,030	0
642	OTHER SIT ADJUSTMENTS	Z955		0	0	0	0	0	0	0	0	0	0	0	0
643	NET STATE INCOME TAX PAYABLE	J989		4,030	2,871	394	98	151	159	356	666	1	667	4,030	0
644	COMPOSITE TAX RATE	CTAX	ctax_from	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621
645															
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	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
	DUKE ENERGY KENTUCKY														
	COST OF SERVICE STUDY														
	TWELVE MONTHS ENDING DECEMBER 31, 2005														
	ELECTRIC CASE NO: 2006-00172														
	FR#v-1 KW (12 COIN PEAK)														
	EH														
			EH	PRODUCTION	PRODUCTION	OTHER	POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL		ALL		
	DESCRIPTION	ITEM	SECONDARY	DEMAND	ENERGY	TRANSMISSION	& FIXTURES	CONDUCTORS	DISTRIBUTION	CUSTOMER	DISTRIBUTION	TOTAL	OTHER		
655	COST OF SERVICE COMPUTATION Schedule 10														
657	OTHER OPERATING REVENUES														
658	RENTAL REVENUE	Q000	K_EPIS	5,254	3,338	21	121	282	311	677	1,270	504	1,774	5,254	0
659	BAD CHECK CHARGE	Q002	K_Func_Rew	32	32	0	0	0	0	0	0	0	0	32	0
660	ELIMINATE NON-NATIVE SALES	Q002	K_tprod_e	(61,995)	0	(61,995)	0	0	0	0	0	0	0	(61,995)	0
661	SALES FOR RESALE	Q002	K_tprod_e	61,995	0	61,995	0	0	0	0	0	0	0	61,995	0
662	RECONNECTION CHARGES	Q002	K_Func_Rew	168	168	0	0	0	0	0	0	0	0	168	0
663	INTERRUPTIBLE CREDIT	Q002	K_Func_Rew	(170)	(170)	0	0	0	0	0	0	0	0	(170)	0
664	BILLING CYCLE IMPROVEMENT	Q004	K_Func_Rew	1,188	1,188	0	0	0	0	0	0	0	0	1,188	0
665	OTHER MISCELLANEOUS REVENUES	Q006	K_Func_Rew	164	164	0	0	0	0	0	0	0	0	164	0
666	MISCELLANEOUS	Q008	K_Func_Rew	0	0	0	0	0	0	0	0	0	0	0	0
669	TOTAL OTHER OPERATING REVS	Q027		6,636	4,720	21	121	282	311	677	1,270	504	1,774	6,636	0
670	COST OF SERVICE COMPUTATION														
672	TOTAL OP EXP EXC INC & REV TAX	OP69		807,078	188,791	457,031	55,777	9,385	37,400	22,183	68,968	36,511	105,479	807,078	0
673	RETURN ON CAPITALIZATION	R751		119,452	71,864	4,909	3,205	6,173	7,071	14,899	28,143	11,331	39,474	119,452	0
674	NET FED INCOME TAX ALLOWABLE	I879		30,351	24,742	1,823	509	865	642	2,049	3,556	(279)	3,277	30,351	0
675	NET STATE INCOME TAX ALLOWABLE	J979		5,408	4,316	393	94	141	148	332	621	(16)	605	5,408	0
676	TOTAL OTHER OPERATING REVENUES	Q027		(6,636)	(4,720)	(21)	(121)	(282)	(311)	(677)	(1,270)	(504)	(1,774)	(6,636)	0
677	SUBTOTAL B	CS03		955,653	284,993	464,135	59,464	16,282	44,950	38,786	100,018	47,043	147,061	955,653	0
678	COST OF SERVICE COMPUTATION														
679	TOTAL OTHER OPERATING REVENUES	Q027		6,636	4,720	21	121	282	311	677	1,270	504	1,774	6,636	0
680	LESS: OTHER ITEMS			0	0	0	0	0	0	0	0	0	0	0	0
681	OTHER OPERATING REVS TO BE TAXED	OORT		6,636	4,720	21	121	282	311	677	1,270	504	1,774	6,636	0
682	COST OF SERVICE COMPUTATION														
685	AFUDC OFFSET	L032		(1,457)	1,022	0	(370)	(273)	(360)	(805)	(1,438)	(671)	(2,109)	(1,457)	0
686	OTHER DEDUCTIONS TO COST OF SERVICE	L033		(1,457)	1,022	0	(370)	(273)	(360)	(805)	(1,438)	(671)	(2,109)	(1,457)	0
687	TOTAL ELECTRIC COST OF SERVICE	CS09		954,196	286,015	464,135	59,094	16,009	44,590	37,981	98,580	46,372	144,952	954,196	0
688	COST OF SERVICE COMPUTATION														
689	PROPOSED REVENUES	R602		954,202										954,202	0
690	TOTAL ELECTRIC COST OF SERVICE	CS09		(954,196)										(954,196)	0
691	EXCESS REVENUES	XREV		6										6	0
692	COMPOSITE TAX RATE	CTAX	PPCOMPTAX_FROM	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621
693	EXCESS TAX	XTAX		2										2	0
694	EXCESS RETURN	XRET		4										4	0
695	COST OF SERVICE COMPUTATION														

A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY													5/28/08 7:36 AM
2	COST OF SERVICE STUDY													
3	TWELVE MONTHS ENDING DECEMBER 31, 2005													
4	ELECTRIC CASE NO: 2006-00172													
5	FR-4v-1 KW (12 COM PEAK)													
6	EH													
7			EH							TOTAL				
8	DESCRIPTION	ITEM	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
696	ROR AND TAX RATES Schedule 11													
697	RATE OF RETURN													
698														
699	CAPITALIZATION AMOUNTS	CAP_FROM	Total Company	Ratio										
700	LONG TERM DEBT	K100	275,774,125	0.406259216						0.406259216				
701	PREFERRED STOCK	K102	0	0.000000000						0.000000000				
702	COMMON STOCK	K104	345,393,322	0.508819383						0.508819383				
703	SHORT TERM DEBT	K106	57,645,769	0.084921401						0.084921401				
704	UNAMORTIZED DISCOUNT	K108	0	0.000000000						0.000000000				
705	TOTAL	K115	678,813,216	1.000000000						1.000000000				
706														
707	COST OF CAPITAL													
708	LONG TERM DEBT	K120	0.0609											
709	PREFERRED STOCK	K122	0.0000											
710	COMMON STOCK	K124	0.1150											
711	SHORT TERM DEBT	K126	0.0514											
712	UNAMORTIZED DISCOUNT	K128	0.0000											
713														
714	WEIGHTED COST OF CAPITAL													
715	LONG TERM DEBT	K141	0.0247											
716	PREFERRED STOCK	K143	0.0000											
717	COMMON STOCK	K145	0.0585											
718	SHORT TERM DEBT	K147	0.0044											
719	UNAMORTIZED DISCOUNT	K149	0.0000											
720	TOT RATE OF RETURN ALLOWABLE	RORA	ROR_EARN_FROM	0.0876										
721														
722	TAX RATES AND SPECIAL FACTORS													
723	SHORT TERM DEBT COST	K180	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
724	FEDERAL INCOME TAX RATE	K190	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000
725	STATE INCOME TAX RATE	K182	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788
726	REVENUE TAX RATE	K186	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
727														
728														
729	PRESENT REVENUES	R600	694,501	0	0	0	0	0	0	0	0	0	694,501	0
730	PROPOSED REVENUES	R602	954,202	0	0	0	0	0	0	0	0	0	954,202	0
731	PRESENT NOI		(39,580)											
732	GROSS PRESENT REV AT AVERAGE ROR		804,945											
733	SUBSIDY EXCESS		(110,444)											
734	REDUCTION IN SUBSIDY EXCESS		(27,611)											
735	RATE INCREASE		232,090											
736	TAX COMPLEMENT													
737														
738														
739														
740														
741														
742														
743														
744														

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-iv-1 KW (12 COIN PEAK)														
6	EH														
7				EH							TOTAL	DISTRIBUTION	TOTAL		
8	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	DISTRIBUTION	TOTAL	ALL OTHER
745	INCOME TAX BASED ON REVENUES	Schedule 12													
746	NET INCOME COMPUTATION														
747	TOTAL ELECTRIC COST OF SERVICE	CS09		954,196	286,015	464,135	59,094	16,009	44,590	37,981	98,580	46,372	144,952	954,196	0
748	TOTAL OTHER OPERATING REVENUES	Q027		6,636	4,720	21	121	282	311	677	1,270	504	1,774	6,636	0
749	TOTAL ELECTRIC REVENUE	CS07		960,832	290,735	464,156	59,215	16,291	44,901	38,658	99,850	46,876	146,726	960,832	0
750	TOTAL OP EXP EXC IT & OTHER DEDUCTIONS	OP61		(807,078)	(188,791)	(457,031)	(55,777)	(9,385)	(37,400)	(22,183)	(68,968)	(36,511)	(105,479)	(807,078)	0
751	OTHER	RTXP		0	0	0	0	0	0	0	0	0	0	0	0
752	NET INCOME	NI01		153,754	101,944	7,125	3,438	6,906	7,501	16,475	30,882	10,365	41,247	153,754	0
753	ADJUSTMENTS TO NET INCOME														
754	TOTAL INTEREST EXPENSE	Y783		(56,680)	(36,014)	(224)	(1,309)	(3,043)	(3,353)	(7,299)	(13,695)	(5,438)	(19,133)	(56,680)	0
755	TOTAL OTHER DEDUCTIONS	Y828		(23,586)	(13,759)	(85)	(373)	(1,069)	(1,180)	(2,562)	(4,811)	(4,558)	(9,369)	(23,586)	0
756	PRELIMINARY TAXABLE INCOME	TI01		73,488	52,171	6,816	1,756	2,794	2,968	6,614	12,376	369	12,745	73,488	0
757	STATE INCOME TAX COMPUTATION														
758	PRELIMINARY TAX ABLE INCOME (INCL AFUDC)	TI01		73,488	52,171	6,816	1,756	2,794	2,968	6,614	12,376	369	12,745	73,488	0
759	DEDUCTIONS IN ADD TO Y871	Y911		(3,863)	(2,561)	(16)	(63)	(194)	(215)	(466)	(875)	(348)	(1,223)	(3,863)	0
760	STATE TAXABLE INCOME	SI01		69,625	49,610	6,800	1,693	2,600	2,753	6,148	11,501	21	11,522	69,625	0
761	STATE INCOME TAX PAYABLE														
762	STATE INCOME TAX RATE	K192	STATETX_FROM	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788
763	PRELIM SIT = SI01 * K192	ST01		4,030	2,871	394	98	151	159	356	666	1	667	4,030	0
764	OTHER SIT ADJUSTMENTS	Z955		0	0	0	0	0	0	0	0	0	0	0	0
765	STATE INCOME TAX PAYABLE	SP01		4,030	2,871	394	98	151	159	356	666	1	667	4,696	0
766	SIT ALLOWABLE														
767	STATE INCOME TAX PAYABLE	SP01		4,030	2,871	394	98	151	159	356	666	1	667	4,030	0
768	TOTAL STATE PROV DEF IT(410.1)	Z911		1,378	1,445	(1)	(4)	(10)	(11)	(24)	(45)	(17)	(62)	1,378	0
769	TOTAL STATE PROV DEF IT(411.1)	Z933		0	0	0	0	0	0	0	0	0	0	0	0
770	NET STATE INC TAX ALLOWABLE	SA01		5,408	4,316	393	94	141	148	332	621	(16)	605	6,029	0
771	INCOME TAX BASED ON REVENUES														
772	FEDERAL INCOME TAX COMPUTATION														
773	PRELIMINARY TAXABLE INCOME (INCL AFUDC)	TI01		73,488	52,171	6,816	1,756	2,794	2,968	6,614	12,376	369	12,745	73,488	0
774	STATE INC TAX PAYABLE	SP01		(4,030)	(2,871)	(394)	(98)	(151)	(159)	(356)	(666)	(1)	(667)	(4,030)	0
775	NET FEDERAL TAXABLE INCOME	FI01		69,458	49,300	6,422	1,658	2,643	2,809	6,258	11,710	368	12,078	69,458	0
776	FEDERAL INCOME TAX RATE	K190	FIT_FROM	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000
777	PRELIMINARY FIT = FI01 * K190	FT01		24,310	17,255	2,248	580	925	983	2,190	4,098	129	4,227	24,310	0
778	TOTAL FED PROV DEF IT (410.1)	Z782		6,543	7,806	(423)	(59)	(34)	(311)	(76)	(421)	(360)	(781)	6,543	0
779	TOTAL FED PROV DEF IT (411.1)	Z803		0	0	0	0	0	0	0	0	0	0	0	0
780	TOTAL AMORTIZED ITC & SERVICE CO ALLOC.	Z813		(502)	(319)	(2)	(12)	(26)	(30)	(65)	(121)	(48)	(169)	(502)	0
781	NET FED INC TAX ALLOWABLE	FA01		30,351	24,742	1,823	509	865	642	2,049	3,556	(279)	3,277	33,907	0
782	FEDERAL INCOME TAX PAYABLE														
783	PRELIM FIT	FT01		24,310	17,255	2,248	580	925	983	2,190	4,098	129	4,227	24,310	0
784	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
785	FED INC TAX PAYABLE	FP01		24,310	17,255	2,248	580	925	983	2,190	4,098	129	4,227	24,310	0
786	PRELIMINARY SUMMARY														
787	NET INCOME EXCLUDING AFUDC OFFSET	NI01		155,211	100,922	7,125	3,808	7,179	7,861	17,280	32,320	11,036	43,356	155,211	0
788	NET FED INC TAX ALLOWABLE	FA01		(30,351)	(24,742)	(1,823)	(509)	(865)	(642)	(2,049)	(3,556)	279	(3,277)	(30,351)	0
789	NET STATE INC TAX ALLOWABLE	SA01		(5,408)	(4,316)	(393)	(94)	(141)	(148)	(332)	(621)	16	(605)	(5,408)	0
790	OVERALL RETURN EARNED-SCH 12	RETU		119,452	71,864	4,909	3,205	6,173	7,071	14,899	28,143	11,331	39,474	119,452	0
791	RATE OF RETURN EARNED-SCH 12	RORX	ROR_EARN_FROM	0.0615	0.0615	0.0615	0.0615	0.0615	0.0615	0.0615	0.0615	0.0615	0.0615	0.0615	0.0000

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
DUKE ENERGY KENTUCKY																	
COST OF SERVICE STUDY																	
TWELVE MONTHS ENDING DECEMBER 31, 2005																	
ELECTRIC CASE NO: 2006-00172																	
DESCRIPTION	ALLOC	EH SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER				
Schedule 13																	
Prod-Demand	K_rbtprod_d		1.00000									0.00000					
Prod-Energy	K_rbtprod_e			1.00000								0.00000					
Main Step-Up Transformers	K_rbttran_stepup											0.00000					
Transmission Other	K_rbttran_oth				1.00000							0.00000					
Substations	K_Subst					1.00000						1.00000					
Poles Towers & Fixtures	K_Poles						1.00000					1.00000					
Conductors	K_Conductors							1.00000				1.00000					
Transformers	K_Transformer											1.00000					
Distribution Demand	K_rbdist_d								1.00000			1.00000					
Distribution Customer	K_rbdist_c											1.00000					
All Other	K_FERC																1.00000
Gross Dist Plant excl CCNC-OC (106)		1,031,325	0	0	0	133,491	176,218	393,591	703,300	328,025	1,031,325	1,031,325	0				
Ratio	K_dist_ccnc	1.000000000	0.000000000	0.000000000	0.000000000	0.129436404	0.170865634	0.381636245	0.681938283	0.318061717	1.000000000	1.000000000	0.000000000				
Gross Plant (OC)		3,895,718	2,669,826	15,827	82,524	143,298	199,325	421,988	764,611	362,930	1,127,541	3,895,718	0				
Ratio	K_grossPlt	1.000000000	0.685323219	0.004062666	0.021183258	0.036783464	0.051165151	0.108320982	0.196269597	0.093161261	0.289430857	1.000000000	0.000000000				
Gross Prod Plant (OC)		2,639,854	2,639,854	0	0	0	0	0	0	0	0	2,639,854	0				
Ratio	K_gross_prodplt	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
Gross Plant-Prod/Trans/Dist (OC)		3,821,944	2,639,854	0	80,537	142,580	188,218	420,393	751,191	350,362	1,101,553	3,821,944	0				
Ratio	K_grossPTD	1.000000000	0.690709754	0.000000000	0.021072261	0.037305623	0.049246666	0.109994547	0.196546836	0.091671150	0.288217985	1.000000000	0.000000000				
Gross Distribution Plant (OC)		1,101,553	0	0	0	142,580	188,218	420,393	751,191	350,362	1,101,553	1,101,553	0				
Ratio	K_gross_distplt	1.000000000	0.000000000	0.000000000	0.000000000	0.129435442	0.170866041	0.381636653	0.681938136	0.318061864	1.000000000	1.000000000	0.000000000				
Gross Transmission Plant (OC)		80,537	0	0	80,537	0	0	0	0	0	0	80,537	0				
Ratio	K_gross_tranplt	1.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
Gross General Plant (OC)		10,329	4,196	2,215	279	101	1,553	223	1,877	1,762	3,639	10,329	0				
Ratio	K_gross_genplt	1.000000000	0.406234873	0.214444767	0.027011327	0.009778294	0.150353374	0.021589699	0.181721367	0.170587666	0.352309033	1.000000000	0.000000000				
Gross Common Plant (OC)		63,445	25,776	13,612	1,708	617	9,554	1,372	11,543	10,806	22,349	63,445	0				
Ratio	K_gross_complt	1.000000000	0.406273150	0.214548034	0.026920955	0.009724958	0.150587123	0.021625030	0.181937111	0.170320750	0.352257861	1.000000000	0.000000000				
Production Plant-Net (OC-Depr)		1,277,223	1,277,223	0	0	0	0	0	0	0	0	1,277,223	0				
Ratio	K_prodnet	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
Distribution Plant-Net (OC-Depr)		673,453	0	0	0	108,862	114,683	261,146	484,691	188,762	673,453	673,453	0				
Ratio	K_distnet	1.000000000	0.000000000	0.000000000	0.000000000	0.161647509	0.170291023	0.387771678	0.719710210	0.280289790	1.000000000	1.000000000	0.000000000				
Transmission Plant-Net (OC-Depr)		45,962	0	0	45,962	0	0	0	0	0	0	45,962	0				
Ratio	K_tranenet	1.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
General Plant Plant-Net		4,836	1,970	1,035	132	48	726	104	878	821	1,699	4,836	0				
Ratio	K_gennet	1.000000000	0.407361456	0.214019851	0.027295285	0.009925559	0.150124069	0.021505376	0.181555004	0.169768404	0.351323408	1.000000000	0.000000000				
Transmission & Distr Plant In Service		719,415	0	0	45,962	108,862	114,683	261,146	484,691	188,762	673,453	719,415	0				
Ratio	K_T&D_net	1.000000000	0.000000000	0.000000000	0.063888020	0.151320171	0.159411466	0.362997713	0.673729350	0.262382630	0.936111980	1.000000000	0.000000000				
Net Electric Plant In Service		2,034,169	1,292,473	8,048	46,974	109,227	120,336	261,958	491,521	195,153	686,674	2,034,169	0				
Ratio	K_EPIS	1.000000000	0.635381327	0.003956407	0.023092477	0.053696128	0.059157327	0.128778877	0.241632332	0.095937457	0.337569789	1.000000000	0.000000000				
Common Plant- net		32,695	13,280	7,013	880	317	4,927	708	5,952	5,570	11,522	32,695	0				
Ratio	K_comnet	1.000000000	0.406178315	0.214497630	0.026915430	0.009695672	0.150695825	0.021654687	0.182046184	0.170362441	0.352408625	1.000000000	0.000000000				

DUKE ENERGY KENTUCKY COST OF SERVICE STUDY TWELVE MONTHS ENDING DECEMBER 31, 2005 ELECTRIC CASE NO: 2006-00172													05/26/06
DESCRIPTION	ALLOC	EH SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
Common & General Plant-net		37,531	15,250	8,048	1,012	365	5,653	812	6,830	6,391	13,221	37,531	0
Ratio	K_comgennet	1.00000000	0.406330767	0.214436066	0.026964376	0.009725294	0.150622152	0.021635448	0.181982894	0.170285897	0.352268791	1.000000000	0.000000000
Total OCD Rate Base		2,060,493	1,239,621	84,672	55,286	106,465	121,979	257,009	485,453	195,461	680,914	2,060,493	0
Ratio	K_OCDRB	1.00000000	0.601613789	0.041093078	0.026831443	0.051669673	0.059198939	0.124731800	0.235600412	0.094861278	0.330461690	1.000000000	0.000000000
Schedule 13a													
Construction Work In Progress		16,636	(11,667)	0	4,219	3,118	4,115	9,191	16,424	7,660	24,084	16,636	0
Ratio	K_CWIP	1.00000000	(0.701310411)	0.000000000	0.253606636	0.187424862	0.247355133	0.552476557	0.987256552	0.460447223	1.447703775	1.000000000	0.000000000
A&G		73,110	29,699	15,687	1,968	711	11,006	1,580	13,297	12,459	25,756	73,110	0
Ratio	K_A&G	1.00000000	0.406223499	0.214567091	0.026918342	0.009725071	0.150540282	0.021611271	0.181876624	0.170414444	0.352291068	1.000000000	0.000000000
A&G (excluding adjustments)		78,139	31,742	16,766	2,103	760	11,763	1,689	14,212	13,316	27,528	78,139	0
Ratio	K_A&GexAdj	1.00000000	0.406224804	0.214566350	0.026913577	0.009726257	0.150539423	0.021615327	0.181881007	0.170414262	0.352295269	1.000000000	0.000000000
Dist A&G (ex reg exp)		16,401	0	0	0	760	11,763	1,689	14,212	2,189	16,401	16,401	0
Ratio	K_DistA&G	1.00000000	0.000000000	0.000000000	0.000000000	0.046338638	0.717212365	0.102981526	0.866532529	0.133467471	1.000000000	1.000000000	0.000000000
Transmission A&G		2,374	271	0	2,103	0	0	0	0	0	0	2,374	0
Ratio	K_TranA&G	1.00000000	0.114153328	0.000000000	0.885846672	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000
Customer Accounts A&G		3,971	0	0	0	0	0	0	0	3,971	3,971	3,971	0
Ratio	K_CA_A&G	1.00000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000
Cust Service & Informational A&G		1,593	(5,563)	0	0	0	0	0	0	7,156	7,156	1,593	0
Ratio	K_CSI_A&G	1.00000000	(3.492153170)	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	4.492153170	4.492153170	1.000000000	0.000000000
Sales A&G		0	0	0	0	0	0	0	0	0	0	0	0
Ratio	K_Sales_A&G	1.00000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000
Depreciation Expense		115,549	76,616	470	1,889	5,807	6,428	13,930	26,165	10,409	36,574	115,549	0
Ratio	K_Depr_Ex	1.00000000	0.663060693	0.004067538	0.016348043	0.050255736	0.055630079	0.120554916	0.226440731	0.090082995	0.316523726	1.000000000	0.000000000
O&M (no A&G)		592,311	71,082	439,674	50,850	1,120	17,341	2,490	20,951	9,754	30,705	592,311	0
Ratio	K_O&M	1.00000000	0.120007901	0.742302608	0.085850170	0.001890899	0.029276849	0.004203873	0.035371621	0.016467700	0.051839321	1.000000000	0.000000000
Production O&M		505,324	65,650	439,674	0	0	0	0	0	0	0	505,324	0
Ratio	K_prodO&M	1.00000000	0.129916648	0.870083352	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000
Dist O&M		24,178	0	0	0	1,120	17,341	2,490	20,951	3,227	24,178	24,178	0
Ratio	K_distO&M	1.00000000	0.000000000	0.000000000	0.000000000	0.046323104	0.717222268	0.102986186	0.866531558	0.133468442	1.000000000	1.000000000	0.000000000
Transmission O&M		57,403	6,553	0	50,850	0	0	0	0	0	0	57,403	0
Ratio	K_tranO&M	1.00000000	0.114157797	0.000000000	0.885842203	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000
Customer Accounting O&M		5,101	0	0	0	0	0	0	0	5,101	5,101	5,101	0
Ratio	K_CA_O&M	1.00000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000
Uncollectible Account O&M		(18)	0	0	0	0	0	0	0	(18)	(18)	(18)	0
Ratio	K_Uncol_O&M	1.00000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000
Customer Service & Informational O&M		321	(1,121)	0	0	0	0	0	0	1,442	1,442	321	0
Ratio	K_CSI_O&M	1.00000000	(3.492211838)	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	4.492211838	4.492211838	1.000000000	0.000000000
Sales O&M		2	0	0	0	0	0	0	0	2	2	2	0
Ratio	K_Sales_O&M	1.00000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000
AutoCalc Wkg Capital (incl A&G)		225,747	100,781	15,687	52,818	1,831	28,347	4,070	34,248	22,213	56,461	225,747	0
Ratio	K_O&MxFuel	1.00000000	0.446433396	0.069489296	0.233969887	0.008110849	0.125569775	0.018029033	0.151709657	0.098397764	0.250107421	1.000000000	0.000000000

COST OF SERVICE STUDY

BY FUNCTION

RATE SP

FR 10(9)(v)-9

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R	
1	DUKE ENERGY KENTUCKY															
2	COST OF SERVICE STUDY															
3	TWELVE MONTHS ENDING DECEMBER 31, 2005															
4	ELECTRIC CASE NO: 2006-00172															
5	FR-9V-1 KW(12 COIN PEAK)															
6	SP															
7																
8	DESCRIPTION	ITEM	ALLOC	SP SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER	
9					1	2	3	5	6	7	8	10	11	12	13	14
10	SUMMARY OF RESULTS	Schedule 1														
11	NET INCOME COMPUTATION															
12	GROSS ELECTRIC PLANT IN SERVICE	GP18		\$123,048	\$83,228	\$54	\$2,522	\$4,222	\$5,857	\$12,454	\$22,533	\$14,711	\$37,244	\$123,048	\$0	
13	TOTAL DEPRECIATION RESERVE	DR19		(58,475)	(42,944)	(28)	(1,082)	(999)	(2,314)	(4,715)	(8,028)	(6,393)	(14,421)	(58,475)	0	
14	TOTAL RATE BASE ADJUSTMENTS	R871		783	(1,749)	2,119	248	(89)	37	(160)	(212)	377	165	783	0	
15	TOTAL RATE BASE	R899		65,356	38,535	2,145	1,688	3,134	3,580	7,579	14,293	8,695	22,988	65,356	0	
16																
17	CAPITALIZATION ALLOC TO ELECTRIC OPER	ECAP		61,611	36,327	2,022	1,591	2,954	3,375	7,145	13,474	8,197	21,671	61,611	0	
18																
19	OPERATING EXPENSES															
20	TOTAL O&M EXPENSE	OM39		21,181	2,824	12,568	1,579	17	772	39	828	3,382	4,210	21,181	0	
21	TOTAL DEPRECIATION EXPENSE	DE49		3,665	2,388	1	57	171	189	412	772	447	1,219	3,665	0	
22	TOTAL OTHER TAX & MISC EXPENSE	LS91		888	331	8	30	48	74	120	242	277	519	888	0	
23	TOTAL OP EXP EXC INC & R TAX	OP69		25,734	5,543	12,577	1,666	236	1,035	571	1,842	4,106	5,948	25,734	0	
24	NET FED INCOME TAX ALLOWABLE	IB79		4,120	2,697	171	102	184	201	436	821	329	1,150	4,120	0	
25	NET STATE INCOME TAX ALLOWABLE	J879		727	471	30	18	32	36	76	144	64	208	727	0	
26	AFUDC OFFSET	LO33	K_CWIP	(46)	31	0	(11)	(7)	(11)	(24)	(42)	(24)	(66)	(46)	0	
27	TOTAL OPERATING EXPENSE	OPEX		30,535	8,742	12,778	1,775	445	1,261	1,059	2,765	4,475	7,240	30,535	0	
28																
29	RETURN ON CAPITALIZATION	R751		9,789	5,772	321	253	470	536	1,135	2,141	1,302	3,443	9,789	0	
30	TOTAL OTHER OPERATING REVENUES			(236)	(127)	(24)	(7)	(11)	(12)	(23)	(46)	(32)	(78)	(236)	0	
31	TOTAL ELECTRIC COST OF SERVICE	CS99		40,088	14,387	13,075	2,021	904	1,785	2,171	4,860	5,745	10,605	40,088	0	
32																
33	PROPOSED REVENUES	R602		40,088	14,387	13,075	2,021	904	1,785	2,171	4,860	5,745	10,605	40,088	0	
34	EXCESS REVENUES	XREV		0	0	0	0	0	0	0	0	0	0	0	0	
35																
36	TOTAL RETURN EARNED	RETE		9,789	5,772	321	253	470	536	1,135	2,141	1,302	3,443	9,789	0	
37	RATE OF RETURN EARNED ON CAPITALIZATION	RORE	SUM_RETURN_FROM	0.158883966	0.158883966	0.158883966	0.158883966	0.158883966	0.158883966	0.158883966	0.158883966	0.158883966	0.158883966	0.158883966	0.00000	
38	TOTAL RATE OF RETURN ALLOWABLE	RORA		0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	
39	RETURN EARNED ON COMMON EQUITY	REOE		0.26364	0.26364	0.26364	0.26364	0.26364	0.26364	0.26364	0.26364	0.26364	0.26364	0.26364	(0.00000)	
40	ALLOWED RETURN ON COMMON EQUITY	AROE		0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	
41																
42	PRESENT REVENUES	R600		35,117	12,603	11,454	1,770	791	1,564	1,902	4,257	5,033	9,290	35,117	0	
43	REVENUE INCREASE JUSTIFIED	R1JD		4,971	1,784	1,621	251	113	221	269	603	712	1,315	4,971	0	
44	PER UNIT PRES REV	R1JP	PRESREV_FROM	0.14156										0.14156	0.00000	
45	REVENUE INCREASE REQUESTED	R1RD		4,971										4,971	0	
46	PER UNIT PRES REV	R1RP	PRESINCR_FROM	0.14156										0.14156	0.00000	
47																
48																

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR#v-1 KW (12 COIN PEAK)														
6	SP														
7				SP							TOTAL		TOTAL		ALL
8	DESCRIPTION	ITEM	ALLOC	SECONDARY	PRODUCTION	PRODUCTION	OTHER	SUBSTATIONS	POLES, TOWERS	CONDUCTORS	DISTRIBUTION	DISTRIBUTION	TOTAL	TOTAL	OTHER
				DISTRIBUTION	DEMAND	ENERGY	TRANSMISSION		& FIXTURES		DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	
49	GROSS ELECTRIC PLANT IN SERVICE														
50	Schedule 2														
51	PRODUCTION PLANT														
51	PRODUCTION - STEAM	P100	K_rtprod_d	53,117	53,117	0	0	0	0	0	0	0	0	53,117	0
52	PRODUCTION - OTHER	P108	K_rtprod_d	29,446	29,446	0	0	0	0	0	0	0	0	29,446	0
53	PRODUCTION PLANT IN SERVICE	P129		82,563	82,563	0	0	0	0	0	0	0	0	82,563	0
54	TRANSMISSION PLANT														
56	MAIN STEP-UP TRANSFORMERS	T100	K_rtrtran_stepup	0	0	0	0	0	0	0	0	0	0	0	0
57	OTHER TRANSMISSION	T102	K_rtrtran_oth	2,519	0	0	2,519	0	0	0	0	0	0	2,519	0
58	TRANSMISSION PLANT IN SERVICE	T129		2,519	0	0	2,519	0	0	0	0	0	0	2,519	0
59	TOTAL PROD & TRANS PLANT														
60		PT29		85,082	82,563	0	2,519	0	0	0	0	0	0	85,082	0
61	DISTRIBUTION PLANT														
63	SUBSTATIONS	D100	K_Subst	3,961	0	0	0	3,961	0	0	3,961	0	3,961	3,961	0
64	POLES, TOWERS & FIXTURES	D102	K_Poles	5,229	0	0	0	0	5,229	0	5,229	0	5,229	5,229	0
65	CONDUCTORS	D104	K_Conductors	11,678	0	0	0	0	0	11,678	11,678	0	11,678	11,678	0
66	TRANSFORMERS	D106	K_rbdist_c	5,271	0	0	0	0	0	0	0	5,271	5,271	0	
67	SERVICES	D108	K_rbdist_c	2,476	0	0	0	0	0	0	0	2,476	2,476	0	
68	METERS	D110	K_rbdist_c	4,050	0	0	0	0	0	0	0	4,050	4,050	0	
70	STREET LIGHTS	D114	K_rbdist_c	0	0	0	0	0	0	0	0	0	0	0	
71	CONSTRUCTION NOT CLASSIFIED	D116	K_dist_conc	2,224	0	0	0	270	356	795	1,421	803	2,224	2,224	
72	DISTRIBUTION PLANT IN SERVICE	D149		34,889	0	0	0	4,231	5,585	12,473	22,289	12,600	34,889	34,889	0
73	TOTAL TRANS & DIST PLANT														
74		TD29		37,408	0	0	2,519	4,231	5,585	12,473	22,289	12,600	34,889	37,408	0
75	TOTAL GROSS PTD PLANT														
76		PD29		119,971	82,563	0	2,519	4,231	5,585	12,473	22,289	12,600	34,889	119,971	0
77	GENERAL & INTANGIBLE PLANT														
78	PRODUCTION-DEMAND	G100	K_rtprod_d	153	153	0	0	0	0	0	0	0	0	153	0
79	PRODUCTION-ENERGY	G102	K_rtprod_e	63	0	63	0	0	0	0	0	0	0	63	0
80	TRANSMISSION	G104	K_TransA&G	10	1	0	9	0	0	0	0	0	0	10	0
81	DISTRIBUTION	G106	K_DistA&G	72	0	0	0	3	46	6	55	17	72	72	0
82	CUSTOMER ACCOUNTING	G108	K_CA_A&G	84	0	0	0	0	0	0	0	84	84	84	0
83	CUSTOMER SERVICE & INFORMATION	G110	K_CSI_A&G	49	(61)	(56)	(8)	(4)	(8)	(9)	(21)	195	174	49	0
84	SALES	G112	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
85	GENERAL & INTANGIBLE PLANT IN SERVICE	G129		431	93	7	1	(1)	38	(3)	34	296	330	431	0
86	COMMON & OTHER PLANT														
88	PRODUCTION-DEMAND RELATED	C100	K_rtprod_d	940	940	0	0	0	0	0	0	0	0	940	0
89	PRODUCTION-ENERGY RELATED	C102	K_rtprod_e	390	0	390	0	0	0	0	0	0	0	390	0
90	TRANSMISSION	C104	K_TransA&G	60	6	0	54	0	0	0	0	0	0	60	0
91	DISTRIBUTION	C106	K_DistA&G	441	0	0	0	16	283	40	339	102	441	441	0
92	CUSTOMER ACCOUNTING	C108	K_CA_A&G	513	0	0	0	0	0	0	0	513	513	513	0
93	CUSTOMER SERVICE & INFORMATION	C110	K_CSI_A&G	302	(374)	(343)	(52)	(24)	(49)	(56)	(129)	1,200	1,071	302	0
94	SALES	C112	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
95	COMMON & OTHER PLANT IN SERVICE	C129		2,646	572	47	2	(8)	234	(16)	210	1,815	2,025	2,646	0
96	TOTAL GROSS ELECTRIC PLANT IN SERVICE														
97		GP19		123,048	83,228	54	2,522	4,222	5,857	12,454	22,533	14,711	37,244	123,048	0

DUKE ENERGY KENTUCKY
 COST OF SERVICE STUDY
 TWELVE MONTHS ENDING DECEMBER 31, 2005
 ELECTRIC CASE NO: 2006-00172
 FR#-1 KW (12 CON PEAK)
 SP

A	B	C	E	F	G	H	I	J	K	L	N	O	P	Q	R
99	DEPRECIATION RESERVE	Schedule 3													
100	PRODUCTION PLANT	P150	PRODUCTION - STEAM	P150	0	0	0	0	0	0	0	0	0	0	
101	PRODUCTION - OTHER	K, DPROD_d	PRODUCTION - OTHER	P152	13,430	13,430	0	0	0	0	0	0	0	13,430	
102	TOTAL PROD DEPREC RESERVE	P171	TOTAL PROD DEPREC RESERVE	P171	42,617	42,617	0	0	0	0	0	0	0	42,617	
103	TRANSMISSION PLANT	K, TTRAN_stopp													
104	TRANSMISSION PLANT	K, TTRAN_stopp													
105	MAIN STEP-UP TRANSFORMERS	K, TTRAN_stopp													
106	OTHER TRANSFORMATION	T150	OTHER TRANSFORMATION	T150	1,081	1,081	0	0	0	0	0	0	0	1,081	
107	TOTAL TRANS DEPREC RESERVE	T171	TOTAL TRANS DEPREC RESERVE	T171	1,081	1,081	0	0	0	0	0	0	0	1,081	
108	TOTAL PROD & TRANS DEPREC RESERVE	K, TTRAN_stopp													
109	TOTAL PROD & TRANS DEPREC RESERVE	K, TTRAN_stopp													
110	TOTAL PROD & TRANS DEPREC RESERVE	K, TTRAN_stopp													
111	DISTRIBUTION PLANT	K, SDEPR_d													
112	DISTRIBUTION PLANT	K, SDEPR_d													
113	SUBSTATIONS	D150	SUBSTATIONS	D150	889	889	0	0	0	0	0	0	0	889	
114	POLES, TOWERS & FIXTURES	D152	POLES, TOWERS & FIXTURES	D152	2,034	2,034	0	0	0	0	0	0	0	2,034	
115	CONDUCTORS	D154	CONDUCTORS	D154	4,395	4,395	0	0	0	0	0	0	0	4,395	
116	TRANSFORMERS	D156	TRANSFORMERS	D156	2,585	2,585	0	0	0	0	0	0	0	2,585	
117	SERVICES	D158	SERVICES	D158	1,625	1,625	0	0	0	0	0	0	0	1,625	
118	METERS	D160	METERS	D160	816	816	0	0	0	0	0	0	0	816	
119	DEPRECIATION EXPENSE ADJUSTMENT	D162	DEPRECIATION EXPENSE ADJUSTMENT	D162	27	27	0	0	0	0	0	0	0	27	
120	STREET LIGHTS	D164	STREET LIGHTS	D164	0	0	0	0	0	0	0	0	0	0	
121	COMPLETED CONSTRUCTION NOT CLASSIFIED	D166	COMPLETED CONSTRUCTION NOT CLASSIFIED	D166	1,082	1,082	0	0	0	0	0	0	0	1,082	
122	RETIREMENT WORK IN PROGRESS	D168	RETIREMENT WORK IN PROGRESS	D168	(187)	(187)	0	0	0	0	0	0	0	(187)	
123	TOTAL DIST DEPREC RESERVE	D191	TOTAL DIST DEPREC RESERVE	D191	13,266	13,266	0	0	0	0	0	0	0	13,266	
124	TOTAL TRANS & DIST DEPREC RESERVE	K, DPROD_d													
125	TOTAL TRANS & DIST DEPREC RESERVE	K, DPROD_d													
126	TOTAL GROSS PTD PLANT DEPREC RESERVE	K, DPROD_d													
127	GENERAL & INTANGIBLE PLANT	K, DPROD_d													
128	GENERAL & INTANGIBLE PLANT	G150	GENERAL & INTANGIBLE PLANT	G150	81	81	0	0	0	0	0	0	0	81	
129	PRODUCTION-ENERGY	G152	PRODUCTION-ENERGY	G152	34	34	0	0	0	0	0	0	0	34	
130	TRANSMISSION	G154	TRANSMISSION	G154	5	5	0	0	0	0	0	0	0	5	
131	DISTRIBUTION	G158	DISTRIBUTION	G158	38	38	0	0	0	0	0	0	0	38	
132	CUSTOMER ACCOUNTING	G158	CUSTOMER ACCOUNTING	G158	44	44	0	0	0	0	0	0	0	44	
133	CUSTOMER SERVICE & INFORMATION	G160	CUSTOMER SERVICE & INFORMATION	G160	26	26	0	0	0	0	0	0	0	26	
134	SALES	G162	SALES	G162	0	0	0	0	0	0	0	0	0	0	
135	TOTAL GEN & INTANGIBLE DEPREC RES.	G171	TOTAL GEN & INTANGIBLE DEPREC RES.	G171	228	228	5	5	0	0	0	0	0	228	
136	COMMON & OTHER PLANT	K, DPROD_d													
137	COMMON & OTHER PLANT	K, DPROD_d													
138	PRODUCTION-ENERGY	C150	PRODUCTION-ENERGY	C150	456	456	0	0	0	0	0	0	0	456	
139	TRANSMISSION	C154	TRANSMISSION	C154	29	29	0	0	0	0	0	0	0	29	
140	DISTRIBUTION	C158	DISTRIBUTION	C158	214	214	0	0	0	0	0	0	0	214	
141	CUSTOMER ACCOUNTING	C158	CUSTOMER ACCOUNTING	C158	249	249	0	0	0	0	0	0	0	249	
142	CUSTOMER SERVICE & INFORMATION	C160	CUSTOMER SERVICE & INFORMATION	C160	146	146	0	0	0	0	0	0	0	146	
143	SALES	C162	SALES	C162	0	0	0	0	0	0	0	0	0	0	
144	TOTAL COM & OTHER PLT RESERVE	C171	TOTAL COM & OTHER PLT RESERVE	C171	1,283	1,283	23	23	1	1	0	0	0	1,283	
145	TOTAL DEPRECATION RESERVE	DR19	TOTAL DEPRECATION RESERVE	DR19	58,475	42,944	28	1,082	999	2,314	4,715	8,028	6,393	14,421	

DUKE ENERGY KENTUCKY
 COST OF SERVICE STUDY
 TWELVE MONTHS ENDING DECEMBER 31, 2005
 ELECTRIC CASE NO: 2006-00172
 FR=1 KW (12 COM PEAK)
 SP

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DEMAND	CUSTOMER DISTRIBUTION	TOTAL DISTRIBUTION	TOTAL	ALL	OTHER		
NET ELECTRIC PLANT IN SERVICE	150																
PRODUCTION PLANT	151			23,930													
PRODUCTION - STEAM	152																
PRODUCTION - OTHER	153			16,016													
TOTAL PROD	P229			39,946													
TRANSMISSION PLANT	156																
MAN STEP-UP TRANSFORMERS	157																
OTHER TRANSMISSION	158			1,438													
TOTAL TRANSMISSION	T229			1,438													
NET PROD & TRANS PLANT	161			41,384													
DISTRIBUTION PLANT	164																
SUBSTATIONS	S249			3,072													
POLES, TOWERS & FIXTURES	PL49			3,195													
CONDUCTORS	SL49			7,283													
TRANSFORMERS	FL49			2,686													
SERVICES	SV49			851													
METERS	MA49			3,234													
OTHER	OA49			(27)													
STREET LIGHTS	LA49			0													
CONSTRUCTION NOT CLASSIFIED	CA49			1,142													
RETIREMENT WORK IN PROGRESS	RA49			187													
TOTAL DIST	D249			21,623													
NET TRANS & DIST PLANT	NT29			23,061													
NET PTD PLANT	NT39			39,946													
GENERAL & INTANGIBLE PLANT	179																
PRODUCTION-DEMAND	180			72													
PRODUCTION-ENERGY	181			29													
TRANSMISSION	182			5													
DISTRIBUTION	183			34													
CUSTOMER ACCOUNTING	184			40													
CUSTOMER SERVICE & INFORMATION	185			23													
SALES	186			0													
TOTAL GENERAL AND INTANGIBLE PLANT	G229			203													
COMMON & OTHER PLANT	189																
PRODUCTION-DEMAND	190			484													
PRODUCTION-ENERGY	191			201													
DISTRIBUTION	192			31													
CUSTOMER ACCOUNTING	193			264													
CUSTOMER SERVICE & INFORMATION	194			156													
SALES	195			0													
TOTAL COM & OTHER PLT	C229			1,363													
TOTAL ELECTRIC PLANT IN SERVICE	NP29			64,573													
PRODUCTION - OTHER	150			16,016													
PRODUCTION - STEAM	151			23,930													
PRODUCTION - OTHER	153			16,016													
TOTAL PROD	P229			39,946													
TRANSMISSION PLANT	156																
MAN STEP-UP TRANSFORMERS	157																
OTHER TRANSMISSION	158			1,438													
TOTAL TRANSMISSION	T229			1,438													
NET PROD & TRANS PLANT	161			41,384													
DISTRIBUTION PLANT	164																
SUBSTATIONS	S249			3,072													
POLES, TOWERS & FIXTURES	PL49			3,195													
CONDUCTORS	SL49			7,283													
TRANSFORMERS	FL49			2,686													
SERVICES	SV49			851													
METERS	MA49			3,234													
OTHER	OA49			(27)													
STREET LIGHTS	LA49			0													
CONSTRUCTION NOT CLASSIFIED	CA49			1,142													
RETIREMENT WORK IN PROGRESS	RA49			187													
TOTAL DIST	D249			21,623													
NET TRANS & DIST PLANT	NT29			23,061													
NET PTD PLANT	NT39			39,946													
GENERAL & INTANGIBLE PLANT	179																
PRODUCTION-DEMAND	180			72													
PRODUCTION-ENERGY	181			29													
TRANSMISSION	182			5													
DISTRIBUTION	183			34													
CUSTOMER ACCOUNTING	184			40													
CUSTOMER SERVICE & INFORMATION	185			23													
SALES	186			0													
TOTAL GENERAL AND INTANGIBLE PLANT	G229			203													
COMMON & OTHER PLANT	189																
PRODUCTION-DEMAND	190			484													
PRODUCTION-ENERGY	191			201													
DISTRIBUTION	192			31													
CUSTOMER ACCOUNTING	193			264													
CUSTOMER SERVICE & INFORMATION	194			156													
SALES	195			0													
TOTAL COM & OTHER PLT	C229			1,363													
TOTAL ELECTRIC PLANT IN SERVICE	NP29			64,573													

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR#v-1 KW (12 COIN PEAK)														
6	SP														
7				SP							TOTAL	DISTRIBUTION	TOTAL		ALL
8	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	OTHER
200	NET ELECTRIC PLANT														
	Schedule 4a														
201	PRODUCTION PLANT														
202	PRODUCTION PLANT IN SERVICE	P129		82,563	82,563	0	0	0	0	0	0	0	0	82,563	0
203	TOTAL PROD DEPRC RESERVE	P171		(42,617)	(42,617)	0	0	0	0	0	0	0	0	(42,617)	0
204	NET PRODUCTION PLANT	P229		39,946	39,946	0	0	0	0	0	0	0	0	39,946	0
205	TRANSMISSION PLANT														
206	TRANSMISSION PLANT IN SERVICE	T129		2,519	0	0	2,519	0	0	0	0	0	0	2,519	0
207	TOTAL TRANS DEPREC RESERVE	T171		(1,081)	0	0	(1,081)	0	0	0	0	0	0	(1,081)	0
208	NET TRANSMISSION PLANT	T229		1,438	0	0	1,438	0	0	0	0	0	0	1,438	0
209	NET PROD & TRANS PLANT			41,384	39,946	0	1,438	0	0	0	0	0	0	41,384	0
210	DISTRIBUTION PLANT														
211	DISTRIBUTION PLANT IN SERVICE	D149		34,889	0	0	0	4,231	5,585	12,473	22,289	12,600	34,889	34,889	0
212	TOTAL DIST DEPREC RESERVE	D191		(13,266)	0	0	0	(1,001)	(2,181)	(4,725)	(7,907)	(5,359)	(13,266)	(13,266)	0
213	NET DISTRIBUTION PLANT	D249		21,623	0	0	0	3,230	3,404	7,748	14,382	7,241	21,623	21,623	0
214	NET TRANS & DIST PLANT	NT29		23,061	0	0	1,438	3,230	3,404	7,748	14,382	7,241	21,623	23,061	0
215	NET PTD PLANT	NT39		63,007	39,946	0	1,438	3,230	3,404	7,748	14,382	7,241	21,623	63,007	0
216	GENERAL & INTANGIBLE PLANT														
217	GEN & INTANG PLANT IN SERVICE	G129		431	93	7	1	(1)	38	(3)	34	296	330	431	0
218	TOTAL GEN & INTG DEPREC RESERVE	G171		(228)	(49)	(5)	0	0	(20)	2	(18)	(156)	(174)	(228)	0
219	NET GENERAL & INTANG PLANT	G229		203	44	2	1	(1)	18	(1)	16	140	156	203	0
220	COMMON & OTHER PLANT														
221	COMMON & OTH PLT IN SERVICE	C121		2,646	572	47	2	(8)	234	(16)	210	1,815	2,025	2,646	0
222	TOTAL COM & OTH DEPREC RESERVE	C171		(1,283)	(278)	(23)	(1)	2	(113)	8	(103)	(878)	(981)	(1,283)	0
223	NET COMMON & OTHER PLANT	C229		1,363	294	24	1	(6)	121	(8)	107	937	1,044	1,363	0
224	NET ELECTRIC PLANT IN SERVICE	NP29		64,573	40,284	26	1,440	3,223	3,543	7,739	14,505	8,318	22,823	64,573	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-3v-1 KW (12 COIN PEAK)														
6	SP														
7				SP							TOTAL				
8	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
225	RATE BASE ADJUSTMENTS	Schedule 5													
226	SUBTRACTIVE ADJUSTMENTS														
237	ACCUM DEF INC TAXES (282)			4,544	2,835	2	101	227	249	545	1,021	585	1,606	4,544	0
238	LIBERALIZED DEPRECIATION	B200	K_EPIS	37	23	0	1	2	2	4	8	5	13	37	0
242	MISCELLANEOUS	B208	K_EPIS												
247	TOTAL ACCOUNT 282	B221		4,581	2,858	2	102	229	251	549	1,029	590	1,619	4,581	0
248															
249	ACCUM DEF INC TAXES (283/284)			(4)	(3)	0	0	0	0	0	0	(1)	(1)	(4)	0
254	DEFERRED INCOME TAXES	B234	K_EPIS												
256	TOTAL ACCOUNT 283/284	B243		(4)	(3)	0	0	0	0	0	0	(1)	(1)	(4)	0
257															
263	TOTAL SUBTRACTIVE ADJUSTMENTS	B287		4,577	2,855	2	102	229	251	549	1,029	589	1,618	4,577	0
264															
265	ADDITIVE ADJUSTMENTS														
266	ACCUM DEF INC TAXES (190)			163	35	3	0	0	14	(1)	13	112	125	163	0
272	MISCELLANEOUS DEFERRALS	V212	K_AA GasAdj												
273	TOTAL ACCOUNT 190	V215		163	35	3	0	0	14	(1)	13	112	125	163	0
274															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW(12 CONN PEAK)														
6	SP														
7				SP											
8	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
286	CONSTRUCTION WORK IN PROGRESS	Schedule 5a													
287	PRODUCTION	V232		(365)	(365)	0	0	0	0	0	0	0	0	(365)	0
288	TRANSMISSION	V234		132	0	0	132	0	0	0	0	0	0	132	0
289	DISTRIBUTION	V236		763	0	0	0	92	122	273	487	276	763	763	0
290	GENERAL	V238		0	0	0	0	0	0	0	0	0	0	0	0
291	COMMON	V240		0	0	0	0	0	0	0	0	0	0	0	0
292	TOTAL RATE BASE CWIP	V255		530	(365)	0	132	92	122	273	487	276	763	530	0
293															
294	TOTAL ADDITIVE ADJUSTMENTS	V289		693	(330)	3	132	92	136	272	500	388	888	693	0
295															
296	NET ORIGINAL COST RATE BASE	RB29		60,689	37,099	27	1,470	3,086	3,428	7,462	13,976	8,117	22,093	60,689	0
297															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR#v-1 KW (12 COIN PEAK)														
6	SP														
7				SP											
8	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
298	WORKING CAPITAL														
299	MATERIALS & SUPPLIES														
300	FUEL INVENTORIES														
301	FUEL	W640	K_rbprod_e	892	0	892	0	0	0	0	0	0	0	892	0
302	EMISSION ALLOWANCES	W642	K_rbprod_e	595	0	595	0	0	0	0	0	0	0	595	0
303	TOTAL FUEL STOCKS	W644		1,487	0	1,487	0	0	0	0	0	0	0	1,487	0
304	PLANT MATERIALS & SUPPLIES														
305	OTHER	W648	K_EPIS	938	585	0	21	48	51	112	211	121	332	938	0
310	TOTAL PLANT MATERIALS & SUPPLIES	W650		938	585	0	21	48	51	112	211	121	332	938	0
311	TOTAL MATERIALS & SUPPLIES														
312		W689	TOT_M&S	2,425	585	1,487	21	48	51	112	211	121	332	2,425	0
313	PREPAYMENTS														
315	INSURANCE	W670	K_A&GenAd	49	11	1	0	(1)	4	0	3	34	37	49	0
316	COAL, SYN FUEL AND MARGIN DEPOSITS	W684	K_rbprod_e	634	0	634	0	0	0	0	0	0	0	634	0
317	TOTAL PREPAYMENTS	W689		683	11	635	0	(1)	4	0	3	34	37	683	0
322	AUTO CALC (O&M-F-PP)/8														
324	TOTAL WORKING CASH	W729		1,559	840	(4)	197	1	97	5	103	423	526	1,559	0
325	TOTAL WORKING CAPITAL														
326		WC79		4,667	1,436	2,118	218	48	152	117	317	578	895	4,667	0
327	PRELIMINARY SUMMARY														
328	TOTAL SUBTRACTIVE ADJUSTMENTS	B287		(4,577)	(2,855)	(2)	(102)	(229)	(251)	(549)	(1,029)	(589)	(1,618)	(4,577)	0
329	TOTAL ADDITIVE ADJUSTMENTS	V289		693	(330)	3	132	92	136	272	500	388	888	693	0
330	TOTAL WORKING CAPITAL	WC71		4,667	1,436	2,118	218	48	152	117	317	578	895	4,667	0
331	TOTAL RATE BASE ADJUSTMENTS	RB71		783	(1,749)	2,119	248	(89)	37	(160)	(212)	377	165	783	0
332	RATE BASE CALCULATION														
334	NET ELECTRIC PLANT IN SERVICE	NP21		64,573	40,284	26	1,440	3,223	3,543	7,739	14,505	8,318	22,823	64,573	0
335	TOTAL RATE BASE ADJUSTMENTS	RB71		783	(1,749)	2,119	248	(89)	37	(160)	(212)	377	165	783	0
336	TOTAL RATE BASE	RB99	TOT_RB	65,356	38,535	2,145	1,688	3,134	3,580	7,579	14,293	8,695	22,988	65,356	0
337	CAPITALIZATION ALLOC TO ELECTRIC OPER														
338		ECAP	K_ocDRB	61,611	36,327	2,022	1,591	2,954	3,375	7,145	13,474	8,197	21,671	61,611	0
340	TOTAL RATE OF RETURN ALLOWABLE	RORA	ror_Allow_from	0.1589	0.1589	0.1589	0.1589	0.1589	0.1589	0.1589	0.1589	0.1589	0.1589	0.1589	0.1589
341	RETURN ON CAPITALIZATION	R751		9,789	5,772	321	253	470	536	1,135	2,141	1,302	3,443	9,789	0
342															

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z	aa	ab	ac	ad	ae	af	ag	ah	ai	aj	ak	al			
DUKE ENERGY KENTUCKY																																								
COST OF SERVICE STUDY																																								
TWELVE MONTHS ENDING DECEMBER 31, 2005																																								
ELECTRIC CASE NO: 2006-00172																																								
RD#41 KW (12 CORN PEAK)																																								
SP																																								
DESCRIPTION	ITEM	ALOC	SECONDARY	PRODUCTION	PRODUCTION	ENERGY	TRANSMISSION	OTHER	PRODUCTION	ENERGY	DEMAND	DEMAND	DISTRIBUTION	DISTRIBUTION	DEMAND	DISTRIBUTION	CUSTOMER	DISTRIBUTION	TOTAL	ALL	OTHER																			
Schedule B																																								
343	O&M EXPENSES																																							
344	PRODUCTION O&M																																							
345	ENERGY RELATED PRODUCTION O&M																																							
346	FUEL																																							
347	MISCELLANEOUS																																							
348	K_depd_e																																							
349	8,707																																							
350	MISCELLANEOUS																																							
351	K_depd_e																																							
352	8,707																																							
353	EMISSION ALLOWANCES																																							
354	K_depd_e																																							
355	547																																							
356	ELIMINATE EMISSION ALLOW & OTHER VAR COST																																							
357	K_depd_e																																							
358	815																																							
359	OTHER PRODUCTION EXPENSE - MAINTENANCE																																							
360	K_depd_e																																							
361	1,319																																							
362	MISO TRANSMISSION CHARGES ACCT IN 555																																							
363	K_depd_e																																							
364	1,211																																							
365	TOTAL ENERGY RELATED																																							
366	P249																																							
367	12,599																																							
368	DEMAND RELATED PROD O&M																																							
369	K_depd_d																																							
370	0																																							
371	ELIMINATE MISCELLANEOUS																																							
372	P344																																							
373	0																																							
374	OTHER PRODUCTION EXPENSE - OPERATIONS																																							
375	K_depd_d																																							
376	2,053																																							
377	TOTAL DEMAND RELATED																																							
378	P349																																							
379	2,053																																							
380	TRANSMISSION O & M																																							
381	K_depd_d																																							
382	205																																							
383	OTHER TRANSMISSION																																							
384	K_depd_e																																							
385	1,888																																							
386	TRANSMISSION SERVICE RATES ADJUSTMENT																																							
387	K_gross_temp																																							
388	(444)																																							
389	MISCELLANEOUS ADJUSTMENTS																																							
390	K_gross_temp																																							
391	146																																							
392	TOTAL TRANSMISSION O & M																																							
393	T349																																							
394	1,795																																							
395	DISTRIBUTION O & M																																							
396	K_depd_e																																							
397	11																																							
398	SUBSTATIONS & FIXTURES																																							
399	K_Subs																																							
400	0																																							
401	CONDUCTORS																																							
402	K_Conductors																																							
403	21																																							
404	OTHER MAINTENANCE																																							
405	K_depd_e																																							
406	36																																							
407	METERS																																							
408	K_depd_e																																							
409	127																																							
410	STREET LIGHTS																																							
411	K_depd_e																																							
412	0																																							
413	OTHER OPERATIONS																																							
414	K_depd_e																																							
415	101																																							
416	MISCELLANEOUS EXPENSES																																							
417	K_depd_e																																							
418	0																																							
419	AFFILIATED COMPANY RENTS																																							
420	K_depd_e																																							
421	5																																							
422	TOTAL DISTRIBUTION O & M																																							
423	D349																																							
424	801																																							
425	CUSTOMER ACCOUNTING																																							
426	K_depd_e																																							
427	631																																							
428	CUSTOMER ACCOUNTING EXPENSE																																							
429	K_depd_e																																							
430	0																																							
431	ADJUST UNCOLLECTIBLE ACCOUNTS																																							
432	K_depd_e																																							
433	0																																							
434	LOSS ON SALE OF AR & INCR AR ON INCR																																							
435	K_Func_Rew																																							
436	0																																							
437	METER READING																																							
438	K_depd_e																																							
439	181																																							
440	MISCELLANEOUS EXPENSE ADJUSTMENT																																							
441	K_depd_e																																							
442	(3)																																							
443	TOTAL CUSTOMER ACCT EXPENSE																																							
444	C318																																							
445	809																																							
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1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-#v-1 KW (12 CONN PEAK)														
6	SP														
7				SP											
8	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
393	CUSTOMER SERVICE & INFORMATION														
394	CUSTOMER SERVICE & INFORMATION	C320	K_rbdist_c	405	0	0	0	0	0	0	0	405	405	405	0
395	INFORMATIONAL & INSTRUCTIONAL ADV	C322	K_rbdist_c	76	0	0	0	0	0	0	0	76	76	76	0
396	CUSTOMER SERVICE & INFORM PROFORMA	C324	K_rbdist_c	(146)	0	0	0	0	0	0	0	(146)	(146)	(146)	0
397	AM#	C326	K_Func_Rev	(260)	(93)	(85)	(13)	(6)	(12)	(14)	(32)	(37)	(69)	(260)	0
398	TOTAL CUSTOMER SERV & INFORMATION	C331		75	(93)	(85)	(13)	(6)	(12)	(14)	(32)	298	266	75	0
399															
400	SALES		Schedule 6												
401	SALES EXPENSE	S300	K_rbdist_c	3	0	0	0	0	0	0	0	3	3	3	0
403	SALES EXPENSE PROFORMA	S304	K_rbdist_c	(3)	0	0	0	0	0	0	0	(3)	(3)	(3)	0
404	TOTAL SALES EXPENSE	S318		0	0	0	0	0	0	0	0	0	0	0	0
405															
406	SUBTOTAL O&M EXCL. A&G			18,132	2,165	12,514	1,577	25	502	58	585	1,291	1,876	18,132	0
407															
408	ADMINISTRATIVE & GENERAL														
409	A&G EXPENSE EXCL. REGULATORY EXP														
410	PRODUCTION-DEMAND RELATED	A300	K_rprod_d	1,158	1,158	0	0	0	0	0	0	0	0	1,158	0
411	PRODUCTION-ENERGY RELATED	A302	K_rprod_e	480	0	480	0	0	0	0	0	0	0	480	0
412	TRANSMISSION	A304	K_tranO&M	74	8	0	66	0	0	0	0	0	0	74	0
413	DISTRIBUTION	A306	K_distO&M	543	0	0	0	21	348	49	418	125	543	543	0
414	CUSTOMER ACCOUNTING	A308	K_CA_O&M	632	0	0	0	0	0	0	0	632	632	632	0
415	CUSTOMER SERVICE & INFORMATION	A310	K_CSL_O&M	372	(461)	(422)	(64)	(30)	(60)	(69)	(159)	1,478	1,319	372	0
416	SALES	A312	K_Sales_O&M	0	0	0	0	0	0	0	0	0	0	0	0
417	A&G EXPENSE UNADJUSTED	A315		3,259	705	58	2	(9)	288	(20)	259	2,235	2,494	3,259	0
418	RATE CASE EXPENSE	A318	K_A&GexAdj	10	2	0	0	0	1	0	1	7	8	10	0
426	ELIMINATE MISCELLANEOUS EXPENSES	A340	K_A&GexAdj	(16)	(4)	0	0	0	(1)	0	(1)	(11)	(12)	(16)	0
427	IMPLEMENT AUTOMATED METER READING	A342	K_A&GexAdj	10	2	0	0	0	1	0	1	7	8	10	0
431	AMORTIZATION OF DEFERRED EXPENSES	A352	K_A&GexAdj	101	22	0	0	0	9	(1)	8	69	77	101	0
432	MISCELLANEOUS	A354	K_A&GexAdj	0	0	0	0	0	0	0	0	0	0	0	0
433	ELIMINATE INCENTIVE COMPENSATION	A356	K_A&GexAdj	(315)	(68)	(6)	0	1	(28)	2	(25)	(216)	(241)	(315)	0
434	TOTAL ADMIN. & GENERAL	A357		3,049	659	54	2	(8)	270	(19)	243	2,091	2,334	3,049	0
435															
436	TOTAL O & M EXPENSE	OM39	TOT O&M	21,181	2,824	12,568	1,579	17	772	39	828	3,382	4,210	21,181	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4Y-1 KW (12 COIN PEAK)														
6	SP														
7				SP							TOTAL				
8	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
437	DEPRECIATION EXPENSE Schedule 7														
438	PRODUCTION DEPRECIATION														
439	PRODUCTION DEPRECIATION	P480	K_rprod_d	2,368	2,368	0	0	0	0	0	0	0	0	2,368	0
440	PROFORMA ADJUSTMENT	P482	K_rprod_d	0	0	0	0	0	0	0	0	0	0	0	0
441	TOTAL PRODUCTION DEPREC EXP.	P489		2,368	2,368	0	0	0	0	0	0	0	0	2,368	0
442	TRANSMISSION DEPRECIATION														
443	TRANSMISSION DEPRECIATION	T480	K_trannet	57	0	0	57	0	0	0	0	0	0	57	0
444	PROFORMA ADJUSTMENT	T482	K_trannet	0	0	0	0	0	0	0	0	0	0	0	0
445	TOTAL TRANSMISSION DEP. EXP.	T489		57	0	0	57	0	0	0	0	0	0	57	0
446	DISTRIBUTION DEPRECIATION														
447	DISTRIBUTION DEPRECIATION	D480	K_distnet	1,149	0	0	0	171	181	412	764	385	1,149	1,149	0
448	PROFORMA ADJUSTMENT	D482	K_distnet	0	0	0	0	0	0	0	0	0	0	0	0
449	TOTAL DIST. DEPREC EXP.	D489		1,149	0	0	0	171	181	412	764	385	1,149	1,149	0
450	GENERAL DEPRECIATION														
451	GENERAL DEPRECIATION	G480	K_gennet	12	3	0	0	0	1	0	1	8	9	12	0
452	PROFORMA ADJUSTMENT	G482	K_gennet	0	0	0	0	0	0	0	0	0	0	0	0
453	TOTAL GENERAL DEPREC EXP.	G489		12	3	0	0	0	1	0	1	8	9	12	0
454	COMMON AND OTHER DEPRECIATION														
455	COMMON DEPRECIATION	C480	K_comnet	79	17	1	0	0	7	0	7	54	61	79	0
456	PROFORMA ADJUSTMENT	C482	K_comnet	0	0	0	0	0	0	0	0	0	0	0	0
457	TOTAL COM & OTHER DEPREC EXP.	C489		79	17	1	0	0	7	0	7	54	61	79	0
458	TOTAL DEPRECIATION EXPENSE														
459	TOTAL DEPRECIATION EXPENSE	DE49	TOT_DEPREX	3,665	2,388	1	57	171	189	412	772	447	1,219	3,665	0

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY																
2	COST OF SERVICE STUDY																
3	TWELVE MONTHS ENDING DECEMBER 31, 2005																
4	ELECTRIC CASE NO: 2006-00172																
5	FR=1 KW (12 COM PEAK)																
6	SP																
7	DESCRIPTION	ITEM	ALLOC	SECONDARY	PRODUCTION	PRODUCTION	ENERGY	OTHER	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	ALL	
8	TAXES OTHER THAN INC & REV	Schedule B															
466	REAL ESTATE & PROPERTY TAX	L501		279	279	0	0	0	0	0	0	0	0	0	0	279	0
467	PRODUCTION	K_tprod_d		279	279	0	0	0	0	0	0	0	0	0	0	279	0
468	TRANSMISSION	L501		29	29	0	0	0	0	0	0	0	0	0	0	29	0
469	TRANSMISSION	K_ttrans		29	29	0	0	0	0	0	0	0	0	0	0	29	0
470	DISTRIBUTION	K_distrib		336	336	0	0	0	50	53	120	223	113	336	336	336	0
471	OTHER	L514		0	0	0	0	0	0	0	0	0	0	0	0	0	0
472	OTHER	K_epis		0	0	0	0	0	0	0	0	0	0	0	0	0	0
473	TOTAL REAL EST & PROP TAX	L529	PROP_TAX	644	279	0	29	50	53	120	223	113	336	644	644	0	0
474	MISCELLANEOUS TAXES	L566		237	52	4	0	21	(2)	(1)	18	163	181	237	237	0	0
475	PAYROLL RELATED	K_Assoc_d		237	52	4	0	21	(2)	(1)	18	163	181	237	237	0	0
476	OTHER STATE TAXES	K_Assoc_d		0	0	0	0	0	0	0	0	0	0	0	0	0	0
477	ELIMINATE NON-NATIVE SALES	K_Assoc_d		(3)	(1)	0	0	0	0	0	0	0	0	(3)	0	0	0
478	AUTO LICENSES, ETC	K_Assoc_d		1	0	0	0	0	0	0	0	0	0	1	0	0	0
479	ELIMINATE UNBILLED REVENUE	K_Assoc_d		0	0	0	0	0	0	0	0	0	0	0	0	0	0
480	AFFILIATED COMPANY RENTS	K_Assoc_d		0	0	0	0	0	0	0	0	0	0	0	0	0	0
481	MISCELLANEOUS	K_Assoc_d		0	0	0	0	0	0	0	0	0	0	0	0	0	0
482	MISCELLANEOUS	K_Assoc_d		0	0	0	0	0	0	0	0	0	0	0	0	0	0
483	DSM ELIMINATION	K_tprod_d		(2)	(2)	0	0	0	0	0	0	0	0	(2)	0	0	0
484	TOTAL MISCELLANEOUS TAXES	L569		233	49	4	0	21	(2)	(1)	18	162	180	233	233	0	0
485	MISCELLANEOUS EXPENSES	L584	K_Func_Rev	11	3	4	1	0	0	0	0	2	3	11	11	0	0
486	PSC MAINTENANCE ON INCREASE	L584		11	3	4	1	0	0	0	0	2	3	11	11	0	0
487	TOTAL MISCELLANEOUS EXPENSES	L589		11	3	4	1	0	0	0	0	2	3	11	11	0	0
488	TOTAL OTHER TAX & MISC EXPENSE	L591		888	331	8	30	48	74	120	242	277	519	888	888	0	0
489	TOTAL OTHER TAX & MISC EXPENSE	L599		888	331	8	30	48	74	120	242	277	519	888	888	0	0
490	TOTAL DEPRECIATION EXPENSE	DE49		3,665	2,388	1	57	171	189	412	772	447	1,219	3,665	3,665	0	0
491	TOTAL ODM EXPENSE	OM49		21,181	12,824	1,579	17	772	828	39	4,210	3,382	4,210	21,181	21,181	0	0
492	PRELIMINARY SUMMARY																
493	TOTAL DEPRECIATION EXPENSE	DE49		3,665	2,388	1	57	171	189	412	772	447	1,219	3,665	3,665	0	0
494	TOTAL OTHER TAX & MISC EXPENSE	L599		888	331	8	30	48	74	120	242	277	519	888	888	0	0
495	TOTAL OP EXP EXC IT & OTHER TAX	OP69		25,734	5,543	12,577	1,666	236	1,035	571	1,842	4,106	5,948	25,734	25,734	0	0

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	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														5/28/06 7:36 AM
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-0v-1 KW (12 CONN PEAK)														
6	SP														
7				SP	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL		ALL
8	DESCRIPTION	ITEM	ALLOC	SECONDARY	DEMAND	ENERGY	TRANSMISSION	SUBSTATONS	& FIXTURES	CONDUCTORS	DISTRIBUTION	CUSTOMER	DISTRIBUTION	TOTAL	OTHER
498	INCOME TAX BASED ON RETURN Schedule 9														
499	FEDERAL INCOME TAX DEDUCTIONS														
500	AUTOMATIC INTEREST CALCULATION														
501	AUTO PROC INTEREST DED	Y751	K_EPIS	1,799	1,122	1	40	89	99	216	404	232	636	1,799	0
502	TOTAL INTEREST EXPENSE	Y783	TOT_INT	1,799	1,122	1	40	89	99	216	404	232	636	1,799	0
503															
504	OTHER DEDUCTIONS														
505	DEPR. EXCESS TAX OVER BOOK	Y790	K_Depr_Ex	353	231	0	5	16	18	40	74	43	117	353	0
507	LOSS ON REACQUIRED DEBT	Y794	K_EPIS	(14)	(9)	0	0	0	(1)	(2)	(3)	(2)	(5)	(14)	0
509	COST OF REMOVAL	Y798	K_Depr_Ex	168	109	0	3	8	9	19	36	20	56	168	0
512	METER CAPITAL LEASE PRINCIPLE PAYMENTS	Y804	K_rbdist_c	221	0	0	0	0	0	0	0	221	221	221	0
515	OTHER PERMANENT DIFFERENCES	Y816	K_EPIS	158	98	0	4	8	9	19	36	20	56	158	0
518	TOTAL OTHER DEDUCTIONS	Y828		886	429	0	12	32	35	76	143	302	445	886	0
519															
520	NET DEDUCTIONS AND ADDITIONS	Y871		2,685	1,551	1	52	121	134	292	547	534	1,081	2,685	0
521															
522	FEDERAL INCOME TAX ADJUSTMENTS														
523															
524	FED PROV DEF INC TAX DEFERRALS (410.1)														
526	ANNUALIZE DEPRECIATION	Z788	K_EPIS	(8)	(5)	0	0	(1)	0	(1)	(2)	(1)	(3)	(8)	0
531	MISCELLANEOUS	Z762	K_A&GexAdj	(62)	(14)	(1)	0	1	(5)	0	(4)	(43)	(47)	(62)	0
532	MISCELLANEOUS PROFORMA ADJUSTMENT	Z770	K_EPIS	0	0	0	0	0	0	0	0	0	0	0	0
533	RECLASSIFY NON-JURIS INCOME TAX	Z770	K_rprod_d	278	278	0	0	0	0	0	0	0	0	278	0
536	TOTAL FED PROV DEF IT DEFERRALS (410.1)	Z782		208	259	(1)	0	0	(5)	(1)	(6)	(44)	(50)	208	0
537															

DUKE ENERGY KENTUCKY														5/26/06 7:36 AM	
COST OF SERVICE STUDY															
TWELVE MONTHS ENDING DECEMBER 31, 2005															
ELECTRIC CASE NO: 2006-00172															
FR-0v-1 KW (12 COIN PEAK)															
SP															
DESCRIPTION	ITEM	ALLOC	SP SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER	
554	AMORTIZED INV TAX CREDIT	Schedule 9a													
555	MISCELLANEOUS	Z804	K_AAGetAdj	0	0	0	0	0	0	0	0	0	0	0	
556	AMORTIZE ITC	Z808	K_EPIS	16	10	0	1	1	2	4	2	6	16	0	
557	TOTAL AMORTIZED ITC	Z813		16	10	0	1	1	2	4	2	6	16	0	
558				0											
559	TEST YEAR INV TAX CREDIT			0											
560	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	
561															
562	PRELIMINARY SUMMARY														
563	TOTAL FED PROV DEF IT (410.1)	Z782		208	259	(1)	0	(5)	(1)	(6)	(44)	(50)	208	0	
564	TOTAL FED PROV DEF IT (411.1)	Z803		0	0	0	0	0	0	0	0	0	0	0	
565	TOTAL AMORTIZED ITC	Z813		(16)	(10)	0	(1)	(1)	(2)	(4)	(2)	(6)	(16)	0	
566	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		192	249	(1)	0	(1)	(3)	(10)	(46)	(56)	192	0	
567															
568	FEDERAL INCOME TAX COMPUTATION														
569	RETURN ON CAPITALIZATION	R751		9,789	5,772	321	253	470	1,135	2,141	1,302	3,443	9,789	0	
570	NET DEDUCTIONS AND ADDITIONS	Y871		(2,685)	(1,551)	(1)	(52)	(121)	(292)	(547)	(534)	(1,081)	(2,685)	0	
571	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		192	249	(1)	0	(1)	(3)	(10)	(46)	(56)	192	0	
572	TOTAL STATE PROV DEF IT (410.1)	Z811		45	46	0	0	0	0	0	(1)	(1)	45	0	
573	TOTAL STATE PROV DEF IT (411.1)	Z933		0	0	0	0	0	0	0	0	0	0	0	
574	AFUDC OFFSET	Z935		(46)	31	0	(11)	(7)	(24)	(42)	(24)	(66)	(46)	0	
575	BASE FOR FIT COMPUTATION.	I885		7,295	4,547	319	190	341	816	1,542	697	2,239	7,295	0	
576															
577	FIT FACTOR K190/(1-K190)	I887	Fitcomp_from	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	
578	PRELIM FED INCOME TAX	I889		3,928	2,448	172	102	185	207	439	831	375	1,206	3,928	
579	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		192	249	(1)	0	(1)	(3)	(10)	(46)	(56)	192	0	
580	NET FED INCOME TAX ALLOWABLE	I879		4,120	2,697	171	102	184	207	436	821	329	1,150	4,120	
581															
582	INCOME TAX BASED ON RETURN														
583	FEDERAL INCOME TAX PAYABLE														
584	PRELIM FEDERAL INCOME TAX	I889		3,928	2,448	172	102	185	207	439	831	375	1,206	3,928	
585	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	
586	NET FED INCOME TAX PAYABLE	I889		3,928	2,448	172	102	185	207	439	831	375	1,206	3,928	

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 CORN PEAK)														
6	SP														
7				SP							TOTAL		TOTAL		
8	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
587	STATE INCOME TAX	Schedule 9b													
588															
589	DEDUCTIONS IN ADDITION TO Y871														
590	BONUS DEPRECIATION	Y890	K_Depr_Ex	123	80	0	2	6	6	14	26	15	41	123	0
591	DEDUCTIONS IN ADD TO Y871	Y911		123	80	0	2	6	6	14	26	15	41	123	0
592															
593	STATE INCOME TAX ADJUSTMENTS														
594															
595	STATE PROV DEF INC TAX DEFERRALS (410.1)														
596	NET DEFERRED TAXES	Z896	K_EPIS	(4)	(3)	0	0	0	0	0	0	(1)	(1)	(4)	0
597	ANNUALIZE DEPRECIATION	Z898	K_Depr_Ex	(1)	(1)	0	0	0	0	0	0	0	0	(1)	0
598	NON-JURISDICTIONAL TAX	Z898	K_ftprod_d	50	50	0	0	0	0	0	0	0	0	50	0
599	TOT STATE PROV DEF IT DEFERRALS (410.1)	Z911		45	46	0	0	0	0	0	0	(1)	(1)	45	0
600															
601	TOTAL STATE INC TAX ADJUSTMENT	Z957		45	46	0	0	0	0	0	0	(1)	(1)	45	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR#v-1 KW (12 COIN PEAK)														
6	SP														
7				SP							TOTAL		TOTAL		ALL
8	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	OTHER
627	INCOME TAX BASED ON RETURN Schedule 9c														
628	SUMMARY OF SIT CALCULATION														
630	RETURN ON CAPITALIZATION	R751		9,789	5,772	321	253	470	536	1,135	2,141	1,302	3,443	9,789	0
631	NET FED INCOME TAX ALLOWABLE	I878		4,120	2,697	171	102	184	201	436	821	329	1,150	4,120	0
632	NET FED. DED. AND ADDITIONS	Y871		(2,685)	(1,551)	(1)	(52)	(121)	(134)	(292)	(547)	(534)	(1,081)	(2,685)	0
633	DEDUCTIONS IN ADD TO Y871	Y911		(123)	(80)	0	(2)	(6)	(6)	(14)	(26)	(15)	(41)	(123)	0
634	AFUDC OFFSET	L033		(46)	31	0	(11)	(7)	(11)	(24)	(42)	(24)	(66)	(46)	0
635	TOTAL STATE INC TAX ADJ	Z957		45	46	0	0	0	0	0	0	(1)	(1)	45	0
636	BASE FOR SIT COMPUTATION	J865		11,100	6,915	491	290	520	586	1,241	2,347	1,057	3,404	11,100	0
637	SIT FACTOR K192/(1-K192)														
638	PRELIMINARY STATE INCOME TAX	J967	st_from	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378
639	TOTAL STATE INCOME TAX ADJ.	Z957		682	425	30	18	32	36	76	144	65	209	682	0
641	NET STATE INC TAX ALLOWABLE	J879		45	46	0	0	0	0	0	0	(1)	(1)	45	0
642	STATE INCOME TAX PAYABLE														
643	PRELIMINARY STATE INCOME TAX	J969		727	471	30	18	32	36	76	144	64	208	727	0
644	OTHER SIT ADJUSTMENTS	Z955		0	0	0	0	0	0	0	0	0	0	0	0
645	NET STATE INCOME TAX PAYABLE	J989		682	425	30	18	32	36	76	144	65	209	682	0
647	COMPOSITE TAX RATE														
648	CTAX	ctax_from		0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621
649															
650															
651															
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654															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FRAN-1 KW (12 CONN PEAK)														
6	SP														
7			SP								TOTAL	DISTRIBUTION	TOTAL		
8	DESCRIPTION	ITEM	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER	
655	Schedule 10														
656	COST OF SERVICE COMPUTATION														
657	OTHER OPERATING REVENUES														
658	RENTAL REVENUE	Q000	K_EPIS	167	104	0	4	8	9	20	37	22	59	167	0
659	BAD CHECK CHARGE	Q002	K_Func_Rev	2	0	1	0	1	0	0	1	0	1	2	0
660	ELIMINATE NON-NATIVE SALES	Q002	K_rbrod_e	(1,776)	0	(1,776)	0	0	0	0	0	0	0	(1,776)	0
661	SALES FOR RESALE	Q002	K_rbrod_e	1,776	0	1,776	0	0	0	0	0	0	0	1,776	0
662	RECONNECTION CHARGES	Q002	K_Func_Rev	8	3	3	0	1	0	0	1	1	2	8	0
663	INTERRUPTIBLE CREDIT	Q002	K_Func_Rev	(9)	(4)	(3)	0	(1)	0	(1)	(1)	(1)	(2)	(9)	0
664	BILLING CYCLE IMPROVEMENT	Q004	K_Func_Rev	60	21	20	3	1	3	7	9	16	60	0	0
665	OTHER MISCELLANEOUS REVENUES	Q006	K_Func_Rev	8	3	3	0	1	0	1	1	2	8	0	0
666	MISCELLANEOUS	Q008	K_Func_Rev	0	0	0	0	0	0	0	0	0	0	0	0
667	TOTAL OTHER OPERATING REVS	Q027		236	127	24	7	11	12	23	46	32	78	236	0
670	COST OF SERVICE COMPUTATION														
671	TOTAL OP EXP EXC INC & REV TAX														
672		OP69		25,734	5,543	12,577	1,666	236	1,035	571	1,842	4,106	5,948	25,734	0
673	RETURN ON CAPITALIZATION	R751		9,789	5,772	321	253	470	536	1,135	2,141	1,302	3,443	9,789	0
674	NET FED INCOME TAX ALLOWABLE	I879		4,120	2,697	171	102	184	201	436	821	329	1,150	4,120	0
675	NET STATE INCOME TAX ALLOWABLE	J979		727	471	30	18	32	36	76	144	64	208	727	0
676	TOTAL OTHER OPERATING REVENUES	Q027		(236)	(127)	(24)	(7)	(11)	(12)	(23)	(46)	(32)	(78)	(236)	0
677	SUBTOTAL B	CS03		40,134	14,356	13,075	2,032	911	1,796	2,195	4,902	5,769	10,671	40,134	0
678	COST OF SERVICE COMPUTATION														
679	TOTAL OTHER OPERATING REVENUES	Q027		236	127	24	7	11	12	23	46	32	78	236	0
680	LESS: OTHER ITEMS			0	0	0	0	0	0	0	0	0	0	0	0
681	OTHER OPERATING REVS TO BE TAXED	OORT		236	127	24	7	11	12	23	46	32	78	236	0
682	COST OF SERVICE COMPUTATION														
683	AFUDC OFFSET	L032		(46)	31	0	(11)	(7)	(11)	(24)	(42)	(24)	(66)	(46)	0
684	OTHER DEDUCTIONS TO COST OF SERVICE	L033		(46)	31	0	(11)	(7)	(11)	(24)	(42)	(24)	(66)	(46)	0
687	TOTAL ELECTRIC COST OF SERVICE	CS09		40,088	14,387	13,075	2,021	904	1,785	2,171	4,860	5,745	10,605	40,088	0
688	COST OF SERVICE COMPUTATION														
689	PROPOSED REVENUES	R602		40,088										40,088	0
690	TOTAL ELECTRIC COST OF SERVICE	CS09		(40,088)										(40,088)	0
691	EXCESS REVENUES	XREV		0										0	0
692	COMPOSITE TAX RATE	CTAX	PPCOMPTAX_FROM	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621
693	EXCESS TAX	XTAX		0										0	0
694	EXCESS RETURN	XRET		0										0	0

A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	TWELVE MONTHS ENDING DECEMBER 31, 2005													
4	ELECTRIC CASE NO: 2006-00172													
5	FR-4v-1 KW (12 CORN PEAK)													
6	SP													
7			SP							TOTAL				
8	DESCRIPTION	ITEM	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
695	ROR AND TAX RATES Schedule 11													
697	RATE OF RETURN													
698														
699	CAPITALIZATION AMOUNTS	CAP_FROM	Total Company	Ratio										Ratio
700	LONG TERM DEBT	K100	275,774,125	0.406259216										0.406259216
701	PREFERRED STOCK	K102	0	0.000000000										0.000000000
702	COMMON STOCK	K104	345,393,322	0.508819383										0.508819383
703	SHORT TERM DEBT	K106	57,645,769	0.084921401										0.084921401
704	UNAMORTIZED DISCOUNT	K108	0	0.000000000										0.000000000
705	TOTAL	K115	678,813,216	1.000000000										1.000000000
706														
707	COST OF CAPITAL													
708	LONG TERM DEBT	K120	0.0609											
709	PREFERRED STOCK	K122	0.0000											
710	COMMON STOCK	K124	0.1150											
711	SHORT TERM DEBT	K126	0.0514											
712	UNAMORTIZED DISCOUNT	K128	0.0000											
713														
714	WEIGHTED COST OF CAPITAL													
715	LONG TERM DEBT	K141	0.0247											
716	PREFERRED STOCK	K143	0.0000											
717	COMMON STOCK	K145	0.0585											
718	SHORT TERM DEBT	K147	0.0044											
719	UNAMORTIZED DISCOUNT	K149	0.0000											
720	TOT RATE OF RETURN ALLOWABLE	RORA	ROR_EARN_FROM	0.0876										
721														
722	TAX RATES AND SPECIAL FACTORS													
723	SHORT TERM DEBT COST	K180	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
724	FEDERAL INCOME TAX RATE	K180	FTI_FROM	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000
725	STATE INCOME TAX RATE	K182	STATETX_FROM	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788
726	REVENUE TAX RATE	K186	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
727														
728														
729	PRESENT REVENUES	R600	35,117	0	0	0	0	0	0	0	0	0	35,117	0
730	PROPOSED REVENUES	R602	40,088	0	0	0	0	0	0	0	0	0	40,088	0
731	PRESENT NOI		6,745											
732	GROSS PRESENT REV AT AVERAGE ROR		25,556											
733	SUBSIDY EXCESS		9,561											
734	REDUCTION IN SUBSIDY EXCESS		2,390											
735	RATE INCREASE		7,361											
736	TAX COMPLEMENT													
737														
738														
739														
740														
741														
742														
743														
744														

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
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5	FR-4v-1 KW(12 CONN PEAK)														
6	SP														
7	5/28/06 7:36 AM														
8	DESCRIPTION	ITEM	ALLOC	SP SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
745	INCOME TAX BASED ON REVENUES Schedule 12														
746	NET INCOME COMPUTATION														
747	TOTAL ELECTRIC COST OF SERVICE	CS09		40,088	14,387	13,075	2,021	904	1,785	2,171	4,860	5,745	10,605	40,088	0
748	TOTAL OTHER OPERATING REVENUES	Q027		236	127	24	7	11	12	23	46	32	78	236	0
749	TOTAL ELECTRIC REVENUE	CS07		40,324	14,514	13,099	2,028	915	1,797	2,194	4,906	5,777	10,683	40,324	0
750	TOTAL OP EXP EXC IT & OTHER DEDUCTIONS	OP61		(25,734)	(5,543)	(12,577)	(1,666)	(236)	(1,035)	(571)	(1,842)	(4,106)	(5,948)	(25,734)	0
751	OTHER	RTXP		0	0	0	0	0	0	0	0	0	0	0	0
752	NET INCOME	NI01		14,590	8,971	522	362	679	762	1,623	3,064	1,671	4,735	14,590	0
753	ADJUSTMENTS TO NET INCOME														
754	TOTAL INTEREST EXPENSE	Y783		(1,799)	(1,122)	(1)	(40)	(89)	(99)	(216)	(404)	(232)	(636)	(1,799)	0
756	TOTAL OTHER DEDUCTIONS	Y828		(886)	(429)	0	(12)	(32)	(35)	(76)	(143)	(302)	(445)	(886)	0
757	PRELIMINARY TAXABLE INCOME	T101		11,905	7,420	521	310	558	628	1,331	2,517	1,137	3,654	11,905	0
758	STATE INCOME TAX COMPUTATION														
759	PRELIMINARY TAX ABLE INCOME (INCL AFUDC)	T101		11,905	7,420	521	310	558	628	1,331	2,517	1,137	3,654	11,905	0
761	DEDUCTIONS IN ADD TO Y871	Y911		(123)	(80)	0	(2)	(6)	(6)	(14)	(26)	(15)	(41)	(123)	0
762	STATE TAXABLE INCOME	S101		11,782	7,340	521	308	552	622	1,317	2,491	1,122	3,613	11,782	0
763	STATE INCOME TAX PAYABLE														
764	STATE INCOME TAX RATE	K192	STATETX_FROM	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788
766	PRELIM SIT = S101 * K192	ST01		682	425	30	18	32	36	76	144	65	209	682	0
767	OTHER SIT ADJUSTMENTS	Z955		0	0	0	0	0	0	0	0	0	0	0	0
768	STATE INCOME TAX PAYABLE	SP01		682	425	30	18	32	36	76	144	65	209	826	0
769	SIT ALLOWABLE														
771	STATE INCOME TAX PAYABLE	SP01		682	425	30	18	32	36	76	144	65	209	682	0
772	TOTAL STATE PROV DEF IT(410.1)	Z911		45	46	0	0	0	0	0	0	(1)	(1)	45	0
773	TOTAL STATE PROV DEF IT(411.1)	Z833		0	0	0	0	0	0	0	0	0	0	0	0
774	NET STATE INC TAX ALLOWABLE	SA01		727	471	30	18	32	36	76	144	64	208	871	0
775	INCOME TAX BASED ON REVENUES														
776	FEDERAL INCOME TAX COMPUTATION														
777	PRELIMINARY TAXABLE INCOME (INCL AFUDC)	T101		11,905	7,420	521	310	558	628	1,331	2,517	1,137	3,654	11,905	0
778	STATE INC TAX PAYABLE	SP01		(682)	(425)	(30)	(18)	(32)	(36)	(76)	(144)	(65)	(209)	(682)	0
780	NET FEDERAL TAXABLE INCOME	F101		11,223	6,995	491	292	526	592	1,255	2,373	1,072	3,445	11,223	0
781	FEDERAL INCOME TAX RATE	K190	FIT_FROM	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000
782	PRELIMINARY FIT = F101 * K190	FT01		3,928	2,448	172	102	185	207	439	831	375	1,206	3,928	0
783	TOTAL FED PROV DEF IT (410.1)	Z782		208	259	(1)	0	0	(5)	(1)	(6)	(44)	(50)	208	0
784	TOTAL FED PROV DEF IT (411.1)	Z803		0	0	0	0	0	0	0	0	0	0	0	0
785	TOTAL AMORTIZED ITC & SERVICE CO ALLOC.	Z813		(16)	(10)	0	0	(1)	(1)	(2)	(4)	(2)	(6)	(16)	0
786	NET FED INC TAX ALLOWABLE	FA01		4,120	2,697	171	102	184	201	436	821	329	1,150	4,941	0
787	FEDERAL INCOME TAX PAYABLE														
788	PRELIM FIT	FT01		3,928	2,448	172	102	185	207	439	831	375	1,206	3,928	0
790	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
791	FED INC TAX PAYABLE	FP01		3,928	2,448	172	102	185	207	439	831	375	1,206	3,928	0
792	PRELIMINARY SUMMARY														
794	NET INCOME EXCLUDING AFUDC OFFSET	NI01		14,636	8,940	522	373	686	773	1,647	3,106	1,695	4,801	14,636	0
795	NET FED INC TAX ALLOWABLE	FA01		(4,120)	(2,697)	(171)	(102)	(184)	(201)	(436)	(821)	(329)	(1,150)	(4,120)	0
796	NET STATE INC TAX ALLOWABLE	SA01		(727)	(471)	(30)	(18)	(32)	(36)	(76)	(144)	(64)	(208)	(727)	0
797	OVERALL RETURN EARNED-SCH 12	RETU		9,789	5,772	321	253	470	536	1,135	2,141	1,302	3,443	9,789	0
798	RATE OF RETURN EARNED-SCH 12														
799	RORX	ROR_EARN_FROM		0.1589	0.1589	0.1588	0.1590	0.1591	0.1588	0.1589	0.1589	0.1588	0.1589	0.1589	0.0000

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
DUKE ENERGY KENTUCKY																	
COST OF SERVICE STUDY																	
TWELVE MONTHS ENDING DECEMBER 31, 2005																	
ELECTRIC CASE NO: 2006-00172																	
DESCRIPTION	ALLOC	SP SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER				
Schedule 13																	
Prod-Demand	K_rbprod_d		1.00000									0.00000					
Prod-Energy	K_rbprod_e			1.00000								0.00000					
Main Step-Up Transformers	K_rbtran_stepup											0.00000					
Transmission Other	K_rbtran_oth				1.00000							0.00000					
Substations	K_Subst					1.00000						1.00000					
Poles Towers & Fixtures	K_Poles						1.00000					1.00000					
Conductors	K_Conductors							1.00000				1.00000					
Transformers	K_Transformer											1.00000					
Distribution Demand	K_rbdist_d								1.00000			1.00000					
Distribution Customer	K_rbdist_c											1.00000					
All Other	K_FERC																1.00000
Gross Dist Plant excl CCNC-OC (106)		32,665	0	0	0	3,961	5,229	11,678	20,868	11,797	32,665	32,665	0				
Ratio	K_dist_ccnc	1.000000000	0.000000000	0.000000000	0.000000000	0.121261289	0.160079596	0.357508036	0.638848921	0.361151079	1.000000000	1.000000000	0.000000000				
Gross Plant (OC)		123,048	83,228	54	2,522	4,222	5,857	12,454	22,533	14,711	37,244	123,048	0				
Ratio	K_grossPlt	1.000000000	0.676386451	0.000438853	0.020496067	0.034311813	0.047599311	0.101212535	0.183123659	0.119554970	0.302678629	1.000000000	0.000000000				
Gross Prod Plant (OC)		82,563	82,563	0	0	0	0	0	0	0	0	82,563	0				
Ratio	K_gross_prodpit	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
Gross Plant-Prod/Trans/Dist (OC)		119,971	82,563	0	2,519	4,231	5,585	12,473	22,289	12,600	34,889	119,971	0				
Ratio	K_grossPTD	1.000000000	0.688191313	0.000000000	0.020996741	0.035266856	0.046552917	0.103966792	0.185786565	0.105025381	0.290811946	1.000000000	0.000000000				
Gross Distribution Plant (OC)		34,889	0	0	0	4,231	5,585	12,473	22,289	12,600	34,889	34,889	0				
Ratio	K_gross_distpit	1.000000000	0.000000000	0.000000000	0.000000000	0.121270314	0.160079108	0.357505231	0.638854653	0.361145347	1.000000000	1.000000000	0.000000000				
Gross Transmission Plant (OC)		2,519	0	0	2,519	0	0	0	0	0	0	2,519	0				
Ratio	K_gross_tranpit	1.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
Gross General Plant (OC)		431	93	7	1	(1)	38	(3)	34	296	330	431	0				
Ratio	K_gross_genpit	1.000000000	0.215777262	0.016241299	0.002320186	(0.002320185)	0.088167053	(0.006960557)	0.078886311	0.686774942	0.765661253	1.000000000	0.000000000				
Gross Common Plant (OC)		2,646	572	47	2	(8)	234	(16)	210	1,815	2,025	2,646	0				
Ratio	K_gross_complt	1.000000000	0.216175359	0.017762661	0.000755858	(0.003023432)	0.088435374	(0.006046863)	0.079365079	0.685941043	0.765306122	1.000000000	0.000000000				
Production Plant-Net (OC-Depr)		39,946	39,946	0	0	0	0	0	0	0	0	39,946	0				
Ratio	K_prodnnet	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
Distribution Plant-Net (OC-Depr)		21,623	0	0	0	3,230	3,404	7,748	14,382	7,241	21,623	21,623	0				
Ratio	K_distnet	1.000000000	0.000000000	0.000000000	0.000000000	0.149377977	0.157424964	0.358322157	0.665125098	0.334874902	1.000000000	1.000000000	0.000000000				
Transmission Plant-Net (OC-Depr)		1,438	0	0	1,438	0	0	0	0	0	0	1,438	0				
Ratio	K_trannt	1.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
General Plant Plant-Net		203	44	2	1	(1)	18	(1)	16	140	156	203	0				
Ratio	K_gennet	1.000000000	0.216748769	0.009852217	0.004926108	(0.004926109)	0.088669951	(0.004926109)	0.078817734	0.689655172	0.768472906	1.000000000	0.000000000				
Transmission & Distr Plant in Service		23,061	0	0	1,438	3,230	3,404	7,748	14,382	7,241	21,623	23,061	0				
Ratio	K_T&D_net	1.000000000	0.000000000	0.000000000	0.062356359	0.140063310	0.147608517	0.335978492	0.623650319	0.313993322	0.937643641	1.000000000	0.000000000				
Net Electric Plant in Service		64,573	40,284	26	1,440	3,223	3,543	7,739	14,505	8,318	22,823	64,573	0				
Ratio	K_EPIS	1.000000000	0.623852075	0.000402645	0.022300342	0.049912502	0.054868134	0.119848853	0.224629489	0.128815449	0.353444938	1.000000000	0.000000000				
Common Plant- net		1,363	294	24	1	(6)	121	(8)	107	937	1,044	1,363	0				
Ratio	K_comnet	1.000000000	0.215700660	0.017608217	0.000733676	(0.004402054)	0.088774762	(0.005869406)	0.078503302	0.687454145	0.765957447	1.000000000	0.000000000				

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY																	
2	COST OF SERVICE STUDY																	
3	TWELVE MONTHS ENDING DECEMBER 31, 2005																	
4	ELECTRIC CASE NO: 2006-00172																	
5					SP									TOTAL				
6	DESCRIPTION	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER				
66	Common & General Plant-net			1,566	338	26	2	(7)	139	(9)	123	1,077	1,200	1,566	0			
67	Ratio	K_comgennet	1.00000000	0.215836526	0.016802810	0.001277139	(0.004469988)	0.088761175	(0.005747126)	0.078544061	0.687739464	0.766283525	1.000000000	0.000000000				
68	Total OCD Rate Base			65,356	38,535	2,145	1,688	3,134	3,580	7,579	14,293	8,695	22,988	65,356	0			
69	Ratio	K_OCDRB	1.00000000	0.589616868	0.032820246	0.025827774	0.047952752	0.054776914	0.115964869	0.218694535	0.133040578	0.351735112	1.000000000	0.000000000				
70	Construction Work In Progress	Schedule 13a		530	(365)	0	132	92	122	273	487	276	763	530	0			
71	Ratio	K_CWIP	1.00000000	(0.688679246)	0.000000000	0.249056604	0.173584906	0.230188679	0.515094340	0.918867925	0.520754717	1.439822642	1.000000000	0.000000000				
72	A&G			3,049	659	54	2	(8)	270	(19)	243	2,091	2,334	3,049	0			
73	Ratio	K_A&G	1.00000000	0.216136438	0.017710725	0.000655953	(0.002623811)	0.088553624	(0.006231551)	0.079699262	0.685798622	0.765496884	1.000000000	0.000000000				
74	A&G (excluding adjustments)			3,259	705	58	2	(9)	288	(20)	259	2,235	2,494	3,259	0			
75	Ratio	K_A&GexAdj	1.00000000	0.216324026	0.017796870	0.000613685	(0.002761583)	0.088370666	(0.006136852)	0.079472231	0.685793188	0.765265419	1.000000000	0.000000000				
76	Dist A&G (ex reg exp)			543	0	0	0	21	348	49	418	125	543	543	0			
77	Ratio	K_DistA&G	1.00000000	0.000000000	0.000000000	0.000000000	0.038674033	0.640883978	0.090239411	0.769797422	0.230202578	1.000000000	1.000000000	0.000000000				
78	Transmission A&G			74	8	0	66	0	0	0	0	0	0	74	0			
79	Ratio	K_TransA&G	1.00000000	0.108108108	0.000000000	0.891891892	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
80	Customer Accounts A&G			632	0	0	0	0	0	0	0	632	632	632	0			
81	Ratio	K_CA_A&G	1.00000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000				
82	Cust Service & Informational A&G			372	(461)	(422)	(64)	(30)	(60)	(69)	(159)	1,478	1,319	372	0			
83	Ratio	K_CSI_A&G	1.00000000	(1.239247312)	(1.134408602)	(0.172043011)	(0.080645161)	(0.161290323)	(0.185483871)	(0.427419355)	3.973118280	3.545698925	1.000000000	0.000000000				
84	Sales A&G			0	0	0	0	0	0	0	0	0	0	0	0			
85	Ratio	K_Sales_A&G	1.00000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000				
86	Depeciation Expense			3,665	2,388	1	57	171	189	412	772	447	1,219	3,665	0			
87	Ratio	K_Depr_Ex	1.00000000	0.651568895	0.000272851	0.015552524	0.046657572	0.051568895	0.112414734	0.210641201	0.121964529	0.332605730	1.000000000	0.000000000				
88	O&M (no A&G)			18,132	2,165	12,514	1,577	25	502	58	585	1,291	1,876	18,132	0			
89	Ratio	K_O&M	1.00000000	0.119402162	0.690161041	0.086973307	0.001378778	0.027685859	0.003198765	0.032263402	0.071200088	0.103463490	1.000000000	0.000000000				
90	Production O&M			14,652	2,053	12,599	0	0	0	0	0	0	0	14,652	0			
91	Ratio	K_prodO&M	1.00000000	0.140117390	0.859882610	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
92	Dist O&M			801	0	0	0	31	514	72	617	184	801	801	0			
93	Ratio	K_distO&M	1.00000000	0.000000000	0.000000000	0.000000000	0.038701623	0.641697878	0.089887640	0.770287141	0.229712859	1.000000000	1.000000000	0.000000000				
94	Transmission O&M			1,795	205	0	1,590	0	0	0	0	0	0	1,795	0			
95	Ratio	K_tranO&M	1.00000000	0.114206128	0.000000000	0.885793872	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
96	Customer Accounting O&M			812	0	0	0	0	0	0	0	812	812	812	0			
97	Ratio	K_CA_O&M	1.00000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000				
98	Uncollectible Account O&M			(3)	0	0	0	0	0	0	0	(3)	(3)	(3)	0			
99	Ratio	K_Uncol_O&M	1.00000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000				
100	Customer Service & Informational O&M			75	(93)	(85)	(13)	(6)	(12)	(14)	(32)	298	266	75	0			
101	Ratio	K_CSI_O&M	1.00000000	(1.240000001)	(1.133333333)	(0.173333333)	(0.080000000)	(0.160000000)	(0.186666667)	(0.426666667)	3.973333333	3.546666667	1.000000000	0.000000000				
102	Sales O&M			0	0	0	0	0	0	0	0	0	0	0	0			
103	Ratio	K_Sales_O&M	1.00000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000				
104	AutoCalc Wkg Capital (incl A&G)			8,582	2,824	(31)	1,579	17	772	39	828	3,382	4,210	8,582	0			
105	Ratio	K_O&MxFuel	1.00000000	0.329060825	(0.003612212)	0.183989746	0.001980891	0.089955721	0.004544395	0.096481007	0.394080634	0.490561641	1.000000000	0.000000000				

COST OF SERVICE STUDY

BY FUNCTION

RATE DT-SEC

FR 10(9)(v)-10

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR4v-1 KW (12 CONN PEAK)														
6	DT_SEC														
7				DT_SEC							TOTAL				
8	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
9				1	2	3	5	6	7	8	10	11	12	13	14
10	SUMMARY OF RESULTS														
11	Schedule 1														
12	NET INCOME COMPUTATION														
13	GROSS ELECTRIC PLANT IN SERVICE	GP19		\$161,351,823	\$116,859,773	\$814,098	\$3,604,669	\$6,490,609	\$9,026,334	\$19,110,866	\$34,627,809	\$5,445,474	\$40,073,283	\$161,351,823	\$0
14	TOTAL DEPRECIATION RESERVE	DR19		(77,237,576)	(60,282,065)	(400,141)	(1,552,846)	(1,544,509)	(3,577,470)	(7,248,777)	(12,370,756)	(2,631,768)	(15,002,524)	(77,237,576)	0
15	TOTAL RATE BASE ADJUSTMENTS	RB71		1,902,083	(2,129,431)	3,959,981	363,086	(122,962)	76,358	(219,486)	(266,090)	(25,443)	(291,533)	1,902,083	0
16	TOTAL RATE BASE	RB99		86,016,330	54,448,277	4,373,918	2,414,909	4,823,138	5,525,222	11,642,603	21,990,963	2,788,263	24,779,226	86,016,330	0
17	CAPITALIZATION ALLOC TO ELECTRIC OPER	ECAP		81,087,630	51,328,413	4,123,294	2,276,536	4,546,774	5,208,629	10,975,487	20,730,890	2,628,497	23,359,387	81,087,630	0
18	OPERATING EXPENSES														
19	TOTAL O&M EXPENSE	OM39		32,226,154	4,679,947	23,534,166	2,307,547	96,397	1,297,217	216,647	1,610,261	94,233	1,704,494	32,226,154	0
20	TOTAL DEPRECIATION EXPENSE	DE49		4,794,986	3,353,725	24,182	82,511	263,036	291,019	630,810	1,184,865	149,703	1,334,568	4,794,986	0
21	TOTAL OTHER TAX & MISC EXPENSE	L591		1,061,419	508,995	67,717	47,364	79,720	119,664	190,797	390,181	47,162	437,343	1,061,419	0
22	TOTAL OP EXP EXC INC & R TAX	OP69		38,082,559	8,542,667	23,626,065	2,437,422	439,153	1,707,900	1,038,254	3,185,307	291,098	3,476,405	38,082,559	0
23	NET FED INCOME TAX ALLOWABLE	IB79		2,555,921	1,814,842	156,776	56,482	107,138	107,347	256,927	471,412	56,409	527,821	2,555,921	0
24	NET STATE INCOME TAX ALLOWABLE	J979		451,933	318,214	31,189	10,103	18,322	20,444	43,913	82,679	9,748	92,427	451,933	0
25	AFUDC OFFSET	LO33	K_CWIP	(46,953)	44,654	0	(16,147)	(12,360)	(16,317)	(36,444)	(65,121)	(10,339)	(75,460)	(46,953)	0
26	TOTAL OPERATING EXPENSE	OPEX		41,043,460	10,720,377	23,814,030	2,487,860	552,253	1,819,374	1,302,650	3,674,277	346,916	4,021,193	41,043,460	0
27	RETURN ON CAPITALIZATION														
28	TOTAL OTHER OPERATING REVENUES	R751		7,242,001	4,584,181	368,255	203,319	406,076	465,187	980,230	1,851,493	234,753	2,086,246	7,242,001	0
29	TOTAL ELECTRIC COST OF SERVICE	CS09		(293,587)	(170,482)	(39,072)	(9,540)	(14,310)	(17,694)	(34,292)	(66,296)	(8,197)	(74,493)	(293,587)	0
30	PROPOSED REVENUES	R602		47,991,874	15,134,076	24,143,213	2,681,639	944,019	2,266,867	2,248,588	5,459,474	573,472	6,032,946	47,991,874	0
31	EXCESS REVENUES	XREV		48,554,797	15,490,405	24,171,838	2,697,443	975,584	2,303,026	2,324,782	5,603,392	591,719	6,195,111	48,554,797	0
32	TOTAL RETURN EARNED	RETE		562,923	356,329	28,625	15,804	31,565	36,159	76,194	143,918	18,247	162,165	562,923	0
33	RATE OF RETURN EARNED ON CAPITALIZATION	RORE	SUM_RETURN_FROM	7,586,723	4,802,390	385,784	212,997	425,405	487,330	1,026,889	1,939,624	245,928	2,185,552	7,586,723	0
34	TOTAL RATE OF RETURN ALLOWABLE	RORA		0.093562027	0.093562027	0.093562027	0.093562027	0.093562027	0.093562027	0.093562027	0.093562027	0.093562027	0.093562027	0.093562027	0.00000
35	RETURN EARNED ON COMMON EQUITY	REOE		0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761
36	ALLOWED RETURN ON COMMON EQUITY	AROE		0.13526	0.13526	0.13526	0.13526	0.13526	0.13526	0.13526	0.13526	0.13526	0.13526	0.13526	(0.00000)
37	PRESENT REVENUES	R600		0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499
38	REVENUE INCREASE JUSTIFIED	RIJD		38,378,456	12,243,854	19,105,791	2,132,100	771,117	1,820,347	1,837,543	4,429,007	467,704	4,896,711	38,378,456	0
39	PER UNIT PRES REV	RIJP	PRESREV_FROM	9,613,418	2,890,222	5,037,422	549,539	172,902	446,520	411,045	1,030,467	105,768	1,136,235	9,613,418	0
40	REVENUE INCREASE REQUESTED	RI RD		0.25049										0.25049	0.00000
41	PER UNIT PRES REV	RI RP	PRES#MCR_FROM	10,176,341										10,176,341	0
42				0.26516										0.26516	0.00000

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 CORN PEAK)														
6	DT_SEC														
7	5/28/06 7:38 AM														
8	DESCRIPTION	ITEM	ALLOC	DT_SEC SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
49	GROSS ELECTRIC PLANT IN SERVICE														
50	Schedule 2														
51	PRODUCTION PLANT														
51	PRODUCTION - STEAM	P100	K_rbrod_d	74,193,419	74,193,419	0	0	0	0	0	0	0	0	74,193,419	0
52	PRODUCTION - OTHER	P106	K_rbrod_d	41,130,171	41,130,171	0	0	0	0	0	0	0	0	41,130,171	0
53	PRODUCTION PLANT IN SERVICE	P129		115,323,590	115,323,590	0	0	0	0	0	0	0	0	115,323,590	0
54	TRANSMISSION PLANT														
56	MAIN STEP-UP TRANSFORMERS	T100	K_rbrod_stepup	0	0	0	0	0	0	0	0	0	0	0	0
57	OTHER TRANSMISSION	T102	K_rbrod_oth	3,518,287	0	0	3,518,287	0	0	0	0	0	0	3,518,287	0
58	TRANSMISSION PLANT IN SERVICE	T129		3,518,287	0	0	3,518,287	0	0	0	0	0	0	3,518,287	0
59															
60	TOTAL PROD & TRANS PLANT	PT29		118,841,877	115,323,590	0	3,518,287	0	0	0	0	0	0	118,841,877	0
61	DISTRIBUTION PLANT														
63	SUBSTATIONS	D100	K_Subst	6,041,616	0	0	0	6,041,616	0	0	6,041,616	0	6,041,616	6,041,616	0
64	POLES, TOWERS & FIXTURES	D102	K_Poles	7,975,369	0	0	0	0	7,975,369	0	7,975,369	0	7,975,369	7,975,369	0
65	CONDUCTORS	D104	K_Conductors	17,813,401	0	0	0	0	0	17,813,401	17,813,401	0	17,813,401	17,813,401	0
66	TRANSFORMERS	D106	K_rbdist_c	4,788,363	0	0	0	0	0	0	0	4,788,363	4,788,363	4,788,363	0
67	SERVICES	D108	K_rbdist_c	139,396	0	0	0	0	0	0	0	139,396	139,396	139,396	0
68	METERS	D110	K_rbdist_c	125,563	0	0	0	0	0	0	0	125,563	125,563	125,563	0
70	STREET LIGHTS	D114	K_rbdist_c	0	0	0	0	0	0	0	0	0	0	0	0
71	CONSTRUCTION NOT CLASSIFIED	D116	K_dist_conc	2,511,581	0	0	0	411,402	543,079	1,212,996	2,167,477	344,104	2,511,581	2,511,581	0
72	DISTRIBUTION PLANT IN SERVICE	D149		39,395,289	0	0	0	6,453,018	8,518,448	19,026,397	33,997,863	5,397,426	39,395,289	39,395,289	0
73															
74	TOTAL TRANS & DIST PLANT	TD29		42,913,576	0	0	3,518,287	6,453,018	8,518,448	19,026,397	33,997,863	5,397,426	39,395,289	42,913,576	0
75	TOTAL GROSS PTD PLANT	PD29		158,237,166	115,323,590	0	3,518,287	6,453,018	8,518,448	19,026,397	33,997,863	5,397,426	39,395,289	158,237,166	0
76	GENERAL & INTANGIBLE PLANT														
78	PRODUCTION-DEMAND	G100	K_rbrod_d	213,916	213,916	0	0	0	0	0	0	0	0	213,916	0
79	PRODUCTION-ENERGY	G102	K_rbrod_e	114,477	0	114,477	0	0	0	0	0	0	0	114,477	0
80	TRANSMISSION	G104	K_TransA&G	13,768	1,572	0	12,196	0	0	0	0	0	0	13,768	0
81	DISTRIBUTION	G106	K_DistA&G	91,426	0	0	0	5,280	71,092	11,867	88,239	3,187	91,426	91,426	0
82	CUSTOMER ACCOUNTING	G108	K_CA_A&G	2,157	0	0	0	0	0	0	0	2,157	2,157	2,157	0
83	CUSTOMER SERVICE & INFORMATION	G110	K_CSI_A&G	311	(346)	(541)	(61)	(23)	(51)	(52)	(126)	1,385	1,259	311	0
84	SALES	G112	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
85	GENERAL & INTANGIBLE PLANT IN SERVICE	G129		436,055	215,142	113,936	12,135	5,257	71,041	11,815	88,113	6,729	94,842	436,055	0
86	COMMON & OTHER PLANT														
88	PRODUCTION-DEMAND RELATED	C100	K_rbrod_d	1,313,547	1,313,547	0	0	0	0	0	0	0	0	1,313,547	0
89	PRODUCTION-ENERGY RELATED	C102	K_rbrod_e	703,476	0	703,476	0	0	0	0	0	0	0	703,476	0
90	TRANSMISSION	C104	K_TransA&G	84,234	9,616	0	74,618	0	0	0	0	0	0	84,234	0
91	DISTRIBUTION	C106	K_DistA&G	562,199	0	0	0	32,472	437,159	72,972	542,603	19,596	562,199	562,199	0
92	CUSTOMER ACCOUNTING	C108	K_CA_A&G	13,241	0	0	0	0	0	0	0	13,241	13,241	13,241	0
93	CUSTOMER SERVICE & INFORMATION	C110	K_CSI_A&G	1,905	(2,122)	(3,314)	(371)	(138)	(314)	(318)	(770)	8,482	7,712	1,905	0
94	SALES	C112	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
95	COMMON & OTHER PLANT IN SERVICE	C129		2,678,602	1,321,041	700,162	74,247	32,334	436,845	72,654	541,833	41,319	583,152	2,678,602	0
96															
97	GROSS ELECTRIC PLANT IN SERVICE	GP19		161,351,823	116,859,773	814,098	3,604,669	6,490,609	9,026,334	19,110,866	34,627,809	5,445,474	40,073,283	161,351,823	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR:yr-1 KW (12 COIN PEAK)														
6	DT_SEC														
7				DT_SEC							TOTAL	DISTRIBUTION	TOTAL		
8	DESCRIPTION	ITEM	ALLOC	SECONDARY	PRODUCTION	PRODUCTION	OTHER	SUBSTATIONS	POLES, TOWERS	CONDUCTORS	DISTRIBUTION	CUSTOMER	DISTRIBUTION	TOTAL	ALL
9				DISTRIBUTION	DEMAND	ENERGY	TRANSMISSION		& FIXTURES		DEMAND				OTHER
98	DEPRECIATION RESERVE Schedule 3														
100	PRODUCTION PLANT														
101	PRODUCTION - STEAM	P150	K_rtprod_d	40,768,512	40,768,512	0	0	0	0	0	0	0	0	40,768,512	0
102	PRODUCTION - OTHER	P152	K_rtprod_d	18,758,866	18,758,866	0	0	0	0	0	0	0	0	18,758,866	0
103	TOTAL PROD DEPREC RESERVE	P171		59,527,378	59,527,378	0	0	0	0	0	0	0	0	59,527,378	0
104	TRANSMISSION PLANT														
105	MAIN STEP-UP TRANSFORMERS		K_rtrstran_stepup	0	0	0	0	0	0	0	0	0	0	0	0
107	OTHER TRANSMISSION	T150	K_rtrstran_oth	1,510,438	0	0	1,510,438	0	0	0	0	0	0	1,510,438	0
108	TOTAL TRANS DEPREC RESERVE	T171		1,510,438	0	0	1,510,438	0	0	0	0	0	0	1,510,438	0
109	TOTAL PROD & TRANS DEPREC RESERVE														
110				61,037,816	59,527,378	0	1,510,438	0	0	0	0	0	0	61,037,816	0
111	DISTRIBUTION PLANT														
113	SUBSTATIONS	D150	K_Subst	1,355,488	0	0	1,355,488	0	0	0	1,355,488	0	1,355,488	1,355,488	0
114	POLES, TOWERS & FIXTURES	D152	K_Poles	3,102,912	0	0	0	3,102,912	0	0	3,102,912	0	3,102,912	3,102,912	0
115	CONDUCTORS	D154	K_Conductors	6,704,407	0	0	0	0	0	6,704,407	6,704,407	0	6,704,407	6,704,407	0
116	TRANSFORMERS	D156	K_Transformer	2,348,725	0	0	0	0	0	0	0	2,348,725	2,348,725	2,348,725	0
117	SERVICES	D158	K_rtbdist_c	91,494	0	0	0	0	0	0	0	91,494	91,494	91,494	0
118	METERS	D160	K_rtbdist_c	25,281	0	0	0	0	0	0	0	25,281	25,281	25,281	0
119	DEPRECIATION EXPENSE ADJUSTMENT	D162	K_dist_ccnc	30,364	0	0	4,973	6,566	14,665	26,204	4,160	30,364	30,364	30,364	0
120	STREET LIGHTS	D164	K_rtbdist_c	0	0	0	0	0	0	0	0	0	0	0	0
121	COMPLETED CONSTRUCTION NOT CLASSIFIED	D166	K_dist_ccnc	1,221,663	0	0	200,111	264,160	590,016	1,054,287	167,376	1,221,663	1,221,663	1,221,663	0
122	RETIREMENT WORK IN PROGRESS	D168	K_dist_ccnc	(210,765)	0	0	(34,524)	(45,574)	(101,791)	(181,889)	(28,876)	(210,765)	(210,765)	(210,765)	0
123	TOTAL DIST DEPREC RESERVE	D191		14,669,569	0	0	1,526,048	3,328,064	7,207,297	12,061,409	2,608,160	14,669,569	14,669,569	14,669,569	0
124	TOTAL TRANS & DIST DEPREC RESERVE														
125				16,180,007	0	0	1,510,438	1,526,048	3,328,064	7,207,297	12,061,409	2,608,160	14,669,569	16,180,007	0
126	TOTAL GROSS PTD PLANT DEPREC RESERVE														
127				75,707,385	59,527,378	0	1,510,438	1,526,048	3,328,064	7,207,297	12,061,409	2,608,160	14,669,569	75,707,385	0
128	GENERAL & INTANGIBLE PLANT														
129	PRODUCTION-DEMAND	G150	K_rtprod_d	113,694	113,694	0	0	0	0	0	0	0	0	113,694	0
130	PRODUCTION-ENERGY	G152	K_rtprod_e	60,981	0	60,981	0	0	0	0	0	0	0	60,981	0
131	TRANSMISSION	G154	K_TransA&G	7,254	828	0	6,426	0	0	0	0	0	0	7,254	0
132	DISTRIBUTION	G156	K_DistA&G	48,669	0	0	0	2,812	37,844	6,317	46,973	1,696	48,669	48,669	0
133	CUSTOMER ACCOUNTING	G158	K_CA_A&G	1,147	0	0	0	0	0	0	0	1,147	1,147	1,147	0
134	CUSTOMER SERVICE & INFORMATION	G160	K_CSI_A&G	167	(185)	(291)	(33)	(12)	(28)	(28)	(68)	744	676	167	0
135	SALES	G162	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
136	TOTAL GEN & INTANGIBLE DEPREC RES.	G171		231,912	114,337	60,690	6,393	2,800	37,816	6,289	46,905	3,587	50,492	231,912	0
137	COMMON & OTHER PLANT														
138	PRODUCTION-DEMAND	C150	K_rtprod_d	636,714	636,714	0	0	0	0	0	0	0	0	636,714	0
140	PRODUCTION-ENERGY	C152	K_rtprod_e	341,057	0	341,057	0	0	0	0	0	0	0	341,057	0
141	TRANSMISSION	C154	K_TransA&G	40,859	4,664	0	36,195	0	0	0	0	0	0	40,859	0
142	DISTRIBUTION	C156	K_DistA&G	272,306	0	0	0	15,727	211,742	35,345	262,814	9,492	272,306	272,306	0
143	CUSTOMER ACCOUNTING	C158	K_CA_A&G	6,420	0	0	0	0	0	0	0	6,420	6,420	6,420	0
144	CUSTOMER SERVICE & INFORMATION	C160	K_CSI_A&G	923	(1,028)	(1,606)	(180)	(66)	(152)	(154)	(372)	4,109	3,737	923	0
145	SALES	C162	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
146	TOTAL COM & OTHER PLT RESERVE	C171		1,298,279	640,350	339,451	36,015	15,661	211,590	35,191	262,442	20,021	282,463	1,298,279	0
147	TOTAL DEPRECIATION RESERVE														
148		DR18		77,237,576	60,282,065	400,141	1,552,846	1,544,509	3,577,470	7,248,777	12,370,756	2,631,768	15,002,524	77,237,576	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
	DUKE ENERGY KENTUCKY														
	COST OF SERVICE STUDY														5/26/06 7:36 AM
	TWELVE MONTHS ENDING DECEMBER 31, 2005														
	ELECTRIC CASE NO: 2006-00172														
	FR=9-1 KW (12 COIN PEAK)														
	DT_SEC														
	DESCRIPTION	ITEM	ALLOC	DT_SEC SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
145	NET ELECTRIC PLANT IN SERVICE Schedule 4														
151	PRODUCTION PLANT														
152	PRODUCTION - STEAM			33,424,907	33,424,907	0	0	0	0	0	0	0	0	33,424,907	0
153	PRODUCTION - OTHER			22,371,305	22,371,305	0	0	0	0	0	0	0	0	22,371,305	0
154	TOTAL PROD	P229		55,796,212	55,796,212	0	0	0	0	0	0	0	0	55,796,212	0
155	TRANSMISSION PLANT														
157	MAIN STEP-UP TRANSFORMERS			0	0	0	0	0	0	0	0	0	0	0	0
158	OTHER TRANSMISSION			2,007,849	0	0	2,007,849	0	0	0	0	0	0	2,007,849	0
159	TOTAL TRANSMISSION	T229		2,007,849	0	0	2,007,849	0	0	0	0	0	0	2,007,849	0
161	NET PROD & TRANS PLANT			57,804,061	55,796,212	0	2,007,849	0	0	0	0	0	0	57,804,061	0
163	DISTRIBUTION PLANT														
164	SUBSTATIONS	S249		4,686,128	0	0	0	4,686,128	0	0	4,686,128	0	4,686,128	4,686,128	0
165	POLES, TOWERS & FIXTURES	PL49		4,872,457	0	0	0	0	4,872,457	0	4,872,457	0	4,872,457	4,872,457	0
166	CONDUCTORS	SL49		11,108,994	0	0	0	0	0	11,108,994	11,108,994	0	11,108,994	11,108,994	0
167	TRANSFORMERS	F249		2,439,638	0	0	0	0	0	0	2,439,638	2,439,638	2,439,638	0	
168	SERVICES	SV49		47,902	0	0	0	0	0	0	47,902	47,902	47,902	0	
169	METERS	M249		100,282	0	0	0	0	0	0	100,282	100,282	100,282	0	
170	OTHER	C249		(30,364)	0	0	(4,973)	(6,566)	(14,665)	(26,204)	(4,160)	(30,364)	(30,364)	0	
171	STREET LIGHTS	L249		0	0	0	0	0	0	0	0	0	0	0	
172	CONSTRUCTION NOT CLASSIFIED	CN49		1,289,918	0	0	0	211,291	278,919	622,980	1,113,190	176,728	1,289,918	1,289,918	0
173	RETIREMENT WORK IN PROGRESS	CN49		210,765	0	0	0	34,524	45,574	101,791	181,889	28,876	210,765	210,765	0
174	TOTAL DIST	D249		24,725,720	0	0	0	4,926,970	5,190,384	11,819,100	21,936,454	2,789,266	24,725,720	24,725,720	0
175	NET TRANS & DIST PLANT NT29 26,733,569 0 0 2,007,849 4,926,970 5,190,384 11,819,100 21,936,454 2,789,266 24,725,720 26,733,569 0														
177	NET PTD PLANT	NT39		82,529,781	55,796,212	0	2,007,849	4,926,970	5,190,384	11,819,100	21,936,454	2,789,266	24,725,720	82,529,781	0
179	GENERAL & INTANGIBLE PLANT														
180	PRODUCTION-DEMAND			100,222	100,222	0	0	0	0	0	0	0	0	100,222	0
181	PRODUCTION-ENERGY			53,496	0	53,496	0	0	0	0	0	0	0	53,496	0
182	TRANSMISSION			6,514	744	0	5,770	0	0	0	0	0	0	6,514	0
183	DISTRIBUTION			42,757	0	0	0	2,468	33,248	5,550	41,266	1,491	42,757	42,757	0
184	CUSTOMER ACCOUNTING			1,010	0	0	0	0	0	0	0	1,010	1,010	1,010	0
185	CUSTOMER SERVICE & INFORMATION			144	(161)	(250)	(28)	(11)	(23)	(24)	(58)	641	583	144	0
186	SALES			0	0	0	0	0	0	0	0	0	0	0	0
187	TOTAL GENERAL AND INTANGIBLE PLANT	G229		204,143	100,805	53,246	5,742	2,457	33,225	5,526	41,208	3,142	44,350	204,143	0
189	COMMON & OTHER PLANT														
190	PRODUCTION-DEMAND			676,833	676,833	0	0	0	0	0	0	0	0	676,833	0
191	PRODUCTION-ENERGY			362,419	0	362,419	0	0	0	0	0	0	0	362,419	0
192	TRANSMISSION			43,375	4,952	0	38,423	0	0	0	0	0	0	43,375	0
193	DISTRIBUTION			289,893	0	0	0	16,745	225,417	37,627	279,789	10,104	289,893	289,893	0
194	CUSTOMER ACCOUNTING			6,821	0	0	0	0	0	0	0	6,821	6,821	6,821	0
195	CUSTOMER SERVICE & INFORMATION			982	(1,094)	(1,708)	(191)	(72)	(162)	(164)	(398)	4,373	3,975	982	0
196	SALES			0	0	0	0	0	0	0	0	0	0	0	0
197	TOTAL COM & OTHER PLT	C229		1,380,323	680,691	360,711	38,232	16,673	225,255	37,463	279,391	21,298	300,689	1,380,323	0
199	TOTAL ELECTRIC PLANT IN SERVICE	NP29		84,114,247	56,577,708	413,957	2,051,823	4,946,100	5,448,864	11,862,089	22,257,053	2,813,706	25,070,759	84,114,247	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-94-1 KW (12 COIN PEAK)														
6	DT_SEC														
7															
8	DESCRIPTION	ITEM	ALLOC	DT_SEC SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
200	NET ELECTRIC PLANT Schedule 4a														
201	PRODUCTION PLANT														
202	PRODUCTION PLANT IN SERVICE	P129		115,323,590	115,323,590	0	0	0	0	0	0	0	0	115,323,590	0
203	TOTAL PROD DEPRC RESERVE	P171		(59,527,378)	(59,527,378)	0	0	0	0	0	0	0	0	(59,527,378)	0
204	NET PRODUCTION PLANT	P229		55,796,212	55,796,212	0	0	0	0	0	0	0	0	55,796,212	0
205	TRANSMISSION PLANT														
206	TRANSMISSION PLANT IN SERVICE	T129		3,518,287	0	0	3,518,287	0	0	0	0	0	0	3,518,287	0
207	TOTAL TRANS DEPRC RESERVE	T171		(1,510,438)	0	0	(1,510,438)	0	0	0	0	0	0	(1,510,438)	0
208	NET TRANSMISSION PLANT	T229		2,007,849	0	0	2,007,849	0	0	0	0	0	0	2,007,849	0
209	NET PROD & TRANS PLANT														
210				57,804,061	55,796,212	0	2,007,849	0	0	0	0	0	0	57,804,061	0
211	DISTRIBUTION PLANT														
212	DISTRIBUTION PLANT IN SERVICE	D149		39,395,289	0	0	0	6,453,018	8,518,448	19,026,397	33,997,863	5,397,426	39,395,289	39,395,289	0
213	TOTAL DIST DEPRC RESERVE	D191		(14,669,569)	0	0	0	(1,526,048)	(3,328,064)	(7,207,297)	(12,081,409)	(2,608,160)	(14,669,569)	(14,669,569)	0
214	NET DISTRIBUTION PLANT	D249		24,725,720	0	0	0	4,926,970	5,190,384	11,819,100	21,936,454	2,789,266	24,725,720	24,725,720	0
215	NET TRANS & DIST PLANT														
216		NT29		26,733,569	0	0	2,007,849	4,926,970	5,190,384	11,819,100	21,936,454	2,789,266	24,725,720	26,733,569	0
217	NET PTD PLANT														
218		NT39		82,529,781	55,796,212	0	2,007,849	4,926,970	5,190,384	11,819,100	21,936,454	2,789,266	24,725,720	82,529,781	0
219	GENERAL & INTANGIBLE PLANT														
220	GEN & INTANG PLANT IN SERVICE	G129		436,055	215,142	113,936	12,135	5,257	71,041	11,815	88,113	6,729	94,842	436,055	0
221	TOTAL GEN & INTG DEPRC RESERVE	G171		(231,912)	(114,337)	(60,690)	(6,393)	(2,800)	(37,816)	(6,289)	(46,905)	(3,587)	(50,492)	(231,912)	0
222	NET GENERAL & INTANG PLANT	G229		204,143	100,805	53,246	5,742	2,457	33,225	5,526	41,208	3,142	44,350	204,143	0
223	COMMON & OTHER PLANT														
224	COMMON & OTH PLT IN SERVICE	C121		2,678,602	1,321,041	700,162	74,247	32,334	436,845	72,654	541,833	41,319	583,152	2,678,602	0
225	TOTAL COM & OTH DEPRC RESERVE	C171		(1,298,279)	(640,350)	(339,451)	(36,015)	(15,661)	(211,590)	(35,191)	(262,442)	(20,021)	(282,463)	(1,298,279)	0
226	NET COMMON & OTHER PLANT	C229		1,380,323	680,691	360,711	38,232	16,673	225,255	37,463	279,391	21,298	300,689	1,380,323	0
227	NET ELECTRIC PLANT IN SERVICE														
228		NP29		84,114,247	56,577,708	413,957	2,051,823	4,946,100	5,448,864	11,862,089	22,257,053	2,813,706	25,070,759	84,114,247	0

DUKE ENERGY KENTUCKY COST OF SERVICE STUDY TWELVE MONTHS ENDING DECEMBER 31, 2005 ELECTRIC CASE NO: 2006-00172 FR-41 KW (13 CONN PEAK) DT_SEC												
Schedule 5												
RATE BASE ADJUSTMENTS												
DT_SEC	ALLOC	DT_SEC	SECONDARY	PRODUCTION	PRODUCTION	OTHER	SUBSTATIONS	POLES, TOWERS	CONDUCTORS	TOTAL	DISTRIBUTION	ALL
		SECONDARY	DISTRIBUTION	DEMAND	ENERGY	TRANSMISSION		& FIXTURES		DEMAND	CUSTOMER	OTHER
		DISTRIBUTION										
225												
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1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR#v-1 KW (12 COIN PEAK)														
6	DT_SEC														
7				DT_SEC	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL		
8	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	DEMAND	ENERGY	TRANSMISSION	SUBSTATONS	& FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	DISTRIBUTION	TOTAL	ALL OTHER
286	CONSTRUCTION WORK IN PROGRESS	Schedule 5a													
287	PRODUCTION	V232	K_gross_prodpit	(509,697)	(509,697)	0	0	0	0	0	0	0	0	(509,697)	0
288	TRANSMISSION	V234	K_gross_tranpfit	184,308	0	0	184,308	0	0	0	0	0	0	184,308	0
289	DISTRIBUTION	V238	K_gross_distpfit	861,323	0	0	0	141,086	186,244	415,986	743,316	118,007	861,323	861,323	0
290	GENERAL	V238	K_gross_genpfit	0	0	0	0	0	0	0	0	0	0	0	0
291	COMMON	V240	K_gross_compfit	0	0	0	0	0	0	0	0	0	0	0	0
292	TOTAL RATE BASE CWIP	V255		535,934	(509,697)	0	184,308	141,086	186,244	415,986	743,316	118,007	861,323	535,934	0
294	TOTAL ADDITIVE ADJUSTMENTS	V289		700,451	(428,554)	43,007	188,867	143,072	213,067	420,447	776,586	120,545	897,131	700,451	0
295															
296	NET ORIGINAL COST RATE BASE	R629		78,852,976	52,139,125	427,625	2,095,264	4,738,610	5,275,734	11,441,793	21,456,137	2,734,825	24,190,962	78,852,976	0
297															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 COIN PEAK)														
6	DT_SEC														
7				DT_SEC							TOTAL	DISTRIBUTION	TOTAL		
8	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	ALL OTHER
298	WORKING CAPITAL														
299	MATERIALS & SUPPLIES														
300	FUEL INVENTORIES														
301	FUEL	W640	K_rbtprod_e	1,608,995	0	1,608,995	0	0	0	0	0	0	0	1,608,995	0
302	EMISSION ALLOWANCES	W642	K_rbtprod_e	1,073,391	0	1,073,391	0	0	0	0	0	0	0	1,073,391	0
303	TOTAL FUEL STOCKS	W644		2,682,386	0	2,682,386	0	0	0	0	0	0	0	2,682,386	0
304															
305	PLANT MATERIALS & SUPPLIES														
306	OTHER	W648	K_EPIS	1,222,302	822,157	6,015	29,816	71,874	79,180	172,373	323,427	40,887	364,314	1,222,302	0
310	TOTAL PLANT MATERIALS & SUPPLIES	W650		1,222,302	822,157	6,015	29,816	71,874	79,180	172,373	323,427	40,887	364,314	1,222,302	0
311															
312	TOTAL MATERIALS & SUPPLIES	W669	TOT_M&S	3,904,688	822,157	2,688,401	29,816	71,874	79,180	172,373	323,427	40,887	364,314	3,904,688	0
313															
314	PREPAYMENTS														
315	INSURANCE	W670	K_AA&G&A/d	50,023	24,672	13,077	1,386	604	8,156	1,356	10,116	772	10,888	50,023	0
316	COAL, SYN FUEL AND MARGIN DEPOSITS	W684	K_rbtprod_e	1,143,307	0	1,143,307	0	0	0	0	0	0	0	1,143,307	0
317	TOTAL PREPAYMENTS	W689		1,193,330	24,672	1,156,384	1,386	604	8,156	1,356	10,116	772	10,888	1,193,330	0
322															
323	AUTO CALC (O&M-F-PP)/8	W719		2,065,336	1,462,323	101,508	288,443	12,050	162,152	27,081	201,283	11,779	213,062	2,065,336	0
324	TOTAL WORKING CASH	W728		2,065,336	1,462,323	101,508	288,443	12,050	162,152	27,081	201,283	11,779	213,062	2,065,336	0
325															
326	TOTAL WORKING CAPITAL	WC79		7,163,354	2,309,152	3,946,293	319,645	84,528	249,488	200,810	534,826	53,438	588,264	7,163,354	0
327	PRELIMINARY SUMMARY														
328	TOTAL SUBTRACTIVE ADJUSTMENTS	B287		(5,961,722)	(4,010,029)	(29,339)	(145,426)	(350,562)	(386,197)	(840,743)	(1,577,502)	(199,426)	(1,776,928)	(5,961,722)	0
329	TOTAL ADDITIVE ADJUSTMENTS	V289		700,451	(428,554)	43,007	188,867	143,072	213,067	420,447	776,586	120,545	897,131	700,451	0
330	TOTAL WORKING CAPITAL	WC71		7,163,354	2,309,152	3,946,293	319,645	84,528	249,488	200,810	534,826	53,438	588,264	7,163,354	0
331	TOTAL RATE BASE ADJUSTMENTS	RB71		1,902,083	(2,129,431)	3,959,961	363,086	(122,962)	76,358	(219,486)	(266,090)	(25,443)	(291,533)	1,902,083	0
332															
333	RATE BASE CALCULATION														
334	NET ELECTRIC PLANT IN SERVICE	NP21		84,114,247	56,577,708	413,957	2,051,823	4,946,100	5,448,864	11,862,089	22,257,053	2,813,706	25,070,759	84,114,247	0
335	TOTAL RATE BASE ADJUSTMENTS	RB71		1,902,083	(2,129,431)	3,959,961	363,086	(122,962)	76,358	(219,486)	(266,090)	(25,443)	(291,533)	1,902,083	0
336	TOTAL RATE BASE	RB99	TOT_RB	86,016,330	54,448,277	4,373,918	2,414,909	4,823,138	5,525,222	11,642,603	21,990,963	2,788,263	24,779,226	86,016,330	0
337															
338	CAPITALIZATION ALLOC TO ELECTRIC OPER	ECAP	K_OCDRB	81,087,630	51,328,413	4,123,294	2,276,536	4,546,774	5,208,629	10,975,487	20,730,890	2,628,497	23,359,387	81,087,630	0
339															
340	TOTAL RATE OF RETURN ALLOWABLE	RORA	rot_Allow_from	0.0893	0.0893	0.0893	0.0893	0.0893	0.0893	0.0893	0.0893	0.0893	0.0893	0.0893	0.0893
341	RETURN ON CAPITALIZATION	R751		7,242,001	4,584,181	368,255	203,319	406,076	465,187	980,230	1,851,493	234,753	2,086,246	7,242,001	0
342															

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1	DUKE ENERGY KENTUCKY														
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3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 COIN PEAK)														
6	DT_SEC														
7				DT_SEC	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL		
8	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	ALL OTHER
343	O&M EXPENSES														
344	Schedule 6														
345	PRODUCTION O&M														
346	ENERGY RELATED PRODUCTION O&M														
346	FUEL	P300		K_rtprod_e	15,703,466	0	15,703,466	0	0	0	0	0	0	15,703,466	0
347	MISCELLANEOUS	P302		K_rtprod_e	0	0	0	0	0	0	0	0	0	0	0
348	EMISSION ALLOWANCES	P308		K_rtprod_e	985,721	0	985,721	0	0	0	0	0	0	985,721	0
350	ELIMINATE EMISSION ALLOW & OTHER VAR COST	P308		K_rtprod_e	1,469,458	0	1,469,458	0	0	0	0	0	0	1,469,458	0
351	OTHER PRODUCTION EXPENSE - MAINTENANCE	P310		K_rtprod_e	2,379,009	0	2,379,009	0	0	0	0	0	0	2,379,009	0
352	MISO TRANSMISSION CHARGES ACCT IN 555	P312		K_rtprod_e	2,184,452	0	2,184,452	0	0	0	0	0	0	2,184,452	0
353	TOTAL ENERGY RELATED	P349			22,722,106	0	22,722,106	0	0	0	0	0	0	22,722,106	0
354	DEMAND RELATED PROD O&M														
358	ELIMINATE MISCELLANEOUS	P344		K_rtprod_d	0	0	0	0	0	0	0	0	0	0	0
359	OTHER PRODUCTION EXPENSE - OPERATIONS	P346		K_rtprod_d	2,867,976	2,867,976	0	0	0	0	0	0	0	2,867,976	0
360	TOTAL DEMAND RELATED	P349			2,867,976	2,867,976	0	0	0	0	0	0	0	2,867,976	0
361	TOTAL PRODUCTION O&M														
362		P459			25,590,082	2,867,976	22,722,106	0	0	0	0	0	0	25,590,082	0
363	TRANSMISSION O & M														
365	TRANSFORMER LEASE PAYMENTS	T300		K_rtprod_d	286,274	286,274	0	0	0	0	0	0	0	286,274	0
366	OTHER TRANSMISSION	T302		K_rttran_oth	2,637,491	0	0	2,637,491	0	0	0	0	0	2,637,491	0
367	MISCELLANEOUS ADJUSTMENTS	T304		K_gross_transpt	(620,009)	0	0	(620,009)	0	0	0	0	0	(620,009)	0
368	NETWORK SERVICE RATES ADJUSTMENT	T305		K_gross_transpt	203,954	0	0	203,954	0	0	0	0	0	203,954	0
369	TOTAL TRANSMISSION O & M	T349			2,507,710	286,274	0	2,221,436	0	0	0	0	0	2,507,710	0
370	DISTRIBUTION O & M														
371	SUBSTATIONS	D300		K_Subst	16,823	0	0	16,823	0	0	16,823	0	16,823	16,823	0
374	POLES, TOWERS & FIXTURES	D302		K_Poles	749,109	0	0	0	749,109	0	749,109	0	749,109	749,109	0
375	CONDUCTORS	D304		K_Conductors	31,415	0	0	0	0	31,415	31,415	0	31,415	31,415	0
376	TRANSFORMERS	D306		K_Transformer	8,018	0	0	0	0	0	0	8,018	8,018	0	
377	OTHER MAINTENANCE	D308		K_distnet	64,657	0	0	12,883	13,573	30,907	57,363	7,294	64,657	64,657	0
378	METERS	D310		K_rtbdist_c	3,947	0	0	0	0	0	0	3,947	3,947	3,947	0
379	STREET LIGHTS	D314		K_rtbdist_c	0	0	0	0	0	0	0	0	0	0	0
380	OTHER OPERATIONS	D316		K_distnet	141,383	0	0	28,173	29,679	67,582	125,434	15,949	141,383	141,383	0
381	MISCELLANEOUS EXPENSES	D318		K_rtbdist_c	(240)	0	0	0	0	0	0	(240)	(240)	(240)	0
382	AFFILIATED COMPANY RENTS	D320		K_distnet	5,326	0	0	1,061	1,118	2,546	4,725	601	5,326	5,326	0
383	TOTAL DISTRIBUTION O & M	D349			1,020,438	0	0	58,940	793,479	132,450	984,869	35,569	1,020,438	1,020,438	0
384	CUSTOMER ACCOUNTING														
386	CUSTOMER ACCOUNTING EXPENSE	C300		K_rtbdist_c	6,857	0	0	0	0	0	0	6,857	6,857	6,857	0
387	ADJUST UNCOLLECTIBLE ACCOUNTS	C302		K_Func_Rev	(28,590)	(9,121)	(14,233)	(1,588)	(575)	(1,356)	(1,369)	(3,300)	(3,648)	(28,590)	0
388	METER READING	C304		K_rtbdist_c	1,965	0	0	0	0	0	0	1,965	1,965	1,965	0
389	LOSS ON SALE OF A/R & INCR A/R ON INCR	C306		K_Func_Rev	40,679	12,978	20,251	2,260	817	1,929	1,948	4,694	496	5,190	40,679
390	MISCELLANEOUS EXPENSE ADJUSTMENT	C308		K_rtbdist_c	(32)	0	0	0	0	0	0	(32)	(32)	(32)	0
391	TOTAL CUSTOMER ACCT EXPENSE	C319			20,879	3,857	6,018	672	242	573	579	1,394	8,938	10,332	20,879
392															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-#v-1 KW (12 COIN PEAK)														
6	DT_SEC														
7				DT_SEC	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL		ALL
8	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	OTHER
393	CUSTOMER SERVICE & INFORMATION														
394	CUSTOMER SERVICE & INFORMATION	C320	K_rbdist_c	2,574	0	0	0	0	0	0	0	2,574	2,574	2,574	0
395	INFORMATIONAL & INSTRUCTIONAL ADV	C322	K_rbdist_c	482	0	0	0	0	0	0	0	482	482	482	0
396	CUSTOMER SERVICE & INFORM PROFORMA	C324	K_rbdist_c	(930)	0	0	0	0	0	0	0	(930)	(930)	(930)	0
397	AMI	C328	K_Func_Rev	(1,653)	(527)	(823)	(92)	(34)	(78)	(79)	(191)	(20)	(211)	(1,653)	0
398	TOTAL CUSTOMER SERV & INFORMATION	C331		473	(527)	(823)	(92)	(34)	(78)	(79)	(191)	2,106	1,915	473	0
399															
400	SALES	Schedule 6													
401	SALES EXPENSE	S300	K_rbdist_c	22	0	0	0	0	0	0	0	22	22	22	0
403	SALES EXPENSE PROFORMA	S304	K_rbdist_c	(18)	0	0	0	0	0	0	0	(18)	(18)	(18)	0
404	TOTAL SALES EXPENSE	S319		4	0	0	0	0	0	0	0	4	4	4	0
405															
406	SUBTOTAL O&M EXCL A&G			29,139,586	3,157,580	22,727,301	2,222,016	59,148	793,974	132,950	986,072	46,617	1,032,689	29,139,586	0
407															
408	ADMINISTRATIVE & GENERAL														
409	A&G EXPENSE EXCL REGULATORY EXP														
410	PRODUCTION-DEMAND RELATED	A300	K_rtprod_d	1,617,883	1,617,883	0	0	0	0	0	0	0	0	1,617,883	0
411	PRODUCTION-ENERGY RELATED	A302	K_rtprod_e	866,462	0	866,462	0	0	0	0	0	0	0	866,462	0
412	TRANSMISSION	A304	K_tranO&M	103,711	11,839	0	91,872	0	0	0	0	0	0	103,711	0
413	DISTRIBUTION	A306	K_distO&M	692,209	0	0	0	39,981	538,253	89,847	668,081	24,128	692,209	692,209	0
414	CUSTOMER ACCOUNTING	A308	K_CA_O&M	16,310	0	0	0	0	0	0	0	16,310	16,310	16,310	0
415	CUSTOMER SERVICE & INFORMATION	A310	K_CSI_O&M	2,348	(2,616)	(4,085)	(457)	(169)	(387)	(392)	(948)	10,454	9,506	2,348	0
416	SALES	A312	K_Sales_O&M	0	0	0	0	0	0	0	0	0	0	0	0
417	A&G EXPENSE UNADJUSTED	A315		3,298,923	1,627,106	862,377	91,415	39,812	537,866	89,455	667,133	50,892	718,025	3,298,923	0
419	RATE CASE EXPENSE	A318	K_A&GexAdj	9,945	4,904	2,600	276	121	1,621	270	2,012	153	2,165	9,945	0
426	ELIMINATE MISCELLANEOUS EXPENSES	A340	K_A&GexAdj	(16,442)	(8,109)	(4,298)	(456)	(198)	(2,681)	(446)	(3,325)	(254)	(3,579)	(16,442)	0
427	IMPLEMENT AUTOMATED METER READING	A342	K_A&GexAdj	10,486	5,172	2,741	291	126	1,710	284	2,120	162	2,282	10,486	0
431	AMORTIZATION OF DEFERRED EXPENSES	A352	K_A&GexAdj	102,333	50,473	26,751	2,836	1,234	16,685	2,775	20,694	1,579	22,273	102,333	0
432	MISCELLANEOUS	A354	K_A&GexAdj	0	0	0	0	0	0	0	0	0	0	0	0
433	ELIMINATE INCENTIVE COMPENSATION	A356	K_A&GexAdj	(318,677)	(157,179)	(83,306)	(8,831)	(3,846)	(51,958)	(8,641)	(64,445)	(4,916)	(69,361)	(318,677)	0
434	TOTAL ADMIN. & GENERAL	A357		3,086,568	1,522,367	806,865	85,531	37,249	503,243	83,697	624,189	47,616	671,805	3,086,568	0
435															
436	TOTAL O & M EXPENSE	OM39	TOT O&M	32,226,154	4,679,947	23,534,166	2,307,547	96,397	1,297,217	216,647	1,610,261	94,233	1,704,494	32,226,154	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-9v-1 KW (12 CON PEAK)														
6	DT_SEC														
7															
8	DESCRIPTION	ITEM	ALLOC	DT_SEC SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
437	DEPRECIATION EXPENSE Schedule 7														
438	PRODUCTION DEPRECIATION														
440	PRODUCTION DEPRECIATION	P460	K_rbprod_d	3,308,072	3,308,072	0	0	0	0	0	0	0	0	3,308,072	0
441	PROFORMA ADJUSTMENT	P462	K_rbprod_d	0	0	0	0	0	0	0	0	0	0	0	0
442	TOTAL PRODUCTION DEPREC EXP.	P469		3,308,072	3,308,072	0	0	0	0	0	0	0	0	3,308,072	0
443	TRANSMISSION DEPRECIATION														
444	TRANSMISSION DEPRECIATION	T460	K_trannet	79,941	0	0	79,941	0	0	0	0	0	0	79,941	0
446	PROFORMA ADJUSTMENT	T462	K_trannet	0	0	0	0	0	0	0	0	0	0	0	0
447	TOTAL TRANSMISSION DEP. EXP.	T469		79,941	0	0	79,941	0	0	0	0	0	0	79,941	0
448	DISTRIBUTION DEPRECIATION														
449	DISTRIBUTION DEPRECIATION	D460	K_distnet	1,314,411	0	0	0	261,917	275,919	628,299	1,166,135	148,276	1,314,411	1,314,411	0
451	PROFORMA ADJUSTMENT	D462	K_distnet	0	0	0	0	0	0	0	0	0	0	0	0
452	TOTAL DIST. DEPREC EXP.	D469		1,314,411	0	0	0	261,917	275,919	628,299	1,166,135	148,276	1,314,411	1,314,411	0
453	GENERAL DEPRECIATION														
454	GENERAL DEPRECIATION	G460	K_gennet	12,569	6,206	3,278	354	152	2,046	340	2,538	193	2,731	12,569	0
456	PROFORMA ADJUSTMENT	G462	K_gennet	0	0	0	0	0	0	0	0	0	0	0	0
457	TOTAL GENERAL DEPREC EXP.	G469		12,569	6,206	3,278	354	152	2,046	340	2,538	193	2,731	12,569	0
458	COMMON AND OTHER DEPRECIATION														
459	COMMON DEPRECIATION	C460	K_comnet	79,993	39,447	20,904	2,216	967	13,054	2,171	16,192	1,234	17,426	79,993	0
461	PROFORMA ADJUSTMENT	C462	K_comnet	0	0	0	0	0	0	0	0	0	0	0	0
462	TOTAL COM & OTHER DEPREC EXP.	C469		79,993	39,447	20,904	2,216	967	13,054	2,171	16,192	1,234	17,426	79,993	0
463	TOTAL DEPRECIATION EXPENSE														
464	TOTAL DEPRECIATION EXPENSE	DE40	TOT_DEPREX	4,794,986	3,353,725	24,182	82,511	263,036	291,019	630,810	1,184,865	149,703	1,334,568	4,794,986	0
465															

DUKE ENERGY KENTUCKY														5/26/08 7:36 AM
COST OF SERVICE STUDY														
TWELVE MONTHS ENDING DECEMBER 31, 2005														
ELECTRIC CASE NO: 2006-00172														
FR#W-1 KW (12 COIN PEAK)														
DT_SEC														
DESCRIPTION	ITEM	ALLOC	DT_SEC SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
TAXES OTHER THAN INC & REV														
Schedule 8														
4657	REAL ESTATE & PROPERTY TAX													
4658	PRODUCTION	L500	K_rtprod_d	389,014	389,014	0	0	0	0	0	0	0	389,014	0
4659	TRANSMISSION	L501	K_trannet	40,152	0	0	40,152	0	0	0	0	0	40,152	0
470	DISTRIBUTION	L502	K_distnet	384,555	0	0	0	76,629	80,725	183,820	341,174	43,381	384,555	0
471	OTHER	L514	K_EPIS	0	0	0	0	0	0	0	0	0	0	0
472	TOTAL REAL EST & PROP TAX	L529	PROP_TAX	813,721	389,014	0	40,152	76,629	80,725	183,820	341,174	43,381	384,555	813,721
473														
MISCELLANEOUS TAXES														
475	PAYROLL RELATED	L566	K_AA&GenAdj	239,553	118,153	62,622	6,638	2,891	39,057	6,496	48,444	3,696	52,140	239,553
476	OTHER STATE TAXES	L562	K_AA&GenAdj	0	0	0	0	0	0	0	0	0	0	0
477	ELIMINATE NON-NATIVE SALES	L564	K_AA&GenAdj	(5,350)	(2,639)	(1,399)	(148)	(64)	(872)	(145)	(1,081)	(83)	(1,164)	(5,350)
478	AUTO LICENSES, ETC	L560	K_AA&GenAdj	991	489	259	27	12	162	27	201	15	216	991
479	ELIMINATE UNBILLED REVENUE	L562	K_AA&GenAdj	(25)	(12)	(7)	(1)	0	(4)	(1)	(5)	0	(5)	(25)
480	AFFILIATED COMPANY RENTS	L564	K_AA&GenAdj	10	5	3	0	0	2	0	2	0	2	10
481	MISCELLANEOUS	L566	K_AA&GenAdj	0	0	0	0	0	0	0	0	0	0	0
482	DSM ELIMINATION	L568	K_rtprod_d	(14)	(14)	0	0	0	0	0	0	0	0	(14)
483	TOTAL MISCELLANEOUS TAXES	L569		235,165	115,982	61,478	6,516	2,839	38,345	6,377	47,561	3,628	51,189	235,165
484														
MISCELLANEOUS EXPENSES														
487	PSC MAINTENANCE ON INCREASE	L584	K_Func_Rev	12,533	3,999	6,239	696	252	594	600	1,446	153	1,599	12,533
488	TOTAL MISCELLANEOUS EXPENSES	L589		12,533	3,999	6,239	696	252	594	600	1,446	153	1,599	12,533
489														
490	TOTAL OTHER TAX & MISC EXPENSE	L591		1,061,419	508,995	67,717	47,364	79,720	119,664	190,797	390,181	47,162	437,343	1,061,419
491														
PRELIMINARY SUMMARY														
493	TOTAL O&M EXPENSE	OM39		32,226,154	4,679,947	23,534,166	2,307,547	96,397	1,297,217	216,647	1,610,261	94,233	1,704,494	32,226,154
494	TOTAL DEPRECIATION EXPENSE	DE49		4,794,986	3,353,725	24,182	82,511	263,036	291,019	630,810	1,184,865	149,703	1,334,568	4,794,986
495	TOTAL OTHER TAX & MISC EXPENSE	L599		1,061,419	508,995	67,717	47,364	79,720	119,664	190,797	390,181	47,162	437,343	1,061,419
496	TOTAL OP EXP EXC IT & OTHER TAX	OP69		38,082,559	8,542,667	23,626,065	2,437,422	439,153	1,707,900	1,038,254	3,185,307	291,098	3,476,405	38,082,559
497														

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1	DUKE ENERGY KENTUCKY														
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3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-Inv-1 KW (12 COIN PEAK)														
6	DT_SEC														
7				DT_SEC							TOTAL	DISTRIBUTION	TOTAL		
8	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	DISTRIBUTION	TOTAL	ALL OTHER
498	INCOME TAX BASED ON RETURN														
499	FEDERAL INCOME TAX DEDUCTIONS														
500	AUTOMATIC INTEREST CALCULATION														
501	AUTO PROC INTEREST DED	Y751	K_EPIS	2,343,743	1,576,470	11,534	57,172	137,817	151,826	330,523	620,166	78,401	698,567	2,343,743	0
502	TOTAL INTEREST EXPENSE	Y783	TOT_INT	2,343,743	1,576,470	11,534	57,172	137,817	151,826	330,523	620,166	78,401	698,567	2,343,743	0
503	OTHER DEDUCTIONS														
504	DEPR. EXCESS TAX OVER BOOK	Y790	K_Depr_Ex	461,200	322,574	2,326	7,936	25,300	27,991	60,674	113,965	14,399	128,364	461,200	0
507	LOSS ON REACQUIRED DEBT	Y794	K_EPIS	(17,899)	(12,039)	(88)	(437)	(1,053)	(1,159)	(2,524)	(4,736)	(599)	(5,335)	(17,899)	0
509	COST OF REMOVAL	Y798	K_Depr_Ex	219,569	153,572	1,107	3,778	12,045	13,326	28,886	54,257	6,855	61,112	219,569	0
512	METER CAPITAL LEASE PRINCIPLE PAYMENTS	Y804	K_rbfst_c	6,866	0	0	0	0	0	0	0	6,866	6,866	6,866	0
515	OTHER PERMANENT DIFFERENCES	Y818	K_EPIS	205,485	138,216	1,011	5,012	12,083	13,311	28,978	54,372	6,874	61,246	205,485	0
516	TOTAL OTHER DEDUCTIONS	Y828		875,221	602,323	4,356	16,289	48,375	53,469	116,014	217,858	34,395	252,253	875,221	0
519	NET DEDUCTIONS AND ADDITIONS														
520		Y871		3,218,964	2,178,793	15,890	73,461	186,192	205,295	446,537	838,024	112,796	950,820	3,218,964	0
521	FEDERAL INCOME TAX ADJUSTMENTS														
522	FED PROV DEF INC TAX DEFERRALS (410.1)														
524	ANNUALIZE DEPRECIATION	Z768	K_EPIS	(10,855)	(7,302)	(53)	(265)	(638)	(703)	(1,531)	(2,872)	(363)	(3,235)	(10,855)	0
531	MISCELLANEOUS	Z762	K_AAGenAdj	(81,309)	(40,104)	(21,255)	(2,253)	(981)	(13,257)	(2,205)	(16,443)	(1,254)	(17,697)	(81,309)	0
532	MISCELLANEOUS PROFORMA ADJUSTMENT	Z770	K_EPIS	0	0	0	0	0	0	0	0	0	0	0	0
533	RECLASSIFY NON-JURIS INCOME TAX	Z770	K_rbfprod_d	362,701	362,701	0	0	0	0	0	0	0	0	362,701	0
536	TOTAL FED PROV DEF IT DEFERRALS (410.1)	Z762		270,537	315,295	(21,308)	(2,518)	(1,619)	(13,960)	(3,736)	(19,315)	(1,617)	(20,932)	270,537	0
537															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
	DUKE ENERGY KENTUCKY														
	COST OF SERVICE STUDY														
	TWELVE MONTHS ENDING DECEMBER 31, 2005														
	ELECTRIC CASE NO: 2006-00172														
	FR-4v-1 KW (12 CONN PEAK)														
	DT_SEC														
	DESCRIPTION	ITEM	ALLOC	DT_SEC SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
554	AMORTIZED INV TAX CREDIT	Schedule 9a													
555	MISCELLANEOUS	Z804	K_AIGexAdj	0	0	0	0	0	0	0	0	0	0	0	0
556	AMORTIZE ITC	Z806	K_EPIS	20,764	13,966	102	507	1,221	1,345	2,928	5,494	695	6,189	20,764	0
557	TOTAL AMORTIZED ITC	Z813		20,764	13,966	102	507	1,221	1,345	2,928	5,494	695	6,189	20,764	0
558	TEST YEAR INV TAX CREDIT			0											
559	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
561	PRELIMINARY SUMMARY														
563	TOTAL FED PROV DEF IT (410.1)	Z782		270,537	315,295	(21,308)	(2,518)	(1,619)	(13,960)	(3,736)	(19,315)	(1,617)	(20,932)	270,537	0
564	TOTAL FED PROV DEF IT (411.1)	Z803		0	0	0	0	0	0	0	0	0	0	0	0
565	TOTAL AMORTIZED ITC	Z813		(20,764)	(13,966)	(102)	(507)	(1,221)	(1,345)	(2,928)	(5,494)	(695)	(6,189)	(20,764)	0
566	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		249,773	301,329	(21,410)	(3,025)	(2,840)	(15,305)	(6,664)	(24,809)	(2,312)	(27,121)	249,773	0
568	FEDERAL INCOME TAX COMPUTATION														
569	RETURN ON CAPITALIZATION	R751		7,242,001	4,584,181	368,255	203,319	406,076	465,187	980,230	1,851,493	234,753	2,086,246	7,242,001	0
570	NET DEDUCTIONS AND ADDITIONS	Y871		(3,218,964)	(2,178,793)	(15,890)	(73,461)	(186,192)	(205,295)	(446,537)	(838,024)	(112,796)	(950,820)	(3,218,964)	0
571	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		249,773	301,329	(21,410)	(3,025)	(2,840)	(15,305)	(6,664)	(24,809)	(2,312)	(27,121)	249,773	0
572	TOTAL STATE PROV DEF IT (410.1)	Z911		56,990	59,440	(38)	(173)	(441)	(487)	(1,059)	(1,987)	(252)	(2,239)	56,990	0
573	TOTAL STATE PROV DEF IT (411.1)	Z933		0	0	0	0	0	0	0	0	0	0	0	0
574	AFUDC OFFSET	Z935		(46,953)	44,654	0	(16,147)	(12,360)	(16,317)	(36,444)	(65,121)	(10,339)	(75,460)	(46,953)	0
575	BASE FOR FIT COMPUTATION	I865		4,282,847	2,810,811	330,917	110,513	204,243	227,783	489,526	921,552	109,054	1,030,606	4,282,847	0
577	FIT FACTOR K190(1-K190)	I867	FITcomp_from	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538
578	PRELIM FEDERAL INCOME TAX	I869		2,306,148	1,513,513	178,186	59,507	109,978	122,652	263,591	496,221	58,721	554,942	2,306,148	0
579	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		249,773	301,329	(21,410)	(3,025)	(2,840)	(15,305)	(6,664)	(24,809)	(2,312)	(27,121)	249,773	0
580	NET FED INCOME TAX ALLOWABLE	I879		2,555,921	1,814,842	156,776	56,482	107,138	107,347	256,927	471,412	56,409	527,821	2,555,921	0
582	INCOME TAX BASED ON RETURN														
583	FEDERAL INCOME TAX PAYABLE														
584	PRELIM FEDERAL INCOME TAX	I869		2,306,148	1,513,513	178,186	59,507	109,978	122,652	263,591	496,221	58,721	554,942	2,306,148	0
585	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
586	NET FED INCOME TAX PAYABLE	I889		2,306,148	1,513,513	178,186	59,507	109,978	122,652	263,591	496,221	58,721	554,942	2,306,148	0

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3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR#v-1 KW(12 COIN PEAK)														
6	DT_SEC														
7				DT_SEC	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL		ALL
8	DESCRIPTION	ITEM	ALLOC	SECONDARY DISTRIBUTION	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	OTHER
587	STATE INCOME TAX	Schedule 9b													
588															
589	DEDUCTIONS IN ADDITION TO Y871														
591	BONUS DEPRECIATION	Y890	K_Depr_Ex	160,304	112,121	808	2,758	8,794	9,729	21,089	39,612	5,005	44,617	160,304	0
594	DEDUCTIONS IN ADD TO Y871	Y911		160,304	112,121	808	2,758	8,794	9,729	21,089	39,612	5,005	44,617	160,304	0
595															
596	STATE INCOME TAX ADJUSTMENTS														
597															
598	STATE PROV DEF INC TAX DEFERRALS (410.1)														
600	NET DEFERRED TAXES	Z896	K_EFIS	(5,731)	(3,855)	(28)	(140)	(337)	(371)	(808)	(1,516)	(192)	(1,708)	(5,731)	0
601	ANNUALIZE DEPRECIATION	Z896	K_Depr_Ex	(1,909)	(1,335)	(10)	(33)	(104)	(116)	(251)	(471)	(60)	(531)	(1,909)	0
604	NON-JURISDICTIONAL TAX	Z896	K_rtprod_d	64,630	64,630	0	0	0	0	0	0	0	0	64,630	0
605	TOT STATE PROV DEF IT DEFERRALS (410.1)	Z911		56,990	59,440	(38)	(173)	(441)	(487)	(1,059)	(1,987)	(252)	(2,239)	56,990	0
610															
626	TOTAL STATE INC TAX ADJUSTMENT	Z957		56,990	59,440	(38)	(173)	(441)	(487)	(1,059)	(1,987)	(252)	(2,239)	56,990	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
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4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 CON PEAK)														
6	DT_SEC														
7	DESCRIPTION	ITEM	ALLOC	DT_SEC SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
627	INCOME TAX BASED ON RETURN Schedule 9c														
628	SUMMARY OF SIT CALCULATION														
630	RETURN ON CAPITALIZATION	R751		7,242,001	4,584,181	368,255	203,319	406,076	465,187	980,230	1,851,493	234,753	2,086,246	7,242,001	0
631	NET FED INCOME TAX ALLOWABLE	1879		2,555,921	1,814,842	156,776	56,482	107,138	107,347	256,927	471,412	56,409	527,821	2,555,921	0
632	NET FED. DED. AND ADDITIONS	Y871		(3,218,964)	(2,178,793)	(15,890)	(73,461)	(186,192)	(205,295)	(446,537)	(838,024)	(112,796)	(950,820)	(3,218,964)	0
633	DEDUCTIONS IN ADD TO Y871	Y811		(160,304)	(112,121)	(808)	(2,758)	(8,794)	(9,729)	(21,089)	(39,612)	(5,005)	(44,617)	(160,304)	0
634	AFUDC OFFSET	L033		(46,953)	44,654	0	(16,147)	(12,360)	(16,317)	(36,444)	(65,121)	(10,339)	(75,460)	(46,953)	0
635	TOTAL STATE INC TAX ADJ	Z957		56,990	59,440	(38)	(173)	(441)	(487)	(1,059)	(1,987)	(252)	(2,239)	56,990	0
636	BASE FOR SIT COMPUTATION	J965		6,428,691	4,212,203	508,295	167,262	305,427	340,706	732,028	1,378,161	162,770	1,540,931	6,428,691	0
637															
638	SIT FACTOR K192/(1-K192)	J967	sl_item	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378
639	PRELIMINARY STATE INCOME TAX	J969		394,943	258,774	31,227	10,276	18,763	20,931	44,972	84,666	10,000	94,666	394,943	0
640	TOTAL STATE INCOME TAX ADJ.	Z957		56,990	59,440	(38)	(173)	(441)	(487)	(1,059)	(1,987)	(252)	(2,239)	56,990	0
641	NET STATE INC TAX ALLOWABLE	J979		451,933	318,214	31,189	10,103	18,322	20,444	43,913	82,679	9,748	92,427	451,933	0
642															
643	STATE INCOME TAX PAYABLE														
644	PRELIMINARY STATE INCOME TAX	J969		394,943	258,774	31,227	10,276	18,763	20,931	44,972	84,666	10,000	94,666	394,943	0
645	OTHER SIT ADJUSTMENTS	Z955		0	0	0	0	0	0	0	0	0	0	0	0
646	NET STATE INCOME TAX PAYABLE	J989		394,943	258,774	31,227	10,276	18,763	20,931	44,972	84,666	10,000	94,666	394,943	0
647															
648	COMPOSITE TAX RATE	CTAX	ctax_item	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621
649															
650															
651															
652															
653															
654															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R	
1	DUKE ENERGY KENTUCKY															
2	COST OF SERVICE STUDY															
3	TWELVE MONTHS ENDING DECEMBER 31, 2005															
4	ELECTRIC CASE NO: 2006-00172															
5	FR-0v-1 KW (12 COIN PEAK)															
6	DT_SEC															
7																
8	DESCRIPTION	ITEM	ALLOC	DT_SEC SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER	
655	COST OF SERVICE COMPUTATION															
656	Schedule 10															
657	OTHER OPERATING REVENUES															
658	RENTAL REVENUE	Q000		K_EPIS	217,247	146,127	1,069	5,299	12,775	14,073	30,637	57,485	7,267	64,752	217,247	0
659	BAD CHECK CHARGE	Q002		K_Func_Rev	1,776	566	884	99	36	84	85	205	22	227	1,776	0
660	ELIMINATE NON-NATIVE SALES	Q002		K_rtprod_e	(3,203,874)	0	(3,203,874)	0	0	0	0	0	0	0	(3,203,874)	0
661	SALES FOR RESALE	Q002		K_rtprod_e	3,203,874	0	3,203,874	0	0	0	0	0	0	0	3,203,874	0
662	RECONNECTION CHARGES	Q002		K_Func_Rev	9,262	2,954	4,611	515	187	439	443	1,069	113	1,182	9,262	0
663	INTERRUPTIBLE CREDIT	Q002		K_Func_Rev	(9,408)	(3,001)	(4,684)	(523)	(189)	(446)	(450)	(1,085)	(115)	(1,200)	(9,408)	0
664	BILLING CYCLE IMPROVEMENT	Q004		K_Func_Rev	65,670	20,951	32,692	3,648	1,320	3,115	3,144	7,579	800	8,379	65,670	0
665	OTHER MISCELLANEOUS REVENUES	Q008		K_Func_Rev	9,040	2,885	4,500	502	181	429	433	1,043	110	1,153	9,040	0
666	MISCELLANEOUS	Q008		K_Func_Rev	0	0	0	0	0	0	0	0	0	0	0	0
667	TOTAL OTHER OPERATING REVS	Q027			293,587	170,482	39,072	9,540	14,310	17,694	34,292	66,296	8,197	74,493	293,587	0
670	COST OF SERVICE COMPUTATION															
671	TOTAL OP EXP EXC INC & REV TAX	OP69			38,082,559	8,542,667	23,626,065	2,437,422	439,153	1,707,900	1,038,254	3,185,307	291,098	3,476,405	38,082,559	0
672	RETURN ON CAPITALIZATION	R751			7,242,001	4,584,181	368,255	203,319	406,076	465,187	980,230	1,851,493	234,753	2,086,246	7,242,001	0
673	NET FED INCOME TAX ALLOWABLE	I879			2,555,921	1,814,842	156,776	56,482	107,138	107,347	256,927	471,412	56,409	527,821	2,555,921	0
674	NET STATE INCOME TAX ALLOWABLE	J879			451,933	318,214	31,189	10,103	18,322	20,444	43,913	82,679	9,748	92,427	451,933	0
675	TOTAL OTHER OPERATING REVENUES	Q027			(293,587)	(170,482)	(39,072)	(9,540)	(14,310)	(17,694)	(34,292)	(66,296)	(8,197)	(74,493)	(293,587)	0
676	SUBTOTAL B	CS03			48,038,827	15,089,422	24,143,213	2,697,786	956,379	2,283,184	2,285,032	5,524,595	583,811	6,108,406	48,038,827	0
677	TOTAL OTHER OPERATING REVENUES	Q027			293,587	170,482	39,072	9,540	14,310	17,694	34,292	66,296	8,197	74,493	293,587	0
680	LESS: OTHER ITEMS				0	0	0	0	0	0	0	0	0	0	0	0
681	OTHER OPERATING REVS TO BE TAXED	OORT			293,587	170,482	39,072	9,540	14,310	17,694	34,292	66,296	8,197	74,493	293,587	0
682	AFUDC OFFSET															
685	AFUDC OFFSET	L032			(46,953)	44,654	0	(16,147)	(12,360)	(16,317)	(36,444)	(65,121)	(10,339)	(75,460)	(46,953)	0
686	OTHER DEDUCTIONS TO COST OF SERVICE	L033			(46,953)	44,654	0	(16,147)	(12,360)	(16,317)	(36,444)	(65,121)	(10,339)	(75,460)	(46,953)	0
687	TOTAL ELECTRIC COST OF SERVICE	CS09			47,991,874	15,134,076	24,143,213	2,681,639	944,019	2,266,867	2,248,588	5,459,474	573,472	6,032,946	47,991,874	0
688	PROPOSED REVENUES															
689	PROPOSED REVENUES	R802			48,554,797										48,554,797	0
690	TOTAL ELECTRIC COST OF SERVICE	CS09			(47,991,874)										(47,991,874)	0
691	EXCESS REVENUES	XREV			562,923										562,923	0
692	COMPOSITE TAX RATE	CTAX	PPCOMPTAX_FROM		0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621
693	EXCESS TAX	XTAX			218,201										218,201	0
694	EXCESS RETURN	XRET			344,722										344,722	0

A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													
3	TWELVE MONTHS ENDING DECEMBER 31, 2005													
4	ELECTRIC CASE NO: 2005-00172													
5	FR-BV-1 KW (12 COIN PEAK)													
6	DT_SEC													
7	DESCRIPTION	ITEM	ALLOC	DT_SEC SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	ALL OTHER
696	ROR AND TAX RATES													
697	Schedule 11													
698	RATE OF RETURN													
699	CAPITALIZATION AMOUNTS													
700	LONG TERM DEBT	K100		Total Company	Ratio									Ratio
701	PREFERRED STOCK	K102		275,774,125	0.406259216									0.406259216
702	COMMON STOCK	K104		0	0.000000000									0.000000000
703	SHORT TERM DEBT	K106		345,393,322	0.508819383									0.508819383
704	UNAMORTIZED DISCOUNT	K108		57,645,769	0.084921401									0.084921401
705	TOTAL	K115		0	0.000000000									0.000000000
706	TOTAL													
707	COST OF CAPITAL													
708	LONG TERM DEBT	K120		0.0609										
709	PREFERRED STOCK	K122		0.0000										
710	COMMON STOCK	K124		0.1150										
711	SHORT TERM DEBT	K126		0.0514										
712	UNAMORTIZED DISCOUNT	K128		0.0000										
713	WEIGHTED COST OF CAPITAL													
714	LONG TERM DEBT	K141		0.0247										
715	PREFERRED STOCK	K143		0.0000										
716	COMMON STOCK	K145		0.0585										
717	SHORT TERM DEBT	K147		0.0044										
718	UNAMORTIZED DISCOUNT	K149		0.0000										
719	TOT RATE OF RETURN ALLOWABLE													
720	RORA	RORA	ROR_EARN_FROM	0.0876										
721	TAX RATES AND SPECIAL FACTORS													
722	SHORT TERM DEBT COST	K180		0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
723	FEDERAL INCOME TAX RATE	K180	FIT_FROM	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000
724	STATE INCOME TAX RATE	K192	STATETX_FROM	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788
725	REVENUE TAX RATE	K198		0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
726	PRESENT REVENUES													
727	PRESENT REVENUES	R600		38,378,456	0	0	0	0	0	0	0	0	0	38,378,456
728	PROPOSED REVENUES	R602		48,554,797	0	0	0	0	0	0	0	0	0	48,554,797
729	PRESENT NOI													
730	PRESENT NOI			1,354,947										
731	GROSS PRESENT REV AT AVERAGE ROR													
732	GROSS PRESENT REV AT AVERAGE ROR			38,078,242										
733	SUBSIDY EXCESS													
734	SUBSIDY EXCESS			300,214										
735	REDUCTION IN SUBSIDY EXCESS													
736	REDUCTION IN SUBSIDY EXCESS			75,054										
737	RATE INCREASE													
738	RATE INCREASE			10,251,395										
739	TAX COMPLEMENT													
740	TAX COMPLEMENT													
741	TAX COMPLEMENT													
742	TAX COMPLEMENT													
743	TAX COMPLEMENT													
744	TAX COMPLEMENT													

DUKE ENERGY KENTUCKY													5/28/08 7:38 AM		
COST OF SERVICE STUDY															
TWELVE MONTHS ENDING DECEMBER 31, 2005															
ELECTRIC CASE NO: 2006-00172															
FR#-1 KW(12 CONN PEAK)															
DT_SEC															
DT_SEC	DESCRIPTION	ITEM	ALLOC	DT_SEC SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
745	INCOME TAX BASED ON REVENUES Schedule 12														
746	NET INCOME COMPUTATION														
747	TOTAL ELECTRIC COST OF SERVICE	CS09		47,991,874	15,134,076	24,143,213	2,681,639	944,019	2,266,867	2,248,588	5,459,474	573,472	6,032,946	47,991,874	0
748	TOTAL OTHER OPERATING REVENUES	Q027		293,587	170,482	39,072	9,540	14,310	17,694	34,292	66,296	8,197	74,493	293,587	0
749	TOTAL ELECTRIC REVENUE	CS07		48,285,461	15,304,558	24,182,285	2,691,179	958,329	2,284,561	2,282,880	5,525,770	581,669	6,107,439	48,285,461	0
750	TOTAL OF EXP EXC IT & OTHER DEDUCTIONS	OP61		(38,082,559)	(8,542,667)	(23,626,065)	(2,437,422)	(439,153)	(1,707,900)	(1,038,254)	(3,185,307)	(291,098)	(3,476,405)	(38,082,559)	0
751	OTHER	RTXP		0	0	0	0	0	0	0	0	0	0	0	0
752	NET INCOME	NI01		10,202,902	6,761,891	556,220	253,757	519,176	576,661	1,244,626	2,340,463	290,571	2,631,034	10,202,902	0
753	ADJUSTMENTS TO NET INCOME														
754	TOTAL INTEREST EXPENSE	Y783		(2,343,743)	(1,576,470)	(11,534)	(57,172)	(137,817)	(151,826)	(330,523)	(620,166)	(78,401)	(698,567)	(2,343,743)	0
755	TOTAL OTHER DEDUCTIONS	Y828		(875,221)	(602,323)	(4,356)	(16,289)	(48,375)	(53,469)	(116,014)	(217,858)	(34,395)	(252,253)	(875,221)	0
756	PRELIMINARY TAXABLE INCOME	T101		6,983,938	4,583,098	540,330	180,296	332,984	371,366	798,089	1,502,439	177,775	1,680,214	6,983,938	0
757	STATE INCOME TAX COMPUTATION														
758	PRELIMINARY TAX ABLE INCOME (INCL AFUDC)	T101		6,983,938	4,583,098	540,330	180,296	332,984	371,366	798,089	1,502,439	177,775	1,680,214	6,983,938	0
759	DEDUCTIONS IN ADD TO Y871	Y911		(160,304)	(112,121)	(808)	(2,758)	(8,794)	(9,729)	(21,089)	(39,612)	(5,005)	(44,617)	(160,304)	0
760	STATE TAXABLE INCOME	SI01		6,823,634	4,470,977	539,522	177,538	324,190	361,637	777,000	1,462,827	172,770	1,635,597	6,823,634	0
761	STATE INCOME TAX PAYABLE														
762	STATE INCOME TAX RATE	K192	STATETX_FROM	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788
763	PRELIM SIT = SI01 * K192	ST01		394,943	258,774	31,227	10,276	18,763	20,931	44,972	84,666	10,000	94,666	394,943	0
764	OTHER SIT ADJUSTMENTS	Z855		0	0	0	0	0	0	0	0	0	0	0	0
765	STATE INCOME TAX PAYABLE	SP01		394,943	258,774	31,227	10,276	18,763	20,931	44,972	84,666	10,000	94,666	479,609	0
766	SIT ALLOWABLE														
767	STATE INCOME TAX PAYABLE	SP01		394,943	258,774	31,227	10,276	18,763	20,931	44,972	84,666	10,000	94,666	394,943	0
768	TOTAL STATE PROV DEF IT(410.1)	Z811		56,990	59,440	(38)	(173)	(441)	(487)	(1,059)	(1,987)	(252)	(2,239)	56,990	0
769	TOTAL STATE PROV DEF IT(411.1)	Z833		0	0	0	0	0	0	0	0	0	0	0	0
770	NET STATE INC TAX ALLOWABLE	SA01		451,933	318,214	31,189	10,103	18,322	20,444	43,913	82,679	9,748	92,427	534,612	0
771	INCOME TAX BASED ON REVENUES														
772	FEDERAL INCOME TAX COMPUTATION														
773	PRELIMINARY TAXABLE INCOME (INCL AFUDC)	T101		6,983,938	4,583,098	540,330	180,296	332,984	371,366	798,089	1,502,439	177,775	1,680,214	6,983,938	0
774	STATE INC TAX PAYABLE	SP01		(394,943)	(258,774)	(31,227)	(10,276)	(18,763)	(20,931)	(44,972)	(84,666)	(10,000)	(94,666)	(394,943)	0
775	NET FEDERAL TAXABLE INCOME	FI01		6,588,995	4,324,324	509,103	170,020	314,221	350,435	753,117	1,417,773	167,775	1,585,548	6,588,995	0
776	FEDERAL INCOME TAX RATE	K190	FIT_FROM	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000
777	PRELIMINARY FIT = FI01 * K190	FT01		2,306,148	1,513,513	178,186	59,507	109,978	122,652	263,591	496,221	58,721	554,942	2,306,148	0
778	TOTAL FED PROV DEF IT (410.1)	Z782		270,537	315,295	(21,308)	(2,518)	(1,619)	(13,960)	(3,736)	(19,315)	(1,617)	(20,932)	270,537	0
779	TOTAL FED PROV DEF IT (411.1)	Z803		0	0	0	0	0	0	0	0	0	0	0	0
780	TOTAL AMORTIZED ITC & SERVICE CO ALLOC.	Z813		(20,764)	(13,966)	(102)	(507)	(1,221)	(1,345)	(2,928)	(5,494)	(695)	(6,189)	(20,764)	0
781	NET FED INC TAX ALLOWABLE	FA01		2,555,921	1,814,842	156,776	56,482	107,138	107,347	256,927	471,412	56,409	527,821	3,027,333	0
782	FEDERAL INCOME TAX PAYABLE														
783	PRELIM FIT	FT01		2,306,148	1,513,513	178,186	59,507	109,978	122,652	263,591	496,221	58,721	554,942	2,306,148	0
784	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
785	FED INC TAX PAYABLE	FP01		2,306,148	1,513,513	178,186	59,507	109,978	122,652	263,591	496,221	58,721	554,942	2,306,148	0
786	PRELIMINARY SUMMARY														
787	NET INCOME EXCLUDING AFUDC OFFSET	NI01		10,249,855	6,717,237	556,220	269,904	531,536	592,978	1,281,070	2,405,584	300,910	2,706,494	10,249,855	0
788	NET FED INC TAX ALLOWABLE	FA01		(2,555,921)	(1,814,842)	(156,776)	(56,482)	(107,138)	(107,347)	(256,927)	(471,412)	(56,409)	(527,821)	(2,555,921)	0
789	NET STATE INC TAX ALLOWABLE	SA01		(451,933)	(318,214)	(31,189)	(10,103)	(18,322)	(20,444)	(43,913)	(82,679)	(9,748)	(92,427)	(451,933)	0
790	OVERALL RETURN EARNED-SCH 12	RETU		7,242,001	4,584,181	368,255	203,319	406,076	465,187	980,230	1,851,493	234,753	2,086,246	7,242,001	0
791	RATE OF RETURN EARNED-SCH 12	RORX	ROR_EARN_FROM	0.0893	0.0893	0.0893	0.0893	0.0893	0.0893	0.0893	0.0893	0.0893	0.0893	0.0893	0.0000

DUKE ENERGY KENTUCKY COST OF SERVICE STUDY TWELVE MONTHS ENDING DECEMBER 31, 2005 ELECTRIC CASE NO: 2006-00172													05/26/06	
DESCRIPTION	ALLOC	DT_SEC SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER	
Schedule 13														
Prod-Demand	K_rbprod_d		1.00000								0.00000			
Prod-Energy	K_rbprod_e			1.00000							0.00000			
Main Step-Up Transformers	K_rbttran_stepup										0.00000			
Transmission Other	K_rbttran_oth				1.00000						0.00000			
Substations	K_Subst					1.00000					1.00000			
Poles Towers & Fixtures	K_Poles						1.00000				1.00000			
Conductors	K_Conductors							1.00000			1.00000			
Transformers	K_Transformer									1.00000	1.00000			
Distribution Demand	K_rbdist_d								1.00000		1.00000			
Distribution Customer	K_rbdist_c									1.00000	1.00000			
All Other	K_FERC												1.00000	
Gross Dist Plant excl CCNC-OC (106)		36,883,708	0	0	0	6,041,616	7,975,369	17,813,401	31,830,386	5,053,322	36,883,708	36,883,708	0	
Ratio	K_dist_ccnc	1.000000000	0.000000000	0.000000000	0.000000000	0.163801752	0.216230131	0.482961230	0.862993113	0.137006887	1.000000000	1.000000000	0.000000000	
Gross Plant (OC)		161,351,823	116,859,773	814,098	3,604,669	6,490,609	9,026,334	19,110,866	34,627,809	5,445,474	40,073,283	161,351,823	0	
Ratio	K_grossPlt	1.000000000	0.724254433	0.005045484	0.022340429	0.040226437	0.055941940	0.118442207	0.214610584	0.033749070	0.248359654	1.000000000	0.000000000	
Gross Prod Plant (OC)		115,323,590	115,323,590	0	0	0	0	0	0	0	0	115,323,590	0	
Ratio	K_gross_prodpit	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000	
Gross Plant-Prod/Trans/Dist (OC)		158,237,166	115,323,590	0	3,518,287	6,453,018	8,518,448	19,026,397	33,997,863	5,397,426	39,395,289	158,237,166	0	
Ratio	K_grossPTD	1.000000000	0.728802171	0.000000000	0.022234264	0.040780673	0.053833421	0.120239748	0.214853842	0.034109724	0.248963565	1.000000000	0.000000000	
Gross Distribution Plant (OC)		39,395,289	0	0	0	6,453,018	8,518,448	19,026,397	33,997,863	5,397,426	39,395,289	39,395,289	0	
Ratio	K_gross_distpit	1.000000000	0.000000000	0.000000000	0.000000000	0.163801769	0.216230118	0.482961224	0.862993111	0.137006889	1.000000000	1.000000000	0.000000000	
Gross Transmission Plant (OC)		3,518,287	0	0	3,518,287	0	0	0	0	0	0	3,518,287	0	
Ratio	K_gross_tranpit	1.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000	
Gross General Plant (OC)		436,055	215,142	113,936	12,135	5,257	71,041	11,815	88,113	6,729	94,842	436,055	0	
Ratio	K_gross_genpit	1.000000000	0.493382716	0.261288140	0.027829058	0.012055818	0.162917522	0.027095206	0.202068546	0.015431540	0.217500086	1.000000000	0.000000000	
Gross Common Plant (OC)		2,678,602	1,321,041	700,162	74,247	32,334	436,845	72,654	541,833	41,319	583,152	2,678,602	0	
Ratio	K_gross_compit	1.000000000	0.493183011	0.261390830	0.027718564	0.012071222	0.163086939	0.027123850	0.202282011	0.015425584	0.217707595	1.000000000	0.000000000	
Production Plant-Net (OC-Depr)		55,796,212	55,796,212	0	0	0	0	0	0	0	0	55,796,212	0	
Ratio	K_prodnet	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000	
Distribution Plant-Net (OC-Depr)		24,725,720	0	0	0	4,926,970	5,190,384	11,819,100	21,936,454	2,789,266	24,725,720	24,725,720	0	
Ratio	K_distnet	1.000000000	0.000000000	0.000000000	0.000000000	0.199264976	0.209918417	0.478008325	0.867191718	0.112808282	1.000000000	1.000000000	0.000000000	
Transmission Plant-Net (OC-Depr)		2,007,849	0	0	2,007,849	0	0	0	0	0	0	2,007,849	0	
Ratio	K_tranet	1.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000	
General Plant Plant-Net		204,143	100,805	53,246	5,742	2,457	33,225	5,526	41,208	3,142	44,350	204,143	0	
Ratio	K_gennet	1.000000000	0.493796016	0.260826969	0.028127342	0.012035681	0.162753560	0.027069260	0.201858501	0.015391172	0.217249673	1.000000000	0.000000000	
Transmission & Distr Plant In Service		26,733,569	0	0	2,007,849	4,926,970	5,190,384	11,819,100	21,936,454	2,789,266	24,725,720	26,733,569	0	
Ratio	K_T&D_net	1.000000000	0.000000000	0.000000000	0.075105909	0.184298999	0.194152303	0.442107075	0.820558377	0.104335714	0.924894091	1.000000000	0.000000000	
Net Electric Plant In Service		84,114,247	56,577,708	413,957	2,051,823	4,946,100	5,448,864	11,862,089	22,257,053	2,813,706	25,070,759	84,114,247	0	
Ratio	K_EPIS	1.000000000	0.672629311	0.004921366	0.024393287	0.058802168	0.064779323	0.141023541	0.264605032	0.033451004	0.298056036	1.000000000	0.000000000	
Common Plant- net		1,380,323	680,691	360,711	38,232	16,673	225,255	37,463	279,391	21,298	300,689	1,380,323	0	
Ratio	K_comnet	1.000000000	0.493138924	0.261323618	0.027697865	0.012079057	0.163190065	0.027140749	0.202409871	0.015429722	0.217839593	1.000000000	0.000000000	

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY																	
2	COST OF SERVICE STUDY																	
3	TWELVE MONTHS ENDING DECEMBER 31, 2005																	
4	ELECTRIC CASE NO: 2006-00172																	
5																		
6	DESCRIPTION	ALLOC	DT_SEC SECONDARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER				
68	Common & General Plant-net		1,584,466	781,496	413,957	43,974	19,130	258,480	42,989	320,599	24,440	345,039	1,584,466	0				
69	Ratio	K_comgennet	1.000000000	0.493223585	0.261259629	0.027753199	0.012073468	0.163133826	0.027131538	0.202338832	0.015424755	0.217763587	1.000000000	0.000000000				
70	Total OCD Rate Base		86,016,330	54,448,277	4,373,918	2,414,909	4,823,138	5,525,222	11,642,603	21,990,963	2,788,263	24,779,226	86,016,330	0				
71	Ratio	K_OCDRB	1.000000000	0.632999304	0.050849856	0.028075006	0.056072353	0.064234570	0.13533403	0.255660326	0.032415508	0.288075834	1.000000000	0.000000000				
72	Construction Work In Progress		535,934	(509,697)	0	184,308	141,086	186,244	415,986	743,316	118,007	861,323	535,934	0				
73	Ratio	K_CWIP	1.000000000	(0.951044345)	0.000000000	0.343900555	0.263252565	0.347512940	0.776188859	1.386954364	0.220189426	1.607143790	1.000000000	0.000000000				
74																		
75	A&G		3,086,568	1,522,367	806,865	85,531	37,249	503,243	83,697	624,189	47,616	671,805	3,086,568	0				
76	Ratio	K_A&G	1.000000000	0.493223217	0.261411704	0.027710713	0.012068096	0.163042901	0.027116526	0.202227523	0.015426843	0.217654366	1.000000000	0.000000000				
77																		
78	A&G (excluding adjustments)		3,298,923	1,627,106	862,377	91,415	39,812	537,866	89,455	667,133	50,892	718,025	3,298,923	0				
79	Ratio	K_A&GexAdj	1.000000000	0.493223394	0.261411679	0.027710559	0.012068181	0.163042908	0.027116426	0.202227515	0.015426853	0.217654368	1.000000000	0.000000000				
80																		
81	Dist A&G (ex reg exp)		692,209	0	0	0	39,981	538,253	89,847	668,081	24,128	692,209	692,209	0				
82	Ratio	K_DistA&G	1.000000000	0.000000000	0.000000000	0.000000000	0.057758567	0.777587405	0.129797503	0.965143475	0.034856525	1.000000000	1.000000000	0.000000000				
83																		
84	Transmission A&G		103,711	11,839	0	91,872	0	0	0	0	0	0	103,711	0				
85	Ratio	K_TransA&G	1.000000000	0.114153754	0.000000000	0.885846246	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
86																		
87	Customer Accounts A&G		16,310	0	0	0	0	0	0	0	16,310	16,310	16,310	0				
88	Ratio	K_CA_A&G	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000				
89																		
90	Cust Service & Informational A&G		2,348	(2,616)	(4,085)	(457)	(169)	(387)	(392)	(948)	10,454	9,506	2,348	0				
91	Ratio	K_CSI_A&G	1.000000000	(1.114139693)	(1.739778535)	(0.194633731)	(0.071976151)	(0.164821124)	(0.166950596)	(0.403747871)	4.452299830	4.048551959	1.000000000	0.000000000				
92																		
93	Sales A&G		0	0	0	0	0	0	0	0	0	0	0	0				
94	Ratio	K_Sales_A&G	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000				
95																		
96	Depreciation Expense		4,794,986	3,353,725	24,182	82,511	263,036	291,019	630,810	1,184,865	149,703	1,334,568	4,794,986	0				
97	Ratio	K_Depr_Ex	1.000000000	0.699423314	0.005043185	0.017207767	0.054856469	0.060692357	0.131556171	0.247104997	0.031220738	0.278325734	1.000000000	0.000000000				
98																		
99	O&M (no A&G)		29,139,586	3,157,580	22,727,301	2,222,016	59,148	793,974	132,950	986,072	46,617	1,032,689	29,139,586	0				
100	Ratio	K_O&M	1.000000000	0.108360496	0.778945913	0.076254206	0.002029816	0.027247264	0.004562522	0.033839602	0.001599783	0.035439385	1.000000000	0.000000000				
101																		
102	Production O&M		25,590,082	2,867,976	22,722,106	0	0	0	0	0	0	0	25,590,082	0				
103	Ratio	K_prodO&M	1.000000000	0.112073732	0.887926268	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
104																		
105	Dist O&M		1,020,438	0	0	0	58,940	793,479	132,450	984,869	35,569	1,020,438	1,020,438	0				
106	Ratio	K_distO&M	1.000000000	0.000000000	0.000000000	0.000000000	0.057759511	0.777586683	0.129797205	0.965143399	0.034856601	1.000000000	1.000000000	0.000000000				
107																		
108	Transmission O&M		2,507,710	286,274	0	2,221,436	0	0	0	0	0	0	2,507,710	0				
109	Ratio	K_tranO&M	1.000000000	0.114157538	0.000000000	0.885842462	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
110																		
111	Customer Accounting O&M		8,822	0	0	0	0	0	0	0	8,822	8,822	8,822	0				
112	Ratio	K_CA_O&M	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000				
113																		
114	Uncollectible Account O&M		(28,622)	(9,121)	(14,233)	(1,588)	(575)	(1,356)	(1,369)	(3,300)	(380)	(3,680)	(28,622)	0				
115	Ratio	K_Uncol_O&M	1.000000000	0.318670952	0.497274824	0.055481797	0.020089442	0.047376144	0.047830340	0.115295926	0.013276501	0.128572427	1.000000000	0.000000000				
116																		
117	Customer Service & Informational O&M		473	(527)	(823)	(92)	(34)	(78)	(79)	(191)	2,106	1,915	473	0				
118	Ratio	K_CSI_O&M	1.000000000	(1.114164905)	(1.739957717)	(0.194503171)	(0.071881607)	(0.164904863)	(0.167019027)	(0.403805497)	4.452431290	4.048625793	1.000000000	0.000000000				
119																		
120	Sales O&M		4	0	0	0	0	0	0	0	4	4	4	0				
121	Ratio	K_Sales_O&M	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000				
122																		
123	AutoCalc Wkg Capital (incl A&G)		9,504,048	4,679,947	812,060	2,307,547	96,397	1,297,217	216,647	1,610,261	94,233	1,704,494	9,504,048	0				
124	Ratio	K_O&MxFuel	1.000000000	0.492416179	0.085443592	0.242796227	0.010142731	0.136490998	0.022795234	0.169428963	0.009915038	0.179344002	1.000000000	0.000000000				

COST OF SERVICE STUDY

BY FUNCTION

RATE DT-SEC-RTP

FR 10(9)(v)-11

DUKE ENERGY KENTUCKY															
COST OF SERVICE STUDY															
TWELVE MONTHS ENDING DECEMBER 31, 2005															
ELECTRIC CASE NO: 2006-00172															
FR.#=1 KW (12 COM PEAK)															
DT_SEC RTP															
5/28/06 7:36 AM															
			DT_SEC RTP	PRODUCTION	PRODUCTION	OTHER	POLES, TOWERS	CONDUCTORS	TOTAL	DISTRIBUTION	TOTAL	TOTAL	ALL		
		ALLOC	INCR.	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES	DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	OTHER		
	DESCRIPTION	ITEM	SEC. DIST	1	2	3	5	6	7	8	10	11	12	13	14
9	SUMMARY OF RESULTS														
10	NET INCOME COMPUTATION														
11	Schedule 1														
12	GROSS ELECTRIC PLANT IN SERVICE	GP19		\$1,808,678	\$1,287,740	\$2,808	\$39,734	\$71,746	\$99,786	\$211,261	\$382,793	\$95,603	\$478,396	\$1,808,678	\$0
13	TOTAL DEPRECIATION RESERVE	DR19		(865,961)	(664,282)	(1,380)	(17,117)	(17,070)	(39,547)	(80,126)	(136,743)	(46,439)	(183,182)	(865,961)	0
14	TOTAL RATE BASE ADJUSTMENTS	RB71		20,147	(23,442)	42,977	4,001	(1,364)	838	(2,443)	(2,969)	(420)	(3,389)	20,147	0
15	TOTAL RATE BASE	RB99		962,864	600,016	44,405	26,618	53,312	61,077	128,692	243,081	48,744	291,825	962,864	0
16	CAPITALIZATION ALLOC TO ELECTRIC OPER														
17	CAPITALIZATION ALLOC TO ELECTRIC OPER	ECAP		907,692	565,635	41,861	25,093	50,257	57,577	121,318	229,152	45,951	275,103	907,692	0
18	OPERATING EXPENSES														
19	TOTAL O&M EXPENSE	OM39		176,817	51,255	80,780	25,431	1,020	14,293	2,283	17,596	1,755	19,351	176,817	0
20	TOTAL DEPRECIATION EXPENSE	DE49		53,663	36,956	83	910	2,906	3,218	6,974	13,098	2,616	15,714	53,663	0
21	TOTAL OTHER TAX & MISC EXPENSE	L591		11,495	5,655	211	515	877	1,314	2,099	4,290	824	5,114	11,495	0
22	TOTAL OP EXP EXC INC & R TAX	OP69		241,975	93,866	81,074	26,856	4,803	18,825	11,356	34,984	5,195	40,179	241,975	0
23	NET FED INCOME TAX ALLOWABLE	I879		52,924	35,117	2,965	1,284	2,526	2,676	6,083	11,285	2,273	13,558	52,924	0
24	NET STATE INCOME TAX ALLOWABLE	J879		9,327	6,177	536	229	438	494	1,055	1,987	398	2,385	9,327	0
25	AFUDC OFFSET	LO33	K_CWIP	(587)	492	0	(178)	(137)	(180)	(403)	(720)	(181)	(901)	(587)	0
26	TOTAL OPERATING EXPENSE	OPEX		303,639	135,652	84,575	28,191	7,630	21,815	18,091	47,536	7,685	55,221	303,639	0
27	RETURN ON CAPITALIZATION														
28	RETURN ON CAPITALIZATION	R751		126,225	78,659	5,821	3,489	6,988	8,007	16,871	31,866	6,390	38,256	126,225	0
29	TOTAL OTHER OPERATING REVENUES			(3,119)	(2,294)	(4)	(58)	(141)	(156)	(339)	(636)	(127)	(763)	(3,119)	0
30	TOTAL ELECTRIC COST OF SERVICE	CS09		426,745	212,017	90,392	31,622	14,477	29,666	34,623	78,766	13,948	92,714	426,745	0
31	PROPOSED REVENUES														
32	PROPOSED REVENUES	R802		354,772	167,168	87,072	29,632	10,492	25,101	25,003	60,596	10,304	70,900	354,772	0
33	EXCESS REVENUES	XREV		(71,973)	(44,849)	(3,320)	(1,990)	(3,985)	(4,565)	(9,620)	(18,170)	(3,644)	(21,814)	(71,973)	0
34	TOTAL RETURN EARNED														
35	TOTAL RETURN EARNED	RETE		82,150	51,192	3,789	2,271	4,548	5,211	10,980	20,739	4,159	24,898	82,150	0
36	RATE OF RETURN EARNED ON CAPITALIZATION	RORE	SUM_RETURN_FROM	0.090504268	0.090504268	0.090504268	0.090504268	0.090504268	0.090504268	0.090504268	0.090504268	0.090504268	0.090504268	0.090504268	0.00000
37	TOTAL RATE OF RETURN ALLOWABLE	RORA		0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761
38	RETURN EARNED ON COMMON EQUITY	RECE		0.12925	0.12925	0.12925	0.12925	0.12925	0.12925	0.12925	0.12925	0.12925	0.12925	0.12925	(0.00000)
39	ALLOWED RETURN ON COMMON EQUITY	ARCE		0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499
40	PRESENT REVENUES														
41	PRESENT REVENUES	R800		343,715	161,959	84,358	28,708	10,164	24,319	24,224	58,707	9,983	68,690	343,715	0
42	REVENUE INCREASE JUSTIFIED	R1JD		83,030	50,058	6,034	2,914	4,313	5,347	10,399	20,059	3,965	24,024	83,030	0
43	PER UNIT PRES REV	RIJP	PRESREV_FROM	0.24157										0.24157	0.00000
44	REVENUE INCREASE REQUESTED	R1RD		11,057										11,057	0
45	PER UNIT PRES REV	R1RP	PRESINCR_FROM	0.03217										0.03217	0.00000
46															
47															
48															

DUKE ENERGY KENTUCKY

COST OF SERVICE STUDY
TWELVE MONTHS ENDING DECEMBER 31, 2005

ELECTRIC CASE NO: 2006-00172

FRY-1 MW (12 CON PEAK)

DT_SEC RTP

Item	Description	DT_SEC RTP	INCR. SEC. DIST	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DEMAND	CUSTOMER DISTRIBUTION	TOTAL DISTRIBUTION	ALL OTHER
49	GROSS ELECTRIC PLANT IN SERVICE			817,724	817,724	0	0	0	0	0	0	817,724	0
50	PRODUCTION - STEAM	K_inprod_d		453,317	453,317	0	0	0	0	0	0	453,317	0
51	PRODUCTION - OTHER	K_inprod_d		0	0	0	0	0	0	0	0	0	0
52	PRODUCTION - OTHER	K_inprod_d		0	0	0	0	0	0	0	0	0	0
53	PRODUCTION PLANT IN SERVICE			1,271,041	1,271,041	0	0	0	0	0	0	1,271,041	0
54				0	0	0	0	0	0	0	0	0	0
55	TRANSMISSION PLANT			38,777	38,777	0	0	0	0	0	0	38,777	0
56	MAIN STEP-UP TRANSFORMERS	K_intrans_stepup		0	0	0	0	0	0	0	0	0	0
57	OTHER TRANSMISSION	K_intrans_coh		0	0	0	0	0	0	0	0	0	0
58	TRANSMISSION PLANT IN SERVICE			38,777	38,777	0	0	0	0	0	0	38,777	0
59				0	0	0	0	0	0	0	0	0	0
60	TOTAL PROD & TRANS PLANT			1,309,818	1,271,041	0	0	0	0	0	0	1,309,818	0
61				0	0	0	0	0	0	0	0	0	0
62	DISTRIBUTION PLANT			66,799	66,799	0	0	0	0	0	0	66,799	0
63	SUBSTATIONS	K_insubst		88,180	88,180	0	88,180	0	0	0	0	88,180	0
64	POLES, TOWERS & FIXTURES	K_inpoles		88,180	88,180	0	88,180	0	0	0	0	88,180	0
65	CONDUCTORS	K_incond		196,954	196,954	0	196,954	0	0	0	0	196,954	0
66	TRANSFORMERS	K_intrnsfm		88,686	88,686	0	88,686	0	0	0	0	88,686	0
67	SERVICES	K_insvcs		0	0	0	0	0	0	0	0	0	0
68	METERS	K_inmtr		0	0	0	0	0	0	0	0	0	0
69	STREET LIGHTS	K_instret		0	0	0	0	0	0	0	0	0	0
70	CONSTRUCTION NOT CLASSIFIED	K_inconst		30,004	30,004	0	30,004	0	0	0	0	30,004	0
71	DISTRIBUTION PLANT IN SERVICE			470,623	470,623	0	470,623	0	0	0	0	470,623	0
72				0	0	0	0	0	0	0	0	0	0
73				0	0	0	0	0	0	0	0	0	0
74	TOTAL TRANS & DIST PLANT			509,400	38,777	0	71,347	94,185	210,366	375,898	94,725	470,623	509,400
75	TOTAL GROSS FTD PLANT			1,780,441	1,271,041	0	38,777	94,185	210,366	375,898	94,725	470,623	1,780,441
76				0	0	0	0	0	0	0	0	0	0
77	GENERAL & INTANGIBLE PLANT			2,358	2,358	0	0	0	0	0	0	2,358	0
78	PRODUCTION-ENERGY RELATED	K_inprod_e		393	393	0	0	0	0	0	0	393	0
79	PRODUCTION-ENERGY	K_inprod_e		17	17	0	0	0	0	0	0	17	0
80	TRANSMISSION	K_intrans		152	152	0	0	0	0	0	0	152	0
81	DISTRIBUTION	K_intrans		1,013	1,013	0	0	0	0	0	0	1,013	0
82	CUSTOMER ACCOUNTING	K_intrans		28	28	0	0	0	0	0	0	28	0
83	CUSTOMER SERVICE & INFORMATION	K_intrans		10	10	0	0	0	0	0	0	10	0
84	SALES	K_intrans		0	0	0	0	0	0	0	0	0	0
85	GENERAL & INTANGIBLE PLANT IN SERVICE			3,954	2,340	393	135	56	784	965	121	1,086	3,954
86	COMMON & OTHER PLANT			14,477	14,477	0	0	0	0	0	0	14,477	0
87	COMMON & OTHER PLANT	K_inprod_o		2,415	2,415	0	0	0	0	0	0	2,415	0
88	PRODUCTION-ENERGY RELATED	K_inprod_o		106	106	0	0	0	0	0	0	106	0
89	TRANSMISSION	K_intrans		928	928	0	0	0	0	0	0	928	0
90	DISTRIBUTION	K_intrans		6,226	6,226	0	0	0	0	0	0	6,226	0
91	CUSTOMER ACCOUNTING	K_intrans		173	173	0	0	0	0	0	0	173	0
92	CUSTOMER SERVICE & INFORMATION	K_intrans		64	64	0	0	0	0	0	0	64	0
93	SALES	K_intrans		0	0	0	0	0	0	0	0	0	0
94	COMMON & OTHER PLANT IN SERVICE			24,283	14,359	2,415	822	343	4,817	5,930	757	6,687	24,283
95	GROSS ELECTRIC PLANT IN SERVICE			1,808,678	1,287,740	2,808	39,734	71,746	99,786	211,261	382,793	95,603	478,396
96				0	0	0	0	0	0	0	0	0	0

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	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R	
1	DUKE ENERGY KENTUCKY															
2	COST OF SERVICE STUDY															
3	TWELVE MONTHS ENDING DECEMBER 31, 2005															
4	ELECTRIC CASE NO: 2006-00172															
5	FR-#v-1 KW(12 CON PEAK)															
6	DT_SEC RTP															
7				DT_SEC RTP							TOTAL					
8				INCR.	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		DISTRIBUTION	DISTRIBUTION	TOTAL		ALL	
9	DESCRIPTION	ITEM	ALLOC	SEC. DIST	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES	CONDUCTORS	DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	OTHER	
98	DEPRECIATION RESERVE	Schedule 3														
99	PRODUCTION PLANT															
101	PRODUCTION - STEAM	P150	K_rtprod_d		449,331	449,331	0	0	0	0	0	0	0	0	449,331	0
102	PRODUCTION - OTHER	P152	K_rtprod_d		206,751	206,751	0	0	0	0	0	0	0	0	206,751	0
103	TOTAL PROD DEPREC RESERVE	P171			656,082	656,082	0	0	0	0	0	0	0	0	656,082	0
104	TRANSMISSION PLANT															
105	MAIN STEP-UP TRANSFORMERS		K_rtrtran_stepup		0	0	0	0	0	0	0	0	0	0	0	0
107	OTHER TRANSMISSION	T150	K_rtrtran_oth		16,647	0	0	16,647	0	0	0	0	0	0	16,647	0
108	TOTAL TRANS DEPREC RESERVE	T171			16,647	0	0	16,647	0	0	0	0	0	0	16,647	0
109	TOTAL PROD & TRANS DEPREC RESERVE				672,729	656,082	0	16,647	0	0	0	0	0	0	672,729	0
111	DISTRIBUTION PLANT															
113	SUBSTATIONS	D150	K_Subst		14,987	0	0	14,987	0	0	14,987	0	14,987	14,987	14,987	0
114	POLES, TOWERS & FIXTURES	D152	K_Poles		34,307	0	0	0	34,307	0	34,307	0	34,307	34,307	34,307	0
115	CONDUCTORS	D154	K_Conductors		74,127	0	0	0	0	74,127	74,127	0	74,127	74,127	74,127	0
116	TRANSFORMERS	D156	K_Transformer		43,501	0	0	0	0	0	0	43,501	43,501	43,501	43,501	0
117	SERVICES	D158	K_rbdist_c		0	0	0	0	0	0	0	0	0	0	0	0
118	METERS	D160	K_rbdist_c		0	0	0	0	0	0	0	0	0	0	0	0
119	DEPRECIATION EXPENSE ADJUSTMENT	D162	K_dist_cconc		363	0	0	55	73	162	290	73	363	363	363	0
120	STREET LIGHTS	D164	K_rbdist_c		0	0	0	0	0	0	0	0	0	0	0	0
121	COMPLETED CONSTRUCTION NOT CLASSIFIED	D166	K_dist_cconc		14,594	0	0	2,213	2,921	6,523	11,657	2,937	14,594	14,594	14,594	0
122	RETIREMENT WORK IN PROGRESS	D168	K_dist_cconc		(2,518)	0	0	(381)	(504)	(1,126)	(2,011)	(507)	(2,518)	(2,518)	0	0
123	TOTAL DIST DEPREC RESERVE	D181			179,361	0	0	16,874	36,797	79,686	133,357	46,004	179,361	179,361	179,361	0
124	TOTAL TRANS & DIST DEPREC RESERVE				196,008	0	0	16,647	16,874	36,797	79,686	46,004	179,361	196,008	196,008	0
125	TOTAL GROSS PTD PLANT DEPREC RESERVE				852,090	656,082	0	16,647	16,874	36,797	79,686	133,357	46,004	179,361	852,090	0
127	GENERAL & INTANGIBLE PLANT															
128	PRODUCTION-DEMAND	G150	K_rtprod_d		1,253	1,253	0	0	0	0	0	0	0	1,253	1,253	0
130	PRODUCTION-ENERGY	G152	K_rtprod_e		209	0	209	0	0	0	0	0	0	209	209	0
131	TRANSMISSION	G154	K_TransA&G		80	9	0	71	0	0	0	0	80	80	80	0
132	DISTRIBUTION	G156	K_DistA&G		539	0	0	29	417	67	513	26	539	539	539	0
133	CUSTOMER ACCOUNTING	G158	K_CA_A&G		15	0	0	0	0	0	15	15	15	15	15	0
134	CUSTOMER SERVICE & INFORMATION	G160	K_CSI_A&G		6	(21)	0	0	0	0	27	27	6	6	6	0
135	SALES	G162	K_Sales_A&G		0	0	0	0	0	0	0	0	0	0	0	0
136	TOTAL GEN & INTANGIBLE DEPREC RES.	G171			2,102	1,241	209	71	29	417	67	513	68	581	2,102	0
137	COMMON & OTHER PLANT															
138	PRODUCTION-DEMAND	C150	K_rtprod_d		7,017	7,017	0	0	0	0	0	0	0	7,017	7,017	0
140	PRODUCTION-ENERGY	C152	K_rtprod_e		1,171	0	1,171	0	0	0	0	0	0	1,171	1,171	0
141	TRANSMISSION	C154	K_TransA&G		450	51	0	399	0	0	0	0	0	450	450	0
142	DISTRIBUTION	C156	K_DistA&G		3,016	0	0	167	2,333	373	2,873	143	3,016	3,016	3,016	0
143	CUSTOMER ACCOUNTING	C158	K_CA_A&G		84	0	0	0	0	0	84	84	84	84	84	0
144	CUSTOMER SERVICE & INFORMATION	C160	K_CSI_A&G		31	(109)	0	0	0	0	140	140	31	31	31	0
145	SALES	C162	K_Sales_A&G		0	0	0	0	0	0	0	0	0	0	0	0
146	TOTAL COM & OTHER PLT RESERVE	C171			11,769	6,959	1,171	399	167	2,333	373	2,873	367	3,240	11,769	0
147	TOTAL DEPRECIATION RESERVE	DR19			865,961	664,282	1,380	17,117	17,070	39,547	80,126	136,743	46,439	183,182	865,961	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-0v-1 KW (12 COIN PEAK)														
6	DT_SEC RTP														
7				DT_SEC RTP	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL		
8	DESCRIPTION	ITEM	ALLOC	INCR.	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES	CONDUCTORS	DISTRIBUTION	CUSTOMER	DISTRIBUTION	TOTAL	ALL OTHER
8				SEC. DIST							DEMAND			TOTAL	OTHER
149	NET ELECTRIC PLANT IN SERVICE Schedule 4														
150	PRODUCTION PLANT														
151	PRODUCTION - STEAM			368,393	368,393	0	0	0	0	0	0	0	0	368,393	0
152	PRODUCTION - OTHER			246,566	246,566	0	0	0	0	0	0	0	0	246,566	0
153	TOTAL PROD	P229		614,959	614,959	0	0	0	0	0	0	0	0	614,959	0
154	TRANSMISSION PLANT														
155	MAIN STEP-UP TRANSFORMERS			0	0	0	0	0	0	0	0	0	0	0	0
156	OTHER TRANSMISSION			22,130	0	0	22,130	0	0	0	0	0	0	22,130	0
157	TOTAL TRANSMISSION	T229		22,130	0	0	22,130	0	0	0	0	0	0	22,130	0
158	NET PROD & TRANS PLANT														
159				637,089	614,959	0	22,130	0	0	0	0	0	0	637,089	0
160	DISTRIBUTION PLANT														
161	SUBSTATIONS	S249		51,812	0	0	0	51,812	0	0	51,812	0	51,812	51,812	0
162	POLES, TOWERS & FIXTURES	PL49		53,873	0	0	0	0	53,873	0	53,873	0	53,873	53,873	0
163	CONDUCTORS	SL49		122,827	0	0	0	0	0	122,827	122,827	0	122,827	122,827	0
164	TRANSFORMERS	F249		45,185	0	0	0	0	0	0	0	45,185	45,185	45,185	0
165	SERVICES	SV49		0	0	0	0	0	0	0	0	0	0	0	0
166	METERS	M249		0	0	0	0	0	0	0	0	0	0	0	0
167	OTHER	O249		(363)	0	0	0	(55)	(73)	(162)	(290)	(73)	(363)	(363)	0
168	STREET LIGHTS	L249		0	0	0	0	0	0	0	0	0	0	0	0
169	CONSTRUCTION NOT CLASSIFIED	CN49		15,410	0	0	0	2,335	3,084	6,889	12,308	3,102	15,410	15,410	0
170	RETIREMENT WORK IN PROGRESS	CK49		2,518	0	0	0	381	504	1,126	2,011	507	2,518	2,518	0
171	TOTAL DIST	D249		291,262	0	0	0	54,473	57,388	130,680	242,541	48,721	291,262	291,262	0
172	NET TRANS & DIST PLANT NT29														
173				313,392	0	0	22,130	54,473	57,388	130,680	242,541	48,721	291,262	313,392	0
174	NET PTD PLANT NT39														
175				928,351	614,959	0	22,130	54,473	57,388	130,680	242,541	48,721	291,262	928,351	0
176	GENERAL & INTANGIBLE PLANT														
177	PRODUCTION-DEMAND			1,105	1,105	0	0	0	0	0	0	0	0	1,105	0
178	PRODUCTION-ENERGY			184	0	184	0	0	0	0	0	0	0	184	0
179	TRANSMISSION			72	8	0	64	0	0	0	0	0	72	0	
180	DISTRIBUTION			474	0	0	0	27	367	58	452	22	474	474	
181	CUSTOMER ACCOUNTING			13	0	0	0	0	0	0	0	13	13	13	
182	CUSTOMER SERVICE & INFORMATION			4	(14)	0	0	0	0	0	0	18	18	4	
183	SALES			0	0	0	0	0	0	0	0	0	0	0	
184	TOTAL GENERAL AND INTANGIBLE PLANT	G229		1,852	1,099	184	64	27	367	58	452	53	505	1,852	0
185	COMMON & OTHER PLANT														
186	PRODUCTION-DEMAND			7,460	7,460	0	0	0	0	0	0	0	0	7,460	0
187	PRODUCTION-ENERGY			1,244	0	1,244	0	0	0	0	0	0	0	1,244	0
188	TRANSMISSION			478	55	0	423	0	0	0	0	0	478	0	
189	DISTRIBUTION			3,210	0	0	0	176	2,484	397	3,057	153	3,210	3,210	
190	CUSTOMER ACCOUNTING			89	0	0	0	0	0	0	0	89	89	89	
191	CUSTOMER SERVICE & INFORMATION			33	(115)	0	0	0	0	0	0	148	148	33	
192	SALES			0	0	0	0	0	0	0	0	0	0	0	
193	TOTAL COM & OTHER PLT	C229		12,514	7,400	1,244	423	176	2,484	397	3,057	390	3,447	12,514	0
194	TOTAL ELECTRIC PLANT IN SERVICE NP29														
195				942,717	623,458	1,428	22,617	54,676	60,239	131,135	246,050	49,164	295,214	942,717	0

DUKE ENERGY KENTUCKY														
COST OF SERVICE STUDY														
TWELVE MONTHS ENDING DECEMBER 31, 2005														
ELECTRIC CASE NO: 2006-00172														
FR-3v-1 KW (12 COIN PEAK)														
DT_SEC_RTP														
DESCRIPTION	ITEM	ALLOC	DT_SEC_RTP INCR. SEC. DIST	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
Schedule 4a														
NET ELECTRIC PLANT														
PRODUCTION PLANT														
PRODUCTION PLANT IN SERVICE	P129		1,271,041	1,271,041	0	0	0	0	0	0	0	0	1,271,041	0
TOTAL PROD DEPRC RESERVE	P171		(656,082)	(656,082)	0	0	0	0	0	0	0	0	(656,082)	0
NET PRODUCTION PLANT	P229		614,959	614,959	0	0	0	0	0	0	0	0	614,959	0
TRANSMISSION PLANT														
TRANSMISSION PLANT IN SERVICE	T129		38,777	0	0	38,777	0	0	0	0	0	0	38,777	0
TOTAL TRANS DEPRC RESERVE	T171		(16,647)	0	0	(16,647)	0	0	0	0	0	0	(16,647)	0
NET TRANSMISSION PLANT	T229		22,130	0	0	22,130	0	0	0	0	0	0	22,130	0
NET PROD & TRANS PLANT			637,089	614,959	0	22,130	0	0	0	0	0	0	637,089	0
DISTRIBUTION PLANT														
DISTRIBUTION PLANT IN SERVICE	D149		470,623	0	0	0	71,347	94,185	210,366	375,898	94,725	470,623	470,623	0
TOTAL DIST DEPRC RESERVE	D191		(179,361)	0	0	0	(16,874)	(36,797)	(79,686)	(133,357)	(46,004)	(179,361)	(179,361)	0
NET DISTRIBUTION PLANT	D249		291,262	0	0	0	54,473	57,388	130,680	242,541	48,721	291,262	291,262	0
NET TRANS & DIST PLANT	NT29		313,392	0	0	22,130	54,473	57,388	130,680	242,541	48,721	291,262	313,392	0
NET PTD PLANT	NT39		928,351	614,959	0	22,130	54,473	57,388	130,680	242,541	48,721	291,262	928,351	0
GENERAL & INTANGIBLE PLANT														
GEN & INTANG PLANT IN SERVICE	G129		3,954	2,340	393	135	56	784	125	965	121	1,086	3,954	0
TOTAL GEN & INTG DEPRC RESERVE	G171		(2,102)	(1,241)	(209)	(71)	(29)	(417)	(67)	(513)	(68)	(581)	(2,102)	0
NET GENERAL & INTANG PLANT	G229		1,852	1,099	184	64	27	367	58	452	53	505	1,852	0
COMMON & OTHER PLANT														
COMMON & OTH PLT IN SERVICE	C121		24,283	14,359	2,415	822	343	4,817	770	5,930	757	6,687	24,283	0
TOTAL COM & OTH DEPRC RESERVE	C171		(11,769)	(6,959)	(1,171)	(399)	(167)	(2,333)	(373)	(2,873)	(367)	(3,240)	(11,769)	0
NET COMMON & OTHER PLANT	C229		12,514	7,400	1,244	423	176	2,484	397	3,057	390	3,447	12,514	0
NET ELECTRIC PLANT IN SERVICE	NP29		942,717	623,458	1,428	22,617	54,676	60,239	131,135	246,050	49,164	295,214	942,717	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 COIN PEAK)														
6	DT_SEC_RTP														
7				DT_SEC_RTP							TOTAL				
8	DESCRIPTION	ITEM	ALLOC	INCR.	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
235	RATE BASE ADJUSTMENTS	Schedule 5													
236	SUBTRACTIVE ADJUSTMENTS														
237	ACCUM DEF INC TAXES (282)														
238	LIBERALIZED DEPRECIATION	B200	K_EPIS	66,337	43,871	100	1,592	3,847	4,239	9,228	17,314	3,460	20,774	66,337	0
242	MISCELLANEOUS	B208	K_EPIS	536	354	1	13	31	34	75	140	28	168	536	0
247	TOTAL ACCOUNT 282	B221		66,873	44,225	101	1,605	3,878	4,273	9,303	17,454	3,488	20,942	66,873	0
248															
249	ACCUM DEF INC TAXES (283/284)														
254	DEFERRED INCOME TAXES	B234	K_EPIS	(56)	(37)	0	(1)	(3)	(4)	(8)	(15)	(3)	(18)	(56)	0
259	TOTAL ACCOUNT 283/284	B243		(56)	(37)	0	(1)	(3)	(4)	(8)	(15)	(3)	(18)	(56)	0
257															
263	TOTAL SUBTRACTIVE ADJUSTMENTS	B287		66,817	44,188	101	1,604	3,875	4,269	9,295	17,439	3,485	20,924	66,817	0
264															
265	ADDITIVE ADJUSTMENTS														
266	ACCUM DEF INC TAXES (190)														
272	MISCELLANEOUS DEFERRALS	V212	K_AA&GenAdj	1,491	881	148	51	21	296	47	364	47	411	1,491	0
273	TOTAL ACCOUNT 190	V215		1,491	881	148	51	21	296	47	364	47	411	1,491	0
274															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R	
1	DUKE ENERGY KENTUCKY															
2	COST OF SERVICE STUDY															
3	TWELVE MONTHS ENDING DECEMBER 31, 2005															
4	ELECTRIC CASE NO: 2005-00172															
5	FR-8v-1 KW (12 COIN PEAK)															
6	DT_SEC RTP															
7				DT_SEC RTP							TOTAL					
8				INCR.	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		DISTRIBUTION	DISTRIBUTION	TOTAL	TOTAL	ALL	
	DESCRIPTION	ITEM	ALLOC	SEC. DIST	DEMAND	ENERGY	TRANSMISSION	SUBSTATONS	& FIXTURES	CONDUCTORS	DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	OTHER	
286	CONSTRUCTION WORK IN PROGRESS	Schedule 5a														
287	PRODUCTION	V232	K_gross_prodpit	(5,618)	(5,618)	0	0	0	0	0	0	0	0	0	(5,618)	0
288	TRANSMISSION	V234	K_gross_transit	2,031	0	0	2,031	0	0	0	0	0	0	0	2,031	0
289	DISTRIBUTION	V236	K_gross_distpit	10,290	0	0	0	1,560	2,059	4,600	8,219	2,071	10,290	10,290	0	0
290	GENERAL	V238	K_gross_genpit	0	0	0	0	0	0	0	0	0	0	0	0	0
291	COMMON	V240	K_gross_compit	0	0	0	0	0	0	0	0	0	0	0	0	0
292	TOTAL RATE BASE CWP	V255		6,703	(5,618)	0	2,031	1,560	2,059	4,600	8,219	2,071	10,290	6,703	0	0
293																
294	TOTAL ADDITIVE ADJUSTMENTS	V289		8,194	(4,737)	148	2,082	1,581	2,355	4,647	8,583	2,118	10,701	8,194	0	0
295																
296	NET ORIGINAL COST RATE BASE	RB29		884,094	574,533	1,475	23,095	52,382	58,325	126,487	237,194	47,797	284,991	884,094	0	0
297																

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R	
1	DUKE ENERGY KENTUCKY															
2	COST OF SERVICE STUDY															
3	TWELVE MONTHS ENDING DECEMBER 31, 2005															
4	ELECTRIC CASE NO: 2006-00172															
5	FR#v-1 KW (12 CONN PEAK)															
6	DT_SEC RTP															
7				DT_SEC RTP	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL			
8	DESCRIPTION	ITEM	ALLOC	INCR.	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES	CONDUCTORS	DISTRIBUTION	CUSTOMER	DISTRIBUTION	TOTAL	ALL	
				SEC. DIST							DEMAND				OTHER	
298	WORKING CAPITAL															
299	MATERIALS & SUPPLIES															
300	FUEL INVENTORIES															
301	FUEL	W640	K_rtprod_e		17,881	0	17,881	0	0	0	0	0	0	17,881	0	
302	EMISSION ALLOWANCES	W642	K_rtprod_e		11,929	0	11,929	0	0	0	0	0	0	11,929	0	
303	TOTAL FUEL STOCKS	W644			29,810	0	29,810	0	0	0	0	0	0	29,810	0	
304	PLANT MATERIALS & SUPPLIES															
305	OTHER	W648	K_EPIS		13,699	9,059	21	329	795	875	1,906	3,576	714	4,290	13,699	0
310	TOTAL PLANT MATERIALS & SUPPLIES	W650			13,699	9,059	21	329	795	875	1,906	3,576	714	4,290	13,699	0
311	TOTAL MATERIALS & SUPPLIES															
312	TOTAL MATERIALS & SUPPLIES	W669	TOT_M&S		43,509	9,059	29,831	329	795	875	1,906	3,576	714	4,290	43,509	0
313	PREPAYMENTS															
314	INSURANCE	W670	K_A&GexAdj		453	268	45	15	7	90	14	111	14	125	453	0
316	COAL, SYN FUEL AND MARGIN DEPOSITS	W684	K_rtprod_e		12,706	0	12,706	0	0	0	0	0	0	12,706	0	
317	TOTAL PREPAYMENTS	W689			13,159	268	12,751	15	7	90	14	111	14	125	13,159	0
322	AUTO CALC (O&M-F-PP)/B															
323	TOTAL WORKING CASH	W728			22,102	16,156	348	3,179	128	1,787	285	2,200	219	2,419	22,102	0
325	TOTAL WORKING CAPITAL	WC79			78,770	25,483	42,930	3,523	930	2,752	2,205	5,887	947	6,834	78,770	0
327	PRELIMINARY SUMMARY															
328	TOTAL SUBTRACTIVE ADJUSTMENTS	B287			(66,817)	(44,188)	(101)	(1,604)	(3,875)	(4,269)	(9,295)	(17,439)	(3,485)	(20,924)	(66,817)	0
329	TOTAL ADDITIVE ADJUSTMENTS	V289			8,194	(4,737)	148	2,082	1,581	2,355	4,647	8,583	2,118	10,701	8,194	0
330	TOTAL WORKING CAPITAL	WC71			78,770	25,483	42,930	3,523	930	2,752	2,205	5,887	947	6,834	78,770	0
331	TOTAL RATE BASE ADJUSTMENTS	RB71			20,147	(23,442)	42,977	4,001	(1,364)	838	(2,443)	(2,969)	(420)	(3,389)	20,147	0
332	RATE BASE CALCULATION															
334	NET ELECTRIC PLANT IN SERVICE	NP21			942,717	623,458	1,428	22,617	54,676	60,239	131,135	246,050	49,164	295,214	942,717	0
335	TOTAL RATE BASE ADJUSTMENTS	RB71			20,147	(23,442)	42,977	4,001	(1,364)	838	(2,443)	(2,969)	(420)	(3,389)	20,147	0
336	TOTAL RATE BASE	RB99	TOT_RB		962,864	600,016	44,405	26,618	53,312	61,077	128,692	243,081	48,744	291,825	962,864	0
337	CAPITALIZATION ALLOC TO ELECTRIC OPER															
338	TOTAL RATE OF RETURN ALLOWABLE	RORA	ror_Allow_from		0.1391	0.1391	0.1391	0.1391	0.1391	0.1391	0.1391	0.1391	0.1391	0.1391	0.1391	0
341	RETURN ON CAPITALIZATION	R751			126,225	78,659	5,821	3,489	6,988	8,007	16,871	31,866	6,390	38,256	126,225	0

DUKE ENERGY KENTUCKY													5/26/06 7:36 AM	
COST OF SERVICE STUDY														
TWELVE MONTHS ENDING DECEMBER 31, 2006														
ELECTRIC CASE NO: 2006-00172														
FR#v-1 KW (12 COIN PEAK)														
DT_SEC_RTP														
			DT_SEC_RTP	PRODUCTION	PRODUCTION	OTHER	POLES, TOWERS	CONDUCTORS	TOTAL	DISTRIBUTION	TOTAL	ALL		
	DESCRIPTION	ITEM	INCR	DEMAND	ENERGY	TRANSMISSION	& FIXTURES		DISTRIBUTION	CUSTOMER	DISTRIBUTION	TOTAL	OTHER	
		ALLOC	SEC. DIST						DEMAND		TOTAL	TOTAL		
343	O&M EXPENSES	Schedule 6												
344	PRODUCTION O&M													
345	ENERGY RELATED PRODUCTION O&M													
346	FUEL	P300	K_rtprod_e	0	0	0	0	0	0	0	0	0	0	
347	MISCELLANEOUS	P302	K_rtprod_e	0	0	0	0	0	0	0	0	0	0	
348	EMISSION ALLOWANCES	P306	K_rtprod_e	10,954	0	10,954	0	0	0	0	0	10,954	0	
350	ELIMINATE EMISSION ALLOW & OTHER VAR COST	P308	K_rtprod_e	16,330	0	16,330	0	0	0	0	0	16,330	0	
351	OTHER PRODUCTION EXPENSE - MAINTENANCE	P310	K_rtprod_e	26,438	0	26,438	0	0	0	0	0	26,438	0	
352	MISO TRANSMISSION CHARGES ACCT IN 555	P312	K_rtprod_e	24,276	0	24,276	0	0	0	0	0	24,276	0	
353	TOTAL ENERGY RELATED	P349		77,998	0	77,998	0	0	0	0	0	77,998	0	
354														
355	DEMAND RELATED PROD O&M													
356	ELIMINATE MISCELLANEOUS	P344	K_rtprod_d	0	0	0	0	0	0	0	0	0	0	
359	OTHER PRODUCTION EXPENSE - OPERATIONS	P348	K_rtprod_d	31,609	31,609	0	0	0	0	0	0	31,609	0	
360	TOTAL DEMAND RELATED	P349		31,609	31,609	0	0	0	0	0	0	31,609	0	
361														
362	TOTAL PRODUCTION O&M	P459		109,607	31,609	77,998	0	0	0	0	0	109,607	0	
363														
364	TRANSMISSION O & M													
365	TRANSFORMER LEASE PAYMENTS	T300	K_rtprod_d	3,155	3,155	0	0	0	0	0	0	3,155	0	
366	OTHER TRANSMISSION	T302	K_rtrtran_oth	29,069	0	0	29,069	0	0	0	0	29,069	0	
367	MISCELLANEOUS ADJUSTMENTS	T304	K_gross_transpt	(6,833)	0	0	(6,833)	0	0	0	0	(6,833)	0	
368	NETWORK SERVICE RATES ADJUSTMENT	T305	K_gross_transpt	2,248	0	0	2,248	0	0	0	0	2,248	0	
369	TOTAL TRANSMISSION O & M	T349		27,639	3,155	0	24,484	0	0	0	0	27,639	0	
370														
371	DISTRIBUTION O & M													
372	SUBSTATIONS	D300	K_Subst	186	0	0	0	186	0	0	186	186	0	
374	POLES, TOWERS & FIXTURES	D302	K_Poles	8,283	0	0	0	8,283	0	0	8,283	8,283	0	
375	CONDUCTORS	D304	K_Conductors	347	0	0	0	0	347	0	347	347	0	
376	TRANSFORMERS	D306	K_Transformer	148	0	0	0	0	0	148	148	148	0	
377	OTHER MAINTENANCE	D308	K_distnet	719	0	0	134	142	323	599	120	719	0	
378	METERS	D310	K_rbdist_c	0	0	0	0	0	0	0	0	0	0	
379	STREET LIGHTS	D314	K_rbdist_c	0	0	0	0	0	0	0	0	0	0	
380	OTHER OPERATIONS	D318	K_distnet	1,558	0	0	291	307	699	1,297	261	1,558	0	
381	MISCELLANEOUS EXPENSES	D318	K_rbdist_c	(3)	0	0	0	0	0	(3)	(3)	(3)	0	
382	AFFILIATED COMPANY RENTS	D320	K_distnet	63	0	0	12	12	28	52	11	63	0	
383	TOTAL DISTRIBUTION O & M	D349		11,301	0	0	623	8,744	1,397	10,764	537	11,301	0	
384														
385	CUSTOMER ACCOUNTING													
386	CUSTOMER ACCOUNTING EXPENSE	C300	K_rbdist_c	213	0	0	0	0	0	0	213	213	0	
387	ADJUST UNCOLLECTIBLE ACCOUNTS	C302	K_Func_Rev	0	0	0	0	0	0	0	0	0	0	
388	METER READING	C304	K_rbdist_c	61	0	0	0	0	0	61	61	61	0	
389	LOSS ON SALE OF A/R & INCR A/R ON INCR	C306	K_Func_Rev	0	0	0	0	0	0	0	0	0	0	
390	MISCELLANEOUS EXPENSE ADJUSTMENT	C308	K_rbdist_c	(1)	0	0	0	0	0	(1)	(1)	(1)	0	
391	TOTAL CUSTOMER ACCT EXPENSE	C319		273	0	0	0	0	0	273	273	273	0	
392														

DUKE ENERGY KENTUCKY COST OF SERVICE STUDY TWELVE MONTHS ENDING DECEMBER 31, 2005 ELECTRIC CASE NO: 2005-00172																	
FROM: 5/26/06 7:36 AM																	
	A	B	C	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
	DT_SEC_RTP	DT_SEC_RTP	ALLOC	INCR.	PRODUCTION	PRODUCTION	OTHER	CONDUCTORS	TOTAL	DISTRIBUTION	DISTRIBUTION	DISTRIBUTION	DISTRIBUTION	TOTAL	TOTAL	ALL	
	INCR.	SEC.DIST	ITEM	PRODUCTION	DEMAND	ENERGY	TRANSMISSION	POLES, TOWERS	DISTRIBUTION	DEMAND	CUSTOMER	DISTRIBUTION	DEMAND	DISTRIBUTION	OTHER		
			DESCRIPTION					& EXTURES									
360			CUSTOMER SERVICE & INFORMATION														
361			CUSTOMER SERVICE & INFORMATION	88	0	0	0	0	0	0	88	88	0	88	88	0	0
362			INFORMATIONAL & INSTRUCTIONAL ADV	16	0	0	0	0	0	0	16	16	0	16	16	0	0
363			CUSTOMER SERVICE & INFORM PROFORMA	(32)	0	0	0	0	0	0	(32)	(32)	0	(32)	(32)	0	0
364			AMT	(56)	(56)	0	0	0	0	0	0	0	0	0	(56)	0	0
365			TOTAL CUSTOMER SERV & INFORMATION	16	(56)	0	0	0	0	0	72	72	0	72	16	0	0
366			SALES														
400			SALES EXPENSE	1	0	0	0	0	0	0	1	1	0	1	1	0	0
401			SALES EXPENSE PROFORMA	(1)	0	0	0	0	0	0	(1)	(1)	0	(1)	(1)	0	0
402			TOTAL SALES EXPENSE	0	0	0	0	0	0	0	0	0	0	0	0	0	0
403			SUBTOTAL O&M EXCL. A&G	148,836	34,708	77,998	24,484	623	8,744	1,397	882	11,646	10,764	882	148,836	0	0
404			ADMINISTRATIVE & GENERAL														
405			A&G EXPENSE EXCL REGULATORY EXP														
406			PRODUCTION-DEMAND RELATED	17,831	0	0	0	0	0	0	0	0	0	0	17,831	0	0
407			PRODUCTION-ENERGY RELATED	2,974	0	2,974	0	0	0	0	0	0	0	0	2,974	0	0
408			TRANSMISSION	1,143	130	0	1,013	0	0	0	0	0	0	0	1,143	0	0
409			DISTRIBUTION	7,666	0	0	0	423	5,931	948	364	7,666	7,302	7,666	7,666	0	0
410			CUSTOMER ACCOUNTING	213	0	0	0	0	0	0	213	213	0	213	213	0	0
411			CUSTOMER SERVICE & INFORMATION	79	(277)	0	0	0	0	0	356	356	0	356	79	0	0
412			SALES	0	0	0	0	0	0	0	0	0	0	0	0	0	0
413			A&G EXPENSE UNADJUSTED	29,906	17,684	2,974	1,013	423	5,931	948	933	8,235	7,302	933	29,906	0	0
414			RATE CASE EXPENSE	90	53	(15)	(5)	1	18	3	3	25	22	3	90	0	0
415			ELIMINATE MISCELLANEOUS EXPENSES	(149)	(88)	(88)	(5)	(1)	(30)	(5)	(5)	(41)	(36)	(5)	(149)	0	0
416			IMPLEMENT AUTOMATED METER READING	95	57	9	3	1	19	3	26	26	23	3	95	0	0
417			AMORTIZATION OF DEFERRED EXPENSES	928	549	92	31	14	184	29	29	256	227	29	928	0	0
418			MISCELLANEOUS	0	0	0	0	0	0	0	0	0	0	0	0	0	0
419			ELIMINATE INCENTIVE COMPENSATION	(2,889)	(1,708)	(287)	(98)	(41)	(573)	(92)	(80)	(796)	(706)	(80)	(2,889)	0	0
420			TOTAL ADMIN. & GENERAL	27,981	16,547	2,782	947	397	5,549	886	873	7,705	6,832	873	27,981	0	0
421			TOTAL O & M EXPENSE	176,817	51,255	80,780	25,431	1,020	14,293	2,283	1,755	19,351	17,596	1,755	176,817	0	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														5/28/06 7:36 AM
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR#v-1 KW (12 COM PEAK)														
6	DT_SEC_RTP														
7				DT_SEC_RTP	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL		ALL
8	DESCRIPTION	ITEM	ALLOC	INCR.	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES	CONDUCTORS	DISTRIBUTION	CUSTOMER	DISTRIBUTION	TOTAL	OTHER
9				SEC. DIST							DEMAND				
437	DEPRECIATION EXPENSE Schedule 7														
438	PRODUCTION DEPRECIATION														
440	P460	K_rbprod_d		36,460	36,460	0	0	0	0	0	0	0	0	36,460	0
441	P462	K_rbprod_d		0	0	0	0	0	0	0	0	0	0	0	0
442	P469			36,460	36,460	0	0	0	0	0	0	0	0	36,460	0
443	TRANSMISSION DEPRECIATION														
444	T460	K_trannet		881	0	0	881	0	0	0	0	0	0	881	0
446	T462	K_trannet		0	0	0	0	0	0	0	0	0	0	0	0
447	T469			881	0	0	881	0	0	0	0	0	0	881	0
448	DISTRIBUTION DEPRECIATION														
449	D460	K_distnet		15,483	0	0	0	2,895	3,051	6,947	12,893	2,590	15,483	15,483	0
451	D462	K_distnet		0	0	0	0	0	0	0	0	0	0	0	0
452	D469			15,483	0	0	0	2,895	3,051	6,947	12,893	2,590	15,483	15,483	0
453	GENERAL DEPRECIATION														
454	G460	K_gennet		114	68	11	4	1	23	4	28	3	31	114	0
456	G462	K_gennet		0	0	0	0	0	0	0	0	0	0	0	0
457	G469			114	68	11	4	1	23	4	28	3	31	114	0
458	COMMON AND OTHER DEPRECIATION														
460	C460	K_comnet		725	428	72	25	10	144	23	177	23	200	725	0
461	C462	K_comnet		0	0	0	0	0	0	0	0	0	0	0	0
462	C469			725	428	72	25	10	144	23	177	23	200	725	0
463	TOTAL DEPRECIATION EXPENSE														
464	DE49	TOT_DEPREX		53,663	36,956	83	910	2,906	3,218	6,974	13,098	2,616	15,714	53,663	0
465															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
	DUKE ENERGY KENTUCKY														
	COST OF SERVICE STUDY														
	TWELVE MONTHS ENDING DECEMBER 31, 2005														
	ELECTRIC CASE NO: 2006-00172														
	FR-4v-1 KW (12 COIN PEAK)														
	DT_SEC RTP														
				DT_SEC RTP	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL		ALL
	DESCRIPTION	ITEM	ALLOC	INCR.	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES	CONDUCTORS	DISTRIBUTION	CUSTOMER	DISTRIBUTION	TOTAL	OTHER
				SEC. DIST							DEMAND			TOTAL	
465	TAXES OTHER THAN INC & REV	Schedule B													
467	REAL ESTATE & PROPERTY TAX														
468	PRODUCTION	L500	K_rtprod_d		4,288	4,288	0	0	0	0	0	0	0	0	4,288
469	TRANSMISSION	L501	K_trannet		443	0	0	443	0	0	0	0	0	0	443
470	DISTRIBUTION	L502	K_distnet		4,530	0	0	0	847	893	2,032	3,772	758	4,530	4,530
471	OTHER	L514	K_EPIS		0	0	0	0	0	0	0	0	0	0	0
472	TOTAL REAL EST & PROP TAX	L529	PROP_TAX		9,261	4,288	0	443	847	893	2,032	3,772	758	4,530	9,261
473															
474	MISCELLANEOUS TAXES														
475	PAYROLL RELATED	L566	K_AA&GexAdj		2,172	1,284	216	74	30	431	69	530	68	598	2,172
476	OTHER STATE TAXES	L562	K_AA&GexAdj		0	0	0	0	0	0	0	0	0	0	0
477	ELIMINATE NON-NATIVE SALES	L564	K_AA&GexAdj		(59)	(35)	(6)	(2)	0	(12)	(2)	(14)	(2)	(16)	(59)
478	AUTO LICENSES, ETC	L560	K_AA&GexAdj		9	6	1	0	0	2	0	2	0	2	9
479	ELIMINATE UNBILLED REVENUE	L562	K_AA&GexAdj		0	0	0	0	0	0	0	0	0	0	0
480	AFFILIATED COMPANY RENTS	L564	K_AA&GexAdj		0	0	0	0	0	0	0	0	0	0	0
481	MISCELLANEOUS	L566	K_AA&GexAdj		0	0	0	0	0	0	0	0	0	0	0
482	DSM ELIMINATION	L568	K_rtprod_d		0	0	0	0	0	0	0	0	0	0	0
483	TOTAL MISCELLANEOUS TAXES	L569			2,122	1,255	211	72	30	421	67	518	66	584	2,122
484															
485	MISCELLANEOUS EXPENSES														
487	PSC MAINTENANCE ON INCREASE	L584	K_Func_Rev		112	112	0	0	0	0	0	0	0	0	112
488	TOTAL MISCELLANEOUS EXPENSES	L589			112	112	0	0	0	0	0	0	0	0	112
489															
490	TOTAL OTHER TAX & MISC EXPENSE	L591			11,495	5,655	211	515	877	1,314	2,099	4,290	824	5,114	11,495
491															
492	PRELIMINARY SUMMARY														
493	TOTAL O&M EXPENSE	OM39			176,817	51,255	80,780	25,431	1,020	14,293	2,283	17,596	1,755	19,351	176,817
494	TOTAL DEPRECIATION EXPENSE	DE49			53,663	36,956	83	910	2,906	3,218	6,974	13,098	2,616	15,714	53,663
495	TOTAL OTHER TAX & MISC EXPENSE	L599			11,495	5,655	211	515	877	1,314	2,099	4,290	824	5,114	11,495
496	TOTAL OP EXP EXC IT & OTHER TAX	OP69			241,975	93,866	81,074	26,856	4,803	18,825	11,356	34,984	5,195	40,179	241,975
497															

A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R	
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY													5/28/08 7:36 AM	
3	TWELVE MONTHS ENDING DECEMBER 31, 2006														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 CONN PEAK)														
6	DT_SEC_RTP														
7			DT_SEC_RTP							TOTAL					
8	DESCRIPTION	ITEM	INCR. SEC. DIST	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER	
498	INCOME TAX BASED ON RETURN Schedule 9														
499	FEDERAL INCOME TAX DEDUCTIONS														
500	AUTOMATIC INTEREST CALCULATION														
501	AUTO PROC INTEREST DED	Y751	K_EPIS	26,268	17,372	40	630	1,523	1,679	3,654	6,856	1,370	8,226	26,268	0
502	TOTAL INTEREST EXPENSE	Y763	TOT_INT	26,268	17,372	40	630	1,523	1,679	3,654	6,856	1,370	8,226	26,268	0
503	OTHER DEDUCTIONS														
505	DEPR. EXCESS TAX OVER BOOK	Y790	K_Depr_Ex	5,162	3,554	8	88	279	310	671	1,260	252	1,512	5,162	0
507	LOSS ON REACQUIRED DEBT	Y794	K_EPIS	(201)	(133)	0	(5)	(12)	(13)	(28)	(53)	(10)	(63)	(201)	0
508	COST OF REMOVAL	Y788	K_Depr_Ex	2,457	1,692	4	42	133	147	319	599	120	719	2,457	0
512	METER CAPITAL LEASE PRINCIPLE PAYMENTS	Y804	K_rtsdist_c	0	0	0	0	0	0	0	0	0	0	0	0
515	OTHER PERMANENT DIFFERENCES	Y816	K_EPIS	2,303	1,524	3	55	134	147	320	601	120	721	2,303	0
518	TOTAL OTHER DEDUCTIONS	Y828		9,721	6,637	15	180	534	591	1,282	2,407	482	2,889	9,721	0
519															
520	NET DEDUCTIONS AND ADDITIONS	Y871		35,989	24,009	55	810	2,057	2,270	4,936	9,263	1,852	11,115	35,989	0
521															
522	FEDERAL INCOME TAX ADJUSTMENTS														
523															
524	FED PROV DEF INC TAX DEFERRALS (410.1)														
526	ANNUALIZE DEPRECIATION	Z768	K_EPIS	(121)	(80)	0	(3)	(7)	(8)	(17)	(32)	(6)	(38)	(121)	0
531	MISCELLANEOUS	Z762	K_AA&GenAdj	(911)	(538)	(91)	(31)	(13)	(181)	(29)	(223)	(28)	(251)	(911)	0
532	MISCELLANEOUS PROFORMA ADJUSTMENT	Z770	K_EPIS	0	0	0	0	0	0	0	0	0	0	0	0
533	RECLASSIFY NON-JURIS INCOME TAX	Z770	K_rtsprod_d	4,065	4,065	0	0	0	0	0	0	0	0	4,065	0
536	TOTAL FED PROV DEF IT DEFERRALS (410.1)	Z762		3,033	3,447	(91)	(34)	(20)	(189)	(46)	(255)	(34)	(289)	3,033	0
537															

A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY													5/28/06 7:36 AM
2	COST OF SERVICE STUDY													
3	TWELVE MONTHS ENDING DECEMBER 31, 2005													
4	ELECTRIC CASE NO: 2006-00172													
5	FR#v-1 KW (12 COIN PEAK)													
6	DT_SEC RTP													
7				DT_SEC RTP						TOTAL	DISTRIBUTION	TOTAL		
8	DESCRIPTION	ITEM	ALLOC	INCR. SEC. DIST	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	DISTRIBUTION	ALL OTHER
554	AMORTIZED INV TAX CREDIT	Schedule 9a												
555	MISCELLANEOUS	Z804	K_AS/GezAdj	0	0	0	0	0	0	0	0	0	0	0
556	AMORTIZE ITC	Z806	K_EPIS	233	154	0	6	14	15	32	61	12	73	233
557	TOTAL AMORTIZED ITC	Z813		233	154	0	6	14	15	32	61	12	73	233
558				0										
559	TEST YEAR INV TAX CREDIT			0										
560	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0
561														
562	PRELIMINARY SUMMARY													
563	TOTAL FED PROV DEF IT (410.1)	Z782		3,033	3,447	(91)	(34)	(20)	(189)	(46)	(255)	(34)	(289)	3,033
564	TOTAL FED PROV DEF IT (411.1)	Z803		0	0	0	0	0	0	0	0	0	0	0
565	TOTAL AMORTIZED ITC	Z813		(233)	(154)	0	(6)	(14)	(15)	(32)	(61)	(12)	(73)	(233)
566	TOTAL FEDERAL TAX ADJUSTMENTS	Z853		2,800	3,293	(91)	(40)	(34)	(204)	(78)	(316)	(46)	(362)	2,800
567														
568	FEDERAL INCOME TAX COMPUTATION													
569	RETURN ON CAPITALIZATION	R751		126,225	78,659	5,821	3,489	6,988	8,007	16,871	31,866	6,390	38,256	126,225
570	NET DEDUCTIONS AND ADDITIONS	Y871		(35,989)	(24,009)	(55)	(810)	(2,057)	(2,270)	(4,936)	(9,263)	(1,852)	(11,115)	(35,989)
571	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		2,800	3,293	(91)	(40)	(34)	(204)	(78)	(316)	(46)	(362)	2,800
572	TOTAL STATE PROV DEF IT (410.1)	Z911		639	667	0	(2)	(5)	(5)	(12)	(22)	(4)	(26)	639
573	TOTAL STATE PROV DEF IT (411.1)	Z933		0	0	0	0	0	0	0	0	0	0	0
574	AFUDC OFFSET	Z935		(587)	492	0	(178)	(137)	(180)	(403)	(720)	(181)	(901)	(587)
575	BASE FOR FIT COMPUTATION	1865		93,088	59,102	5,675	2,459	4,755	5,348	11,442	21,545	4,307	25,852	93,088
576														
577	FIT FACTOR K180/(1-K180)	1867	Fitcomp_from	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538
578	PRELIM FED INCOME TAX	1869		50,124	31,824	3,056	1,324	2,560	2,880	6,161	11,601	2,319	13,920	50,124
579	TOTAL FEDERAL TAX ADJUSTMENTS	Z883		2,800	3,293	(91)	(40)	(34)	(204)	(78)	(316)	(46)	(362)	2,800
580	NET FED INCOME TAX ALLOWABLE	1879		52,924	35,117	2,965	1,284	2,526	2,676	6,083	11,285	2,273	13,558	52,924
581														
582	INCOME TAX BASED ON RETURN													
583	FEDERAL INCOME TAX PAYABLE													
584	PRELIM FEDERAL INCOME TAX	1869		50,124	31,824	3,056	1,324	2,560	2,880	6,161	11,601	2,319	13,920	50,124
585	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0
586	NET FED INCOME TAX PAYABLE	1889		50,124	31,824	3,056	1,324	2,560	2,880	6,161	11,601	2,319	13,920	50,124

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-Inv-1 KW (12 COIN PEAK)														
6	DT_SEC_RTP														
7				DT_SEC_RTP	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL		
8	DESCRIPTION	ITEM	ALLOC	INCR. SEC. DIST	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	ALL OTHER
587	STATE INCOME TAX	Schedule 9b													
588															
589	DEDUCTIONS IN ADDITION TO Y871														
590	BONUS DEPRECIATION	Y890	K_Depr_Ex	1,794	1,236	3	30	97	108	233	438	87	525	1,794	0
594	DEDUCTIONS IN ADD TO Y871	Y911		1,794	1,236	3	30	97	108	233	438	87	525	1,794	0
595															
596	STATE INCOME TAX ADJUSTMENTS														
597															
598	STATE PROV DEF INC TAX DEFERRALS (410.1)														
600	NET DEFERRED TAXES	Z898	K_EPIS	(64)	(42)	0	(2)	(4)	(4)	(9)	(17)	(3)	(20)	(64)	0
601	ANNUALIZE DEPRECIATION	Z898	K_Depr_Ex	(21)	(15)	0	0	(1)	(1)	(3)	(5)	(1)	(6)	(21)	0
604	NON-JURISDICTIONAL TAX	Z898	K_fbrprod_d	724	724	0	0	0	0	0	0	0	0	724	0
608	TOT STATE PROV DEF IT DEFERRALS (410.1)	Z911		639	667	0	(2)	(5)	(5)	(12)	(22)	(4)	(26)	639	0
610															
626	TOTAL STATE INC TAX ADJUSTMENT	Z957		639	667	0	(2)	(5)	(5)	(12)	(22)	(4)	(26)	639	0

A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R		
1	DUKE ENERGY KENTUCKY															
2	COST OF SERVICE STUDY													5/28/06 7:36 AM		
3	TWELVE MONTHS ENDING DECEMBER 31, 2005															
4	ELECTRIC CASE NO: 2006-00172															
5	FR#v-1 KW (12 CONN PEAK)															
6	DT_SEC_RTP															
7				DT_SEC_RTP						TOTAL	DISTRIBUTION	TOTAL		ALL		
8	DESCRIPTION	ITEM	ALLOC	INCR.	PRODUCTION	PRODUCTION	OTHER	POLES, TOWERS	CONDUCTORS	DISTRIBUTION	DISTRIBUTION	TOTAL	TOTAL	OTHER		
				SEC. DIST	DEMAND	ENERGY	TRANSMISSION	& FIXTURES		DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	OTHER		
655	COST OF SERVICE COMPUTATION															
656	Schedule 10															
657	OTHER OPERATING REVENUES															
658	RENTAL REVENUE	Q000		K_EPIS	2,435	1,610	4	58	141	156	339	636	127	763	2,435	0
659	BAD CHECK CHARGE	Q002		K_Func_Rev	16	16	0	0	0	0	0	0	0	0	16	0
660	ELIMINATE NON-NATIVE SALES	Q002		K_rtprod_e	(35,605)	0	(35,605)	0	0	0	0	0	0	0	(35,605)	0
661	SALES FOR RESALE	Q002		K_rtprod_e	35,605	0	35,605	0	0	0	0	0	0	0	35,605	0
662	RECONNECTION CHARGES	Q002		K_Func_Rev	83	83	0	0	0	0	0	0	0	0	83	0
663	INTERRUPTIBLE CREDIT	Q002		K_Func_Rev	(84)	(84)	0	0	0	0	0	0	0	0	(84)	0
664	BILLING CYCLE IMPROVEMENT	Q004		K_Func_Rev	588	588	0	0	0	0	0	0	0	0	588	0
665	OTHER MISCELLANEOUS REVENUES	Q008		K_Func_Rev	81	81	0	0	0	0	0	0	0	0	81	0
666	MISCELLANEOUS	Q008		K_Func_Rev	0	0	0	0	0	0	0	0	0	0	0	0
669	TOTAL OTHER OPERATING REVS	Q027			3,119	2,294	4	58	141	156	339	636	127	763	3,119	0
670	COST OF SERVICE COMPUTATION															
671	TOTAL OP EXP EXC INC & REV TAX	OP69			241,975	93,866	81,074	26,856	4,803	18,825	11,356	34,984	5,195	40,179	241,975	0
672	RETURN ON CAPITALIZATION	R751			126,225	78,659	5,821	3,489	6,988	8,007	16,871	31,866	6,390	38,256	126,225	0
673	NET FED INCOME TAX ALLOWABLE	I879			52,924	35,117	2,965	1,284	2,526	2,676	6,083	11,285	2,273	13,558	52,924	0
674	NET STATE INCOME TAX ALLOWABLE	J979			9,327	6,177	536	229	438	494	1,055	1,987	398	2,385	9,327	0
676	TOTAL OTHER OPERATING REVENUES	Q027			(3,119)	(2,294)	(4)	(58)	(141)	(156)	(339)	(636)	(127)	(763)	(3,119)	0
677	SUBTOTAL B	CS03			427,332	211,525	90,392	31,800	14,614	29,846	35,026	79,486	14,129	93,615	427,332	0
678	TOTAL OTHER OPERATING REVENUES	Q027			3,119	2,294	4	58	141	156	339	636	127	763	3,119	0
680	LESS: OTHER ITEMS				0	0	0	0	0	0	0	0	0	0	0	0
681	OTHER OPERATING REVS TO BE TAXED	CO0T			3,119	2,294	4	58	141	156	339	636	127	763	3,119	0
682	AFUDC OFFSET															
685	AFUDC OFFSET	L032			(587)	492	0	(178)	(137)	(180)	(403)	(720)	(181)	(901)	(587)	0
686	OTHER DEDUCTIONS TO COST OF SERVICE	L033			(587)	492	0	(178)	(137)	(180)	(403)	(720)	(181)	(901)	(587)	0
687	TOTAL ELECTRIC COST OF SERVICE	CS09			426,745	212,017	90,392	31,622	14,477	29,666	34,623	78,766	13,948	92,714	426,745	0
688	PROPOSED REVENUES															
689	PROPOSED REVENUES	R602			354,772										354,772	0
690	TOTAL ELECTRIC COST OF SERVICE	CS09			(426,745)										(426,745)	0
691	EXCESS REVENUES	XREV			(71,973)										(71,973)	0
692	COMPOSITE TAX RATE	CTAX	PPCOMPTAX_FROM		0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621
693	EXCESS TAX	XTAX			(27,898)										(27,898)	0
694	EXCESS RETURN	XRET			(44,075)										(44,075)	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4Y-1 KW (12 COIN PEAK)														
6	DT_SEC_RTP														
7	DT_SEC_RTP														
8	DESCRIPTION	ITEM	ALLOC	DT_SEC_RTP INCR.	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
696	ROR AND TAX RATES Schedule 11														
697	RATE OF RETURN														
698															
699	CAPITALIZATION AMOUNTS	CAP_FROM		Total Company		Ratio									
700	LONG TERM DEBT	K100		275,774,125		0.406259216									
701	PREFERRED STOCK	K102		0		0.000000000									
702	COMMON STOCK	K104		345,393,322		0.508819383									
703	SHORT TERM DEBT	K106		57,645,769		0.084921401									
704	UNAMORTIZED DISCOUNT	K108		0		0.000000000									
705	TOTAL	K115		678,813,216		1.000000000									
706															
707	COST OF CAPITAL														
708	LONG TERM DEBT	K120		0.0609											
709	PREFERRED STOCK	K122		0.0000											
710	COMMON STOCK	K124		0.1150											
711	SHORT TERM DEBT	K126		0.0514											
712	UNAMORTIZED DISCOUNT	K128		0.0000											
713															
714	WEIGHTED COST OF CAPITAL														
715	LONG TERM DEBT	K141		0.0247											
716	PREFERRED STOCK	K143		0.0000											
717	COMMON STOCK	K145		0.0585											
718	SHORT TERM DEBT	K147		0.0044											
719	UNAMORTIZED DISCOUNT	K149		0.0000											
720	TOT RATE OF RETURN ALLOWABLE	RORA	ROR_EARN_FROM	0.0876											
721															
722	TAX RATES AND SPECIAL FACTORS														
723	SHORT TERM DEBT COST	K180		0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
724	FEDERAL INCOME TAX RATE	K190	FTT_FROM	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000
725	STATE INCOME TAX RATE	K192	STATETX_FROM	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788
726	REVENUE TAX RATE	K196		0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
727															
728															
729	PRESENT REVENUES	R600		343,715	0	0	0	0	0	0	0	0	0	343,715	0
730	PROPOSED REVENUES	R602		354,772	0	0	0	0	0	0	0	0	0	354,772	0
731	PRESENT NOI			75,379											
732	GROSS PRESENT REV AT AVERAGE ROR			242,030											
733	SUBSIDY EXCESS			101,685											
734	REDUCTION IN SUBSIDY EXCESS			25,421											
735	RATE INCREASE			36,478											
736	TAX COMPLEMENT														
737															
738															
739															
740															
741															
742															
743															
744															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
	DUKE ENERGY KENTUCKY														
	COST OF SERVICE STUDY														
	TWELVE MONTHS ENDING DECEMBER 31, 2005														
	ELECTRIC CASE NO: 2006-00172														
	FR-4v-1 KW(12 CORN PEAK)														
	DT_SEC_RTP														
				DT_SEC_RTP	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL		ALL
	DESCRIPTION	ITEM	ALLOC	INCR.	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES	CONDUCTORS	DISTRIBUTION	CUSTOMER	DISTRIBUTION	TOTAL	OTHER
				SEC. DIST							DEMAND			TOTAL	
745	INCOME TAX BASED ON REVENUES Schedule 12														
746	NET INCOME COMPUTATION														
747	TOTAL ELECTRIC COST OF SERVICE	CS09		426,745	212,017	90,392	31,622	14,477	29,666	34,623	78,766	13,948	92,714	426,745	0
748	TOTAL OTHER OPERATING REVENUES	Q027		3,119	2,294	4	58	141	156	339	636	127	763	3,119	0
749	TOTAL ELECTRIC REVENUE	CS07		429,864	214,311	90,396	31,680	14,618	29,822	34,962	79,402	14,075	93,477	429,864	0
750	TOTAL OF EXP EXC IT & OTHER DEDUCTIONS	OP81		(241,975)	(93,866)	(81,074)	(26,856)	(4,803)	(18,825)	(11,356)	(34,984)	(5,195)	(40,179)	(241,975)	0
751	OTHER	RTXP		0	0	0	0	0	0	0	0	0	0	0	0
752	NET INCOME	NI01		187,889	120,445	9,322	4,824	9,815	10,997	23,606	44,418	8,880	53,298	187,889	0
753	ADJUSTMENTS TO NET INCOME														
754	TOTAL INTEREST EXPENSE	Y783		(26,268)	(17,372)	(40)	(630)	(1,523)	(1,679)	(3,654)	(6,856)	(1,370)	(8,226)	(26,268)	0
755	TOTAL OTHER DEDUCTIONS	Y828		(9,721)	(6,637)	(15)	(180)	(534)	(591)	(1,282)	(2,407)	(482)	(2,889)	(9,721)	0
756	PRELIMINARY TAXABLE INCOME	TI01		151,900	96,438	9,267	4,014	7,758	8,727	18,670	35,155	7,028	42,183	151,900	0
757	STATE INCOME TAX COMPUTATION														
758	PRELIMINARY TAX ABLE INCOME (INCL AFUDC)	TI01		151,900	96,438	9,267	4,014	7,758	8,727	18,670	35,155	7,028	42,183	151,900	0
759	DEDUCTIONS IN ADD TO Y871	Y911		(1,794)	(1,236)	(3)	(30)	(97)	(108)	(233)	(438)	(87)	(525)	(1,794)	0
760	STATE TAXABLE INCOME	SI01		150,106	95,200	9,264	3,984	7,661	8,619	18,437	34,717	6,941	41,658	150,106	0
761	STATE INCOME TAX PAYABLE														
762	STATE INCOME TAX RATE	K192	STATETX_FROM	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788
763	PRELIM SIT = SI01 * K192	ST01		8,688	5,510	536	231	443	499	1,067	2,009	402	2,411	8,688	0
764	OTHER SIT ADJUSTMENTS	Z955		0	0	0	0	0	0	0	0	0	0	0	0
765	STATE INCOME TAX PAYABLE	SP01		8,688	5,510	536	231	443	499	1,067	2,009	402	2,411	10,697	0
766	SIT ALLOWABLE														
767	STATE INCOME TAX PAYABLE	SP01		8,688	5,510	536	231	443	499	1,067	2,009	402	2,411	8,688	0
768	TOTAL STATE PROV DEF IT(410.1)	Z911		639	667	0	(2)	(5)	(5)	(12)	(22)	(4)	(26)	639	0
769	TOTAL STATE PROV DEF IT(411.1)	Z933		0	0	0	0	0	0	0	0	0	0	0	0
770	NET STATE INC TAX ALLOWABLE	SA01		9,327	6,177	536	229	438	494	1,055	1,987	398	2,385	11,314	0
771	INCOME TAX BASED ON REVENUES														
772	FEDERAL INCOME TAX COMPUTATION														
773	PRELIMINARY TAXABLE INCOME (INCL AFUDC)	TI01		151,900	96,438	9,267	4,014	7,758	8,727	18,670	35,155	7,028	42,183	151,900	0
774	STATE INC TAX PAYABLE	SP01		(8,688)	(5,510)	(536)	(231)	(443)	(499)	(1,067)	(2,009)	(402)	(2,411)	(8,688)	0
775	NET FEDERAL TAXABLE INCOME	FI01		143,212	90,926	8,731	3,783	7,315	8,228	17,603	33,146	6,626	39,772	143,212	0
776	FEDERAL INCOME TAX RATE	K190	FIT_FROM	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000
777	PRELIMINARY FIT = FI01 * K190	FT01		50,124	31,824	3,056	1,324	2,560	2,880	6,161	11,601	2,319	13,920	50,124	0
778	TOTAL FED PROV DEF IT (410.1)	Z782		3,033	3,447	(91)	(34)	(20)	(189)	(46)	(255)	(34)	(289)	3,033	0
779	TOTAL FED PROV DEF IT (411.1)	Z803		0	0	0	0	0	0	0	0	0	0	0	0
780	TOTAL AMORTIZED ITC & SERVICE CO ALLOC.	Z813		(233)	(154)	0	(6)	(14)	(15)	(32)	(61)	(12)	(73)	(233)	0
781	NET FED INC TAX ALLOWABLE	FA01		52,924	35,117	2,965	1,284	2,526	2,676	6,083	11,285	2,273	13,558	64,209	0
782	FEDERAL INCOME TAX PAYABLE														
783	PRELIM FIT	FT01		50,124	31,824	3,056	1,324	2,560	2,880	6,161	11,601	2,319	13,920	50,124	0
784	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
785	FED INC TAX PAYABLE	FP01		50,124	31,824	3,056	1,324	2,560	2,880	6,161	11,601	2,319	13,920	50,124	0
786	PRELIMINARY SUMMARY														
787	NET INCOME EXCLUDING AFUDC OFFSET	NI01		188,476	119,953	9,322	5,002	9,952	11,177	24,009	45,138	9,061	54,199	188,476	0
788	NET FED INC TAX ALLOWABLE	FA01		(52,924)	(35,117)	(2,965)	(1,284)	(2,526)	(2,676)	(6,083)	(11,285)	(2,273)	(13,558)	(52,924)	0
789	NET STATE INC TAX ALLOWABLE	SA01		(9,327)	(6,177)	(536)	(229)	(438)	(494)	(1,055)	(1,987)	(398)	(2,385)	(9,327)	0
790	OVERALL RETURN EARNED-SCH 12	RETU		126,225	78,659	5,821	3,489	6,988	8,007	16,871	31,866	6,390	38,256	126,225	0
791	RATE OF RETURN EARNED-SCH 12	RORX	ROR_EARN_FROM	0.1391	0.1391	0.1391	0.1390	0.1391	0.1391	0.1391	0.1391	0.1391	0.1391	0.1391	0.0000

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
DUKE ENERGY KENTUCKY																	
COST OF SERVICE STUDY																	
TWELVE MONTHS ENDING DECEMBER 31, 2005																	
ELECTRIC CASE NO: 2006-00172																	
DESCRIPTION	ALLOC	DT_SEC_RTP INCR. SEC. DBT	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER				
Schedule 13																	
Prod-Demand	K_rbprod_d		1.00000									0.00000					
Prod-Energy	K_rbprod_e			1.00000								0.00000					
Main Step-Up Transformers	K_rbttran_stepup											0.00000					
Transmission Other	K_rbttran_oth				1.00000							0.00000					
Substations	K_Subst					1.00000						1.00000					
Poles Towers & Fixtures	K_Poles						1.00000					1.00000					
Conductors	K_Conductors							1.00000				1.00000					
Transformers	K_Transformer											1.00000					
Distribution Demand	K_rbdist_d								1.00000			1.00000					
Distribution Customer	K_rbdist_c									1.00000		1.00000					
All Other	K_FERC																1.00000
21	Gross Dist Plant excl CCNC-OC (106)		440,619	0	0	0	66,799	88,180	196,954	351,933	88,686	440,619	440,619	0			
22	Ratio	K_dist_ccnc	1.000000000	0.000000000	0.000000000	0.000000000	0.151602632	0.200127548	0.446993888	0.798724068	0.201275932	1.000000000	1.000000000	0.000000000			
24	Gross Plant (OC)		1,808,678	1,287,740	2,808	39,734	71,746	99,786	211,261	382,793	95,603	478,396	1,808,678	0			
25	Ratio	K_grossPit	1.000000000	0.711978583	0.001552515	0.021968532	0.039667646	0.055170683	0.116804097	0.211642426	0.052857944	0.264500370	1.000000000	0.000000000			
27	Gross Prod Plant (OC)		1,271,041	1,271,041	0	0	0	0	0	0	0	0	1,271,041	0			
28	Ratio	K_gross_prodpit	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000			
30	Gross Plant-Prod/Trans/Dist (OC)		1,780,441	1,271,041	0	38,777	71,347	94,185	210,366	375,898	94,725	470,623	1,780,441	0			
31	Ratio	K_grossPTD	1.000000000	0.713891109	0.000000000	0.021779436	0.040072657	0.052899815	0.118153873	0.211126345	0.053203111	0.264329455	1.000000000	0.000000000			
33	Gross Distribution Plant (OC)		470,623	0	0	0	71,347	94,185	210,366	375,898	94,725	470,623	470,623	0			
34	Ratio	K_gross_distpit	1.000000000	0.000000000	0.000000000	0.000000000	0.151601175	0.200128341	0.446994728	0.798724244	0.201275756	1.000000000	1.000000000	0.000000000			
36	Gross Transmission Plant (OC)		38,777	0	0	38,777	0	0	0	0	0	0	38,777	0			
37	Ratio	K_gross_tranpit	1.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000			
39	Gross General Plant (OC)		3,954	2,340	393	135	56	784	125	965	121	1,086	3,954	0			
40	Ratio	K_gross_genpit	1.000000000	0.591805766	0.099393020	0.034142640	0.014162872	0.198280223	0.031613556	0.244056651	0.030601922	0.274658574	1.000000000	0.000000000			
42	Gross Common Plant (OC)		24,283	14,359	2,415	822	343	4,817	770	5,930	757	6,687	24,283	0			
43	Ratio	K_gross_compit	1.000000000	0.591319030	0.099452292	0.033850842	0.014125108	0.198369230	0.031709426	0.244203764	0.031174072	0.275377836	1.000000000	0.000000000			
45	Production Plant-Net (OC-Depr)		614,959	614,959	0	0	0	0	0	0	0	0	614,959	0			
46	Ratio	K_prodnet	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000			
48	Distribution Plant-Net (OC-Depr)		291,262	0	0	0	54,473	57,388	130,680	242,541	48,721	291,262	291,262	0			
49	Ratio	K_distnet	1.000000000	0.000000000	0.000000000	0.000000000	0.187024055	0.197032225	0.448668209	0.832724489	0.167275511	1.000000000	1.000000000	0.000000000			
51	Transmission Plant-Net (OC-Depr)		22,130	0	0	22,130	0	0	0	0	0	0	22,130	0			
52	Ratio	K_tranpit	1.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000			
54	General Plant-Net		1,852	1,099	184	64	27	367	58	452	53	505	1,852	0			
55	Ratio	K_gennet	1.000000000	0.593412527	0.099352052	0.034557235	0.014578833	0.198164147	0.031317495	0.244060475	0.028617711	0.272678186	1.000000000	0.000000000			
57	Transmission & Distr Plant In Service		313,392	0	0	22,130	54,473	57,388	130,680	242,541	48,721	291,262	313,392	0			
58	Ratio	K_T&D_net	1.000000000	0.000000000	0.000000000	0.070614438	0.173817456	0.163116905	0.416985756	0.773922117	0.155463445	0.929385562	1.000000000	0.000000000			
60	Net Electric Plant In Service		942,717	623,458	1,428	22,617	54,676	60,239	131,135	246,050	49,164	295,214	942,717	0			
61	Ratio	K_EPIS	1.000000000	0.661341633	0.001514771	0.023991293	0.057998317	0.063899346	0.139103252	0.261000915	0.052151388	0.313152303	1.000000000	0.000000000			
63	Common Plant- net		12,514	7,400	1,244	423	176	2,484	397	3,057	390	3,447	12,514	0			
64	Ratio	K_comnet	1.000000000	0.591337702	0.099408662	0.033802142	0.014064247	0.198497683	0.031724469	0.244286399	0.031165095	0.275451494	1.000000000	0.000000000			

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
DT_SEC_RTP	INCR.	SEC_DS1	DESCRIPTION	PROD DEMAND	PROD ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & STRUCTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER			
05/26/06			DUKE ENERGY KENTUCKY COST OF SERVICE STUDY TWELVE MONTHS ENDING DECEMBER 31, 2005 ELECTRIC CASE NO: 2006-00172														
1			Common & General Plant-net	14,366	1,428	487	203	2,851	455	3,509	443	3,952	14,366	0			
2			K_comgenet	1,000,000,000	0.099401364	0.033899465	0.014130586	0.198454685	0.031672003	0.244257274	0.030836698	0.275093972	1,000,000,000	0.000000000			
3			Total OCD Rate Base	962,864	44,405	26,618	53,312	61,077	128,692	243,081	48,744	291,825	962,864	0			
4			K_OCDRB	1,000,000,000	0.046117624	0.027644610	0.055368152	0.063432634	0.133655428	0.252456214	0.050623972	0.303080186	1,000,000,000	0.000000000			
5			Schedule 13a	6,703	0	2,031	1,560	2,059	4,600	8,219	2,071	10,290	6,703	0			
6			Construction Work in Progress	6,703	0	2,031	1,560	2,059	4,600	8,219	2,071	10,290	6,703	0			
7			K_CWIP	1,000,000,000	0.000000000	0.302989857	0.232731613	0.307175991	0.686259884	1.226167388	0.308966135	1.535133522	1,000,000,000	0.000000000			
8			A&G	27,981	2,782	947	397	5,549	886	6,832	873	7,705	27,981	0			
9			K_A&G	1,000,000,000	0.099424610	0.033844394	0.014188199	0.198313141	0.031664344	0.244165684	0.031198743	0.275365427	1,000,000,000	0.000000000			
10			A&G (excluding adjustments)	29,906	2,974	1,013	423	5,931	948	7,302	933	8,235	29,906	0			
11			K_A&GexAdj	1,000,000,000	0.099444927	0.033872801	0.014144318	0.198321407	0.031699325	0.244165050	0.031197753	0.275362803	1,000,000,000	0.000000000			
12			Dist A&G (ex reg exp)	7,666	0	0	423	5,931	948	7,302	364	7,666	7,666	0			
13			K_DisA&G	1,000,000,000	0.000000000	0.000000000	0.055178711	0.773675972	0.123662927	0.952517610	0.047482390	1.000000000	1,000,000,000	0.000000000			
14			Transmission A&G	1,143	0	1,013	0	0	0	0	0	0	1,143	0			
15			K_TransA&G	1,000,000,000	0.000000000	0.886264217	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1,000,000,000	0.000000000			
16			Customer Accounts A&G	213	0	0	0	0	0	0	213	213	213	0			
17			K_CA_A&G	1,000,000,000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1,000,000,000	0.000000000			
18			Cust Service & Informational A&G	79	0	0	0	0	0	0	356	356	79	0			
19			K_CS_A&G	1,000,000,000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	4.506329114	4.506329114	1,000,000,000	0.000000000			
20			Sales A&G	0	0	0	0	0	0	0	0	0	0	0			
21			K_Sales_A&G	1,000,000,000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1,000,000,000	0.000000000			
22			Depreciation Expense	53,663	83	910	2,906	3,218	6,974	13,098	2,616	15,714	53,663	0			
23			K_Depr_Ex	1,000,000,000	0.001546690	0.016957680	0.054152768	0.059966830	0.129591900	0.244078788	0.048748672	0.292827460	1,000,000,000	0.000000000			
24			O&M (no A&G)	148,836	34,708	24,484	623	8,744	1,397	10,764	882	11,646	148,836	0			
25			K_O&M	1,000,000,000	0.233196270	0.164503212	0.004185816	0.058749227	0.009386170	0.072321213	0.005925986	0.078247198	1,000,000,000	0.000000000			
26			Production O&M	109,607	77,988	0	0	0	0	0	0	0	109,607	0			
27			K_ProdO&M	1,000,000,000	0.711615134	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1,000,000,000	0.000000000			
28			Dist O&M	11,301	0	0	623	8,744	1,397	10,764	537	11,301	11,301	0			
29			K_DistO&M	1,000,000,000	0.000000000	0.000000000	0.055127865	0.773739837	0.123617379	0.952482081	0.047517919	1.000000000	1,000,000,000	0.000000000			
30			Transmission O&M	27,639	3,155	24,484	0	0	0	0	0	0	27,639	0			
31			K_TranO&M	1,000,000,000	0.114150295	0.885849705	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1,000,000,000	0.000000000			
32			Customer Accounting O&M	274	0	0	0	0	0	0	274	274	274	0			
33			K_CA_O&M	1,000,000,000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1,000,000,000	0.000000000			
34			Uncollectible Account O&M	(1)	0	0	0	0	0	0	(1)	(1)	(1)	0			
35			K_Uncol_O&M	1,000,000,000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1,000,000,000	0.000000000			
36			Customer Service & Informational O&M	16	(56)	0	0	0	0	0	72	72	16	0			
37			K_CS_O&M	1,000,000,000	(3.500000000)	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	4.500000000	4.500000000	1,000,000,000	0.000000000			
38			Sales O&M	0	0	0	0	0	0	0	0	0	0	0			
39			K_Sales_O&M	1,000,000,000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1,000,000,000	0.000000000			
40			AutoCatic Whg Capital (incl A&G)	96,819	51,255	2,782	1,020	14,293	2,283	17,586	1,755	19,351	96,819	0			
41			K_O&MFuel	1,000,000,000	0.518578558	0.028162481	0.010321901	0.144638177	0.023102845	0.178062923	0.017759743	0.195822666	1,000,000,000	0.000000000			

COST OF SERVICE STUDY

BY FUNCTION

RATE DT-PRI

FR 10(9)(v)-12

DUKE ENERGY KENTUCKY													5/20/08 7:36 AM	
COST OF SERVICE STUDY														
TWELVE MONTHS ENDING DECEMBER 31, 2005														
ELECTRIC CASE NO: 2006-00172														
FR-4v-1 KW (12 CORN PEAK)														
DT_PRI														
DESCRIPTION	ITEM	ALLOC	DT_PRI PRIMARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
GROSS ELECTRIC PLANT IN SERVICE														
Schedule 2														
PRODUCTION PLANT														
PRODUCTION - STEAM	P100	K_rtprod_d	41,590,696	41,590,696	0	0	0	0	0	0	0	0	41,590,696	0
PRODUCTION - OTHER	P106	K_rtprod_d	23,056,390	23,056,390	0	0	0	0	0	0	0	0	23,056,390	0
PRODUCTION PLANT IN SERVICE	P129		64,647,086	64,647,086	0	0	0	0	0	0	0	0	64,647,086	0
TRANSMISSION PLANT														
MAIN STEP-UP TRANSFORMERS	T100	K_rtrnrm_stepup	0	0	0	0	0	0	0	0	0	0	0	0
OTHER TRANSMISSION	T102	K_rtrnrm_oth	1,972,250	0	0	1,972,250	0	0	0	0	0	0	1,972,250	0
TRANSMISSION PLANT IN SERVICE	T129		1,972,250	0	0	1,972,250	0	0	0	0	0	0	1,972,250	0
TOTAL PROD & TRANS PLANT	PT29		66,619,336	64,647,086	0	1,972,250	0	0	0	0	0	0	66,619,336	0
DISTRIBUTION PLANT														
SUBSTATIONS	D100	K_Subst	3,433,565	0	0	0	3,433,565	0	0	3,433,565	0	3,433,565	3,433,565	0
POLES, TOWERS & FIXTURES	D102	K_Poles	3,807,334	0	0	0	0	3,807,334	0	3,807,334	0	3,807,334	3,807,334	0
CONDUCTORS	D104	K_Conductors	8,503,877	0	0	0	0	0	8,503,877	8,503,877	0	8,503,877	8,503,877	0
TRANSFORMERS	D106	K_rtdist_c	0	0	0	0	0	0	0	0	0	0	0	0
SERVICES	D108	K_rtdist_c	0	0	0	0	0	0	0	0	0	0	0	0
METERS	D110	K_rtdist_c	42,435	0	0	0	0	0	0	0	42,435	42,435	42,435	0
STREET LIGHTS	D114	K_rtdist_c	0	0	0	0	0	0	0	0	0	0	0	0
CONSTRUCTION NOT CLASSIFIED	D118	K_dist_conc	1,075,024	0	0	0	233,807	259,259	579,068	1,072,134	2,890	1,075,024	1,075,024	0
DISTRIBUTION PLANT IN SERVICE	D149		16,862,235	0	0	0	3,667,372	4,066,593	9,082,945	16,816,910	45,325	16,862,235	16,862,235	0
TOTAL TRANS & DIST PLANT	TD29		18,834,485	0	0	1,972,250	3,667,372	4,066,593	9,082,945	16,816,910	45,325	16,862,235	18,834,485	0
TOTAL GROSS PTD PLANT	PD29		83,481,571	64,647,086	0	1,972,250	3,667,372	4,066,593	9,082,945	16,816,910	45,325	16,862,235	83,481,571	0
GENERAL & INTANGIBLE PLANT														
PRODUCTION-DEMAND	G100	K_rtprod_d	119,915	119,915	0	0	0	0	0	0	0	0	119,915	0
PRODUCTION-ENERGY	G102	K_rtprod_e	68,288	0	68,288	0	0	0	0	0	0	0	68,288	0
TRANSMISSION	G104	K_TransA&G	7,718	881	0	6,837	0	0	0	0	0	0	7,718	0
DISTRIBUTION	G106	K_DistA&G	45,116	0	0	0	3,609	34,476	6,889	44,974	142	45,116	45,116	0
CUSTOMER ACCOUNTING	G108	K_CA_A&G	159	0	0	0	0	0	0	0	159	159	159	0
CUSTOMER SERVICE & INFORMATION	G110	K_CSI_A&G	57	(56)	(113)	(12)	(4)	(8)	(7)	(19)	257	238	57	0
SALES	G112	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
GENERAL & INTANGIBLE PLANT IN SERVICE	G129		241,253	120,740	68,175	6,825	3,605	34,468	6,882	44,955	558	45,513	241,253	0
COMMON & OTHER PLANT														
PRODUCTION-DEMAND RELATED	C100	K_rtprod_d	736,337	736,337	0	0	0	0	0	0	0	0	736,337	0
PRODUCTION-ENERGY RELATED	C102	K_rtprod_e	419,639	0	419,639	0	0	0	0	0	0	0	419,639	0
TRANSMISSION	C104	K_TransA&G	47,219	5,391	0	41,828	0	0	0	0	0	0	47,219	0
DISTRIBUTION	C106	K_DistA&G	277,429	0	0	0	22,190	212,000	42,363	276,553	876	277,429	277,429	0
CUSTOMER ACCOUNTING	C108	K_CA_A&G	978	0	0	0	0	0	0	0	978	978	978	0
CUSTOMER SERVICE & INFORMATION	C110	K_CSI_A&G	351	(347)	(698)	(72)	(23)	(49)	(41)	(113)	1,581	1,468	351	0
SALES	C112	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
COMMON & OTHER PLANT IN SERVICE	C129		1,481,953	741,381	418,941	41,756	22,167	211,951	42,322	276,440	3,435	279,875	1,481,953	0
GROSS ELECTRIC PLANT IN SERVICE	GP19		85,204,777	65,509,207	487,116	2,020,831	3,693,144	4,313,012	9,132,149	17,138,305	49,318	17,187,623	85,204,777	0

A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R	
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY													5/28/08 7:36 AM	
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-BV-1 KW(12 CON PEAK)														
6	DT_PRI														
7				DT_PRI						TOTAL	DISTRIBUTION	TOTAL			
8	DESCRIPTION	ITEM	ALLOC	PRIMARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
99	DEPRECIATION RESERVE Schedule 3														
100	PRODUCTION PLANT														
101	PRODUCTION - STEAM	P150	K_rtprod_d	22,853,655	22,853,655	0	0	0	0	0	0	0	0	22,853,655	0
102	PRODUCTION - OTHER	P152	K_rtprod_d	10,515,680	10,515,680	0	0	0	0	0	0	0	0	10,515,680	0
103	TOTAL PROD DEPREC RESERVE	P171		33,369,335	33,369,335	0	0	0	0	0	0	0	0	33,369,335	0
104	TRANSMISSION PLANT														
105	MAIN STEP-UP TRANSFORMERS		K_rtrtran_stepup	0	0	0	0	0	0	0	0	0	0	0	0
107	OTHER TRANSMISSION	T150	K_rtrtran_oth	846,708	0	0	846,708	0	0	0	0	0	0	846,708	0
108	TOTAL TRANS DEPREC RESERVE	T171		846,708	0	0	846,708	0	0	0	0	0	0	846,708	0
109	DEPRECIATION RESERVE														
110	TOTAL PROD & TRANS DEPREC RESERVE			34,216,043	33,369,335	0	846,708	0	0	0	0	0	0	34,216,043	0
111	DISTRIBUTION PLANT														
113	SUBSTATIONS	D150	K_Subst	770,349	0	0	0	770,349	0	0	770,349	0	770,349	770,349	0
114	POLES, TOWERS & FIXTURES	D152	K_Poles	1,481,288	0	0	0	0	1,481,288	0	1,481,288	0	1,481,288	1,481,288	0
115	CONDUCTORS	D154	K_Conductors	3,200,593	0	0	0	0	0	3,200,593	3,200,593	0	3,200,593	3,200,593	0
116	TRANSFORMERS	D156	K_Transformer	0	0	0	0	0	0	0	0	0	0	0	0
117	SERVICES	D158	K_rfdist_c	0	0	0	0	0	0	0	0	0	0	0	0
118	METERS	D160	K_rfdist_c	8,544	0	0	0	0	0	0	8,544	8,544	8,544	8,544	0
119	DEPRECIATION EXPENSE ADJUSTMENT	D162	K_dist_conc	12,996	0	0	0	2,827	3,134	7,000	12,961	35	12,996	12,996	0
120	STREET LIGHTS	D164	K_rfdist_c	0	0	0	0	0	0	0	0	0	0	0	0
121	COMPLETED CONSTRUCTION NOT CLASSIFIED	D168	K_dist_conc	522,904	0	0	0	113,726	126,107	281,665	521,498	1,406	522,904	522,904	0
122	RETIREMENT WORK IN PROGRESS	D168	K_dist_conc	(90,213)	0	0	0	(19,621)	(21,756)	(48,594)	(89,971)	(242)	(90,213)	(90,213)	0
123	TOTAL DIST DEPREC RESERVE	D191		5,906,461	0	0	0	867,281	1,588,773	3,440,664	5,896,718	9,743	5,906,461	5,906,461	0
124	DEPRECIATION RESERVE														
125	TOTAL TRANS & DIST DEPREC RESERVE			6,753,169	0	0	846,708	867,281	1,588,773	3,440,664	5,896,718	9,743	5,906,461	6,753,169	0
126	TOTAL GROSS PTD PLANT DEPREC RESERVE			40,122,504	33,369,335	0	846,708	867,281	1,588,773	3,440,664	5,896,718	9,743	5,906,461	40,122,504	0
127	GENERAL & INTANGIBLE PLANT														
129	PRODUCTION-DEMAND	G150	K_rtprod_d	63,733	63,733	0	0	0	0	0	0	0	0	63,733	0
130	PRODUCTION-ENERGY	G152	K_rtprod_e	36,377	0	36,377	0	0	0	0	0	0	0	36,377	0
131	TRANSMISSION	G154	K_TransA&G	4,066	464	0	3,602	0	0	0	0	0	0	4,066	0
132	DISTRIBUTION	G156	K_DistA&G	24,017	0	0	0	1,921	18,353	3,667	23,941	76	24,017	24,017	0
133	CUSTOMER ACCOUNTING	G158	K_CA_A&G	85	0	0	0	0	0	0	85	85	85	85	0
134	CUSTOMER SERVICE & INFORMATION	G160	K_CSI_A&G	31	(31)	(62)	(6)	(2)	(4)	(4)	(10)	140	130	31	0
135	SALES	G162	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
136	TOTAL GEN & INTANGIBLE DEPREC RES.	G171		128,309	64,166	36,315	3,596	1,919	18,349	3,663	23,931	301	24,232	128,309	0
137	COMMON & OTHER PLANT														
139	PRODUCTION-DEMAND	C150	K_rtprod_d	356,924	356,924	0	0	0	0	0	0	0	0	356,924	0
140	PRODUCTION-ENERGY	C152	K_rtprod_e	203,448	0	203,448	0	0	0	0	0	0	0	203,448	0
141	TRANSMISSION	C154	K_TransA&G	22,904	2,615	0	20,289	0	0	0	0	0	0	22,904	0
142	DISTRIBUTION	C156	K_DistA&G	134,375	0	0	0	10,748	102,684	20,519	133,951	424	134,375	134,375	0
143	CUSTOMER ACCOUNTING	C158	K_CA_A&G	474	0	0	0	0	0	0	474	474	474	474	0
144	CUSTOMER SERVICE & INFORMATION	C180	K_CSI_A&G	170	(168)	(338)	(35)	(11)	(24)	(20)	(55)	766	711	170	0
145	SALES	C162	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
146	TOTAL COM & OTHER PLT RESERVE	C171		718,295	359,371	203,110	20,254	10,737	102,660	20,499	133,896	1,664	135,560	718,295	0
147	DEPRECIATION RESERVE														
148	TOTAL DEPRECIATION RESERVE	DR19		40,969,108	33,792,872	239,425	870,558	879,937	1,709,782	3,464,826	6,054,545	11,708	6,066,253	40,969,108	0

DUKE ENERGY KENTUCKY													5/26/06 7:36 AM		
COST OF SERVICE STUDY															
TWELVE MONTHS ENDING DECEMBER 31, 2005															
ELECTRIC CASE NO: 2005-00172															
FR-#V-1 KW (12 COIN PEAK)															
DT_PRI															
			DT_PRI	PRODUCTION	PRODUCTION	OTHER	POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL	ALL			
		ALLOC	DISTRIBUTION	DEMAND	ENERGY	TRANSMISSION	& FIXTURES	CONDUCTORS	DISTRIBUTION	CUSTOMER	DISTRIBUTION	TOTAL	OTHER		
	DESCRIPTION	ITEM							DEMAND		TOTAL	TOTAL			
200	NET ELECTRIC PLANT														
	Schedule 4a														
201	PRODUCTION PLANT														
202	PRODUCTION PLANT IN SERVICE	P129		64,647,086	64,647,086	0	0	0	0	0	0	0	64,647,086	0	
204	TOTAL PROD DEPRC RESERVE	P171		(33,369,335)	(33,369,335)	0	0	0	0	0	0	0	(33,369,335)	0	
205	NET PRODUCTION PLANT	P229		31,277,751	31,277,751	0	0	0	0	0	0	0	31,277,751	0	
206	TRANSMISSION PLANT														
207	TRANSMISSION PLANT IN SERVICE	T129		1,972,250	0	0	1,972,250	0	0	0	0	0	1,972,250	0	
209	TOTAL TRANS DEPREC RESERVE	T171		(846,708)	0	0	(846,708)	0	0	0	0	0	(846,708)	0	
210	NET TRANSMISSION PLANT	T229		1,125,542	0	0	1,125,542	0	0	0	0	0	1,125,542	0	
211	NET PROD & TRANS PLANT														
212				32,403,293	31,277,751	0	1,125,542	0	0	0	0	0	32,403,293	0	
213	DISTRIBUTION PLANT														
214	DISTRIBUTION PLANT IN SERVICE	D149		16,862,235	0	0	3,667,372	4,066,593	9,082,945	16,816,910	45,325	16,862,235	16,862,235	0	
216	TOTAL DIST DEPREC RESERVE	D191		(5,906,461)	0	0	(867,281)	(1,588,773)	(3,440,664)	(5,896,718)	(9,743)	(5,906,461)	(5,906,461)	0	
217	NET DISTRIBUTION PLANT	D249		10,955,774	0	0	2,800,091	2,477,820	5,642,281	10,920,192	35,582	10,955,774	10,955,774	0	
218	NET TRANS & DIST PLANT														
219				12,081,316	0	0	1,125,542	2,800,091	2,477,820	5,642,281	10,920,192	35,582	10,955,774	12,081,316	0
220	NET PTD PLANT	NT39		43,359,067	31,277,751	0	1,125,542	2,800,091	2,477,820	5,642,281	10,920,192	35,582	10,955,774	43,359,067	0
221	GENERAL & INTANGIBLE PLANT														
222	GEN & INTANG PLANT IN SERVICE	G129		241,253	120,740	68,175	6,825	3,605	34,468	6,882	44,955	558	45,513	241,253	0
225	TOTAL GEN & INTG DEPREC RESERVE	G171		(128,309)	(64,166)	(36,315)	(3,596)	(1,919)	(18,349)	(3,663)	(23,931)	(301)	(24,232)	(128,309)	0
226	NET GENERAL & INTANG PLANT	G229		112,944	56,574	31,860	3,229	1,686	16,119	3,219	21,024	257	21,281	112,944	0
227	COMMON & OTHER PLANT														
228	COMMON & OTH PLT IN SERVICE	C121		1,481,953	741,381	418,941	41,756	22,167	211,951	42,322	276,440	3,435	279,875	1,481,953	0
230	TOTAL COM & OTH DEPREC RESERVE	C171		(718,295)	(359,371)	(203,110)	(20,254)	(10,737)	(102,660)	(20,499)	(133,896)	(1,664)	(135,560)	(718,295)	0
231	NET COMMON & OTHER PLANT	C229		763,658	382,010	215,831	21,502	11,430	109,291	21,823	142,544	1,771	144,315	763,658	0
232	NET ELECTRIC PLANT IN SERVICE														
233		NP29		44,235,669	31,716,335	247,691	1,150,273	2,813,207	2,603,230	5,667,323	11,083,760	37,610	11,121,370	44,235,669	0
234															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R	
1	DUKE ENERGY KENTUCKY															
2	COST OF SERVICE STUDY															
3	TWELVE MONTHS ENDING DECEMBER 31, 2005															
4	ELECTRIC CASE NO: 2006-00172															
5	FR #v-1 KW (12 CON PEAK)															
6	DT_PRI															
7				DT_PRI							TOTAL	DISTRIBUTION	TOTAL		ALL	
8	DESCRIPTION	ITEM	ALLOC	PRIMARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	OTHER	
235	RATE BASE ADJUSTMENTS	Schedule 5														
236	SUBTRACTIVE ADJUSTMENTS															
237	ACCUM DEF INC TAXES (282)															
238	LIBERALIZED DEPRECIATION	B200	K_EPIS	3,112,759	2,231,804	17,429	80,942	197,958	183,183	398,796	779,937	2,647	782,584	3,112,759	0	
242	MISCELLANEOUS	B208	K_EPIS	25,157	18,037	141	654	1,601	1,480	3,223	6,304	21	6,325	25,157	0	
247	TOTAL ACCOUNT 282	B221		3,137,916	2,249,841	17,570	81,596	199,559	184,663	402,019	786,241	2,668	788,909	3,137,916	0	
248																
249	ACCUM DEF INC TAXES (283/284)															
254	DEFERRED INCOME TAXES	B234	K_EPIS	(2,647)	(1,898)	(15)	(69)	(168)	(156)	(339)	(663)	(2)	(665)	(2,647)	0	
256	TOTAL ACCOUNT 283/284	B243		(2,647)	(1,898)	(15)	(69)	(168)	(156)	(339)	(663)	(2)	(665)	(2,647)	0	
257																
263	TOTAL SUBTRACTIVE ADJUSTMENTS	B287		3,135,269	2,247,943	17,555	81,527	199,391	184,507	401,680	785,578	2,666	788,244	3,135,269	0	
264																
265	ADDITIVE ADJUSTMENTS															
266	ACCUM DEF INC TAXES (190)															
272	MISCELLANEOUS DEFERRALS	V212	K_A&GenAdj	91,021	45,539	25,733	2,564	1,361	13,014	2,599	16,974	211	17,185	91,021	0	
273	TOTAL ACCOUNT 190	V215		91,021	45,539	25,733	2,564	1,361	13,014	2,599	16,974	211	17,185	91,021	0	
274																

		A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
DUKE ENERGY KENTUCKY COST OF SERVICE STUDY TWELVE MONTHS ENDING DECEMBER 31, 2005 ELECTRIC CASE NO: 2006-00172 FR-N-1 KW (12 COM PEAK) DT_PRI																
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
DT_PRI	DESCRIPTION	ITEM	ALLOC	DT_PRI	PRIMARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
	CONSTRUCTION WORK IN PROGRESS	Schedule 5s														
2865	PRODUCTION	V232	K_gross_mropt		(285,722)	0	0	0	0	0	0	0	0	0	0	(285,722)
2867	PRODUCTION	V234	K_gross_fmropt		103,318	0	103,318	0	0	0	0	0	0	0	0	103,318
2868	TRANSMISSION	V236	K_gross_difopt		368,669	0	0	0	80,182	88,910	198,586	367,678	991	368,669	368,669	0
2869	DISTRIBUTION	V238	K_gross_gropt		0	0	0	0	0	0	0	0	0	0	0	0
2870	GENERAL	V240	K_gross_compt		0	0	0	0	0	0	0	0	0	0	0	0
2871	COMMON	V255			186,265	(285,722)	0	103,318	80,182	88,910	198,586	367,678	991	368,669	186,265	0
2872	TOTAL RATE BASE CWIP				277,286	(240,183)	25,733	105,882	81,543	101,924	201,185	384,652	1,202	385,854	277,286	0
2873	TOTAL ADDITIVE ADJUSTMENTS				41,377,686	29,228,209	255,869	1,174,628	2,695,359	2,520,647	5,466,828	10,662,834	36,146	10,718,980	41,377,686	0
2874	NET ORIGINAL COST RATE BASE															

A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R		
1	DUKE ENERGY KENTUCKY															
2	COST OF SERVICE STUDY															
3	TWELVE MONTHS ENDING DECEMBER 31, 2005															
4	ELECTRIC CASE NO: 2006-00172															
5	FR-4v-1 KW (12 COIN PEAK)															
6	DT_PRI															
7																
8	DESCRIPTION	ITEM	ALLOC	DT_PRI PRIMARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER	
298	WORKING CAPITAL															
299	MATERIALS & SUPPLIES															
300	FUEL INVENTORIES															
301	FUEL	W640		K_rtprod_e	959,800	0	959,800	0	0	0	0	0	0	959,800	0	
302	EMISSION ALLOWANCES	W642		K_rtprod_e	640,301	0	640,301	0	0	0	0	0	0	640,301	0	
303	TOTAL FUEL STOCKS	W644			1,600,101	0	1,600,101	0	0	0	0	0	0	1,600,101	0	
304																
305	PLANT MATERIALS & SUPPLIES															
306	OTHER	W648		K_EPIS	642,809	460,885	3,599	16,715	40,880	37,829	82,354	161,063	547	161,610	642,809	0
310	TOTAL PLANT MATERIALS & SUPPLIES	W650			642,809	460,885	3,599	16,715	40,880	37,829	82,354	161,063	547	161,610	642,809	0
311																
312	TOTAL MATERIALS & SUPPLIES	W689		TOT_M&S	2,242,910	460,885	1,603,700	16,715	40,880	37,829	82,354	161,063	547	161,610	2,242,910	0
313																
314	PREPAYMENTS															
315	INSURANCE	W670		K_A&GenAdj	27,676	13,847	7,824	780	414	3,957	790	5,161	64	5,225	27,676	0
316	COAL, SYN FUEL AND MARGIN DEPOSITS	W684		K_rtprod_e	682,007	0	682,007	0	0	0	0	0	0	682,007	0	
317	TOTAL PREPAYMENTS	W689			709,683	13,847	689,831	780	414	3,957	790	5,161	64	5,225	709,683	0
322																
323	AUTO CALC (O&M-F-PP)/8	W719			1,176,636	851,154	60,327	161,670	8,226	78,619	15,705	102,550	935	103,485	1,176,636	0
324	TOTAL WORKING CASH	W729			1,176,636	851,154	60,327	161,670	8,226	78,619	15,705	102,550	935	103,485	1,176,636	0
325																
326	TOTAL WORKING CAPITAL	WC79			4,129,229	1,325,886	2,353,858	179,165	49,520	120,405	98,849	268,774	1,546	270,320	4,129,229	0
327	PRELIMINARY SUMMARY															
328	TOTAL SUBTRACTIVE ADJUSTMENTS	B287			(3,135,269)	(2,247,943)	(17,555)	(81,527)	(199,391)	(184,507)	(401,680)	(785,578)	(2,666)	(788,244)	(3,135,269)	0
329	TOTAL ADDITIVE ADJUSTMENTS	V289			277,286	(240,183)	25,733	105,882	81,543	101,924	201,185	384,652	1,202	385,854	277,286	0
330	TOTAL WORKING CAPITAL	WC71			4,129,229	1,325,886	2,353,858	179,165	49,520	120,405	98,849	268,774	1,546	270,320	4,129,229	0
331	TOTAL RATE BASE ADJUSTMENTS	RB71			1,271,246	(1,162,240)	2,362,036	203,520	(68,328)	37,822	(101,646)	(132,152)	82	(132,070)	1,271,246	0
332																
333	RATE BASE CALCULATION															
334	NET ELECTRIC PLANT IN SERVICE	NP21			44,235,669	31,716,335	247,691	1,150,273	2,813,207	2,603,230	5,667,323	11,083,760	37,610	11,121,370	44,235,669	0
335	TOTAL RATE BASE ADJUSTMENTS	RB71			1,271,246	(1,162,240)	2,362,036	203,520	(68,328)	37,822	(101,646)	(132,152)	82	(132,070)	1,271,246	0
336	TOTAL RATE BASE	RB69		TOT_RB	45,506,915	30,554,095	2,609,727	1,353,793	2,744,879	2,641,052	5,565,677	10,951,608	37,692	10,989,300	45,506,915	0
337																
338	CAPITALIZATION ALLOC TO ELECTRIC OPER	ECAP		K_OCDR8	42,899,388	28,803,358	2,460,191	1,276,221	2,587,599	2,489,721	5,246,766	10,324,086	35,532	10,359,618	42,899,388	0
339																
340	TOTAL RATE OF RETURN ALLOWABLE	RORA		ror_Allow_from	0.0660	0.0660	0.0660	0.0660	0.0660	0.0660	0.0660	0.0660	0.0660	0.0660	0.0660	0.0660
341	RETURN ON CAPITALIZATION	R751			2,832,423	1,901,736	162,434	84,262	170,845	164,383	346,417	681,645	2,346	683,991	2,832,423	0
342																

DUKE ENERGY KENTUCKY															
COST OF SERVICE STUDY															
TWELVE MONTHS ENDING DECEMBER 31, 2005															
ELECTRIC CASE NO: 2006-00172															
FR-4Y-1 KW (12 COIN PEAK)															
DT_PRI															
				DT_PRI	PRODUCTION	PRODUCTION	OTHER			TOTAL	DISTRIBUTION	TOTAL		ALL	
	DESCRIPTION	ITEM	ALLOC	PRIMARY DISTRIBUTION	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	OTHER
343	O&M EXPENSES	Schedule 6													
344	PRODUCTION O&M														
345	ENERGY RELATED PRODUCTION O&M														
346	FUEL	P300	K_rtprod_e	9,367,454	0	9,367,454	0	0	0	0	0	0	0	9,367,454	0
347	MISCELLANEOUS	P302	K_rtprod_e	0	0	0	0	0	0	0	0	0	0	0	0
348	EMISSION ALLOWANCES	P306	K_rtprod_e	588,004	0	588,004	0	0	0	0	0	0	0	588,004	0
349	ELIMINATE EMISSION ALLOW & OTHER VAR COST	P308	K_rtprod_e	876,563	0	876,563	0	0	0	0	0	0	0	876,563	0
350	OTHER PRODUCTION EXPENSE - MAINTENANCE	P310	K_rtprod_e	1,419,130	0	1,419,130	0	0	0	0	0	0	0	1,419,130	0
351	MISO TRANSMISSION CHARGES ACCT IN 555	P312	K_rtprod_e	1,303,073	0	1,303,073	0	0	0	0	0	0	0	1,303,073	0
352	TOTAL ENERGY RELATED	P349		13,554,224	0	13,554,224	0	0	0	0	0	0	0	13,554,224	0
353															
354	DEMAND RELATED PROD O&M														
355	ELIMINATE MISCELLANEOUS	P344	K_rtprod_d	0	0	0	0	0	0	0	0	0	0	0	0
356	OTHER PRODUCTION EXPENSE - OPERATIONS	P346	K_rtprod_d	1,607,705	1,607,705	0	0	0	0	0	0	0	0	1,607,705	0
357	TOTAL DEMAND RELATED	P349		1,607,705	1,607,705	0	0	0	0	0	0	0	0	1,607,705	0
358															
359	TOTAL PRODUCTION O&M	P459		15,161,929	1,607,705	13,554,224	0	0	0	0	0	0	0	15,161,929	0
360															
361	TRANSMISSION O & M														
362	TRANSFORMER LEASE PAYMENTS	T300	K_rtprod_d	160,477	160,477	0	0	0	0	0	0	0	0	160,477	0
363	OTHER TRANSMISSION	T302	K_rtrasm_oth	1,478,501	0	0	1,478,501	0	0	0	0	0	0	1,478,501	0
364	MISCELLANEOUS ADJUSTMENTS	T304	K_gross_traspt	(347,559)	0	0	(347,559)	0	0	0	0	0	0	(347,559)	0
365	NETWORK SERVICE RATES ADJUSTMENT	T305	K_gross_traspt	114,331	0	0	114,331	0	0	0	0	0	0	114,331	0
366	TOTAL TRANSMISSION O & M	T349		1,405,750	160,477	0	1,245,273	0	0	0	0	0	0	1,405,750	0
367															
368	DISTRIBUTION O & M														
369	SUBSTATIONS	D300	K_Subst	9,561	0	0	0	9,561	0	0	9,561	0	9,561	9,561	0
370	POLES, TOWERS & FIXTURES	D302	K_Poles	357,615	0	0	0	357,615	0	0	357,615	0	357,615	357,615	0
371	CONDUCTORS	D304	K_Conductors	14,997	0	0	0	0	0	14,997	14,997	0	14,997	14,997	0
372	TRANSFORMERS	D306	K_Transformer	0	0	0	0	0	0	0	0	0	0	0	0
373	OTHER MAINTENANCE	D308	K_distnet	38,569	0	0	0	9,858	8,723	19,863	38,444	125	38,569	38,569	0
374	METERS	D310	K_rbdist_c	1,334	0	0	0	0	0	0	0	1,334	1,334	1,334	0
375	STREET LIGHTS	D314	K_rbdist_c	0	0	0	0	0	0	0	0	0	0	0	0
376	OTHER OPERATIONS	D316	K_distnet	79,255	0	0	0	20,256	17,925	40,817	78,998	257	79,255	79,255	0
377	MISCELLANEOUS EXPENSES	D318	K_rbdist_c	(135)	0	0	0	0	0	0	0	(135)	(135)	(135)	0
378	AFFILIATED COMPANY RENTS	D320	K_distnet	2,360	0	0	0	603	534	1,215	2,352	8	2,360	2,360	0
379	TOTAL DISTRIBUTION O & M	D349		503,556	0	0	0	40,278	384,797	76,892	501,967	1,589	503,556	503,556	0
380															
381	CUSTOMER ACCOUNTING														
382	CUSTOMER ACCOUNTING EXPENSE	C300	K_rbdist_c	1,204	0	0	0	0	0	0	0	1,204	1,204	1,204	0
383	ADJUST UNCOLLECTIBLE ACCOUNTS	C302	K_Func_Rev	0	0	0	0	0	0	0	0	0	0	0	0
384	METER READING	C304	K_rbdist_c	345	0	0	0	0	0	0	0	345	345	345	0
385	LOSS ON SALE OF AVR & INCR AVR ON INCR	C308	K_Func_Rev	0	0	0	0	0	0	0	0	0	0	0	0
386	MISCELLANEOUS EXPENSE ADJUSTMENT	C308	K_rbdist_c	(6)	0	0	0	0	0	0	0	(6)	(6)	(6)	0
387	TOTAL CUSTOMER ACCT EXPENSE	C319		1,543	0	0	0	0	0	0	0	1,543	1,543	1,543	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R	
1	DUKE ENERGY KENTUCKY															
2	COST OF SERVICE STUDY															
3	TWELVE MONTHS ENDING DECEMBER 31, 2005															
4	ELECTRIC CASE NO: 2006-00172															
5	FR-0v-1 KW (12 CONN PEAK)															
6	DT_PRI															
7				DT_PRI							TOTAL	DISTRIBUTION	TOTAL		ALL	
8	DESCRIPTION	ITEM	ALLOC	PRIMARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	OTHER	
393	CUSTOMER SERVICE & INFORMATION															
394	CUSTOMER SERVICE & INFORMATION	C320	K_rbdist_c	475	0	0	0	0	0	0	0	475	475	475	0	
395	INFORMATIONAL & INSTRUCTIONAL ADV	C322	K_rbdist_c	89	0	0	0	0	0	0	0	89	89	89	0	
396	CUSTOMER SERVICE & INFORM PROFORMA	C324	K_rbdist_c	(172)	0	0	0	0	0	0	0	(172)	(172)	(172)	0	
397	AMI	C326	K_Func_Rev	(305)	(86)	(173)	(18)	(6)	(12)	(10)	(28)	0	(28)	(305)	0	
398	TOTAL CUSTOMER SERV & INFORMATION	C331		87	(86)	(173)	(18)	(6)	(12)	(10)	(28)	392	364	87	0	
399																
400	SALES		Schedule 6													
401	SALES EXPENSE	S300	K_rbdist_c	4	0	0	0	0	0	0	0	4	4	4	0	
403	SALES EXPENSE PROFORMA	S304	K_rbdist_c	(3)	0	0	0	0	0	0	0	(3)	(3)	(3)	0	
404	TOTAL SALES EXPENSE	S319		1	0	0	0	0	0	0	0	1	1	1	0	
405																
406	SUBTOTAL O&M EXCL. A&G			17,072,866	1,768,096	13,554,051	1,245,255	40,272	384,785	76,882	501,939	3,525	505,464	17,072,866	0	
407																
408	ADMINISTRATIVE & GENERAL															
409	A&G EXPENSE EXCL. REGULATORY EXP															
410	PRODUCTION-DEMAND RELATED	A300	K_rzprod_d	906,939	906,939	0	0	0	0	0	0	0	0	906,939	0	
411	PRODUCTION-ENERGY RELATED	A302	K_rzprod_e	516,863	0	516,863	0	0	0	0	0	0	0	516,863	0	
412	TRANSMISSION	A304	K_tranO&M	58,137	6,637	0	51,500	0	0	0	0	0	0	58,137	0	
413	DISTRIBUTION	A306	K_distO&M	341,585	0	0	0	27,323	281,025	52,159	340,507	1,078	341,585	341,585	0	
414	CUSTOMER ACCOUNTING	A308	K_CA_O&M	1,205	0	0	0	0	0	0	0	1,205	1,205	1,205	0	
415	CUSTOMER SERVICE & INFORMATION	A310	K_CSI_O&M	432	(427)	(859)	(89)	(29)	(60)	(50)	(139)	1,946	1,807	432	0	
416	SALES	A312	K_Sales_O&M	0	0	0	0	0	0	0	0	0	0	0	0	
417	A&G EXPENSE UNADJUSTED	A315		1,825,161	913,149	516,004	51,411	27,294	260,965	52,109	340,368	4,229	344,597	1,825,161	0	
419	RATE CASE EXPENSE	A318	K_AA_GexAdj	5,502	2,752	1,556	155	82	787	157	1,026	13	1,039	5,502	0	
426	ELIMINATE MISCELLANEOUS EXPENSES	A340	K_AA_GexAdj	(9,097)	(4,551)	(2,572)	(256)	(136)	(1,301)	(260)	(1,697)	(21)	(1,718)	(9,097)	0	
427	IMPLEMENT AUTOMATED METER READING	A342	K_AA_GexAdj	5,801	2,903	1,640	163	87	829	166	1,082	13	1,095	5,801	0	
431	AMORTIZATION OF DEFERRED EXPENSES	A352	K_AA_GexAdj	56,617	28,326	16,007	1,595	847	8,095	1,616	10,558	131	10,689	56,617	0	
432	MISCELLANEOUS	A354	K_AA_GexAdj	0	0	0	0	0	0	0	0	0	0	0	0	
433	ELIMINATE INCENTIVE COMPENSATION	A356	K_AA_GexAdj	(176,311)	(88,211)	(49,846)	(4,966)	(2,636)	(25,209)	(5,034)	(32,879)	(409)	(33,268)	(176,311)	0	
434	TOTAL ADMIN. & GENERAL	A357		1,707,673	854,368	482,789	48,102	25,538	244,166	48,754	318,458	3,956	322,414	1,707,673	0	
435																
436	TOTAL O & M EXPENSE	OM39	TOT O&M	18,780,539	2,622,464	14,036,840	1,293,357	65,810	628,951	125,636	820,397	7,481	827,878	18,780,539	0	

A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
DT_PRI	DT_PRI	DT_PRI	DT_PRI	DT_PRI	DT_PRI	DT_PRI	DT_PRI	DT_PRI	DT_PRI	DT_PRI	DT_PRI	DT_PRI	DT_PRI	DT_PRI
DESCRIPTION	ITEM	ALLOC	PRIMARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
DUKE ENERGY KENTUCKY														
COST OF SERVICE STUDY														
TWELVE MONTHS ENDING DECEMBER 31, 2005														
ELECTRIC CASE NO: 2006-00172														
FR-#v-1 KW (12 CONN PEAK)														
5/26/06 7:36 AM														
437	DEPRECIATION EXPENSE Schedule 7													
438	PRODUCTION DEPRECIATION													
440	P460	K_rtprod_d	1,854,410	1,854,410	0	0	0	0	0	0	0	0	1,854,410	0
441	P462	K_rtprod_d	0	0	0	0	0	0	0	0	0	0	0	0
442	P489		1,854,410	1,854,410	0	0	0	0	0	0	0	0	1,854,410	0
443	TRANSMISSION DEPRECIATION													
445	T460	K_trannet	44,813	0	0	44,813	0	0	0	0	0	0	44,813	0
446	T462	K_trannet	0	0	0	0	0	0	0	0	0	0	0	0
447	T489		44,813	0	0	44,813	0	0	0	0	0	0	44,813	0
448	DISTRIBUTION DEPRECIATION													
450	D460	K_distnet	582,405	0	0	0	148,851	131,720	299,942	580,513	1,892	582,405	582,405	0
451	D462	K_distnet	0	0	0	0	0	0	0	0	0	0	0	0
452	D489		582,405	0	0	0	148,851	131,720	299,942	580,513	1,892	582,405	582,405	0
453	GENERAL DEPRECIATION													
455	G460	K_gennet	6,954	3,483	1,962	199	104	992	198	1,294	16	1,310	6,954	0
456	G462	K_gennet	0	0	0	0	0	0	0	0	0	0	0	0
457	G489		6,954	3,483	1,962	199	104	992	198	1,294	16	1,310	6,954	0
458	COMMON AND OTHER DEPRECIATION													
460	C460	K_comnet	44,256	22,139	12,508	1,246	661	6,334	1,265	8,260	103	8,363	44,256	0
461	C462	K_comnet	0	0	0	0	0	0	0	0	0	0	0	0
462	C489		44,256	22,139	12,508	1,246	661	6,334	1,265	8,260	103	8,363	44,256	0
463	TOTAL DEPRECIATION EXPENSE													
464	DE49	TOT_DEPREX	2,532,838	1,880,032	14,470	46,258	149,616	139,046	301,405	590,067	2,011	592,078	2,532,838	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 COIN PEAK)														
6	DT_PRI														
7				DT_PRI	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL		ALL
8	DESCRIPTION	ITEM	ALLOC	PRIMARY DISTRIBUTION	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	OTHER
466	TAXES OTHER THAN INC & REV	Schedule B													
467	REAL ESTATE & PROPERTY TAX														
468	PRODUCTION	L500	K_ibprod_d	218,070	218,070	0	0	0	0	0	0	0	0	218,070	0
469	TRANSMISSION	L501	K_trannet	22,508	0	0	22,508	0	0	0	0	0	0	22,508	0
470	DISTRIBUTION	L502	K_distnet	170,393	0	0	0	43,550	38,537	87,753	169,840	553	170,393	170,393	0
471	OTHER	L514	K_EPIS	0	0	0	0	0	0	0	0	0	0	0	0
472	TOTAL REAL EST & PROP TAX	L529	PROP_TAX	410,971	218,070	0	22,508	43,550	38,537	87,753	169,840	553	170,393	410,971	0
473															
474	MISCELLANEOUS TAXES														
475	PAYROLL RELATED	L568	K_A&GesAdj	132,535	66,309	37,470	3,733	1,982	18,950	3,784	24,716	307	25,023	132,535	0
476	OTHER STATE TAXES	L582	K_A&GesAdj	0	0	0	0	0	0	0	0	0	0	0	0
477	ELIMINATE NON-NATIVE SALES	L584	K_A&GesAdj	(3,192)	(1,597)	(902)	(90)	(49)	(456)	(91)	(596)	(7)	(603)	(3,192)	0
478	AUTO LICENSES, ETC	L560	K_A&GesAdj	548	275	155	15	8	78	16	102	1	103	548	0
479	ELIMINATE UNBILLED REVENUE	L562	K_A&GesAdj	(13)	(7)	(4)	0	0	(2)	0	(2)	0	(2)	(13)	0
480	AFFILIATED COMPANY RENTS	L584	K_A&GesAdj	6	3	2	0	0	1	0	1	0	1	6	0
481	MISCELLANEOUS	L568	K_A&GesAdj	0	0	0	0	0	0	0	0	0	0	0	0
482	DSM ELIMINATION	L568	K_ibprod_d	(3)	(3)	0	0	0	0	0	0	0	0	(3)	0
483	TOTAL MISCELLANEOUS TAXES	L589		129,881	64,980	36,721	3,658	1,941	18,571	3,709	24,221	301	24,522	129,881	0
484															
485	MISCELLANEOUS EXPENSES														
487	PSC MAINTENANCE ON INCREASE	L584	K_Func_Rev	6,486	1,844	3,683	372	111	252	221	584	3	587	6,486	0
488	TOTAL MISCELLANEOUS EXPENSES	L589		6,486	1,844	3,683	372	111	252	221	584	3	587	6,486	0
489															
490	TOTAL OTHER TAX & MISC EXPENSE	L591		547,338	284,894	40,404	26,538	45,602	57,360	91,683	194,645	857	195,502	547,338	0
491															
492	PRELIMINARY SUMMARY														
493	TOTAL O&M EXPENSE	OM39		18,780,539	2,622,464	14,036,840	1,293,357	65,810	628,951	125,636	820,397	7,481	827,878	18,780,539	0
494	TOTAL DEPRECIATION EXPENSE	DE49		2,532,838	1,880,032	14,470	46,258	149,616	139,046	301,405	590,067	2,011	592,078	2,532,838	0
495	TOTAL OTHER TAX & MISC EXPENSE	L589		547,338	284,894	40,404	26,538	45,602	57,360	91,683	194,645	857	195,502	547,338	0
496	TOTAL OP EXP EXC IT & OTHER TAX	OP69		21,860,715	4,787,390	14,091,714	1,366,153	261,028	825,357	518,724	1,605,109	10,349	1,615,458	21,860,715	0
497															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R	
1	DUKE ENERGY KENTUCKY															
2	COST OF SERVICE STUDY															
3	TWELVE MONTHS ENDING DECEMBER 31, 2005															
4	ELECTRIC CASE NO: 2006-00172															
5	FR#v-1 KW (12 COIN PEAK)															
6	DT_PRI															
7																
8	DESCRIPTION	ITEM	ALLOC	DT_PRI PRIMARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER	
498	INCOME TAX BASED ON RETURN			Schedule 9												
499	FEDERAL INCOME TAX DEDUCTIONS															
500	AUTOMATIC INTEREST CALCULATION															
501	AUTO PROC INTEREST DED	Y751		K_EPIS	1,232,574	883,737	6,902	32,051	78,387	72,536	157,913	308,836	1,048	309,884	1,232,574	0
502	TOTAL INTEREST EXPENSE	Y763		TOT_INT	1,232,574	883,737	6,902	32,051	78,387	72,536	157,913	308,836	1,048	309,884	1,232,574	0
503																
504	OTHER DEDUCTIONS															
505	DEPR. EXCESS TAX OVER BOOK	Y790		K_Depr_Ex	243,618	180,829	1,392	4,449	14,391	13,374	28,990	56,755	193	56,948	243,618	0
507	LOSS ON REACQUIRED DEBT	Y794		K_EPIS	(9,413)	(6,748)	(53)	(245)	(599)	(554)	(1,206)	(2,359)	(8)	(2,367)	(9,413)	0
509	COST OF REMOVAL	Y798		K_Depr_Ex	115,982	86,089	663	2,118	6,851	6,367	13,802	27,020	92	27,112	115,982	0
512	METER CAPITAL LEASE PRINCIPLE PAYMENTS	Y804		K_rbdist_c	2,320	0	0	0	0	0	0	0	2,320	2,320	2,320	0
515	OTHER PERMANENT DIFFERENCES	Y816		K_EPIS	108,064	77,480	605	2,810	6,873	6,359	13,845	27,077	92	27,169	108,064	0
518	TOTAL OTHER DEDUCTIONS	Y828			460,571	337,650	2,607	9,132	27,516	25,546	55,431	108,493	2,689	111,182	460,571	0
519																
520	NET DEDUCTIONS AND ADDITIONS	Y871			1,693,145	1,221,387	9,509	41,183	105,903	98,082	213,344	417,329	3,737	421,066	1,693,145	0
521																
522	FEDERAL INCOME TAX ADJUSTMENTS															
523																
524	FED PROV DEF INC TAX DEFERRALS (410.1)															
528	ANNUALIZE DEPRECIATION	Z788		K_EPIS	(5,734)	(4,111)	(32)	(149)	(365)	(337)	(735)	(1,437)	(5)	(1,442)	(5,734)	0
531	MISCELLANEOUS	Z762		K_AA&GenAdj	(42,761)	(21,395)	(12,089)	(1,204)	(639)	(6,114)	(1,221)	(7,974)	(99)	(8,073)	(42,761)	0
532	MISCELLANEOUS PROFORMA ADJUSTMENT	Z770		K_EPIS	0	0	0	0	0	0	0	0	0	0	0	0
533	RECLASSIFY NON-JURIS INCOME TAX	Z770		K_rbprod_d	190,744	190,744	0	0	0	0	0	0	0	0	190,744	0
536	TOTAL FED PROV DEF IT DEFERRALS (410.1)	Z782			142,249	165,238	(12,121)	(1,353)	(1,004)	(6,451)	(1,956)	(9,411)	(104)	(9,515)	142,249	0
537																

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
	DUKE ENERGY KENTUCKY														
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4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 CON PEAK)														
6	DT_PRI														
7				DT_PRI	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL		ALL
8	DESCRIPTION	ITEM	ALLOC	DISTRIBUTION	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES	CONDUCTORS	DISTRIBUTION	CUSTOMER	DISTRIBUTION	TOTAL	OTHER
554	AMORTIZED INV TAX CREDIT	Schedule 9a													
555	MISCELLANEOUS	Z804		0	0	0	0	0	0	0	0	0	0	0	0
556	AMORTIZE ITC	Z806	K_AAGexAdj	10,920	7,830	61	284	694	643	1,399	2,736	9	2,745	10,920	0
557	TOTAL AMORTIZED ITC	Z813	K_EPIS	10,920	7,830	61	284	694	643	1,399	2,736	9	2,745	10,920	0
558															
559	TEST YEAR INV TAX CREDIT			0											
560	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
561															
562	PRELIMINARY SUMMARY														
563	TOTAL FED PROV DEF IT (410.1)	Z782		142,249	165,238	(12,121)	(1,353)	(1,004)	(6,451)	(1,956)	(9,411)	(104)	(9,515)	142,249	0
564	TOTAL FED PROV DEF IT (411.1)	Z803		0	0	0	0	0	0	0	0	0	0	0	0
565	TOTAL AMORTIZED ITC	Z813		(10,920)	(7,830)	(61)	(284)	(694)	(643)	(1,399)	(2,736)	(9)	(2,745)	(10,920)	0
566	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		131,329	157,408	(12,182)	(1,637)	(1,698)	(7,094)	(3,355)	(12,147)	(113)	(12,260)	131,329	0
567															
568	FEDERAL INCOME TAX COMPUTATION														
569	RETURN ON CAPITALIZATION	R751		2,832,423	1,901,736	162,434	84,262	170,845	164,383	346,417	681,645	2,346	683,991	2,832,423	0
570	NET DEDUCTIONS AND ADDITIONS	Y871		(1,693,145)	(1,221,387)	(9,509)	(41,183)	(105,903)	(98,082)	(213,344)	(417,329)	(3,737)	(421,066)	(1,693,145)	0
571	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		131,329	157,408	(12,182)	(1,637)	(1,698)	(7,094)	(3,355)	(12,147)	(113)	(12,260)	131,329	0
572	TOTAL STATE PROV DEF IT (410.1)	Z911		29,966	31,079	(23)	(96)	(252)	(232)	(506)	(990)	(4)	(994)	29,966	0
573	TOTAL STATE PROV DEF IT (411.1)	Z833		0	0	0	0	0	0	0	0	0	0	0	0
574	AFUDC OFFSET	Z935		(16,319)	25,033	0	(9,052)	(7,025)	(7,790)	(17,398)	(32,213)	(87)	(32,300)	(16,319)	0
575	BASE FOR FIT COMPUTATION	I865		1,284,254	893,869	140,720	32,294	55,967	51,185	111,814	218,966	(1,595)	217,371	1,284,254	0
576															
577	FIT FACTOR K190/(1-K190)	I867	FITcomp_from	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538
578	PRELIM FED INCOME TAX	I869		691,521	481,314	75,772	17,389	30,136	27,561	60,208	117,905	(859)	117,046	691,521	0
579	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		131,329	157,408	(12,182)	(1,637)	(1,698)	(7,094)	(3,355)	(12,147)	(113)	(12,260)	131,329	0
580	NET FED INCOME TAX ALLOWABLE	I879		822,850	638,722	63,590	15,752	28,438	20,467	56,853	105,758	(972)	104,786	822,850	0
581															
582	INCOME TAX BASED ON RETURN														
583	FEDERAL INCOME TAX PAYABLE														
584	PRELIM FEDERAL INCOME TAX	I869		691,521	481,314	75,772	17,389	30,136	27,561	60,208	117,905	(859)	117,046	691,521	0
585	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
586	NET FED INCOME TAX PAYABLE	I889		691,521	481,314	75,772	17,389	30,136	27,561	60,208	117,905	(859)	117,046	691,521	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR#v-1 KW(12 COIN PEAK)														
6	DT_PRI														
7															
8	DESCRIPTION	ITEM	ALLOC	DT_PRI PRIMARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
587	STATE INCOME TAX	Schedule 9b													
588															
590	DEDUCTIONS IN ADDITION TO Y871														
591	BONUS DEPRECIATION	Y890	K_Depr_Ex	84,677	62,853	484	1,546	5,002	4,649	10,076	19,727	67	19,794	84,677	0
594	DEDUCTIONS IN ADD TO Y871	Y811		84,677	62,853	484	1,546	5,002	4,649	10,076	19,727	67	19,794	84,677	0
595															
596	STATE INCOME TAX ADJUSTMENTS														
597															
598	STATE PROV DEF INC TAX DEFERRALS (410.1)														
600	NET DEFERRED TAXES	Z898	K_EPIS	(3,014)	(2,161)	(17)	(78)	(192)	(177)	(386)	(755)	(3)	(758)	(3,014)	0
601	ANNUALIZE DEPRECIATION	Z898	K_Depr_Ex	(1,009)	(749)	(6)	(18)	(60)	(55)	(120)	(235)	(1)	(236)	(1,009)	0
604	NON-JURISDICTIONAL TAX	Z898	K_rsprod_d	33,989	33,989	0	0	0	0	0	0	0	0	33,989	0
605	TOT STATE PROV DEF IT DEFERRALS (410.1)	Z911		29,966	31,079	(23)	(96)	(252)	(232)	(506)	(990)	(4)	(994)	29,966	0
610															
626	TOTAL STATE INC TAX ADJUSTMENT	Z957		29,966	31,079	(23)	(96)	(252)	(232)	(506)	(990)	(4)	(994)	29,966	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-0v-1 KW (12 CONN PEAK)														
6	DT_PRI														
7				DT_PRI							TOTAL				
8	DESCRIPTION	ITEM	ALLOC	PRIMARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
627	INCOME TAX BASED ON RETURN														
628	Schedule 9c														
629	SUMMARY OF SIT CALCULATION														
630	RETURN ON CAPITALIZATION	R751		2,832,423	1,901,736	162,434	84,262	170,845	164,383	346,417	681,645	2,346	683,991	2,832,423	0
631	NET FED INCOME TAX ALLOWABLE	1879		822,850	638,722	63,590	15,752	28,438	20,467	56,853	105,758	(972)	104,786	822,850	0
632	NET FED. DED. AND ADDITIONS	Y871		(1,693,145)	(1,221,387)	(9,509)	(41,183)	(105,903)	(98,082)	(213,344)	(417,329)	(3,737)	(421,066)	(1,693,145)	0
633	DEDUCTIONS IN ADD TO Y871	Y911		(84,677)	(62,853)	(484)	(1,546)	(5,002)	(4,649)	(10,076)	(19,727)	(67)	(19,794)	(84,677)	0
634	AFUDC OFFSET	L033		(16,319)	25,033	0	(9,052)	(7,025)	(7,790)	(17,398)	(32,213)	(87)	(32,300)	(16,319)	0
635	TOTAL STATE INC TAX ADJ	Z957		29,966	31,079	(23)	(96)	(252)	(232)	(506)	(990)	(4)	(994)	29,966	0
636	BASE FOR SIT COMPUTATION	J965		1,891,098	1,312,330	216,008	48,137	81,101	74,097	161,946	317,144	(2,521)	314,623	1,891,098	0
637															
638	SIT FACTOR K192/(1-K192)	J967	at_from	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378
639	PRELIMINARY STATE INCOME TAX	J969		116,178	80,622	13,270	2,957	4,983	4,552	9,949	19,484	(155)	19,329	116,178	0
640	TOTAL STATE INCOME TAX ADJ.	Z957		29,966	31,079	(23)	(96)	(252)	(232)	(506)	(990)	(4)	(994)	29,966	0
641	NET STATE INC TAX ALLOWABLE	J979		146,144	111,701	13,247	2,861	4,731	4,320	9,443	18,494	(159)	18,335	146,144	0
642															
643	STATE INCOME TAX PAYABLE														
644	PRELIMINARY STATE INCOME TAX	J969		116,178	80,622	13,270	2,957	4,983	4,552	9,949	19,484	(155)	19,329	116,178	0
645	OTHER SIT ADJUSTMENTS	Z955		0	0	0	0	0	0	0	0	0	0	0	0
646	NET STATE INCOME TAX PAYABLE	J989		116,178	80,622	13,270	2,957	4,983	4,552	9,949	19,484	(155)	19,329	116,178	0
647															
648	COMPOSITE TAX RATE	CTAX	cost_from	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621
649															
650															
651															
652															
653															
654															

A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R		
1	DUKE ENERGY KENTUCKY															
2	COST OF SERVICE STUDY															
3	TWELVE MONTHS ENDING DECEMBER 31, 2006															
4	ELECTRIC CASE NO: 2006-00172															
5	FR-#4-1 KW (12 COIN PEAK)															
6	DT_PRI															
7																
8	DESCRIPTION	ITEM	ALLOC	DT_PRI PRIMARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER	
656	COST OF SERVICE COMPUTATION Schedule 10															
657	OTHER OPERATING REVENUES															
658	RENTAL REVENUE	Q000	K_EPIS		114,250	81,915	640	2,971	7,266	6,724	14,637	28,627	97	28,724	114,250	0
659	BAD CHECK CHARGE	Q002	K_Func_Rev		919	261	522	53	16	36	31	83	0	83	919	0
660	ELIMINATE NON-NATIVE SALES	Q002	K_tbrod_e		(1,911,180)	0	(1,911,180)	0	0	0	0	0	0	0	(1,911,180)	0
661	SALES FOR RESALE	Q002	K_tbrod_e		1,911,180	0	1,911,180	0	0	0	0	0	0	0	1,911,180	0
662	RECONNECTION CHARGES	Q002	K_Func_Rev		4,793	1,362	2,722	275	82	187	163	432	2	434	4,793	0
663	INTERRUPTIBLE CREDIT	Q002	K_Func_Rev		(4,869)	(1,383)	(2,765)	(280)	(83)	(190)	(166)	(439)	(2)	(441)	(4,869)	0
664	BILLING CYCLE IMPROVEMENT	Q004	K_Func_Rev		33,987	9,657	19,301	1,952	581	1,323	1,158	3,062	15	3,077	33,987	0
665	OTHER MISCELLANEOUS REVENUES	Q006	K_Func_Rev		4,679	1,329	2,657	269	81	182	159	422	2	424	4,679	0
666	MISCELLANEOUS	Q008	K_Func_Rev		0	0	0	0	0	0	0	0	0	0	0	0
667	TOTAL OTHER OPERATING REVS	Q027			153,759	93,141	23,077	5,240	7,943	8,262	15,982	32,187	114	32,301	153,759	0
670	COST OF SERVICE COMPUTATION															
672	TOTAL OP EXP EXC INC & REV TAX	OP69			21,860,715	4,787,390	14,091,714	1,366,153	261,028	825,357	518,724	1,605,109	10,349	1,615,458	21,860,715	0
673	RETURN ON CAPITALIZATION	R751			2,832,423	1,901,736	162,434	84,262	170,845	164,383	346,417	681,645	2,346	683,991	2,832,423	0
674	NET FED INCOME TAX ALLOWABLE	I879			822,850	638,722	63,590	15,752	28,438	20,467	56,853	105,758	(972)	104,786	822,850	0
675	NET STATE INCOME TAX ALLOWABLE	J879			146,144	111,701	13,247	2,861	4,731	4,320	9,443	18,494	(159)	18,335	146,144	0
676	TOTAL OTHER OPERATING REVENUES	Q027			(153,759)	(93,141)	(23,077)	(5,240)	(7,943)	(8,262)	(15,982)	(32,187)	(114)	(32,301)	(153,759)	0
677	SUBTOTAL B	CS03			25,508,373	7,346,408	14,307,908	1,463,788	457,099	1,006,265	915,455	2,378,819	11,450	2,390,269	25,508,373	0
678	COST OF SERVICE COMPUTATION															
679	TOTAL OTHER OPERATING REVENUES	Q027			153,759	93,141	23,077	5,240	7,943	8,262	15,982	32,187	114	32,301	153,759	0
680	LESS: OTHER ITEMS				0	0	0	0	0	0	0	0	0	0	0	0
681	OTHER OPERATING REVS TO BE TAXED	CO0T			153,759	93,141	23,077	5,240	7,943	8,262	15,982	32,187	114	32,301	153,759	0
682	COST OF SERVICE COMPUTATION															
685	AFUDC OFFSET	L032			(16,319)	25,033	0	(9,052)	(7,025)	(7,790)	(17,398)	(32,213)	(87)	(32,300)	(16,319)	0
686	OTHER DEDUCTIONS TO COST OF SERVICE	L033			(16,319)	25,033	0	(9,052)	(7,025)	(7,790)	(17,398)	(32,213)	(87)	(32,300)	(16,319)	0
687	TOTAL ELECTRIC COST OF SERVICE	CS09			25,492,054	7,371,441	14,307,908	1,454,736	450,074	998,475	898,057	2,346,606	11,363	2,357,969	25,492,054	0
688	COST OF SERVICE COMPUTATION															
689	PROPOSED REVENUES	R602			25,161,199										25,161,199	0
690	TOTAL ELECTRIC COST OF SERVICE	CS09			(25,492,054)										(25,492,054)	0
691	EXCESS REVENUES	XREV			(330,855)										(330,855)	0
692	COMPOSITE TAX RATE	CTAX	PPCOMPTAX_FROM		0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621
693	EXCESS TAX	XTAX			(128,246)										(128,246)	0
694	EXCESS RETURN	XRET			(202,609)										(202,609)	0
695	COST OF SERVICE COMPUTATION															

DUKE ENERGY KENTUCKY														
COST OF SERVICE STUDY														
TWELVE MONTHS ENDING DECEMBER 31, 2005														
ELECTRIC CASE NO: 2006-00172														
FR-9v-1 KW (12 CONN PEAK)														
DT_PRI														
DESCRIPTION	ITEM	ALLOC	DT_PRI PRIMARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
ROR AND TAX RATES Schedule 11														
RATE OF RETURN														
CAPITALIZATION AMOUNTS														
		CAP_FROM	Total Company	Ratio										
700	LONG TERM DEBT	K100	275,774,125	0.406259216						0.406259216				
701	PREFERRED STOCK	K102	0	0.000000000						0.000000000				
702	COMMON STOCK	K104	345,393,322	0.508819383						0.508819383				
703	SHORT TERM DEBT	K106	57,645,769	0.084921401						0.084921401				
704	UNAMORTIZED DISCOUNT	K108	0	0.000000000						0.000000000				
705	TOTAL	K115	678,813,216	1.000000000						1.000000000				
COST OF CAPITAL														
706	LONG TERM DEBT	K120	0.0609											
708	PREFERRED STOCK	K122	0.0000											
710	COMMON STOCK	K124	0.1150											
711	SHORT TERM DEBT	K128	0.0514											
712	UNAMORTIZED DISCOUNT	K128	0.0000											
713														
714	WEIGHTED COST OF CAPITAL													
715	LONG TERM DEBT	K141	0.0247											
716	PREFERRED STOCK	K143	0.0000											
717	COMMON STOCK	K145	0.0585											
718	SHORT TERM DEBT	K147	0.0044											
719	UNAMORTIZED DISCOUNT	K149	0.0000											
720	TOT RATE OF RETURN ALLOWABLE	RORA	ROR_EARN_FROM	0.0876										
721														
TAX RATES AND SPECIAL FACTORS														
722	SHORT TERM DEBT COST	K180	0.0000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
724	FEDERAL INCOME TAX RATE	K190	FT_FROM	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000
725	STATE INCOME TAX RATE	K182	STATETX_FROM	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788
726	REVENUE TAX RATE	K186		0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
727														
728														
729	PRESENT REVENUES	R600		19,862,321	0	0	0	0	0	0	0	0	19,862,321	0
730	PROPOSED REVENUES	R602		25,161,199	0	0	0	0	0	0	0	0	25,161,199	0
731	PRESENT NOI			(615,107)										
732	GROSS PRESENT REV AT AVERAGE ROR			21,878,521										
733	SUBSIDY EXCESS			(2,016,200)										
734	REDUCTION IN SUBSIDY EXCESS			(504,050)										
735	RATE INCREASE			4,794,828										
736	TAX COMPLEMENT													
737														
738														
739														
740														
741														
742														
743														
744														

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
	DUKE ENERGY KENTUCKY														
	COST OF SERVICE STUDY														
	TWELVE MONTHS ENDING DECEMBER 31, 2005														
	ELECTRIC CASE NO: 2006-00172														
	FR-9v-1 KW (12 COIN PEAK)														
	DT_PRI														
				DT_PRI							TOTAL	DISTRIBUTION	TOTAL		
	DESCRIPTION	ITEM	ALLOC	DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	ALL OTHER
745	INCOME TAX BASED ON REVENUES Schedule 12														
746	NET INCOME COMPUTATION														
747	TOTAL ELECTRIC COST OF SERVICE	CS09		25,492,054	7,371,441	14,307,908	1,454,736	450,074	998,475	898,057	2,346,606	11,363	2,357,969	25,492,054	0
748	TOTAL OTHER OPERATING REVENUES	Q027		153,759	93,141	23,077	5,240	7,943	8,262	15,982	32,187	114	32,301	153,759	0
749	TOTAL ELECTRIC REVENUE	CS07		25,645,813	7,464,582	14,330,985	1,459,976	458,017	1,006,737	914,039	2,378,793	11,477	2,390,270	25,645,813	0
750	TOTAL OP EXP EXC IT & OTHER DEDUCTIONS	OP61		(21,860,715)	(4,787,390)	(14,091,714)	(1,366,153)	(261,028)	(825,357)	(518,724)	(1,605,109)	(10,349)	(1,615,458)	(21,860,715)	0
751	OTHER	RTXP		0	0	0	0	0	0	0	0	0	0	0	0
752	NET INCOME	NI01		3,785,098	2,677,192	239,271	93,823	196,989	181,380	395,315	773,684	1,128	774,812	3,785,098	0
753	ADJUSTMENTS TO NET INCOME														
754	TOTAL INTEREST EXPENSE	Y783		(1,232,574)	(883,737)	(6,902)	(32,051)	(78,387)	(72,536)	(157,913)	(308,836)	(1,048)	(309,884)	(1,232,574)	0
755	TOTAL OTHER DEDUCTIONS	Y828		(460,571)	(337,650)	(2,607)	(9,132)	(27,516)	(25,546)	(55,431)	(108,493)	(2,689)	(111,182)	(460,571)	0
756	PRELIMINARY TAXABLE INCOME	TI01		2,091,953	1,455,805	229,762	52,640	91,086	83,298	181,971	356,355	(2,609)	353,746	2,091,953	0
757	STATE INCOME TAX COMPUTATION														
758	PRELIMINARY TAXABLE INCOME (INCL AFUDC)	TI01		2,091,953	1,455,805	229,762	52,640	91,086	83,298	181,971	356,355	(2,609)	353,746	2,091,953	0
759	DEDUCTIONS IN ADD TO Y871	Y911		(84,677)	(62,853)	(484)	(1,546)	(5,002)	(4,649)	(10,076)	(19,727)	(67)	(19,794)	(84,677)	0
760	STATE TAXABLE INCOME	SI01		2,007,276	1,392,952	229,278	51,094	86,084	78,649	171,895	336,628	(2,676)	333,952	2,007,276	0
761	STATE INCOME TAX PAYABLE														
762	STATE INCOME TAX RATE	K192	STATETX_FROM	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788
763	PRELIM SIT = SI01 * K192	ST01		116,178	80,622	13,270	2,957	4,983	4,552	9,949	19,484	(155)	19,329	116,178	0
764	OTHER SIT ADJUSTMENTS	Z955		0	0	0	0	0	0	0	0	0	0	0	0
765	STATE INCOME TAX PAYABLE	SP01		116,178	80,622	13,270	2,957	4,983	4,552	9,949	19,484	(155)	19,329	135,662	0
766	SIT ALLOWABLE														
767	STATE INCOME TAX PAYABLE	SP01		116,178	80,622	13,270	2,957	4,983	4,552	9,949	19,484	(155)	19,329	116,178	0
768	TOTAL STATE PROV DEF IT(410.1)	Z911		29,966	31,079	(23)	(96)	(252)	(232)	(506)	(990)	(4)	(994)	29,966	0
769	TOTAL STATE PROV DEF IT(411.1)	Z933		0	0	0	0	0	0	0	0	0	0	0	0
770	NET STATE INC TAX ALLOWABLE	SA01		146,144	111,701	13,247	2,861	4,731	4,320	9,443	18,494	(159)	18,335	164,638	0
771	INCOME TAX BASED ON REVENUES														
772	FEDERAL INCOME TAX COMPUTATION														
773	PRELIMINARY TAXABLE INCOME (INCL AFUDC)	TI01		2,091,953	1,455,805	229,762	52,640	91,086	83,298	181,971	356,355	(2,609)	353,746	2,091,953	0
774	STATE INC TAX PAYABLE	SP01		(116,178)	(80,622)	(13,270)	(2,957)	(4,983)	(4,552)	(9,949)	(19,484)	155	(19,329)	(116,178)	0
775	NET FEDERAL TAXABLE INCOME	FI01	FIT_FROM	1,975,775	1,375,183	216,492	49,683	86,103	78,746	172,022	336,871	(2,454)	334,417	1,975,775	0
776	FEDERAL INCOME TAX RATE	K190		0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000
777	PRELIMINARY FIT = FI01 * K190	FT01		691,521	481,314	75,772	17,389	30,136	27,561	60,208	117,905	(859)	117,046	691,521	0
778	TOTAL FED PROV DEF IT (410.1)	Z762		142,249	165,238	(12,121)	(1,353)	(1,004)	(6,451)	(1,956)	(9,411)	(104)	(9,515)	142,249	0
779	TOTAL FED PROV DEF IT (411.1)	Z803		0	0	0	0	0	0	0	0	0	0	0	0
780	TOTAL AMORTIZED ITC & SERVICE CO ALLOC.	Z813		(10,920)	(7,830)	(61)	(284)	(694)	(643)	(1,399)	(2,736)	(9)	(2,745)	(10,920)	0
781	NET FED INC TAX ALLOWABLE	FA01		822,850	638,722	63,590	15,752	28,438	20,467	56,853	105,758	(972)	104,786	928,608	0
782	FEDERAL INCOME TAX PAYABLE														
783	PRELIM FIT	FT01		691,521	481,314	75,772	17,389	30,136	27,561	60,208	117,905	(859)	117,046	691,521	0
784	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
785	FED INC TAX PAYABLE	FP01		691,521	481,314	75,772	17,389	30,136	27,561	60,208	117,905	(859)	117,046	691,521	0
786	PRELIMINARY SUMMARY														
787	NET INCOME EXCLUDING AFUDC OFFSET	NI01		3,801,417	2,652,159	239,271	102,875	204,014	189,170	412,713	805,897	1,215	807,112	3,801,417	0
788	NET FED INC TAX ALLOWABLE	FA01		(822,850)	(638,722)	(63,590)	(15,752)	(28,438)	(20,467)	(56,853)	(105,758)	972	(104,786)	(822,850)	0
789	NET STATE INC TAX ALLOWABLE	SA01		(146,144)	(111,701)	(13,247)	(2,861)	(4,731)	(4,320)	(9,443)	(18,494)	159	(18,335)	(146,144)	0
790	OVERALL RETURN EARNED-SCH 12	RETU		2,832,423	1,901,736	162,434	84,262	170,845	164,383	346,417	681,645	2,346	683,991	2,832,423	0
791	RATE OF RETURN EARNED-SCH 12	RORX	ROR EARN FROM	0.0660	0.0660	0.0660	0.0660	0.0660	0.0660	0.0660	0.0660	0.0660	0.0660	0.0660	0.0000

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
DUKE ENERGY KENTUCKY																	
COST OF SERVICE STUDY																	
TWELVE MONTHS ENDING DECEMBER 31, 2005																	
ELECTRIC CASE NO: 2006-00172																	
DESCRIPTION	ALLOC	DT_PRI PRIMARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER				
Schedule 13																	
Prod-Demand	K_rbprod_d		1.00000									0.00000					
Prod-Energy	K_rbprod_e			1.00000								0.00000					
Main Step-Up Transformers	K_rbrtran_stepup				1.00000							0.00000					
Transmission Other	K_rbrtran_oth					1.00000						1.00000					
Substations	K_Subst						1.00000					1.00000					
Poles Towers & Fbdures	K_Poles							1.00000				1.00000					
Conductors	K_Conductors								1.00000			1.00000					
Transformers	K_Transformer											1.00000		1.00000			
Distribution Demand	K_rbdist_d									1.00000		1.00000					
Distribution Customer	K_rbdist_c										1.00000	1.00000		1.00000			
All Other	K_FERC																1.00000
Gross Dist Plant excl CCNC-OC (106)		15,787,211	0	0	0	3,433,565	3,807,334	8,503,877	15,744,776	42,435	15,787,211	15,787,211	0				
Ratio	K_dist_ccnc	1.000000000	0.000000000	0.000000000	0.000000000	0.217490284	0.241165713	0.538656068	0.997312065	0.002687935	1.000000000	1.000000000	0.000000000				
Gross Plant (OC)		85,204,777	65,509,207	487,116	2,020,831	3,693,144	4,313,012	9,132,149	17,138,305	49,318	17,187,623	85,204,777	0				
Ratio	K_grossPlt	1.000000000	0.768844299	0.005717003	0.023717344	0.043344331	0.050619368	0.107178838	0.2011442537	0.000578817	0.201721354	1.000000000	0.000000000				
Gross Prod Plant (OC)		64,647,086	64,647,086	0	0	0	0	0	0	0	0	64,647,086	0				
Ratio	K_gross_prodpit	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
Gross Plant-Prod/Trans/Dist (OC)		83,481,571	64,647,086	0	1,972,250	3,667,372	4,066,593	9,082,945	16,816,910	45,325	16,862,235	83,481,571	0				
Ratio	K_grossPTD	1.000000000	0.774387511	0.000000000	0.023624975	0.043930318	0.048712464	0.108801798	0.201444580	0.000542934	0.201987514	1.000000000	0.000000000				
Gross Distribution Plant (OC)		16,862,235	0	0	0	3,667,372	4,066,593	9,082,945	16,816,910	45,325	16,862,235	16,862,235	0				
Ratio	K_gross_distpit	1.000000000	0.000000000	0.000000000	0.000000000	0.217490268	0.241165717	0.538656056	0.997312041	0.002687959	1.000000000	1.000000000	0.000000000				
Gross Transmission Plant (OC)		1,972,250	0	0	1,972,250	0	0	0	0	0	0	1,972,250	0				
Ratio	K_gross_tranpit	1.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
Gross General Plant (OC)		241,253	120,740	68,175	6,825	3,605	34,468	6,882	44,955	558	45,513	241,253	0				
Ratio	K_gross_genpit	1.000000000	0.500470460	0.282587160	0.028289804	0.014942820	0.142870762	0.028526070	0.186339652	0.002312925	0.188652576	1.000000000	0.000000000				
Gross Common Plant (OC)		1,481,953	741,381	418,941	41,756	22,167	211,951	42,322	276,440	3,435	279,875	1,481,953	0				
Ratio	K_gross_compit	1.000000000	0.500272951	0.282695200	0.028176332	0.014957964	0.143021405	0.028558261	0.186537630	0.002317887	0.188855517	1.000000000	0.000000000				
Production Plant-Net (OC-Depr)		31,277,751	31,277,751	0	0	0	0	0	0	0	0	31,277,751	0				
Ratio	K_prodnnet	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
Distribution Plant-Net (OC-Depr)		10,955,774	0	0	0	2,800,091	2,477,820	5,642,281	10,920,192	35,582	10,955,774	10,955,774	0				
Ratio	K_distnet	1.000000000	0.000000000	0.000000000	0.000000000	0.255581304	0.226165673	0.515005238	0.996752215	0.003247785	1.000000000	1.000000000	0.000000000				
Transmission Plant-Net (OC-Depr)		1,125,542	0	0	1,125,542	0	0	0	0	0	0	1,125,542	0				
Ratio	K_trannt	1.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
General Plant Plant-Net		112,944	56,574	31,860	3,229	1,686	16,119	3,219	21,024	257	21,281	112,944	0				
Ratio	K_gennet	1.000000000	0.500903103	0.282086698	0.028589389	0.014927751	0.142716745	0.028500850	0.186145346	0.002275464	0.188420810	1.000000000	0.000000000				
Transmission & Distr Plant In Service		12,081,316	0	0	1,125,542	2,800,091	2,477,820	5,642,281	10,920,192	35,582	10,955,774	12,081,316	0				
Ratio	K_T&D_net	1.000000000	0.000000000	0.000000000	0.093163857	0.231770363	0.205095207	0.467025364	0.903890934	0.002945209	0.906836143	1.000000000	0.000000000				
Net Electric Plant In Service		44,235,689	31,716,335	247,691	1,150,273	2,913,207	2,603,230	5,667,323	11,083,760	37,610	11,121,370	44,235,689	0				
Ratio	K_EPIS	1.000000000	0.716985539	0.005599350	0.026003292	0.063595896	0.058849116	0.128116588	0.250561600	0.000850219	0.251411819	1.000000000	0.000000000				
Common Plant- net		763,658	382,010	215,831	21,502	11,430	109,291	21,823	142,544	1,771	144,315	763,658	0				
Ratio	K_comnet	1.000000000	0.500237017	0.282627826	0.028156583	0.014967433	0.143115112	0.028576928	0.186659473	0.002319101	0.188978574	1.000000000	0.000000000				

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY																	
2	COST OF SERVICE STUDY																	
3	TWELVE MONTHS ENDING DECEMBER 31, 2005																	
4	ELECTRIC CASE NO: 2006-00172																	
5				DT_PRI										TOTAL				
6	DESCRIPTION	ALLOC	PRIMARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER				
66	Common & General Plant-net			876,602	438,584	247,691	24,731	13,116	125,410	25,042	163,568	2,028	165,596	876,602	0			
67	Ratio	K_comgennet	1.000000000	0.500322838	0.282558105	0.028212347	0.014962321	0.143063785	0.028567126	0.186593232	0.002313479	0.188906710	1.000000000	0.000000000				
68																		
69	Total OCD Rate Base			45,506,915	30,554,095	2,609,727	1,353,793	2,744,879	2,641,052	5,565,677	10,951,608	37,692	10,989,300	45,506,915	0			
70	Ratio	K_OCDB	1.000000000	0.671416531	0.057347922	0.029749171	0.060317844	0.058036279	0.122303984	0.240658107	0.000828270	0.241486376	1.000000000	0.000000000				
71																		
72	Construction Work In Progress			186,265	(285,722)	0	103,318	80,182	88,910	198,586	367,678	991	368,669	186,265	0			
73	Ratio	K_CWIP	1.000000000	(1.533954312)	0.000000000	0.554682844	0.430472713	0.477330685	1.066147693	1.973951091	0.005320377	1.979271468	1.000000000	0.000000000				
74																		
75	A&G			1,707,673	854,368	482,789	48,102	25,538	244,166	48,754	318,458	3,956	322,414	1,707,673	0			
76	Ratio	K_A&G	1.000000000	0.500311242	0.282717476	0.028168156	0.014954854	0.142981707	0.028549962	0.186486523	0.002316603	0.188803126	1.000000000	0.000000000				
77																		
78	A&G (excluding adjustments)			1,825,161	913,149	516,004	51,411	27,294	260,965	52,109	340,368	4,229	344,597	1,825,161	0			
79	Ratio	K_A&GexAdj	1.000000000	0.500311479	0.282716977	0.028167926	0.014954297	0.142981907	0.028550358	0.186486562	0.002317056	0.188803618	1.000000000	0.000000000				
80																		
81	Dist A&G (ex reg exp)			341,585	0	0	0	27,323	261,025	52,159	340,507	1,078	341,585	341,585	0			
82	Ratio	K_DistA&G	1.000000000	0.000000000	0.000000000	0.000000000	0.079988876	0.764158262	0.152696986	0.996844124	0.003155876	1.000000000	1.000000000	0.000000000				
83																		
84	Transmission A&G			58,137	6,637	0	51,500	0	0	0	0	0	58,137	58,137	0			
85	Ratio	K_TranA&G	1.000000000	0.114161377	0.000000000	0.885838623	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
86																		
87	Customer Accounts A&G			1,205	0	0	0	0	0	0	0	1,205	1,205	1,205	0			
88	Ratio	K_CA_A&G	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000				
89																		
90	Cust Service & Informational A&G			432	(427)	(859)	(89)	(29)	(60)	(50)	(139)	1,946	1,807	432	0			
91	Ratio	K_CSI_A&G	1.000000000	(0.988425925)	(1.988425926)	(0.206018519)	(0.067129629)	(0.138888889)	(0.115740741)	(0.321759259)	4.504629630	4.182870370	1.000000000	0.000000000				
92																		
93	Sales A&G			0	0	0	0	0	0	0	0	0	0	0	0			
94	Ratio	K_Sales_A&G	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000				
95																		
96	Depeceion Expense			2,532,838	1,880,032	14,470	46,258	149,616	139,046	301,405	590,067	2,011	592,078	2,532,838	0			
97	Ratio	K_Depr_Ex	1.000000000	0.742263027	0.005712959	0.018263308	0.059070497	0.054897313	0.118998925	0.232966735	0.000793971	0.233760706	1.000000000	0.000000000				
98																		
99	O&M (no A&G)			17,072,866	1,768,096	13,554,051	1,245,255	40,272	384,785	76,882	501,939	3,525	505,464	17,072,866	0			
100	Ratio	K_O&M	1.000000000	0.103561757	0.793894300	0.072937666	0.002358831	0.022537809	0.004503169	0.029399809	0.000206468	0.029606277	1.000000000	0.000000000				
101																		
102	Production O&M			15,161,929	1,607,705	13,554,224	0	0	0	0	0	0	15,161,929	15,161,929	0			
103	Ratio	K_prodO&M	1.000000000	0.106035650	0.893964350	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
104																		
105	Dist O&M			503,556	0	0	0	40,278	384,797	76,892	501,967	1,589	503,556	503,556	0			
106	Ratio	K_distO&M	1.000000000	0.000000000	0.000000000	0.000000000	0.079987131	0.764159299	0.152698012	0.996844442	0.003155558	1.000000000	1.000000000	0.000000000				
107																		
108	Transmission O&M			1,405,750	160,477	0	1,245,273	0	0	0	0	0	1,405,750	1,405,750	0			
109	Ratio	K_TranO&M	1.000000000	0.114157567	0.000000000	0.885842433	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
110																		
111	Customer Accounting O&M			1,549	0	0	0	0	0	0	0	1,549	1,549	1,549	0			
112	Ratio	K_CA_O&M	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000				
113																		
114	Uncollectible Account O&M			(6)	0	0	0	0	0	0	0	(6)	(6)	(6)	0			
115	Ratio	K_Uncol_O&M	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000				
116																		
117	Customer Service & Informational O&M			87	(86)	(173)	(18)	(6)	(12)	(10)	(28)	392	364	87	0			
118	Ratio	K_CSI_O&M	1.000000000	(0.988505747)	(1.988505747)	(0.206896552)	(0.068965517)	(0.137931034)	(0.114942529)	(0.321839080)	4.505747126	4.183908046	1.000000000	0.000000000				
119																		
120	Sales O&M			1	0	0	0	0	0	0	0	1	1	1	0			
121	Ratio	K_Sales_O&M	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000				
122																		
123	AutoCalc Wkg Capital (incl A&G)			5,226,315	2,622,464	482,616	1,293,357	65,810	628,951	125,636	820,397	7,481	827,878	5,226,315	0			
124	Ratio	K_O&MxFuel	1.000000000	0.501780700	0.092343458	0.247470158	0.012592046	0.120343110	0.024039117	0.156974273	0.001431410	0.158405684	1.000000000	0.000000000				

COST OF SERVICE STUDY

BY FUNCTION

RATE DT-PRI-RTP

FR 10(9)(v)-13

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R	
1	DUKE ENERGY KENTUCKY															
2	COST OF SERVICE STUDY															
3	TWELVE MONTHS ENDING DECEMBER 31, 2005															
4	ELECTRIC CASE NO: 2006-00172															
5	FR.#v-1 KW (12 COIN PEAK)															
6	DT_PRI_RTP															
7				DT_PRI_RTP							TOTAL	DISTRIBUTION	TOTAL		ALL	
8	DESCRIPTION	ITEM	ALLOC	INCR. PRI. DIST	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	OTHER	
9					1	2	3	5	6	7	8	10	11	12	13	14
10	SUMMARY OF RESULTS	Schedule 1														
11	NET INCOME COMPUTATION															
12	GROSS ELECTRIC PLANT IN SERVICE	GP19		\$3,913,630	\$3,023,947	\$6,882	\$93,270	\$170,062	\$198,574	\$420,463	\$789,099	\$432	\$789,531	\$3,913,630	\$0	
13	TOTAL DEPRECIATION RESERVE	DR19		(1,882,441)	(1,559,900)	(3,383)	(40,179)	(40,520)	(78,718)	(159,528)	(278,764)	(215)	(278,979)	(1,882,441)	0	
14	TOTAL RATE BASE ADJUSTMENTS	R871		55,802	(53,746)	106,135	9,392	(3,146)	1,741	(4,680)	(6,085)	106	(5,979)	55,802	0	
15	TOTAL RATE BASE	R899		2,086,991	1,410,301	109,634	62,483	126,396	121,597	256,257	504,250	323	504,573	2,086,991	0	
16																
17	CAPITALIZATION ALLOC TO ELECTRIC OPER	ECAP		1,967,407	1,329,491	103,352	58,903	119,153	114,630	241,574	475,357	304	475,661	1,967,407	0	
18																
19	OPERATING EXPENSES															
20	TOTAL O&M EXPENSE	OM39		418,582	120,961	199,456	59,686	3,033	28,953	5,791	37,777	702	38,479	418,582	0	
21	TOTAL DEPRECIATION EXPENSE	DE49		116,305	86,784	205	2,135	6,889	6,402	13,877	27,168	13	27,181	116,305	0	
22	TOTAL OTHER TAX & MISC EXPENSE	LS91		23,980	13,164	578	1,227	2,102	2,642	4,228	8,972	39	9,011	23,980	0	
23	TOTAL OP EXP EXC INC & R TAX	OP69		558,867	220,909	200,239	63,048	12,024	37,997	23,896	73,917	754	74,671	558,867	0	
24	NET FED INCOME TAX ALLOWABLE	IB79		115,658	81,692	7,368	3,039	6,018	5,379	12,164	23,561	(2)	23,559	115,658	0	
25	NET STATE INCOME TAX ALLOWABLE	J979		20,380	14,361	1,330	540	1,045	989	2,113	4,147	2	4,149	20,380	0	
26	AFUDC OFFSET	LO33	K_CWIP	(745)	1,155	0	(418)	(323)	(358)	(801)	(1,482)	0	(1,482)	(745)	0	
27	TOTAL OPERATING EXPENSE	OPEX		694,160	318,117	208,937	66,209	18,764	44,007	37,372	100,143	754	100,897	694,160	0	
28																
29	RETURN ON CAPITALIZATION	R751		274,568	185,541	14,424	8,220	16,629	15,998	33,714	66,341	42	66,383	274,568	0	
30	TOTAL OTHER OPERATING REVENUES			(6,802)	(4,513)	(391)	(267)	(383)	(420)	(783)	(1,586)	(45)	(1,631)	(6,802)	0	
31	TOTAL ELECTRIC COST OF SERVICE	CS09		961,926	499,145	222,970	74,162	35,010	59,585	70,303	164,898	751	165,649	961,926	0	
32																
33	PROPOSED REVENUES	R602		801,971	391,054	214,567	69,373	25,321	50,266	50,663	126,250	727	126,977	801,971	0	
34	EXCESS REVENUES	XREV		(159,955)	(108,091)	(8,403)	(4,789)	(9,689)	(9,319)	(19,640)	(38,648)	(24)	(38,672)	(159,955)	0	
35																
36	TOTAL RETURN EARNED	RETE		176,615	119,349	9,278	5,288	10,697	10,290	21,586	42,673	27	42,700	176,615	0	
37	RATE OF RETURN EARNED ON CAPITALIZATION	RORE	SUM_RETURN_FROM	0.089770444	0.089770444	0.089770444	0.089770444	0.089770444	0.089770444	0.089770444	0.089770444	0.089770444	0.089770444	0.089770444	0.00000	
38	TOTAL RATE OF RETURN ALLOWABLE	RORA		0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	
39	RETURN EARNED ON COMMON EQUITY	REOE		0.12781	0.12781	0.12781	0.12781	0.12781	0.12781	0.12781	0.12781	0.12781	0.12781	0.12781	(0.00000)	
40	ALLOWED RETURN ON COMMON EQUITY	AROE		0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	
41																
42	PRESENT REVENUES	R600		782,491	381,555	209,355	67,688	24,707	49,045	49,432	123,184	709	123,893	782,491	0	
43	REVENUE INCREASE JUSTIFIED	RIJD		179,435	117,590	13,615	6,474	10,303	10,540	20,871	41,714	42	41,756	179,435	0	
44	PER UNIT PRES REV	RIJP	PRESREV_FROM	0.22931										0.22931	0.00000	
45	REVENUE INCREASE REQUESTED	RIJD		19,480										19,480	0	
46	PER UNIT PRES REV	RIRP	PRESINCR_FROM	0.02489										0.02489	0.00000	
47																
48																

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
	DUKE ENERGY KENTUCKY														
	COST OF SERVICE STUDY														
	TWELVE MONTHS ENDING DECEMBER 31, 2005														
	ELECTRIC CASE NO: 2006-00172														
	FR-N-1 KW (12 COIN PEAK)														
	DT_PRI RTP														
	DESCRIPTION	ITEM	ALLOC	DT_PRI RTP INCR PRI. DIST	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
49	GROSS ELECTRIC PLANT IN SERVICE Schedule 2														
50	PRODUCTION PLANT														
51	PRODUCTION - STEAM	P100	K_rtprod_d	1,919,904	1,919,904	0	0	0	0	0	0	0	0	1,919,904	0
52	PRODUCTION - OTHER	P106	K_rtprod_d	1,064,326	1,064,326	0	0	0	0	0	0	0	0	1,064,326	0
53	PRODUCTION PLANT IN SERVICE	P129		2,984,230	2,984,230	0	0	0	0	0	0	0	0	2,984,230	0
54	TRANSMISSION PLANT														
56	MAIN STEP-UP TRANSFORMERS	T100	K_rtrtran_stepup	0	0	0	0	0	0	0	0	0	0	0	0
57	OTHER TRANSMISSION	T102	K_rtrtran_oth	91,043	0	0	91,043	0	0	0	0	0	0	91,043	0
58	TRANSMISSION PLANT IN SERVICE	T129		91,043	0	0	91,043	0	0	0	0	0	0	91,043	0
59	TOTAL PROD & TRANS PLANT PT29														
60				3,075,273	2,984,230	0	91,043	0	0	0	0	0	0	3,075,273	0
61	DISTRIBUTION PLANT														
63	SUBSTATIONS	D100	K_Subst	158,112	0	0	0	158,112	0	0	158,112	0	158,112	158,112	0
64	POLES, TOWERS & FIXTURES	D102	K_Poles	175,299	0	0	0	0	175,299	0	175,299	0	175,299	175,299	0
65	CONDUCTORS	D104	K_Conductors	391,540	0	0	0	0	0	391,540	391,540	0	391,540	391,540	0
66	TRANSFORMERS	D106	K_rtdist_c	0	0	0	0	0	0	0	0	0	0	0	0
67	SERVICES	D108	K_rtdist_c	0	0	0	0	0	0	0	0	0	0	0	0
68	METERS	D110	K_rtdist_c	0	0	0	0	0	0	0	0	0	0	0	0
70	STREET LIGHTS	D114	K_rtdist_c	0	0	0	0	0	0	0	0	0	0	0	0
71	CONSTRUCTION NOT CLASSIFIED	D116	K_dist_conc	49,365	0	0	0	10,766	11,937	26,662	49,365	0	49,365	49,365	0
72	DISTRIBUTION PLANT IN SERVICE	D149		774,316	0	0	0	168,878	187,236	418,202	774,316	0	774,316	774,316	0
73	TOTAL TRANS & DIST PLANT TD29														
74				865,359	0	0	91,043	168,878	187,236	418,202	774,316	0	774,316	865,359	0
75	TOTAL GROSS PTD PLANT	PD29		3,849,589	2,984,230	0	91,043	168,878	187,236	418,202	774,316	0	774,316	3,849,589	0
76	GENERAL & INTANGIBLE PLANT														
78	PRODUCTION-DEMAND	G100	K_rtprod_d	5,536	5,536	0	0	0	0	0	0	0	0	5,536	0
79	PRODUCTION-ENERGY	G102	K_rtprod_e	971	0	971	0	0	0	0	0	0	0	971	0
80	TRANSMISSION	G104	K_TransA&G	356	41	0	315	0	0	0	0	0	0	356	0
81	DISTRIBUTION	G106	K_DistA&G	2,072	0	0	0	167	1,588	318	2,073	(1)	2,072	2,072	0
82	CUSTOMER ACCOUNTING	G108	K_CA_A&G	23	0	0	0	0	0	0	0	23	23	23	0
83	CUSTOMER SERVICE & INFORMATION	G110	K_CSI_A&G	9	(14)	(8)	(3)	(1)	(2)	(2)	(5)	39	34	9	0
84	SALES	G112	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
85	GENERAL & INTANGIBLE PLANT IN SERVICE	G129		8,967	5,563	963	312	166	1,586	316	2,068	61	2,129	8,967	0
86	COMMON & OTHER PLANT														
88	PRODUCTION-DEMAND RELATED	C100	K_rtprod_d	33,991	33,991	0	0	0	0	0	0	0	0	33,991	0
89	PRODUCTION-ENERGY RELATED	C102	K_rtprod_e	5,964	0	5,964	0	0	0	0	0	0	0	5,964	0
90	TRANSMISSION	C104	K_TransA&G	2,180	249	0	1,931	0	0	0	0	0	0	2,180	0
91	DISTRIBUTION	C106	K_DistA&G	12,744	0	0	0	1,026	9,764	1,957	12,747	(3)	12,744	12,744	0
92	CUSTOMER ACCOUNTING	C108	K_CA_A&G	142	0	0	0	0	0	0	0	142	142	142	0
93	CUSTOMER SERVICE & INFORMATION	C110	K_CSI_A&G	53	(86)	(45)	(16)	(8)	(12)	(12)	(32)	232	200	53	0
94	SALES	C112	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
95	COMMON & OTHER PLANT IN SERVICE	C129		55,074	34,154	5,919	1,915	1,018	9,762	1,945	12,715	371	13,086	55,074	0
96	GROSS ELECTRIC PLANT IN SERVICE GP19														
97				3,913,630	3,023,947	6,882	93,270	170,062	198,574	420,463	789,099	432	789,531	3,913,630	0

8	DESCRIPTION	ITEM	ALLOC	DT_PRT_RTP INCR PRL DIST	PRODUCTION DEMAND	PRODUCTION DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DEMAND	CUSTOMER DISTRIBUTION	TOTAL DISTRIBUTION	ALL
98	DEPRECIATION RESERVE	Schedule 3													
99	PRODUCTION - STEAM	P150													
100	PRODUCTION - OTHER	P152													
101	PRODUCTION - STEAM	K1prod_d													
102	PRODUCTION - OTHER	K1prod_d													
103	TOTAL PROD DEPREC RESERVE	P171													
104	TRANSMISSION PLANT														
105	MAIN STEP-UP TRANSFORMERS	K1trns_stepup													
106	OTHER TRANSMISSION	T150													
107	TOTAL TRANS DEPREC RESERVE	T171													
108	TOTAL PROD & TRANS DEPREC RESERVE														
109	DISTRIBUTION PLANT														
110	SUBSTATIONS	K1sub													
111	POLES, TOWERS & FIXTURES	K1poles													
112	CONDUCTORS	K1conductors													
113	TRANSFORMERS	K1transformers													
114	SERVICES	K1services													
115	METERS	K1meters													
116	DEPRECIATION EXPENSE ADJUSTMENT	K1depr_adj													
117	STREET LIGHTS	K1street_lights													
118	COMPLETED CONSTRUCTION NOT CLASSIFIED	K1comp_constr													
119	RETIREMENT WORK IN PROGRESS	K1retire_work													
120	TOTAL DIST DEPREC RESERVE	D181													
121	TOTAL TRANS & DIST DEPREC RESERVE														
122	GENERAL & INTANGIBLE PLANT														
123	PRODUCTION-DEMAND	K1prod_d													
124	PRODUCTION-ENERGY	K1prod_e													
125	TRANSMISSION	K1trns													
126	DISTRIBUTION	K1dist													
127	CUSTOMER ACCOUNTING	K1cust_acc													
128	CUSTOMER SERVICE & INFORMATION	G160													
129	SALES	G162													
130	TOTAL GEN & INTANGIBLE DEPREC RES.	G171													
131	COMMON & OTHER PLANT														
132	PRODUCTION-DEMAND	K1prod_d													
133	PRODUCTION-ENERGY	K1prod_e													
134	TRANSMISSION	K1trns													
135	DISTRIBUTION	K1dist													
136	CUSTOMER ACCOUNTING	K1cust_acc													
137	CUSTOMER SERVICE & INFORMATION	G160													
138	SALES	G162													
139	TOTAL COM & OTHER PLT RESERVE	C171													
140	TOTAL DEPRECIATION RESERVE	DR19													

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
	DESCRIPTION	ITEM	ALLOC	DT_PRI RTP INCR. PRI. DIST	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 CONN PEAK)														
6	DT_PRI RTP														
7															
8															
145	NET ELECTRIC PLANT IN SERVICE Schedule 4														
151	PRODUCTION PLANT														
152	PRODUCTION - STEAM			864,937	864,937	0	0	0	0	0	0	0	0	864,937	0
153	PRODUCTION - OTHER			578,903	578,903	0	0	0	0	0	0	0	0	578,903	0
154	TOTAL PROD	P229		1,443,840	1,443,840	0	0	0	0	0	0	0	0	1,443,840	0
155	TRANSMISSION PLANT														
157	MAIN STEP-UP TRANSFORMERS			0	0	0	0	0	0	0	0	0	0	0	0
158	OTHER TRANSMISSION			51,957	0	0	51,957	0	0	0	0	0	0	51,957	0
159	TOTAL TRANSMISSION	T229		51,957	0	0	51,957	0	0	0	0	0	0	51,957	0
160	NET PROD & TRANS PLANT			1,495,797	1,443,840	0	51,957	0	0	0	0	0	0	1,495,797	0
161	DISTRIBUTION PLANT														
164	SUBSTATIONS	S249		122,638	0	0	0	122,638	0	0	122,638	0	122,638	122,638	0
165	POLES, TOWERS & FIXTURES	PL49		107,097	0	0	0	0	107,097	0	107,097	0	107,097	107,097	0
166	CONDUCTORS	SL49		244,177	0	0	0	0	0	244,177	244,177	0	244,177	244,177	0
167	TRANSFORMERS	F249		0	0	0	0	0	0	0	0	0	0	0	0
168	SERVICES	SV49		0	0	0	0	0	0	0	0	0	0	0	0
169	METERS	M249		0	0	0	0	0	0	0	0	0	0	0	0
170	OTHER	O249		(597)	0	0	0	(131)	(144)	(322)	(597)	0	(597)	(597)	0
171	STREET LIGHTS	L249		0	0	0	0	0	0	0	0	0	0	0	0
172	CONSTRUCTION NOT CLASSIFIED	CN49		25,353	0	0	0	5,529	6,131	13,693	25,353	0	25,353	25,353	0
173	RETIREMENT WORK IN PROGRESS	CN49		4,143	0	0	0	903	1,002	2,238	4,143	0	4,143	4,143	0
174	TOTAL DIST	D249		502,811	0	0	0	128,939	114,086	259,786	502,811	0	502,811	502,811	0
175	NET TRANS & DIST PLANT														
176	NET TRANS & DIST PLANT	NT29		554,768	0	0	51,957	128,939	114,086	259,786	502,811	0	502,811	554,768	0
177	NET PTD PLANT	NT39		1,998,608	1,443,840	0	51,957	128,939	114,086	259,786	502,811	0	502,811	1,998,608	0
178	GENERAL & INTANGIBLE PLANT														
180	PRODUCTION-DEMAND			2,594	2,594	0	0	0	0	0	0	0	0	2,594	0
181	PRODUCTION-ENERGY			454	0	454	0	0	0	0	0	0	0	454	0
182	TRANSMISSION			168	20	0	148	0	0	0	0	0	0	168	0
183	DISTRIBUTION			969	0	0	0	78	743	149	970	(1)	969	969	0
184	CUSTOMER ACCOUNTING			11	0	0	0	0	0	0	0	11	11	11	0
185	CUSTOMER SERVICE & INFORMATION			4	(6)	(4)	(1)	0	(1)	(1)	(2)	17	15	4	0
186	SALES			0	0	0	0	0	0	0	0	0	0	0	0
187	TOTAL GENERAL AND INTANGIBLE PLANT	G229		4,200	2,608	450	147	78	742	148	968	27	995	4,200	0
188	COMMON & OTHER PLANT														
190	PRODUCTION-DEMAND			17,515	17,515	0	0	0	0	0	0	0	0	17,515	0
191	PRODUCTION-ENERGY			3,072	0	3,072	0	0	0	0	0	0	0	3,072	0
192	TRANSMISSION			1,123	128	0	995	0	0	0	0	0	0	1,123	0
193	DISTRIBUTION			6,571	0	0	0	529	5,034	1,009	6,572	(1)	6,571	6,571	0
194	CUSTOMER ACCOUNTING			73	0	0	0	0	0	0	0	73	73	73	0
195	CUSTOMER SERVICE & INFORMATION			27	(44)	(23)	(8)	(4)	(6)	(6)	(16)	118	102	27	0
196	SALES			0	0	0	0	0	0	0	0	0	0	0	0
197	TOTAL COM & OTHER PLT	C229		28,381	17,599	3,049	987	525	5,028	1,003	6,556	190	6,746	28,381	0
198	TOTAL ELECTRIC PLANT IN SERVICE														
199	TOTAL ELECTRIC PLANT IN SERVICE	NP29		2,031,189	1,464,047	3,499	53,091	129,542	119,856	260,937	510,335	217	510,552	2,031,189	0

A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R	
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 COIN PEAK)														
6	DT_PRI_RTP														
7				DT_PRI_RTP						TOTAL					
8	DESCRIPTION	ITEM	ALLOC	INCR. PRI. DIST	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
200	NET ELECTRIC PLANT Schedule 4a														
201	PRODUCTION PLANT														
202	PRODUCTION PLANT IN SERVICE	P129		2,984,230	2,984,230	0	0	0	0	0	0	0	0	2,984,230	0
204	TOTAL PROD DEPRC RESERVE	P171		(1,540,390)	(1,540,390)	0	0	0	0	0	0	0	0	(1,540,390)	0
205	NET PRODUCTION PLANT	P229		1,443,840	1,443,840	0	0	0	0	0	0	0	0	1,443,840	0
206	TRANSMISSION PLANT														
207	TRANSMISSION PLANT IN SERVICE	T129		91,043	0	0	91,043	0	0	0	0	0	0	91,043	0
209	TOTAL TRANS DEPREC RESERVE	T171		(39,086)	0	0	(39,086)	0	0	0	0	0	0	(39,086)	0
210	NET TRANSMISSION PLANT	T229		51,957	0	0	51,957	0	0	0	0	0	0	51,957	0
211	NET PROD & TRANS PLANT														
212				1,495,797	1,443,840	0	51,957	0	0	0	0	0	0	1,495,797	0
213	DISTRIBUTION PLANT														
214	DISTRIBUTION PLANT IN SERVICE	D149		774,316	0	0	0	168,878	187,236	418,202	774,316	0	774,316	774,316	0
216	TOTAL DIST DEPREC RESERVE	D191		(271,505)	0	0	0	(39,939)	(73,150)	(158,416)	(271,505)	0	(271,505)	(271,505)	0
217	NET DISTRIBUTION PLANT	D249		502,811	0	0	0	128,939	114,086	259,786	502,811	0	502,811	502,811	0
218	NET TRANS & DIST PLANT														
220		NT29		554,768	0	0	51,957	128,939	114,086	259,786	502,811	0	502,811	554,768	0
221	NET PTD PLANT	NT39		1,998,608	1,443,840	0	51,957	128,939	114,086	259,786	502,811	0	502,811	1,998,608	0
222	GENERAL & INTANGIBLE PLANT														
223	GEN & INTANG PLANT IN SERVICE	G129		8,967	5,563	963	312	166	1,586	316	2,068	61	2,129	8,967	0
225	TOTAL GEN & INTG DEPREC RESERVE	G171		(4,767)	(2,955)	(513)	(165)	(88)	(844)	(168)	(1,100)	(34)	(1,134)	(4,767)	0
226	NET GENERAL & INTANG PLANT	G229		4,200	2,608	450	147	78	742	148	968	27	995	4,200	0
227	COMMON & OTHER PLANT														
228	COMMON & OTH PLT IN SERVICE	C121		55,074	34,154	5,919	1,915	1,018	9,752	1,945	12,715	371	13,086	55,074	0
230	TOTAL COM & OTH DEPREC RESERVE	C171		(26,693)	(16,555)	(2,870)	(928)	(493)	(4,724)	(942)	(6,159)	(181)	(6,340)	(26,693)	0
231	NET COMMON & OTHER PLANT	C229		28,381	17,599	3,049	987	525	5,028	1,003	6,556	190	6,746	28,381	0
232	NET ELECTRIC PLANT IN SERVICE														
233		NP29		2,031,189	1,464,047	3,499	53,091	129,542	119,856	260,937	510,335	217	510,552	2,031,189	0
234															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR #v-1 KW (12 CONN PEAK)														
6	DT_PRI RTP														
7				DT_PRI RTP	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL		ALL
8	DESCRIPTION	ITEM	ALLOC	INCR. PRI. DIST	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	OTHER
235	RATE BASE ADJUSTMENTS		Schedule 5												
236	SUBTRACTIVE ADJUSTMENTS														
237	ACCUM DEF INC TAXES (282)														
238	LIBERALIZED DEPRECIATION	B200	K_EPIS	142,930	103,022	246	3,736	9,115	8,434	18,362	35,911	15	35,926	142,930	0
242	MISCELLANEOUS	B208	K_EPIS	1,155	833	2	30	74	68	148	290	0	290	1,155	0
247	TOTAL ACCOUNT 282	B221		144,085	103,855	248	3,766	9,189	8,502	18,510	36,201	15	36,216	144,085	0
248															
249	ACCUM DEF INC TAXES (283/284)														
254	DEFERRED INCOME TAXES	B234	K_EPIS	(122)	(88)	0	(3)	(8)	(7)	(16)	(31)	0	(31)	(122)	0
256	TOTAL ACCOUNT 283/284	B243		(122)	(88)	0	(3)	(8)	(7)	(16)	(31)	0	(31)	(122)	0
257															
263	TOTAL SUBTRACTIVE ADJUSTMENTS	B287		143,963	103,767	248	3,763	9,181	8,495	18,494	36,170	15	36,185	143,963	0
264															
265	ADDITIVE ADJUSTMENTS														
266	ACCUM DEF INC TAXES (190)														
272	MISCELLANEOUS DEFERRALS	V212	K_AA/Gsz/Adj	3,383	2,097	364	118	63	599	119	781	23	804	3,383	0
273	TOTAL ACCOUNT 190	V215		3,383	2,097	364	118	63	599	119	781	23	804	3,383	0
274															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-9v-1 KW(12 COB) PEAK)														
6	DT_PRL_RTP														
7				DT_PRL_RTP											
8	DESCRIPTION	ITEM	ALLOC	INCR. PRI. DIST	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
286	CONSTRUCTION WORK IN PROGRESS	Schedule 5a													
287	PRODUCTION	V232		(13,189)	(13,189)	0	0	0	0	0	0	0	0	(13,189)	0
288	TRANSMISSION	V234		4,769	0	0	4,769	0	0	0	0	0	0	4,769	0
289	DISTRIBUTION	V236		16,929	0	0	0	3,692	4,094	9,143	16,929	0	16,929	16,929	0
290	GENERAL	V238		0	0	0	0	0	0	0	0	0	0	0	0
291	COMMON	V240		0	0	0	0	0	0	0	0	0	0	0	0
292	TOTAL RATE BASE CWIP	V255		8,509	(13,189)	0	4,769	3,692	4,094	9,143	16,929	0	16,929	8,509	0
293															
294	TOTAL ADDITIVE ADJUSTMENTS	V289		11,892	(11,092)	364	4,887	3,755	4,693	9,262	17,710	23	17,733	11,892	0
295															
296	NET ORIGINAL COST RATE BASE	RB29		1,899,118	1,349,188	3,615	54,215	124,116	116,054	251,705	491,875	225	492,100	1,899,118	0
297															

A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R	
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-#v-1 KW (12 COIN PEAK)														
6	DT_PRI RTP														
7				DT_PRI RTP						TOTAL	DISTRIBUTION	TOTAL		ALL	
8	DESCRIPTION	ITEM	ALLOC	INCR. PRI. DIST	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	OTHER
298	WORKING CAPITAL														
299	MATERIALS & SUPPLIES														
300	FUEL INVENTORIES														
301	FUEL	W640	K_rbprod_e	44,163	0	44,163	0	0	0	0	0	0	0	44,163	0
302	EMISSION ALLOWANCES	W642	K_rbprod_e	29,462	0	29,462	0	0	0	0	0	0	0	29,462	0
303	TOTAL FUEL STOCKS	W644		73,625	0	73,625	0	0	0	0	0	0	0	73,625	0
304	PLANT MATERIALS & SUPPLIES														
305	OTHER	W648	K_EPIS	29,516	21,275	51	771	1,882	1,742	3,792	7,416	3	7,419	29,516	0
310	TOTAL PLANT MATERIALS & SUPPLIES	W650		29,516	21,275	51	771	1,882	1,742	3,792	7,416	3	7,419	29,516	0
311															
312	TOTAL MATERIALS & SUPPLIES	W669	TOT_M&S	103,141	21,275	73,676	771	1,882	1,742	3,792	7,416	3	7,419	103,141	0
313															
314	PREPAYMENTS														
315	INSURANCE	W670	K_AAGenAdj	1,028	637	111	36	19	182	36	237	7	244	1,028	0
316	COAL, SYN FUEL AND MARGIN DEPOSITS	W684	K_rbprod_e	31,381	0	31,381	0	0	0	0	0	0	0	31,381	0
317	TOTAL PREPAYMENTS	W689		32,409	637	31,492	36	19	182	36	237	7	244	32,409	0
322															
323	AUTO CALC (O&M-F-PP)/8	W719		52,323	39,201	851	7,461	379	3,619	724	4,722	88	4,810	52,323	0
324	TOTAL WORKING CASH	W729		52,323	39,201	851	7,461	379	3,619	724	4,722	88	4,810	52,323	0
325															
326	TOTAL WORKING CAPITAL	WC79		187,873	61,113	106,019	8,268	2,280	5,543	4,552	12,375	98	12,473	187,873	0
327	PRELIMINARY SUMMARY														
328	TOTAL SUBTRACTIVE ADJUSTMENTS	B287		(143,963)	(103,767)	(248)	(3,763)	(9,181)	(8,495)	(18,494)	(36,170)	(15)	(36,185)	(143,963)	0
329	TOTAL ADDITIVE ADJUSTMENTS	V289		11,892	(11,092)	364	4,887	3,755	4,693	9,262	17,710	23	17,733	11,892	0
330	TOTAL WORKING CAPITAL	WC71		187,873	61,113	106,019	8,268	2,280	5,543	4,552	12,375	98	12,473	187,873	0
331	TOTAL RATE BASE ADJUSTMENTS	RB71		55,802	(53,746)	106,135	9,392	(3,146)	1,741	(4,680)	(6,085)	106	(5,979)	55,802	0
332															
333	RATE BASE CALCULATION														
334	NET ELECTRIC PLANT IN SERVICE	NP21		2,031,189	1,464,047	3,499	53,091	129,542	119,856	260,937	510,335	217	510,552	2,031,189	0
335	TOTAL RATE BASE ADJUSTMENTS	RB71		55,802	(53,746)	106,135	9,392	(3,146)	1,741	(4,680)	(6,085)	106	(5,979)	55,802	0
336	TOTAL RATE BASE	RB99	TOT_RB	2,086,991	1,410,301	109,634	62,483	126,396	121,597	256,257	504,250	323	504,573	2,086,991	0
337															
338	CAPITALIZATION ALLOC TO ELECTRIC OPER	ECAP	K_OODRB	1,967,407	1,329,491	103,352	58,903	119,153	114,630	241,574	475,357	304	475,661	1,967,407	0
339															
340	TOTAL RATE OF RETURN ALLOWABLE	RORA	ror_Allow_from	0.1396	0.1396	0.1396	0.1396	0.1396	0.1396	0.1396	0.1396	0.1396	0.1396	0.1396	0.1396
341	RETURN ON CAPITALIZATION	R751		274,568	185,541	14,424	8,220	16,629	15,998	33,714	66,341	42	66,383	274,568	0
342															

A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R	
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY													5/26/06 7:36 AM	
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 CON PEAK)														
6	DT_PRI RTP														
7				DT_PRI RTP							TOTAL	DISTRIBUTION	TOTAL		
8	DESCRIPTION	ITEM	ALLOC	INCR. PRI. DIST	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	ALL OTHER
343	O&M EXPENSES	Schedule 6													
344	PRODUCTION O&M														
345	ENERGY RELATED PRODUCTION O&M														
346	FUEL	P300	K_rtprod_e	0	0	0	0	0	0	0	0	0	0	0	0
347	MISCELLANEOUS	P302	K_rtprod_e	0	0	0	0	0	0	0	0	0	0	0	0
348	EMISSION ALLOWANCES	P308	K_rtprod_e	27,056	0	27,056	0	0	0	0	0	0	0	27,056	0
350	ELIMINATE EMISSION ALLOW & OTHER VAR COST	P308	K_rtprod_e	40,333	0	40,333	0	0	0	0	0	0	0	40,333	0
351	OTHER PRODUCTION EXPENSE - MAINTENANCE	P310	K_rtprod_e	65,298	0	65,298	0	0	0	0	0	0	0	65,298	0
352	MISO TRANSMISSION CHARGES ACCT IN 555	P312	K_rtprod_e	59,958	0	59,958	0	0	0	0	0	0	0	59,958	0
353	TOTAL ENERGY RELATED	P349		192,645	0	192,645	0	0	0	0	0	0	0	192,645	0
354	DEMAND RELATED PROD O&M														
355	ELIMINATE MISCELLANEOUS	P344	K_rtprod_d	0	0	0	0	0	0	0	0	0	0	0	0
359	OTHER PRODUCTION EXPENSE - OPERATIONS	P349	K_rtprod_d	74,215	74,215	0	0	0	0	0	0	0	0	74,215	0
360	TOTAL DEMAND RELATED	P349		74,215	74,215	0	0	0	0	0	0	0	0	74,215	0
361															
362	TOTAL PRODUCTION O&M	P459		266,860	74,215	192,645	0	0	0	0	0	0	0	266,860	0
363															
364	TRANSMISSION O & M														
365	TRANSFORMER LEASE PAYMENTS	T300	K_rtprod_d	7,408	7,408	0	0	0	0	0	0	0	0	7,408	0
366	OTHER TRANSMISSION	T302	K_rtrasm_oth	68,250	0	0	68,250	0	0	0	0	0	0	68,250	0
367	MISCELLANEOUS ADJUSTMENTS	T304	K_gross_transpt	(16,044)	0	0	(16,044)	0	0	0	0	0	0	(16,044)	0
368	NETWORK SERVICE RATES ADJUSTMENT	T305	K_gross_transpt	5,278	0	0	5,278	0	0	0	0	0	0	5,278	0
369	TOTAL TRANSMISSION O & M	T349		64,892	7,408	0	57,484	0	0	0	0	0	0	64,892	0
370															
371	DISTRIBUTION O & M														
373	SUBSTATIONS	D300	K_Subst	440	0	0	0	440	0	0	440	0	440	440	0
374	POLES, TOWERS & FIXTURES	D302	K_Poles	16,465	0	0	0	0	16,465	0	16,465	0	16,465	16,465	0
375	CONDUCTORS	D304	K_Conductors	690	0	0	0	0	0	690	690	0	690	690	0
376	TRANSFORMERS	D306	K_Transformer	0	0	0	0	0	0	0	0	0	0	0	0
377	OTHER MAINTENANCE	D308	K_distmat	1,775	0	0	0	455	403	917	1,775	0	1,775	1,775	0
378	METERS	D310	K_rbdist_c	0	0	0	0	0	0	0	0	0	0	0	0
379	STREET LIGHTS	D314	K_rbdist_c	0	0	0	0	0	0	0	0	0	0	0	0
380	OTHER OPERATIONS	D316	K_distmat	3,659	0	0	0	939	830	1,890	3,659	0	3,659	3,659	0
381	MISCELLANEOUS EXPENSES	D318	K_rbdist_c	(6)	0	0	0	0	0	0	0	(6)	(6)	(6)	0
382	AFFILIATED COMPANY RENTS	D320	K_distmat	108	0	0	0	27	25	56	108	0	108	108	0
383	TOTAL DISTRIBUTION O & M	D349		23,131	0	0	0	1,861	17,723	3,553	23,137	(6)	23,131	23,131	0
384															
385	CUSTOMER ACCOUNTING														
386	CUSTOMER ACCOUNTING EXPENSE	C300	K_rbdist_c	175	0	0	0	0	0	0	0	175	175	175	0
387	ADJUST UNCOLLECTIBLE ACCOUNTS	C302	K_Func_Rev	0	0	0	0	0	0	0	0	0	0	0	0
388	METER READING	C304	K_rbdist_c	50	0	0	0	0	0	0	0	50	50	50	0
389	LOSS ON SALE OF A/R & INCR A/R ON INCR	C306	K_Func_Rev	0	0	0	0	0	0	0	0	0	0	0	0
390	MISCELLANEOUS EXPENSE ADJUSTMENT	C308	K_rbdist_c	(1)	0	0	0	0	0	0	0	(1)	(1)	(1)	0
391	TOTAL CUSTOMER ACCT EXPENSE	C319		224	0	0	0	0	0	0	0	224	224	224	0
392															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR#v-1 KW (12 COIN PEAK)														
6	DT_PRT_RTP														
7				DT_PRT_RTP							TOTAL	DISTRIBUTION	TOTAL		
8	DESCRIPTION	ITEM	ALLOC	INCR. PRT. DIST	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	ALL OTHER
393	CUSTOMER SERVICE & INFORMATION			70	0	0	0	0	0	0	0	70	70	70	0
394	CUSTOMER SERVICE & INFORMATION	C320	K_rbdst_c		0	0	0	0	0	0	0	13	13	13	0
395	INFORMATIONAL & INSTRUCTIONAL ADV	C322	K_rbdst_c	13	0	0	0	0	0	0	0	13	13	13	0
396	CUSTOMER SERVICE & INFORM PROFORMA	C324	K_rbdst_c	(25)	0	0	0	0	0	0	0	(25)	(25)	(25)	0
397	AMI	C326	K_Func_Rev	(45)	(21)	(11)	(4)	(2)	(3)	(3)	(8)	(1)	(9)	(45)	0
398	TOTAL CUSTOMER SERV & INFORMATION	C331		13	(21)	(11)	(4)	(2)	(3)	(3)	(8)	57	49	13	0
399															
400	SALES	Schedule 6													
401	SALES EXPENSE	S300	K_rbdst_c	1	0	0	0	0	0	0	0	1	1	1	0
402	SALES EXPENSE PROFORMA	S304	K_rbdst_c	0	0	0	0	0	0	0	0	0	0	0	0
403	TOTAL SALES EXPENSE	S319		1	0	0	0	0	0	0	0	1	1	1	0
404															
405	SUBTOTAL O&M EXCL. A&G			355,121	81,602	192,634	57,480	1,859	17,720	3,550	23,129	276	23,405	355,121	0
406															
407															
408	ADMINISTRATIVE & GENERAL														
409	A&G EXPENSE EXCL. REGULATORY EXP														
410	PRODUCTION-DEMAND RELATED	A300	K_rbrod_d	41,866	41,866	0	0	0	0	0	0	0	0	41,866	0
411	PRODUCTION-ENERGY RELATED	A302	K_rbrod_e	7,346	0	7,346	0	0	0	0	0	0	0	7,346	0
412	TRANSMISSION	A304	K_tranO&M	2,684	306	0	2,378	0	0	0	0	0	0	2,684	0
413	DISTRIBUTION	A306	K_distO&M	15,691	0	0	0	1,263	12,022	2,410	15,695	(4)	15,691	15,691	0
414	CUSTOMER ACCOUNTING	A308	K_CA_O&M	175	0	0	0	0	0	0	0	175	175	175	0
415	CUSTOMER SERVICE & INFORMATION	A310	K_CSI_O&M	65	(105)	(55)	(20)	(10)	(15)	(15)	(40)	265	245	65	0
416	SALES	A312	K_Sales_O&M	0	0	0	0	0	0	0	0	0	0	0	0
417	A&G EXPENSE UNADJUSTED	A315		67,827	42,067	7,291	2,358	1,253	12,007	2,395	15,655	456	16,111	67,827	0
418	RATE CASE EXPENSE	A318	K_A&GexAdj	204	127	22	7	4	36	7	47	1	48	204	0
419	ELIMINATE MISCELLANEOUS EXPENSES	A340	K_A&GexAdj	(338)	(210)	(36)	(12)	(6)	(60)	(12)	(78)	(2)	(80)	(338)	0
420	IMPLEMENT AUTOMATED METER READING	A342	K_A&GexAdj	216	134	23	8	4	38	8	50	1	51	216	0
421	AMORTIZATION OF DEFERRED EXPENSES	A352	K_A&GexAdj	2,104	1,305	226	73	40	372	74	486	14	500	2,104	0
422	MISCELLANEOUS	A354	K_A&GexAdj	0	0	0	0	0	0	0	0	0	0	0	0
423	ELIMINATE INCENTIVE COMPENSATION	A356	K_A&GexAdj	(6,552)	(4,064)	(704)	(228)	(121)	(1,160)	(231)	(1,512)	(44)	(1,556)	(6,552)	0
424	TOTAL ADMIN. & GENERAL	A357		63,461	39,359	6,822	2,206	1,174	11,233	2,241	14,648	426	15,074	63,461	0
425															
426	TOTAL O & M EXPENSE	OM39	TOT O&M	418,582	120,961	199,456	59,686	3,033	28,953	5,791	37,777	702	38,479	418,582	0

		A	B	C	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	
		DUKE ENERGY KENTUCKY																	
		COST OF SERVICE STUDY																	
		TWELVE MONTHS ENDING DECEMBER 31, 2005																	
		ELECTRIC CASE NO: 2006-00172																	
		FR-#1 RW (1/3 CONN PEAK)																	
		DT_PRL_RTP																	
		ALOC																	
DT_PRL_RTP	INCR	DT_PRL_RTP	PRD DEMAND	PRD ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER						
PRD DIST																			
430	DEPRECIATION EXPENSE																		
431	Schedule 7																		
432	PRODUCTION DEPRECIATION		85,603	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	85,603
433	PRODUCTION DEPRECIATION		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
434	PROFORMA ADJUSTMENT		85,603	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	85,603
435	TOTAL PRODUCTION DEPREC EXP.		85,603	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	85,603
436	TRANSMISSION DEPRECIATION		2,069	0	2,069	0	0	0	0	0	0	0	0	0	0	0	0	0	2,069
437	TRANSMISSION DEPRECIATION		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
438	PROFORMA ADJUSTMENT		2,069	0	2,069	0	0	0	0	0	0	0	0	0	0	0	0	0	2,069
439	TOTAL TRANSMISSION DEPREC EXP.		2,069	0	2,069	0	0	0	0	0	0	0	0	0	0	0	0	0	2,069
440	DISTRIBUTION DEPRECIATION		26,729	0	0	6,854	6,065	13,810	26,729	0	26,729	26,729	0	0	0	0	0	0	26,729
441	DISTRIBUTION DEPRECIATION		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
442	PROFORMA ADJUSTMENT		26,729	0	0	6,854	6,065	13,810	26,729	0	26,729	26,729	0	0	0	0	0	0	26,729
443	TOTAL DISTRIBUTION DEPREC EXP.		26,729	0	0	6,854	6,065	13,810	26,729	0	26,729	26,729	0	0	0	0	0	0	26,729
444	GENERAL DEPRECIATION		259	161	28	4	46	9	59	2	61	259	0	0	0	0	0	0	259
445	GENERAL DEPRECIATION		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
446	PROFORMA ADJUSTMENT		259	161	28	4	46	9	59	2	61	259	0	0	0	0	0	0	259
447	TOTAL GENERAL DEPREC EXP.		259	161	28	4	46	9	59	2	61	259	0	0	0	0	0	0	259
448	COMMON AND OTHER DEPRECIATION		1,645	1,020	177	31	291	58	380	11	391	1,645	0	0	0	0	0	0	1,645
449	COMMON DEPRECIATION		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
450	PROFORMA ADJUSTMENT		1,645	1,020	177	31	291	58	380	11	391	1,645	0	0	0	0	0	0	1,645
451	TOTAL COM & OTHER DEPREC EXP.		1,645	1,020	177	31	291	58	380	11	391	1,645	0	0	0	0	0	0	1,645
452	TOTAL DEPRECIATION EXPENSE		116,305	86,784	205	6,889	6,402	13,877	27,168	13	27,181	116,305	0	0	0	0	0	0	116,305

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-9v-1 KW(12 COIN PEAK)														
6	DT_PRI_RTP														
7				DT_PRI_RTP								TOTAL			
8	DESCRIPTION	ITEM	ALLOC	INCR.	PRODUCTION	PRODUCTION	OTHER	SUBSTATIONS	POLES, TOWERS	CONDUCTORS	DISTRIBUTION	DISTRIBUTION	TOTAL	TOTAL	ALL
9				PRJ_DIST	DEMAND	ENERGY	TRANSMISSION		& FIXTURES		DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	OTHER
466	TAXES OTHER THAN INC & REV	Schedule B													
467	REAL ESTATE & PROPERTY TAX														
468	PRODUCTION	L500		K_rtprod_d	10,067	10,067	0	0	0	0	0	0	0	10,067	0
469	TRANSMISSION	L501		K_trnsmnt	1,039	0	0	1,039	0	0	0	0	0	1,039	0
470	DISTRIBUTION	L502		K_distnet	7,820	0	0	0	2,006	1,774	4,040	7,820	0	7,820	0
471	OTHER	L514		K_EPIS	0	0	0	0	0	0	0	0	0	0	0
472	TOTAL REAL EST & PROP TAX	L529		PROP_TAX	18,926	10,067	0	1,039	2,006	1,774	4,040	7,820	0	7,820	18,926
473	MISCELLANEOUS TAXES														
475	PAYROLL RELATED	L568		K_AA&GexAdj	4,925	3,055	529	171	91	872	174	1,137	33	1,170	4,925
476	OTHER STATE TAXES	L562		K_AA&GexAdj	0	0	0	0	0	0	0	0	0	0	0
477	ELIMINATE NON-NATIVE SALES	L564		K_AA&GexAdj	(147)	(91)	(16)	(5)	(3)	(26)	(5)	(34)	(1)	(35)	(147)
478	AUTO LICENSES, ETC	L560		K_AA&GexAdj	20	12	2	1	0	4	1	5	0	5	20
479	ELIMINATE UNBILLED REVENUE	L562		K_AA&GexAdj	0	0	0	0	0	0	0	0	0	0	0
480	AFFILIATED COMPANY RENTS	L564		K_AA&GexAdj	0	0	0	0	0	0	0	0	0	0	0
481	MISCELLANEOUS	L568		K_AA&GexAdj	0	0	0	0	0	0	0	0	0	0	0
482	DSM ELIMINATION	L568		K_rtprod_d	0	0	0	0	0	0	0	0	0	0	0
483	TOTAL MISCELLANEOUS TAXES	L589			4,798	2,976	515	167	88	850	170	1,108	32	1,140	4,798
484	MISCELLANEOUS EXPENSES														
487	PSC MAINTENANCE ON INCREASE	L584		K_Func_Rev	256	121	63	21	8	18	18	44	7	51	256
488	TOTAL MISCELLANEOUS EXPENSES	L599			256	121	63	21	8	18	18	44	7	51	256
490	TOTAL OTHER TAX & MISC EXPENSE	L591			23,980	13,164	578	1,227	2,102	2,642	4,228	8,972	39	9,011	23,980
491	PRELIMINARY SUMMARY														
493	TOTAL O&M EXPENSE	OM39			418,582	120,961	199,456	59,686	3,033	28,953	5,791	37,777	702	38,479	418,582
494	TOTAL DEPRECIATION EXPENSE	DE49			116,305	86,784	205	2,135	6,889	6,402	13,877	27,168	13	27,181	116,305
495	TOTAL OTHER TAX & MISC EXPENSE	L599			23,980	13,164	578	1,227	2,102	2,642	4,228	8,972	39	9,011	23,980
496	TOTAL OP EXP EXC IT & OTHER TAX	OP69			558,867	220,909	200,239	63,048	12,024	37,997	23,896	73,917	754	74,671	558,867

A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R	
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-Inv-1 KW (12 COIN PEAK)														
6	DT_PRI RTP														
7															
8	DESCRIPTION	ITEM	ALLOC	DT_PRI RTP INCR PRI. DST	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
498	INCOME TAX BASED ON RETURN														
499	FEDERAL INCOME TAX DEDUCTIONS														
500	AUTOMATIC INTEREST CALCULATION														
501	AUTO PROC INTEREST DED	Y751	K_EPIS	56,597	40,795	97	1,479	3,609	3,340	7,271	14,220	6	14,226	56,597	0
502	TOTAL INTEREST EXPENSE	Y763	TOT_INT	56,597	40,795	97	1,479	3,609	3,340	7,271	14,220	6	14,226	56,597	0
503															
504	OTHER DEDUCTIONS														
505	DEPR. EXCESS TAX OVER BOOK	Y790	K_Depr_Ex	11,187	8,348	20	205	662	616	1,335	2,613	1	2,614	11,187	0
507	LOSS ON REACQUIRED DEBT	Y794	K_EPIS	(432)	(311)	(1)	(11)	(29)	(25)	(55)	(109)	0	(109)	(432)	0
508	COST OF REMOVAL	Y798	K_Depr_Ex	5,326	3,974	9	98	316	293	635	1,244	1	1,245	5,326	0
512	METER CAPITAL LEASE PRINCIPLE PAYMENTS	Y804	K_rtdist_c	0	0	0	0	0	0	0	0	0	0	0	0
515	OTHER PERMANENT DIFFERENCES	Y816	K_EPIS	4,962	3,576	9	130	316	293	637	1,246	1	1,247	4,962	0
518	TOTAL OTHER DEDUCTIONS	Y828		21,043	15,587	37	422	1,265	1,177	2,552	4,994	3	4,997	21,043	0
519															
520	NET DEDUCTIONS AND ADDITIONS	Y871		77,640	56,382	134	1,901	4,874	4,517	9,823	19,214	9	19,223	77,640	0
521															
522	FEDERAL INCOME TAX ADJUSTMENTS														
523															
524	FED PROV DEF INC TAX DEFERRALS (410.1)														
528	ANNUALIZE DEPRECIATION	Z788	K_EPIS	(263)	(190)	0	(7)	(16)	(16)	(34)	(66)	0	(66)	(263)	0
531	MISCELLANEOUS	Z782	K_A&GovAdj	(1,963)	(1,218)	(211)	(68)	(37)	(347)	(69)	(453)	(13)	(466)	(1,963)	0
532	MISCELLANEOUS PROFORMA ADJUSTMENT	Z770	K_EPIS	0	0	0	0	0	0	0	0	0	0	0	0
533	RECLASSIFY NON-JURIS INCOME TAX	Z770	K_rtdist_d	8,759	8,759	0	0	0	0	0	0	0	0	8,759	0
536	TOTAL FED PROV DEF IT DEFERRALS (410.1)	Z782		6,533	7,351	(211)	(75)	(53)	(363)	(103)	(519)	(13)	(532)	6,533	0
537															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
	DUKE ENERGY KENTUCKY														
	COST OF SERVICE STUDY														
	TWELVE MONTHS ENDING DECEMBER 31, 2005														
	ELECTRIC CASE NO: 2006-00172														
	FR-4y-1 KW (12 COIN PEAK)														
	DT_PRI RTP														
				DT_PRI RTP	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL		ALL
	DESCRIPTION	ITEM	ALLOC	INCR. PRI. DIST	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	OTHER
554	AMORTIZED INV TAX CREDIT	Schedule 9a													
555	MISCELLANEOUS	Z804		0	0	0	0	0	0	0	0	0	0	0	0
556	AMORTIZE ITC	Z806	K_A&GenAdj	501	361	1	13	32	30	64	126	0	126	501	0
557	TOTAL AMORTIZED ITC	Z813	K_EPIS	501	361	1	13	32	30	64	126	0	126	501	0
558															
559	TEST YEAR INV TAX CREDIT			0	0	0	0	0	0	0	0	0	0	0	0
560	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
561															
562	PRELIMINARY SUMMARY														
563	TOTAL FED PROV DEF IT (410.1)	Z782		6,533	7,351	(211)	(75)	(53)	(363)	(103)	(519)	(13)	(532)	6,533	0
564	TOTAL FED PROV DEF IT (411.1)	Z803		0	0	0	0	0	0	0	0	0	0	0	0
565	TOTAL AMORTIZED ITC	Z813		(501)	(361)	(1)	(13)	(32)	(30)	(64)	(126)	0	(126)	(501)	0
566	TOTAL FEDERAL TAX ADJUSTMENTS	Z883		6,032	6,990	(212)	(88)	(85)	(393)	(167)	(645)	(13)	(658)	6,032	0
567															
568	FEDERAL INCOME TAX COMPUTATION														
569	RETURN ON CAPITALIZATION	R751		274,568	185,541	14,424	8,220	16,629	15,998	33,714	66,341	42	66,383	274,568	0
570	NET DEDUCTIONS AND ADDITIONS	Y871		(77,640)	(56,382)	(134)	(1,901)	(4,874)	(4,517)	(9,823)	(19,214)	(9)	(19,223)	(77,640)	0
571	TOTAL FEDERAL TAX ADJUSTMENTS	Z883		6,032	6,990	(212)	(88)	(85)	(393)	(167)	(645)	(13)	(658)	6,032	0
572	TOTAL STATE PROV DEF IT (410.1)	Z911		1,377	1,428	0	(5)	(12)	(11)	(23)	(46)	0	(46)	1,377	0
573	TOTAL STATE PROV DEF IT (411.1)	Z933		0	0	0	0	0	0	0	0	0	0	0	0
574	AFUDC OFFSET	Z935		(745)	1,155	0	(418)	(323)	(358)	(801)	(1,482)	0	(1,482)	(745)	0
575	BASE FOR FIT COMPUTATION	1865		203,592	138,732	14,078	5,808	11,335	10,719	22,900	44,954	20	44,974	203,592	0
576															
577	FIT FACTOR K190/(1-K190)	1867	FITcomp_from	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538
578	PRELIM FED INCOME TAX	1869		109,626	74,702	7,580	3,127	6,103	5,772	12,331	24,206	11	24,217	109,626	0
579	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		6,032	6,990	(212)	(88)	(85)	(393)	(167)	(645)	(13)	(658)	6,032	0
580	NET FED INCOME TAX ALLOWABLE	1879		115,658	81,692	7,368	3,039	6,018	5,379	12,164	23,561	(2)	23,559	115,658	0
581															
582	INCOME TAX BASED ON RETURN														
583	FEDERAL INCOME TAX PAYABLE														
584	PRELIM FEDERAL INCOME TAX	1869		109,626	74,702	7,580	3,127	6,103	5,772	12,331	24,206	11	24,217	109,626	0
585	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
586	NET FED INCOME TAX PAYABLE	1889		109,626	74,702	7,580	3,127	6,103	5,772	12,331	24,206	11	24,217	109,626	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR.#v-1 KW (12 COIN PEAK)														
6	DT_PRL_RTP														
7				DT_PRL_RTP							TOTAL	DISTRIBUTION	TOTAL		ALL
8	DESCRIPTION	ITEM	ALLOC	INCR. PRI. DIST	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	OTHER
587	STATE INCOME TAX														
588	Schedule 9b														
589	DEDUCTIONS IN ADDITION TO Y871														
590	BONUS DEPRECIATION	Y890	K_Depr_Ex	3,888	2,901	7	71	231	214	464	909	0	909	3,888	0
594	DEDUCTIONS IN ADD TO Y871	Y911		3,888	2,901	7	71	231	214	464	909	0	909	3,888	0
595	STATE INCOME TAX ADJUSTMENTS														
596	STATE PROV DEF INC TAX DEFERRALS (410.1)														
600	NET DEFERRED TAXES	Z898	K_EPIS	(138)	(99)	0	(4)	(9)	(8)	(18)	(35)	0	(35)	(138)	0
601	ANNUALIZE DEPRECIATION	Z896	K_Depr_Ex	(46)	(34)	0	(1)	(3)	(3)	(5)	(11)	0	(11)	(46)	0
604	NON-JURISDICTIONAL TAX	Z898	K_rtpprod_d	1,561	1,561	0	0	0	0	0	0	0	0	1,561	0
605	TOT STATE PROV DEF IT DEFERRALS (410.1)	Z911		1,377	1,428	0	(5)	(12)	(11)	(23)	(46)	0	(46)	1,377	0
610															
628	TOTAL STATE INC TAX ADJUSTMENT	Z957		1,377	1,428	0	(5)	(12)	(11)	(23)	(46)	0	(46)	1,377	0

A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R	
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2006														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-#v-1 KW (12 COIN PEAK)														
6	DT_PRI RTP														
7				DT_PRI RTP						TOTAL					
8	DESCRIPTION	ITEM	ALLOC	INCR. PRI. DIST	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL ALL OTHER	
627	INCOME TAX BASED ON RETURN Schedule Bc														
628	SUMMARY OF SIT CALCULATION														
630	RETURN ON CAPITALIZATION	R751		274,568	185,541	14,424	8,220	16,629	15,998	33,714	66,341	42	66,383	274,568	0
631	NET FED INCOME TAX ALLOWABLE	I878		115,658	81,692	7,368	3,039	6,018	5,379	12,164	23,561	(2)	23,559	115,658	0
632	NET FED. DED. AND ADDITIONS	Y871		(77,640)	(56,382)	(134)	(1,901)	(4,874)	(4,517)	(9,823)	(19,214)	(9)	(19,223)	(77,640)	0
633	DEDUCTIONS IN ADD TO Y871	Y811		(3,888)	(2,901)	(7)	(71)	(231)	(214)	(464)	(909)	0	(909)	(3,888)	0
634	AFUDC OFFSET	L033		(745)	1,155	0	(418)	(323)	(358)	(801)	(1,482)	0	(1,482)	(745)	0
635	TOTAL STATE INC TAX ADJ	Z957		1,377	1,428	0	(5)	(12)	(11)	(23)	(46)	0	(46)	1,377	0
636	BASE FOR SIT COMPUTATION	J965		309,330	210,533	21,651	8,864	17,207	16,277	34,767	68,251	31	68,282	309,330	0
637	SIT FACTOR K182/(1-K182)														
638	SIT FACTOR K182/(1-K182)	J967	sit_fact	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378
639	PRELIMINARY STATE INCOME TAX	J969		19,003	12,933	1,330	545	1,057	1,000	2,136	4,193	2	4,195	19,003	0
640	TOTAL STATE INCOME TAX ADJ.	Z957		1,377	1,428	0	(5)	(12)	(11)	(23)	(46)	0	(46)	1,377	0
641	NET STATE INC TAX ALLOWABLE	J979		20,380	14,361	1,330	540	1,045	989	2,113	4,147	2	4,149	20,380	0
642	STATE INCOME TAX PAYABLE														
643	STATE INCOME TAX PAYABLE	J969		19,003	12,933	1,330	545	1,057	1,000	2,136	4,193	2	4,195	19,003	0
644	PRELIMINARY STATE INCOME TAX	J969		19,003	12,933	1,330	545	1,057	1,000	2,136	4,193	2	4,195	19,003	0
645	OTHER SIT ADJUSTMENTS	Z955		0	0	0	0	0	0	0	0	0	0	0	0
646	NET STATE INCOME TAX PAYABLE	J989		19,003	12,933	1,330	545	1,057	1,000	2,136	4,193	2	4,195	19,003	0
647	COMPOSITE TAX RATE														
648	COMPOSITE TAX RATE	CTAX	comp_rate	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621
649															
650															
651															
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653															
654															

A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R	
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR4v-1 KW (12 COIN PEAK)														
6	DT_PRI_RTP														
7				DT_PRI_RTP						TOTAL					
8	DESCRIPTION	ITEM	ALLOC	INCR. PRI. DIST	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL ALL OTHER	
655	COST OF SERVICE COMPUTATION														
656	Schedule 10														
657	OTHER OPERATING REVENUES														
658	RENTAL REVENUE	Q000	K_EPIS	5,246	3,781	9	137	334	310	674	1,318	1	1,319	5,246	0
659	BAD CHECK CHARGE	Q002	K_Func_Rev	36	17	9	3	0	3	3	6	1	7	36	0
660	ELIMINATE NON-NATIVE SALES	Q002	K_rtprod_e	(87,939)	0	(87,939)	0	0	0	0	0	0	0	(87,939)	0
661	SALES FOR RESALE	Q002	K_rtprod_e	87,939	0	87,939	0	0	0	0	0	0	0	87,939	0
662	RECONNECTION CHARGES	Q002	K_Func_Rev	189	89	46	16	7	13	13	33	5	38	189	0
663	INTERRUPTIBLE CREDIT	Q002	K_Func_Rev	(192)	(91)	(47)	(16)	(4)	(14)	(14)	(32)	(6)	(38)	(192)	0
664	BILLING CYCLE IMPROVEMENT	Q004	K_Func_Rev	1,339	630	329	112	40	95	94	229	39	268	1,339	0
665	OTHER MISCELLANEOUS REVENUES	Q006	K_Func_Rev	184	87	45	15	6	13	13	32	5	37	184	0
666	MISCELLANEOUS	Q008	K_Func_Rev	0	0	0	0	0	0	0	0	0	0	0	0
668	TOTAL OTHER OPERATING REVS	Q027		6,802	4,513	391	267	383	420	783	1,586	45	1,631	6,802	0
670	COST OF SERVICE COMPUTATION														
672	TOTAL OF EXP EXC INC & REV TAX	OP69		558,867	220,909	200,239	63,048	12,024	37,997	23,896	73,917	754	74,671	558,867	0
673	RETURN ON CAPITALIZATION	R751		274,568	185,541	14,424	8,220	16,629	15,998	33,714	66,341	42	66,383	274,568	0
674	NET FED INCOME TAX ALLOWABLE	I879		115,658	81,692	7,368	3,039	6,018	5,379	12,164	23,561	(2)	23,559	115,658	0
675	NET STATE INCOME TAX ALLOWABLE	J879		20,380	14,361	1,330	540	1,045	989	2,113	4,147	2	4,149	20,380	0
676	TOTAL OTHER OPERATING REVENUES	Q027		(6,802)	(4,513)	(391)	(267)	(383)	(420)	(783)	(1,586)	(45)	(1,631)	(6,802)	0
677	SUBTOTAL B	CS03		962,671	497,990	222,970	74,580	35,333	59,943	71,104	166,380	751	167,131	962,671	0
679	TOTAL OTHER OPERATING REVENUES	Q027		6,802	4,513	391	267	383	420	783	1,586	45	1,631	6,802	0
680	LESS: OTHER ITEMS			0	0	0	0	0	0	0	0	0	0	0	0
681	OTHER OPERATING REVS TO BE TAXED	OORT		6,802	4,513	391	267	383	420	783	1,586	45	1,631	6,802	0
682	AFUDC OFFSET														
685	AFUDC OFFSET	L032		(745)	1,155	0	(418)	(323)	(358)	(801)	(1,482)	0	(1,482)	(745)	0
686	OTHER DEDUCTIONS TO COST OF SERVICE	L033		(745)	1,155	0	(418)	(323)	(358)	(801)	(1,482)	0	(1,482)	(745)	0
687	TOTAL ELECTRIC COST OF SERVICE	CS09		961,926	499,145	222,970	74,162	35,010	59,585	70,303	164,898	751	165,649	961,926	0
688	PROPOSED REVENUES														
689	PROPOSED REVENUES	R802		801,971										801,971	0
690	TOTAL ELECTRIC COST OF SERVICE	CS09		(961,926)										(961,926)	0
691	EXCESS REVENUES	XREV		(159,955)										(159,955)	0
692	COMPOSITE TAX RATE	CTAX	FFCOMPTAX_FROM	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621
693	EXCESS TAX	XTAX		(62,002)										(62,002)	0
694	EXCESS RETURN	XRET		(97,953)										(97,953)	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 COIN PEAK)														
6	DT_PRI RTP														
7				DT_PRI RTP							TOTAL				
8	DESCRIPTION	ITEM	ALLOC	INCR. PRI. DIST	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
696	ROR AND TAX RATES Schedule 11														
697	RATE OF RETURN														
698															
699	CAPITALIZATION AMOUNTS	CAP_FROM		Total Company	Ratio			Ratio							
700	LONG TERM DEBT	K100		275,774,125	0.406259216			0.406259216							
701	PREFERRED STOCK	K102		0	0.000000000			0.000000000							
702	COMMON STOCK	K104		345,393,322	0.508819383			0.508819383							
703	SHORT TERM DEBT	K108		57,645,769	0.084921401			0.084921401							
704	UNAMORTIZED DISCOUNT	K108		0	0.000000000			0.000000000							
705	TOTAL	K115		678,813,216	1.000000000			1.000000000							
706															
707	COST OF CAPITAL														
708	LONG TERM DEBT	K120		0.0609											
709	PREFERRED STOCK	K122		0.0000											
710	COMMON STOCK	K124		0.1150											
711	SHORT TERM DEBT	K128		0.0514											
712	UNAMORTIZED DISCOUNT	K128		0.0000											
713															
714	WEIGHTED COST OF CAPITAL														
715	LONG TERM DEBT	K141		0.0247											
716	PREFERRED STOCK	K143		0.0000											
717	COMMON STOCK	K145		0.0585											
718	SHORT TERM DEBT	K147		0.0044											
719	UNAMORTIZED DISCOUNT	K149		0.0000											
720	TOT RATE OF RETURN ALLOWABLE	RORA	ROR_EARN_FROM	0.0876											
721															
722	TAX RATES AND SPECIAL FACTORS														
723	SHORT TERM DEBT COST	K180		0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
724	FEDERAL INCOME TAX RATE	K190	FIT_FROM	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000
725	STATE INCOME TAX RATE	K192	STATETX_FROM	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788
726	REVENUE TAX RATE	K198		0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
727															
728															
729	PRESENT REVENUES	R600		782,491	0	0	0	0	0	0	0	0	0	782,491	0
730	PROPOSED REVENUES	R602		801,971	0	0	0	0	0	0	0	0	0	801,971	0
731	PRESENT NOI			164,685											
732	GROSS PRESENT REV AT AVERAGE ROR			559,964											
733	SUBSIDY EXCESS			222,527											
734	REDUCTION IN SUBSIDY EXCESS			55,632											
735	RATE INCREASE			75,112											
736	TAX COMPLEMENT														
737															
738															
739															
740															
741															
742															
743															
744															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
	DUKE ENERGY KENTUCKY														
	COST OF SERVICE STUDY														
	TWELVE MONTHS ENDING DECEMBER 31, 2005														
	ELECTRIC CASE NO: 2006-00172														
	FR-8v-1 KW (12 COIN PEAK)														
	DT_PRI RTP														
	DESCRIPTION	ITEM	ALLOC	DT_PRI RTP INCR PRI. DIST	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
745	INCOME TAX BASED ON REVENUES	Schedule 12													
746	NET INCOME COMPUTATION														
747	TOTAL ELECTRIC COST OF SERVICE	CS09		961,926	499,145	222,970	74,162	35,010	59,585	70,303	164,898	751	165,649	961,926	0
748	TOTAL OTHER OPERATING REVENUES	Q027		6,802	4,513	391	267	383	420	783	1,586	45	1,631	6,802	0
749	TOTAL ELECTRIC REVENUE	CS07		968,728	503,658	223,361	74,429	35,393	60,005	71,086	166,484	796	167,280	968,728	0
750	TOTAL OP EXP EXC IT & OTHER DEDUCTIONS	OP81		(558,867)	(220,909)	(200,239)	(63,048)	(12,024)	(37,997)	(23,896)	(73,917)	(754)	(74,671)	(558,867)	0
751	OTHER	RTXP		0	0	0	0	0	0	0	0	0	0	0	0
752	NET INCOME	NI01		409,861	282,749	23,122	11,381	23,369	22,008	47,190	92,567	42	92,609	409,861	0
753	ADJUSTMENTS TO NET INCOME														
754	TOTAL INTEREST EXPENSE	Y783		(56,597)	(40,795)	(97)	(1,479)	(3,609)	(3,340)	(7,271)	(14,220)	(6)	(14,226)	(56,597)	0
756	TOTAL OTHER DEDUCTIONS	Y828		(21,043)	(15,587)	(37)	(422)	(1,265)	(1,177)	(2,552)	(4,994)	(3)	(4,997)	(21,043)	0
757	PRELIMINARY TAXABLE INCOME	T101		332,221	226,367	22,988	9,480	18,495	17,491	37,367	73,353	33	73,386	332,221	0
758	STATE INCOME TAX COMPUTATION														
760	PRELIMINARY TAX ABLE INCOME (INCL AFUDC)	T101		332,221	226,367	22,988	9,480	18,495	17,491	37,367	73,353	33	73,386	332,221	0
761	DEDUCTIONS IN ADD TO Y871	Y811		(3,888)	(2,901)	(7)	(71)	(231)	(214)	(464)	(909)	0	(909)	(3,888)	0
762	STATE TAXABLE INCOME	SI01		328,333	223,466	22,981	9,409	18,264	17,277	36,903	72,444	33	72,477	328,333	0
763	STATE INCOME TAX PAYABLE														
764	STATE INCOME TAX RATE	K192	STATE_TAX_FROM	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788
766	PRELIM SIT = SI01 * K192	ST01		19,003	12,933	1,330	545	1,057	1,000	2,136	4,193	2	4,195	19,003	0
767	OTHER SIT ADJUSTMENTS	Z955		0	0	0	0	0	0	0	0	0	0	0	0
768	STATE INCOME TAX PAYABLE	SP01		19,003	12,933	1,330	545	1,057	1,000	2,136	4,193	2	4,195	23,196	0
769	SIT ALLOWABLE														
771	STATE INCOME TAX PAYABLE	SP01		19,003	12,933	1,330	545	1,057	1,000	2,136	4,193	2	4,195	19,003	0
772	TOTAL STATE PROV DEF IT(410.1)	Z811		1,377	1,428	0	(5)	(12)	(11)	(23)	(46)	0	(46)	1,377	0
773	TOTAL STATE PROV DEF IT(411.1)	Z933		0	0	0	0	0	0	0	0	0	0	0	0
774	NET STATE INC TAX ALLOWABLE	SA01		20,380	14,361	1,330	540	1,045	989	2,113	4,147	2	4,149	24,527	0
775	INCOME TAX BASED ON REVENUES														
777	FEDERAL INCOME TAX COMPUTATION														
778	PRELIMINARY TAXABLE INCOME (INCL AFUDC)	T101		332,221	226,367	22,988	9,480	18,495	17,491	37,367	73,353	33	73,386	332,221	0
779	STATE INC TAX PAYABLE	SP01		(19,003)	(12,933)	(1,330)	(545)	(1,057)	(1,000)	(2,136)	(4,193)	(2)	(4,195)	(19,003)	0
780	NET FEDERAL TAXABLE INCOME	FI01		313,218	213,434	21,658	8,935	17,438	16,491	35,231	69,160	31	69,191	313,218	0
781	FEDERAL INCOME TAX RATE	K190	FIT_FROM	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000
782	PRELIMINARY FIT = FI01 * K190	FT01		109,626	74,702	7,580	3,127	6,103	5,772	12,331	24,206	11	24,217	109,626	0
783	TOTAL FED PROV DEF IT (410.1)	Z782		6,533	7,351	(211)	(75)	(53)	(363)	(103)	(519)	(13)	(532)	6,533	0
784	TOTAL FED PROV DEF IT (411.1)	Z803		0	0	0	0	0	0	0	0	0	0	0	0
785	TOTAL AMORTIZED ITC & SERVICE CO ALLOC.	Z813		(501)	(361)	(1)	(13)	(32)	(30)	(64)	(126)	0	(126)	(501)	0
786	NET FED INC TAX ALLOWABLE	FA01		115,658	81,692	7,368	3,039	6,018	5,379	12,164	23,561	(2)	23,559	139,219	0
787	FEDERAL INCOME TAX PAYABLE														
788	PRELIM FIT	FT01		109,626	74,702	7,580	3,127	6,103	5,772	12,331	24,206	11	24,217	109,626	0
790	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
791	FED INC TAX PAYABLE	FP01		109,626	74,702	7,580	3,127	6,103	5,772	12,331	24,206	11	24,217	109,626	0
792	PRELIMINARY SUMMARY														
794	NET INCOME EXCLUDING AFUDC OFFSET	NI01		410,606	281,594	23,122	11,799	23,692	22,366	47,991	94,049	42	94,091	410,606	0
795	NET FED INC TAX ALLOWABLE	FA01		(115,658)	(81,692)	(7,368)	(3,039)	(6,018)	(5,379)	(12,164)	(23,561)	2	(23,559)	(115,658)	0
796	NET STATE INC TAX ALLOWABLE	SA01		(20,380)	(14,361)	(1,330)	(540)	(1,045)	(989)	(2,113)	(4,147)	(2)	(4,149)	(20,380)	0
797	OVERALL RETURN EARNED-SCH 12	RETU		274,568	185,541	14,424	8,220	16,629	15,998	33,714	66,341	42	66,383	274,568	0
798	RATE OF RETURN EARNED-SCH 12	RORX	ROR_EARN_FROM	0.1396	0.1396	0.1396	0.1396	0.1396	0.1396	0.1396	0.1396	0.1382	0.1396	0.1396	0.0000

DUKE ENERGY KENTUCKY COST OF SERVICE STUDY TWELVE MONTHS ENDING DECEMBER 31, 2005 ELECTRIC CASE NO: 2006-00172														
														05/26/06
DESCRIPTION	ALLOC	DT_PRL_RTP INCR. PRL_DIST	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER	
Schedule 13														
Prod-Demand	K_rbprod_d		1.00000								0.00000			
Prod-Energy	K_rbprod_e			1.00000							0.00000			
Main Step-Up Transformers	K_rbrtran_stepup										0.00000			
Transmission Other	K_rbrtran_oth				1.00000						0.00000			
Substations	K_Subst					1.00000					1.00000			
Poles Towers & Fixtures	K_Poles						1.00000				1.00000			
Conductors	K_Conductors							1.00000			1.00000			
Transformers	K_Transformer									1.00000	1.00000			
Distribution Demand	K_rbdist_d								1.00000		1.00000			
Distribution Customer	K_rbdist_c									1.00000	1.00000			
All Other	K_FERC												1.00000	
Gross Dist Plant excl CCNC-OC (106)		724,951	0	0	0	158,112	175,299	391,540	724,951	0	724,951	724,951	0	0
Ratio	K_dist_ccnc	1.000000000	0.000000000	0.000000000	0.000000000	0.218100258	0.241808067	0.540091675	1.000000000	0.000000000	1.000000000	1.000000000	0.000000000	0.000000000
Gross Plant (OC)		3,913,630	3,023,947	6,882	93,270	170,062	198,574	420,463	789,099	432	789,531	3,913,630	0	0
Ratio	K_grossPlt	1.000000000	0.772670640	0.0011758470	0.023832095	0.043453775	0.050739084	0.107435552	0.201628411	0.000110383	0.201738795	1.000000000	0.000000000	0.000000000
Gross Prod Plant (OC)		2,984,230	2,984,230	0	0	0	0	0	0	0	0	2,984,230	0	0
Ratio	K_gross_prodpit	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000
Gross Plant-Prod/Trans/Dist (OC)		3,849,589	2,984,230	0	91,043	168,878	187,236	418,202	774,316	0	774,316	3,849,589	0	0
Ratio	K_grossPTD	1.000000000	0.775207431	0.000000000	0.023650057	0.043869099	0.048637920	0.108635493	0.201142512	0.000000000	0.201142512	1.000000000	0.000000000	0.000000000
Gross Distribution Plant (OC)		774,316	0	0	0	168,878	187,236	418,202	774,316	0	774,316	774,316	0	0
Ratio	K_gross_distpit	1.000000000	0.000000000	0.000000000	0.000000000	0.218099587	0.241808254	0.540092159	1.000000000	0.000000000	1.000000000	1.000000000	0.000000000	0.000000000
Gross Transmission Plant (OC)		91,043	0	0	91,043	0	0	0	0	0	0	91,043	0	0
Ratio	K_gross_tranpit	1.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000
Gross General Plant (OC)		8,967	5,563	963	312	166	1,586	316	2,068	61	2,129	8,967	0	0
Ratio	K_gross_genpit	1.000000000	0.620385859	0.107393777	0.034794246	0.018512323	0.176870748	0.035240326	0.230623397	0.006802721	0.237426118	1.000000000	0.000000000	0.000000000
Gross Common Plant (OC)		55,074	34,154	5,919	1,915	1,018	9,752	1,945	12,715	371	13,086	55,074	0	0
Ratio	K_gross_compit	1.000000000	0.620147438	0.107473581	0.034771398	0.018484221	0.177070850	0.035316120	0.230871191	0.006736391	0.237607583	1.000000000	0.000000000	0.000000000
Production Plant-Net (OC-Depr)		1,443,840	1,443,840	0	0	0	0	0	0	0	0	1,443,840	0	0
Ratio	K_prodnnet	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000
Distribution Plant-Net (OC-Depr)		502,811	0	0	0	128,939	114,086	259,786	502,811	0	502,811	502,811	0	0
Ratio	K_distnet	1.000000000	0.000000000	0.000000000	0.000000000	0.256436315	0.226896389	0.516667296	1.000000000	0.000000000	1.000000000	1.000000000	0.000000000	0.000000000
Transmission Plant-Net (OC-Depr)		51,957	0	0	51,957	0	0	0	0	0	0	51,957	0	0
Ratio	K_tranenet	1.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000
General Plant-Net		4,200	2,608	450	147	78	742	148	968	27	995	4,200	0	0
Ratio	K_gennet	1.000000000	0.620952381	0.107142857	0.035000000	0.018571428	0.176866667	0.035238095	0.230476190	0.006428571	0.236904762	1.000000000	0.000000000	0.000000000
Transmission & Distr Plant In Service		554,768	0	0	51,957	128,939	114,086	259,786	502,811	0	502,811	554,768	0	0
Ratio	K_T&D_net	1.000000000	0.000000000	0.000000000	0.093655366	0.232419878	0.205646324	0.468278632	0.906344634	0.000000000	0.906344634	1.000000000	0.000000000	0.000000000
Net Electric Plant In Service		2,031,189	1,464,047	3,499	53,091	129,542	119,856	260,937	510,335	217	510,552	2,031,189	0	0
Ratio	K_EPIS	1.000000000	0.720783246	0.001722636	0.026137893	0.063776438	0.059007803	0.128465150	0.251249391	0.000106834	0.251356225	1.000000000	0.000000000	0.000000000
Common Plant- net		28,381	17,599	3,049	987	525	5,028	1,003	6,556	190	6,746	28,381	0	0
Ratio	K_comnet	1.000000000	0.620097953	0.107431028	0.034776787	0.018498290	0.177160777	0.035340545	0.230999612	0.006694620	0.237694232	1.000000000	0.000000000	0.000000000

	A	B	D	E	F	G	I	J	K	L	N	O	P	Q	R
	DUKE ENERGY KENTUCKY														
	COST OF SERVICE STUDY														
	TWELVE MONTHS ENDING DECEMBER 31, 2008														
	ELECTRIC CASE NO: 2006-00172														
		DT_PRL_RTP		PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL		ALL	
	DESCRIPTION	ALLOC	INCR	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES	CONDUCTORS	DISTRIBUTION	CUSTOMER	DISTRIBUTION	TOTAL	OTHER	
			PRL_DBT							DEMAND					
65	Common & General Plant-net		32,581	20,207	3,499	1,134	603	5,770	1,151	7,524	217	7,741	32,581	0	
66	Ratio	K_comgennet	1.000000000	0.620208096	0.107393880	0.034805562	0.018507719	0.177097081	0.035327338	0.230932138	0.006660324	0.237592462	1.000000000	0.000000000	
69	Total OCD Rate Base		2,086,991	1,410,301	109,634	62,483	126,396	121,597	256,257	504,250	323	504,573	2,086,991	0	
70	Ratio	K_OCDRB	1.000000000	0.675758066	0.052532090	0.029939276	0.060563749	0.058264267	0.122787784	0.241615800	0.000154768	0.241770568	1.000000000	0.000000000	
71	Schedule 13a														
72	Construction Work In Progress		8,509	(13,189)	0	4,769	3,692	4,094	9,143	16,929	0	16,929	8,509	0	
73	Ratio	K_CWIP	1.000000000	(1.550005877)	0.000000000	0.560465390	0.433893525	0.481137819	1.074509343	1.989540487	0.000000000	1.989540487	1.000000000	0.000000000	
74	A&G		63,461	39,359	6,822	2,206	1,174	11,233	2,241	14,648	426	15,074	63,461	0	
75	Ratio	K_A&G	1.000000000	0.620207687	0.107499094	0.034761507	0.018499551	0.177006350	0.035313027	0.230818928	0.006712784	0.237531712	1.000000000	0.000000000	
76	A&G (excluding adjustments)		67,827	42,067	7,291	2,358	1,253	12,007	2,395	15,655	456	16,111	67,827	0	
77	Ratio	K_A&GexAdj	1.000000000	0.620210240	0.107494066	0.034764917	0.018473469	0.177023899	0.035310422	0.230807790	0.006722986	0.237530777	1.000000000	0.000000000	
80	Dist A&G (ex reg exp)		15,691	0	0	0	1,263	12,022	2,410	15,695	(4)	15,691	15,691	0	
81	Ratio	K_DistA&G	1.000000000	0.000000000	0.000000000	0.000000000	0.080492001	0.766171691	0.153591231	1.000254923	(0.000254923)	1.000000000	1.000000000	0.000000000	
84	Transmission A&G		2,684	306	0	2,378	0	0	0	0	0	0	2,684	0	
85	Ratio	K_TransA&G	1.000000000	0.114008942	0.000000000	0.885991058	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000	
87	Customer Accounts A&G		175	0	0	0	0	0	0	0	175	175	175	0	
88	Ratio	K_CA_A&G	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000	
90	Cust Service & Informational A&G		65	(105)	(55)	(20)	(10)	(15)	(15)	(40)	285	245	65	0	
91	Ratio	K_CSI_A&G	1.000000000	(1.615384615)	(0.846153846)	(0.307692308)	(0.153846153)	(0.230769231)	(0.230769231)	(0.615384615)	4.384615385	3.769230769	1.000000000	0.000000000	
93	Sales A&G		0	0	0	0	0	0	0	0	0	0	0	0	
94	Ratio	K_Sales_A&G	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000	
96	Depeciation Expense		116,305	86,784	205	2,135	6,889	6,402	13,877	27,168	13	27,181	116,305	0	
97	Ratio	K_Depr_Ex	1.000000000	0.746176003	0.001762607	0.018356906	0.059232191	0.055044925	0.119315593	0.233592709	0.000111775	0.233704484	1.000000000	0.000000000	
99	O&M (no A&G)		355,121	81,602	192,634	57,480	1,859	17,720	3,550	23,129	276	23,405	355,121	0	
100	Ratio	K_O&M	1.000000000	0.229786467	0.542446096	0.161860324	0.005234835	0.049898485	0.009996593	0.065129913	0.000777200	0.065907113	1.000000000	0.000000000	
102	Production O&M		266,860	74,215	192,645	0	0	0	0	0	0	0	266,860	0	
103	Ratio	K_prodO&M	1.000000000	0.278104624	0.721895376	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000	
105	Dist O&M		23,131	0	0	0	1,861	17,723	3,553	23,137	(6)	23,131	23,131	0	
106	Ratio	K_distO&M	1.000000000	0.000000000	0.000000000	0.000000000	0.080454801	0.766201202	0.153603389	1.000259392	(0.000259392)	1.000000000	1.000000000	0.000000000	
108	Transmission O&M		64,892	7,408	0	57,484	0	0	0	0	0	0	64,892	0	
109	Ratio	K_tranO&M	1.000000000	0.114158910	0.000000000	0.885841090	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000	
111	Customer Accounting O&M		225	0	0	0	0	0	0	0	225	225	225	0	
112	Ratio	K_CA_O&M	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000	
114	Uncollectible Account O&M		(1)	0	0	0	0	0	0	0	(1)	(1)	(1)	0	
115	Ratio	K_Unco_O&M	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000	
117	Customer Service & Informational O&M		13	(21)	(11)	(4)	(2)	(3)	(3)	(8)	57	49	13	0	
118	Ratio	K_CSI_O&M	1.000000000	(1.615384615)	(0.846153846)	(0.307692308)	(0.153846153)	(0.230769231)	(0.230769231)	(0.615384615)	4.384615385	3.769230769	1.000000000	0.000000000	
120	Sales O&M		1	0	0	0	0	0	0	0	1	1	1	0	
121	Ratio	K_Sales_O&M	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000	
123	AutoCalc Wkg Capital (incl A&G)		225,937	120,961	6,811	59,686	3,033	28,953	5,791	37,777	702	38,479	225,937	0	
124	Ratio	K_O&MxFuel	1.000000000	0.535374905	0.030145572	0.264170986	0.013424096	0.128146342	0.025631039	0.167201477	0.003107061	0.170308537	1.000000000	0.000000000	

COST OF SERVICE STUDY

BY FUNCTION

RATE DP

FR 10(9)(v)-14

DUKE ENERGY KENTUCKY														
COST OF SERVICE STUDY														
TWELVE MONTHS ENDING DECEMBER 31, 2005														
ELECTRIC CASE NO: 2006-00172														
FR-#v-1 KW (12 COIN PEAK)														
DP														
DESCRIPTION	ITEM	ALLOC	DP PRIMARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
			1	2	3	5	6	7	8	10	11	12	13	14
SUMMARY OF RESULTS														
NET INCOME COMPUTATION	Schedule 1													
GROSS ELECTRIC PLANT IN SERVICE	GP19		\$8,074,446	\$6,352,845	\$38,135	\$195,952	\$319,197	\$372,730	\$789,235	\$1,481,162	\$6,352	\$1,487,514	\$8,074,446	\$0
TOTAL DEPRECIATION RESERVE	DR19		(3,905,280)	(3,277,115)	(18,743)	(84,413)	(76,074)	(147,765)	(299,462)	(523,301)	(1,708)	(525,009)	(3,905,280)	0
TOTAL RATE BASE ADJUSTMENTS	RB71		72,189	(122,305)	185,861	19,733	(5,871)	3,292	(8,723)	(11,302)	202	(11,100)	72,189	0
TOTAL RATE BASE	RB99		4,241,355	2,953,425	205,253	131,272	237,252	228,257	481,050	946,559	4,846	951,405	4,241,355	0
CAPITALIZATION ALLOC TO ELECTRIC OPER	ECAP		3,998,327	2,784,195	193,492	123,750	223,658	215,178	453,486	892,322	4,568	896,890	3,998,327	0
OPERATING EXPENSES														
TOTAL O&M EXPENSE	OM39		1,557,898	254,150	1,104,503	125,398	5,900	54,519	11,285	71,704	2,143	73,847	1,557,898	0
TOTAL DEPRECIATION EXPENSE	DE49		239,182	182,319	1,133	4,485	12,930	12,017	26,048	50,995	250	51,245	239,182	0
TOTAL OTHER TAX & MISC EXPENSE	LS91		50,409	27,855	3,170	2,573	3,949	4,968	7,938	16,855	156	17,011	50,409	0
TOTAL OP EXP EXC INC & R TAX	OP69		1,847,489	464,124	1,108,806	132,456	22,779	71,504	45,271	139,554	2,549	142,103	1,847,489	0
NET FED INCOME TAX ALLOWABLE	IB79		101,772	78,541	6,190	2,317	3,891	3,115	7,819	14,825	(101)	14,724	101,772	0
NET STATE INCOME TAX ALLOWABLE	J979		18,024	13,760	1,258	416	660	614	1,328	2,602	(12)	2,590	18,024	0
AFUDC OFFSET	LO33	K_CWIP	(1,243)	2,427	0	(878)	(606)	(673)	(1,503)	(2,782)	(10)	(2,792)	(1,243)	0
TOTAL OPERATING EXPENSE	OPEX		1,966,042	558,852	1,116,254	134,311	26,724	74,560	52,915	154,199	2,426	156,625	1,966,042	0
RETURN ON CAPITALIZATION	R751		311,747	217,082	15,086	9,649	17,439	16,777	35,358	69,574	356	69,930	311,747	0
TOTAL OTHER OPERATING REVENUES			(14,279)	(9,134)	(1,803)	(510)	(694)	(722)	(1,399)	(2,815)	(17)	(2,832)	(14,279)	0
TOTAL ELECTRIC COST OF SERVICE	CS09		2,263,510	766,800	1,129,537	143,450	43,469	90,615	86,874	220,958	2,765	223,723	2,263,510	0
PROPOSED REVENUES	R602		2,263,509	766,799	1,129,537	143,450	43,469	90,615	86,874	220,958	2,765	223,723	2,263,509	0
EXCESS REVENUES	XREV		(1)	(1)	0	0	0	0	0	0	0	0	(1)	0
TOTAL RETURN EARNED	RETE		311,746	217,081	15,086	9,649	17,439	16,777	35,358	69,574	356	69,930	311,746	0
RATE OF RETURN EARNED ON CAPITALIZATION	RORE	SUM_RETURN_FROM	0.077969111	0.077969111	0.077969111	0.077969111	0.077969111	0.077969111	0.077969111	0.077969111	0.077969111	0.077969111	0.077969111	0.00000
TOTAL RATE OF RETURN ALLOWABLE	RORA		0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761
RETURN EARNED ON COMMON EQUITY	REOE		0.10461	0.10461	0.10461	0.10461	0.10461	0.10461	0.10461	0.10461	0.10461	0.10461	0.10461	0.00000
ALLOWED RETURN ON COMMON EQUITY	AROE		0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499
PRESENT REVENUES	R600		1,764,802	597,855	880,672	111,844	33,891	70,650	67,734	172,275	2,156	174,431	1,764,802	0
REVENUE INCREASE JUSTIFIED	RIJD		498,708	168,945	248,865	31,606	9,578	19,965	19,140	48,683	609	49,292	498,708	0
PER UNIT PRES REV	RIJP	PRESREV_FROM	0.28259										0.28259	0.00000
REVENUE INCREASE REQUESTED	RIRD		498,707										498,707	0
PER UNIT PRES REV	RIRP	PRESINCR_FROM	0.28259										0.28259	0.00000

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R	
	DUKE ENERGY KENTUCKY															
	COST OF SERVICE STUDY															
	TWELVE MONTHS ENDING DECEMBER 31, 2005															
	ELECTRIC CASE NO: 2006-00172															
	FR-0v-1 KW (12 COIN PEAK)															
	DP															
				DP							TOTAL	DISTRIBUTION	TOTAL		ALL	
	DESCRIPTION	ITEM	ALLOC	PRIMARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	OTHER	
98	DEPRECIATION RESERVE Schedule 3															
100	PRODUCTION PLANT															
101	PRODUCTION - STEAM	P150	K_rtprod_d	2,216,315	2,216,315	0	0	0	0	0	0	0	0	0	2,216,315	0
102	PRODUCTION - OTHER	P152	K_rtprod_d	1,019,796	1,019,796	0	0	0	0	0	0	0	0	0	1,019,796	0
103	TOTAL PROD DEPREC RESERVE	P171		3,236,111	3,236,111	0	0	0	0	0	0	0	0	0	3,236,111	0
104	TRANSMISSION PLANT															
106	MAIN STEP-UP TRANSFORMERS		K_rtrstran_stepup	0	0	0	0	0	0	0	0	0	0	0	0	0
107	OTHER TRANSMISSION	T150	K_rtrstran_oth	82,113	0	0	82,113	0	0	0	0	0	0	0	82,113	0
108	TOTAL TRANS DEPREC RESERVE	T171		82,113	0	0	82,113	0	0	0	0	0	0	0	82,113	0
109	TOTAL PROD & TRANS DEPREC RESERVE			3,318,224	3,236,111	0	82,113	0	0	0	0	0	0	0	3,318,224	0
111	DISTRIBUTION PLANT															
113	SUBSTATIONS	D150	K_Subst	66,565	0	0	0	66,565	0	0	66,565	0	66,565	66,565	66,565	0
114	POLES, TOWERS & FIXTURES	D152	K_Poles	127,993	0	0	0	0	127,993	0	127,993	0	127,993	127,993	127,993	0
115	CONDUCTORS	D154	K_Conductors	276,551	0	0	0	0	0	276,551	276,551	0	276,551	276,551	0	
116	TRANSFORMERS	D158	K_Transformer	0	0	0	0	0	0	0	0	0	0	0	0	
117	SERVICES	D158	K_rtdist_c	0	0	0	0	0	0	0	0	0	0	0	0	
118	METERS	D160	K_rtdist_c	964	0	0	0	0	0	0	0	964	964	964	0	
119	DEPRECIATION EXPENSE ADJUSTMENT	D162	K_dist_ccnc	1,124	0	0	0	244	271	605	1,120	4	1,124	1,124	0	
120	STREET LIGHTS	D164	K_rtdist_c	0	0	0	0	0	0	0	0	0	0	0	0	
121	COMPLETED CONSTRUCTION NOT CLASSIFIED	D168	K_dist_ccnc	45,220	0	0	0	9,827	10,896	24,338	45,061	159	45,220	45,220	0	
122	RETIREMENT WORK IN PROGRESS	D168	K_dist_ccnc	(7,801)	0	0	0	(1,695)	(1,880)	(4,199)	(7,774)	(27)	(7,801)	(7,801)	0	
123	TOTAL DIST DEPREC RESERVE	D191		510,616	0	0	0	74,941	137,280	297,295	509,516	1,100	510,616	510,616	0	
124	TOTAL TRANS & DIST DEPREC RESERVE			592,729	0	0	82,113	74,941	137,280	297,295	509,516	1,100	510,616	592,729	0	
125	TOTAL GROSS FTD PLANT DEPREC RESERVE			3,828,840	3,236,111	0	82,113	74,941	137,280	297,295	509,516	1,100	510,616	3,828,840	0	
127	GENERAL & INTANGIBLE PLANT															
128	PRODUCTION-DEMAND	G150	K_rtprod_d	6,181	6,181	0	0	0	0	0	0	0	0	0	6,181	0
130	PRODUCTION-ENERGY	G152	K_rtprod_e	2,863	0	2,863	0	0	0	0	0	0	0	0	2,863	0
131	TRANSMISSION	G154	K_TransA&G	394	45	0	349	0	0	0	0	0	0	394	0	
132	DISTRIBUTION	G158	K_DistA&G	2,103	0	0	0	172	1,592	330	2,094	9	2,103	2,103	0	
133	CUSTOMER ACCOUNTING	G158	K_CA_A&G	32	0	0	0	0	0	0	0	32	32	32	0	
134	CUSTOMER SERVICE & INFORMATION	G160	K_CSI_A&G	11	(13)	(20)	(2)	(1)	(2)	(1)	(4)	50	46	11	0	
135	SALES	G162	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0	
136	TOTAL GEN & INTANGIBLE DEPREC RES.	G171		11,584	6,213	2,843	347	171	1,590	329	2,090	91	2,181	11,584	0	
137	COMMON & OTHER PLANT															
138	PRODUCTION-DEMAND	C150	K_rtprod_d	34,614	34,614	0	0	0	0	0	0	0	0	34,614	0	
140	PRODUCTION-ENERGY	C152	K_rtprod_e	16,012	0	16,012	0	0	0	0	0	0	0	16,012	0	
141	TRANSMISSION	C154	K_TransA&G	2,221	254	0	1,967	0	0	0	0	0	0	2,221	0	
142	DISTRIBUTION	C158	K_DistA&G	11,765	0	0	0	965	8,905	1,846	11,716	49	11,765	11,765	0	
143	CUSTOMER ACCOUNTING	C158	K_CA_A&G	181	0	0	0	0	0	0	0	181	181	181	0	
144	CUSTOMER SERVICE & INFORMATION	C160	K_CSI_A&G	63	(77)	(112)	(14)	(3)	(10)	(8)	(21)	287	266	63	0	
145	SALES	C162	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0	
146	TOTAL COM & OTHER PLT RESERVE	C171		64,856	34,791	15,900	1,953	962	8,895	1,838	11,695	517	12,212	64,856	0	
147																
148	TOTAL DEPRECIATION RESERVE	DR19		3,905,280	3,277,115	18,743	84,413	76,074	147,765	299,462	523,301	1,708	525,009	3,905,280	0	

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														5/26/06 7:36 AM
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-N-1 KW (12 CONN PEAK)														
6	DP														
7				DP	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL		ALL
8	DESCRIPTION	ITEM	ALLOC	PRIMARY DISTRIBUTION	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	OTHER
149	NET ELECTRIC PLANT IN SERVICE Schedule 4														
150	PRODUCTION PLANT														
151	PRODUCTION - STEAM			1,817,091	1,817,091	0	0	0	0	0	0	0	0	1,817,091	0
152	PRODUCTION - OTHER			1,216,180	1,216,180	0	0	0	0	0	0	0	0	1,216,180	0
153	TOTAL PROD	P229		3,033,271	3,033,271	0	0	0	0	0	0	0	0	3,033,271	0
154	TRANSMISSION PLANT														
155	MAIN STEP-UP TRANSFORMERS			0	0	0	0	0	0	0	0	0	0	0	0
156	OTHER TRANSMISSION			109,153	0	0	109,153	0	0	0	0	0	0	109,153	0
157	TOTAL TRANSMISSION	T229		109,153	0	0	109,153	0	0	0	0	0	0	109,153	0
158	NET PROD & TRANS PLANT														
159				3,142,424	3,033,271	0	109,153	0	0	0	0	0	0	3,142,424	0
160	DISTRIBUTION PLANT														
161	SUBSTATIONS	S249		230,123	0	0	0	230,123	0	0	230,123	0	230,123	230,123	0
162	POLES, TOWERS & FIXTURES	PL49		200,984	0	0	0	0	200,984	0	200,984	0	200,984	200,984	0
163	CONDUCTORS	SL49		458,237	0	0	0	0	0	458,237	458,237	0	458,237	458,237	0
164	TRANSFORMERS	F249		0	0	0	0	0	0	0	0	0	0	0	0
165	SERVICES	SV49		0	0	0	0	0	0	0	0	0	0	0	0
166	METERS	M249		3,825	0	0	0	0	0	0	0	3,825	3,825	3,825	0
167	OTHER	O249		(1,124)	0	0	0	(244)	(271)	(605)	(1,120)	(4)	(1,124)	(1,124)	0
168	STREET LIGHTS	L249		0	0	0	0	0	0	0	0	0	0	0	0
169	CONSTRUCTION NOT CLASSIFIED	CN49		47,746	0	0	0	10,376	11,506	25,697	47,579	167	47,746	47,746	0
170	RETIREMENT WORK IN PROGRESS	CN49		7,801	0	0	0	1,695	1,880	4,199	7,774	27	7,801	7,801	0
171	TOTAL DIST	D249		947,592	0	0	0	241,950	214,099	487,528	943,577	4,015	947,592	947,592	0
172	NET TRANS & DIST PLANT	NT29		1,056,745	0	0	109,153	241,950	214,099	487,528	943,577	4,015	947,592	1,056,745	0
173	NET FTD PLANT	NT39		4,090,016	3,033,271	0	109,153	241,950	214,099	487,528	943,577	4,015	947,592	4,090,016	0
174	GENERAL & INTANGIBLE PLANT														
175	PRODUCTION-DEMAND			5,448	5,448	0	0	0	0	0	0	0	0	5,448	0
176	PRODUCTION-ENERGY			2,512	0	2,512	0	0	0	0	0	0	0	2,512	0
177	TRANSMISSION			354	40	0	314	0	0	0	0	0	0	354	0
178	DISTRIBUTION			1,847	0	0	0	151	1,398	290	1,839	8	1,847	1,847	0
179	CUSTOMER ACCOUNTING			29	0	0	0	0	0	0	0	29	29	29	0
180	CUSTOMER SERVICE & INFORMATION			10	(13)	(17)	(3)	0	(1)	(2)	(3)	46	43	10	0
181	SALES			0	0	0	0	0	0	0	0	0	0	0	0
182	TOTAL GENERAL AND INTANGIBLE PLANT	G229		10,200	5,475	2,495	311	151	1,397	288	1,836	83	1,919	10,200	0
183	COMMON & OTHER PLANT														
184	PRODUCTION-DEMAND			36,795	36,795	0	0	0	0	0	0	0	0	36,795	0
185	PRODUCTION-ENERGY			17,015	0	17,015	0	0	0	0	0	0	0	17,015	0
186	TRANSMISSION			2,358	269	0	2,089	0	0	0	0	0	0	2,358	0
187	DISTRIBUTION			12,524	0	0	0	1,027	9,479	1,965	12,471	53	12,524	12,524	0
188	CUSTOMER ACCOUNTING			192	0	0	0	0	0	0	0	192	192	192	0
189	CUSTOMER SERVICE & INFORMATION			66	(80)	(118)	(14)	(5)	(10)	(8)	(23)	301	278	66	0
190	SALES			0	0	0	0	0	0	0	0	0	0	0	0
191	TOTAL COM & OTHER PLT	C229		68,950	36,984	16,897	2,075	1,022	9,469	1,957	12,448	546	12,994	68,950	0
192	TOTAL ELECTRIC PLANT IN SERVICE NP29														
193				4,169,166	3,075,730	19,392	111,539	243,123	224,965	489,773	957,861	4,644	962,505	4,169,166	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-9v-1 KW (12 COIN PEAK)														
6	DP														
7				DP	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL		ALL
8	DESCRIPTION	ITEM	ALLOC	PRIMARY DISTRIBUTION	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	OTHER
200	NET ELECTRIC PLANT														
		Schedule 4a													
202	PRODUCTION PLANT														
203	PRODUCTION PLANT IN SERVICE	P129		6,269,382	6,269,382	0	0	0	0	0	0	0	0	6,269,382	0
204	TOTAL PROD DEPRC RESERVE	P171		(3,236,111)	(3,236,111)	0	0	0	0	0	0	0	0	(3,236,111)	0
205	NET PRODUCTION PLANT	P229		3,033,271	3,033,271	0	0	0	0	0	0	0	0	3,033,271	0
206	TRANSMISSION PLANT														
207	TRANSMISSION PLANT IN SERVICE	T129		191,266	0	0	191,266	0	0	0	0	0	0	191,266	0
208	TOTAL TRANS DEPREC RESERVE	T171		(82,113)	0	0	(82,113)	0	0	0	0	0	0	(82,113)	0
210	NET TRANSMISSION PLANT	T229		109,153	0	0	109,153	0	0	0	0	0	0	109,153	0
212	NET PROD & TRANS PLANT			3,142,424	3,033,271	0	109,153	0	0	0	0	0	0	3,142,424	0
213	DISTRIBUTION PLANT														
215	DISTRIBUTION PLANT IN SERVICE	D149		1,458,208	0	0	0	316,891	351,379	784,823	1,453,093	5,115	1,458,208	1,458,208	0
216	TOTAL DIST DEPREC RESERVE	D191		(510,616)	0	0	0	(74,941)	(137,280)	(297,295)	(509,516)	(1,100)	(510,616)	(510,616)	0
217	NET DISTRIBUTION PLANT	D249		947,592	0	0	0	241,950	214,099	487,528	943,577	4,015	947,592	947,592	0
218	NET TRANS & DIST PLANT														
220	NET TRANS & DIST PLANT	NT29		1,056,745	0	0	109,153	241,950	214,099	487,528	943,577	4,015	947,592	1,056,745	0
221	NET PTD PLANT	NT39		4,090,016	3,033,271	0	109,153	241,950	214,099	487,528	943,577	4,015	947,592	4,090,016	0
222	GENERAL & INTANGIBLE PLANT														
224	GEN & INTANG PLANT IN SERVICE	G129		21,784	11,688	5,338	658	322	2,987	617	3,926	174	4,100	21,784	0
225	TOTAL GEN & INTG DEPREC RESERVE	G171		(11,584)	(6,213)	(2,843)	(347)	(171)	(1,590)	(329)	(2,090)	(91)	(2,181)	(11,584)	0
226	NET GENERAL & INTANG PLANT	G229		10,200	5,475	2,495	311	151	1,397	288	1,836	83	1,919	10,200	0
227	COMMON & OTHER PLANT														
229	COMMON & OTH PLT IN SERVICE	C121		133,806	71,775	32,797	4,028	1,984	18,364	3,795	24,143	1,063	25,206	133,806	0
230	TOTAL COM & OTH DEPREC RESERVE	C171		(64,856)	(34,791)	(15,900)	(1,953)	(962)	(8,895)	(1,838)	(11,695)	(517)	(12,212)	(64,856)	0
231	NET COMMON & OTHER PLANT	C229		68,950	36,984	16,897	2,075	1,022	9,469	1,957	12,448	546	12,994	68,950	0
232	NET ELECTRIC PLANT IN SERVICE														
233	NET ELECTRIC PLANT IN SERVICE	NP29		4,169,166	3,075,730	19,392	111,539	243,123	224,965	489,773	957,861	4,644	962,505	4,169,166	0

A		B	C	E	F	G	H	I	J	K	L	N	O	P	R
DUKE ENERGY KENTUCKY		5/26/06 7:38 AM													
COST OF SERVICE STUDY															
TWELVE MONTHS ENDING DECEMBER 31, 2005															
ELECTRIC CASE NO. 2006-00172															
FR-44 KW (13 CORK PEAK)															
DP															
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
DESCRIPTION	ITEM	ALLOC	DP PRIMARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER	
Schedule 5															
RATE BASE ADJUSTMENTS															
235 SUBTRACTIVE ADJUSTMENTS															
236	ACCUM DEF INC TAXES (282)		293,374	216,431	1,365	7,849	17,108	15,830	34,464	67,402	327	67,729	293,374	0	
237	LIBERALIZED DEPRECIATION		2,371	1,750	11	63	137	128	279	544	3	547	2,371	0	
238	MISCELLANEOUS		295,745	218,181	1,376	7,912	17,245	15,958	34,743	67,946	330	68,276	295,745	0	
239	TOTAL ACCOUNT 282														
240	ACCUM DEF INC TAXES (283/284)		(249)	(184)	(1)	(7)	(15)	(13)	(29)	(57)	0	(57)	(249)	0	
241	DEFERRED INCOME TAXES		(249)	(184)	(1)	(7)	(15)	(13)	(29)	(57)	0	(57)	(249)	0	
242	TOTAL ACCOUNT 283/284														
243	TOTAL SUBTRACTIVE ADJUSTMENTS		295,496	217,997	1,375	7,905	17,230	15,945	34,714	67,889	330	68,219	295,496	0	
244 ADDITIVE ADJUSTMENTS															
245	ACCUM DEF INC TAXES (190)		8,218	4,409	2,014	247	122	1,128	233	1,483	65	1,548	8,218	0	
246	MISCELLANEOUS DEFERRALS		8,218	4,409	2,014	247	122	1,128	233	1,483	65	1,548	8,218	0	
247	TOTAL ACCOUNT 190														
248	TOTAL ACCOUNT 190														

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
DESCRIPTION	ITEM	ALLOC	PRIMARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DEMAND	DISTRIBUTION	CUSTOMER DISTRIBUTION	TOTAL DISTRIBUTION	TOTAL	OTHER	ALL	
CONSTRUCTION WORK IN PROGRESS	V232																
PRODUCTION	V234	(27,709)	(27,709)														
TRANSMISSION	V236	10,020	10,020														
DISTRIBUTION	V238	31,882	31,882														
GENERAL	V238	0	0														
COMMON	V240	0	0														
TOTAL RATE BASE CWP	V255	14,193	14,193	(27,709)	0	10,020	6,929	7,682	17,159	31,770	112	31,882	14,193	0	0	0	
TOTAL ADDITIVE ADJUSTMENTS	V289	22,411	22,411	(23,300)	2,014	10,267	7,051	8,810	17,392	33,253	177	33,430	22,411	0	0	0	
NET ORIGINAL COST RATE BASE	R829	3,896,081	3,896,081	2,834,433	20,031	113,901	232,944	217,830	472,451	923,225	4,491	927,716	3,896,081	0	0	0	

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	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
	DUKE ENERGY KENTUCKY														
	COST OF SERVICE STUDY														
	TWELVE MONTHS ENDING DECEMBER 31, 2005														
	ELECTRIC CASE NO: 2006-00172														
	FR-4v-1 KW (12 CONN PEAK)														
	DP														
	DESCRIPTION	ITEM	ALLOC	DP PRIMARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
298	WORKING CAPITAL														
299	MATERIALS & SUPPLIES														
300	FUEL INVENTORIES														
301	FUEL	W640	K_rtprod_e	75,540	0	75,540	0	0	0	0	0	0	0	75,540	0
302	EMISSION ALLOWANCES	W642	K_rtprod_e	50,394	0	50,394	0	0	0	0	0	0	0	50,394	0
303	TOTAL FUEL STOCKS	W644		125,934	0	125,934	0	0	0	0	0	0	0	125,934	0
304	PLANT MATERIALS & SUPPLIES														
305	OTHER	W648	K_EPIS	60,584	44,694	282	1,621	3,534	3,269	7,117	13,920	67	13,987	60,584	0
310	TOTAL PLANT MATERIALS & SUPPLIES	W650		60,584	44,694	282	1,621	3,534	3,269	7,117	13,920	67	13,987	60,584	0
311	TOTAL MATERIALS & SUPPLIES														
312		W669	TOT_M&S	186,518	44,694	126,216	1,621	3,534	3,269	7,117	13,920	67	13,987	186,518	0
313	PREPAYMENTS														
314	INSURANCE	W670	K_A&GenAdj	2,499	1,340	613	75	37	343	71	451	20	471	2,499	0
315	COAL SYN FUEL AND MARGIN DEPOSITS	W684	K_rtprod_e	53,676	0	53,676	0	0	0	0	0	0	0	53,676	0
316	TOTAL PREPAYMENTS	W689		56,175	1,340	54,289	75	37	343	71	451	20	471	56,175	0
317	TOTAL WORKING CAPITAL														
318		W719		102,581	72,958	4,717	15,675	737	6,815	1,411	8,963	268	9,231	102,581	0
319	TOTAL WORKING CASH	W729		102,581	72,958	4,717	15,675	737	6,815	1,411	8,963	268	9,231	102,581	0
320	TOTAL WORKING CAPITAL														
321		WC79		345,274	118,992	185,222	17,371	4,308	10,427	8,599	23,334	355	23,689	345,274	0
322	PRELIMINARY SUMMARY														
323	TOTAL SUBTRACTIVE ADJUSTMENTS	B267		(295,496)	(217,997)	(1,375)	(7,905)	(17,230)	(15,945)	(34,714)	(67,889)	(330)	(68,219)	(295,496)	0
324	TOTAL ADDITIVE ADJUSTMENTS	V289		22,411	(23,300)	2,014	10,267	7,051	8,810	17,392	33,253	177	33,430	22,411	0
325	TOTAL WORKING CAPITAL	WC71		345,274	118,992	185,222	17,371	4,308	10,427	8,599	23,334	355	23,689	345,274	0
326	TOTAL RATE BASE ADJUSTMENTS	RB71		72,189	(122,305)	185,861	19,733	(5,871)	3,292	(8,723)	(11,302)	202	(11,100)	72,189	0
327	RATE BASE CALCULATION														
328	NET ELECTRIC PLANT IN SERVICE	NP21		4,169,166	3,075,730	19,392	111,539	243,123	224,965	489,773	957,861	4,644	962,505	4,169,166	0
329	TOTAL RATE BASE ADJUSTMENTS	RB71		72,189	(122,305)	185,861	19,733	(5,871)	3,292	(8,723)	(11,302)	202	(11,100)	72,189	0
330	TOTAL RATE BASE	RB99	TOT_RB	4,241,355	2,953,425	205,253	131,272	237,252	228,257	481,050	946,559	4,846	951,405	4,241,355	0
331	CAPITALIZATION ALLOC TO ELECTRIC OPER														
332		ECAP	K_OCDRB	3,998,327	2,784,195	193,492	123,750	223,658	215,178	453,486	892,322	4,568	896,890	3,998,327	0
333	TOTAL RATE OF RETURN ALLOWABLE														
334		RORA	ror_Allow_from	0.0780	0.0780	0.0780	0.0780	0.0780	0.0780	0.0780	0.0780	0.0780	0.0780	0.0780	0.0780
335	RETURN ON CAPITALIZATION	R751		311,747	217,082	15,086	9,649	17,439	16,777	35,358	69,574	356	69,930	311,747	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
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4	ELECTRIC CASE NO: 2006-00172														
5	FR#v-1 KW (12 COIN PEAK)														
6	DP														
7															
8	DESCRIPTION	ITEM	ALLOC	DP PRIMARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
343	O&M EXPENSES	Schedule 6													
344	PRODUCTION O&M														
345	ENERGY RELATED PRODUCTION O&M														
346	FUEL	P300		K_rtprod_e	737,251	0	737,251	0	0	0	0	0	0	737,251	0
347	MISCELLANEOUS	P302		K_rtprod_e	0	0	0	0	0	0	0	0	0	0	0
349	EMISSION ALLOWANCES	P306		K_rtprod_e	46,278	0	46,278	0	0	0	0	0	0	46,278	0
350	ELIMINATE EMISSION ALLOW & OTHER VAR COST	P308		K_rtprod_e	68,989	0	68,989	0	0	0	0	0	0	68,989	0
351	OTHER PRODUCTION EXPENSE - MAINTENANCE	P310		K_rtprod_e	111,690	0	111,690	0	0	0	0	0	0	111,690	0
352	MISO TRANSMISSION CHARGES ACCT IN 555	P312		K_rtprod_e	102,556	0	102,556	0	0	0	0	0	0	102,556	0
353	TOTAL ENERGY RELATED	P349			1,066,764	0	1,066,764	0	0	0	0	0	0	1,066,764	0
354															
355	DEMAND RELATED PROD O&M														
356	ELIMINATE MISCELLANEOUS	P344		K_rtprod_d	0	0	0	0	0	0	0	0	0	0	0
359	OTHER PRODUCTION EXPENSE - OPERATIONS	P346		K_rtprod_d	155,913	155,913	0	0	0	0	0	0	0	155,913	0
360	TOTAL DEMAND RELATED	P349			155,913	155,913	0	0	0	0	0	0	0	155,913	0
361															
362	TOTAL PRODUCTION O&M	P459			1,222,677	155,913	1,066,764	0	0	0	0	0	0	1,222,677	0
363															
364	TRANSMISSION O & M														
365	TRANSFORMER LEASE PAYMENTS	T300		K_rtprod_d	15,563	15,563	0	0	0	0	0	0	0	15,563	0
366	OTHER TRANSMISSION	T302		K_rtrasm_oth	143,383	0	0	143,383	0	0	0	0	0	143,383	0
367	MISCELLANEOUS ADJUSTMENTS	T304		K_gross_transp	(33,706)	0	0	(33,706)	0	0	0	0	0	(33,706)	0
368	NETWORK SERVICE RATES ADJUSTMENT	T305		K_gross_transp	11,088	0	0	11,088	0	0	0	0	0	11,088	0
369	TOTAL TRANSMISSION O & M	T349			136,328	15,563	0	120,765	0	0	0	0	0	136,328	0
370															
371	DISTRIBUTION O & M														
373	SUBSTATIONS	D300		K_Subst	826	0	0	0	826	0	0	0	826	826	0
374	POLES, TOWERS & FIXTURES	D302		K_Poles	30,900	0	0	0	30,900	0	30,900	0	30,900	30,900	0
375	CONDUCTORS	D304		K_Conductors	1,296	0	0	0	0	1,296	1,296	0	1,296	1,296	0
376	TRANSFORMERS	D306		K_Transformer	0	0	0	0	0	0	0	0	0	0	0
377	OTHER MAINTENANCE	D308		K_distnet	3,036	0	0	0	775	686	1,562	13	3,036	3,036	0
378	METERS	D310		K_rbdist_c	151	0	0	0	0	0	0	151	151	151	0
379	STREET LIGHTS	D314		K_rbdist_c	0	0	0	0	0	0	0	0	0	0	0
380	OTHER OPERATIONS	D316		K_distnet	7,686	0	0	0	1,962	1,737	3,954	33	7,686	7,686	0
381	MISCELLANEOUS EXPENSES	D318		K_rbdist_c	(13)	0	0	0	0	0	0	(13)	(13)	(13)	0
382	AFFILIATED COMPANY RENTS	D320		K_distnet	204	0	0	0	52	46	105	1	204	204	0
383	TOTAL DISTRIBUTION O & M	D349			44,086	0	0	0	3,615	33,369	6,917	185	44,086	44,086	0
384															
385	CUSTOMER ACCOUNTING														
386	CUSTOMER ACCOUNTING EXPENSE	C300		K_rbdist_c	458	0	0	0	0	0	0	458	458	458	0
387	ADJUST UNCOLLECTIBLE ACCOUNTS	C302		K_Func_Rev	0	0	0	0	0	0	0	0	0	0	0
388	METER READING	C304		K_rbdist_c	131	0	0	0	0	0	0	131	131	131	0
389	LOSS ON SALE OF AVR & INCR AVR ON INCR	C306		K_Func_Rev	0	0	0	0	0	0	0	0	0	0	0
390	MISCELLANEOUS EXPENSE ADJUSTMENT	C308		K_rbdist_c	(2)	0	0	0	0	0	0	(2)	(2)	(2)	0
391	TOTAL CUSTOMER ACCT EXPENSE	C319			587	0	0	0	0	0	0	587	587	587	0
392															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
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4	ELECTRIC CASE NO: 2006-00172														
5	FR#v-1 KW (12 COIN PEAK)														
6	DP														
7	5/28/06 7:36 AM														
8	DESCRIPTION	ITEM	ALLOC	DP PRIMARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
395	CUSTOMER SERVICE & INFORMATION														
396	CUSTOMER SERVICE & INFORMATION	C320	K_rbdist_c	177	0	0	0	0	0	0	0	177	177	177	0
398	INFORMATIONAL & INSTRUCTIONAL ADV	C322	K_rbdist_c	33	0	0	0	0	0	0	0	33	33	33	0
398	CUSTOMER SERVICE & INFORM PROFORMA	C324	K_rbdist_c	(64)	0	0	0	0	0	0	0	(64)	(64)	(64)	0
397	AMI	C326	K_Func_Rev	(114)	(39)	(57)	(7)	(2)	(5)	(4)	(11)	0	(11)	(114)	0
398	TOTAL CUSTOMER SERV & INFORMATION	C331		32	(39)	(57)	(7)	(2)	(5)	(4)	(11)	146	135	32	0
399															
400	SALES	Schedule 6													
401	SALES EXPENSE	S300	K_rbdist_c	1	0	0	0	0	0	0	0	1	1	1	0
403	SALES EXPENSE PROFORMA	S304	K_rbdist_c	(1)	0	0	0	0	0	0	0	(1)	(1)	(1)	0
404	TOTAL SALES EXPENSE	S319		0	0	0	0	0	0	0	0	0	0	0	0
405															
406	SUBTOTAL O&M EXCL. A&G			1,403,710	171,437	1,066,707	120,758	3,613	33,364	6,913	43,890	918	44,808	1,403,710	0
407															
408	ADMINISTRATIVE & GENERAL														
409	A&G EXPENSE EXCL. REGULATORY EXP														
410	PRODUCTION-DEMAND RELATED	A300	K_rbprod_d	87,954	87,954	0	0	0	0	0	0	0	0	87,954	0
411	PRODUCTION-ENERGY RELATED	A302	K_rbprod_e	40,679	0	40,679	0	0	0	0	0	0	0	40,679	0
412	TRANSMISSION	A304	K_tranO&M	5,638	644	0	4,994	0	0	0	0	0	0	5,638	0
413	DISTRIBUTION	A306	K_distO&M	29,906	0	0	0	2,453	22,636	4,692	29,781	125	29,906	29,906	0
414	CUSTOMER ACCOUNTING	A308	K_CA_O&M	459	0	0	0	0	0	0	0	459	459	459	0
415	CUSTOMER SERVICE & INFORMATION	A310	K_CSI_O&M	159	(194)	(283)	(35)	(9)	(25)	(20)	(54)	725	671	159	0
416	SALES	A312	K_Sales_O&M	0	0	0	0	0	0	0	0	0	0	0	0
417	A&G EXPENSE UNADJUSTED	A315		164,795	88,404	40,396	4,959	2,444	22,611	4,672	29,727	1,309	31,036	164,795	0
418	RATE CASE EXPENSE	A318	K_A&GexAdj	497	266	122	15	8	68	14	90	4	94	497	0
425	ELIMINATE MISCELLANEOUS EXPENSES	A340	K_A&GexAdj	(821)	(440)	(201)	(25)	(12)	(113)	(23)	(148)	(7)	(155)	(821)	0
427	IMPLEMENT AUTOMATED METER READING	A342	K_A&GexAdj	524	281	128	16	8	72	15	95	4	99	524	0
431	AMORTIZATION OF DEFERRED EXPENSES	A352	K_A&GexAdj	5,112	2,742	1,253	154	76	701	145	922	41	963	5,112	0
432	MISCELLANEOUS	A354	K_A&GexAdj	0	0	0	0	0	0	0	0	0	0	0	0
433	ELIMINATE INCENTIVE COMPENSATION	A356	K_A&GexAdj	(15,919)	(8,540)	(3,902)	(479)	(237)	(2,184)	(451)	(2,872)	(126)	(2,998)	(15,919)	0
434	TOTAL ADMIN. & GENERAL	A357		154,188	82,713	37,796	4,640	2,287	21,155	4,372	27,814	1,225	29,039	154,188	0
435															
436	TOTAL O & M EXPENSE	OM39	TOT O&M	1,557,898	254,150	1,104,503	125,398	5,900	54,519	11,285	71,704	2,143	73,847	1,557,898	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														5/28/06 7:38 AM
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-#v-1 KW (12 COIN PEAK)														
6	DP														
7				DP							TOTAL				
8	DESCRIPTION	ITEM	ALLOC	PRIMARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
437	DEPRECIATION EXPENSE Schedule 7														
438	PRODUCTION DEPRECIATION														
440	PRODUCTION DEPRECIATION	P460	K_rbprod_d	179,838	179,838	0	0	0	0	0	0	0	0	179,838	0
441	PROFORMA ADJUSTMENT	P482	K_rbprod_d	0	0	0	0	0	0	0	0	0	0	0	0
442	TOTAL PRODUCTION DEPREC EXP.	P489		179,838	179,838	0	0	0	0	0	0	0	0	179,838	0
443	TRANSMISSION DEPRECIATION														
444	TRANSMISSION DEPRECIATION	T460	K_tranmet	4,346	0	0	4,346	0	0	0	0	0	0	4,346	0
446	PROFORMA ADJUSTMENT	T462	K_tranmet	0	0	0	0	0	0	0	0	0	0	0	0
447	TOTAL TRANSMISSION DEP. EXP.	T489		4,346	0	0	4,346	0	0	0	0	0	0	4,346	0
448	DISTRIBUTION DEPRECIATION														
449	DISTRIBUTION DEPRECIATION	D460	K_distnet	50,374	0	0	0	12,862	11,382	25,917	50,161	213	50,374	50,374	0
451	PROFORMA ADJUSTMENT	D462	K_distnet	0	0	0	0	0	0	0	0	0	0	0	0
452	TOTAL DIST. DEPREC EXP.	D489		50,374	0	0	0	12,862	11,382	25,917	50,161	213	50,374	50,374	0
453	GENERAL DEPRECIATION														
455	GENERAL DEPRECIATION	G460	K_gennet	628	337	154	19	9	86	18	113	5	118	628	0
456	PROFORMA ADJUSTMENT	G462	K_gennet	0	0	0	0	0	0	0	0	0	0	0	0
457	TOTAL GENERAL DEPREC EXP.	G489		628	337	154	19	9	86	18	113	5	118	628	0
458	COMMON AND OTHER DEPRECIATION														
459	COMMON DEPRECIATION	C460	K_comnet	3,996	2,144	979	120	59	549	113	721	32	753	3,996	0
461	PROFORMA ADJUSTMENT	C462	K_comnet	0	0	0	0	0	0	0	0	0	0	0	0
462	TOTAL COM & OTHER DEPREC EXP.	C489		3,996	2,144	979	120	59	549	113	721	32	753	3,996	0
463	TOTAL DEPRECIATION EXPENSE														
464	TOTAL DEPRECIATION EXPENSE	DE49	TOT_DEPREX	239,182	182,319	1,133	4,485	12,930	12,017	26,048	50,995	250	51,245	239,182	0
465															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
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3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-Inv-1 KW (12 COIN PEAK)														
6	DP														
7															
8	DESCRIPTION	ITEM	ALLOC	DP PRIMARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
466	TAXES OTHER THAN INC & REV	Schedule B													
467	REAL ESTATE & PROPERTY TAX														
468	PRODUCTION	L500	K_rtprod_d	21,148	21,148	0	0	0	0	0	0	0	0	21,148	0
469	TRANSMISSION	L501	K_tranmet	2,183	0	0	2,183	0	0	0	0	0	0	2,183	0
470	DISTRIBUTION	L502	K_distnet	14,738	0	0	0	3,763	3,330	7,583	14,676	62	14,738	14,738	0
471	OTHER	L514	K_EPIS	0	0	0	0	0	0	0	0	0	0	0	0
472	TOTAL REAL EST & PROP TAX	L529	PROP_TAX	38,069	21,148	0	2,183	3,763	3,330	7,583	14,676	62	14,738	38,069	0
473															
474	MISCELLANEOUS TAXES														
475	PAYROLL RELATED	L568	K_AA/GeoAdj	11,967	6,420	2,933	360	178	1,642	339	2,159	95	2,254	11,967	0
476	OTHER STATE TAXES	L562	K_AA/GeoAdj	0	0	0	0	0	0	0	0	0	0	0	0
477	ELIMINATE NON-NATIVE SALES	L564	K_AA/GeoAdj	(251)	(134)	(62)	(8)	(4)	(34)	(7)	(45)	(2)	(47)	(251)	0
478	AUTO LICENSES, ETC	L560	K_AA/GeoAdj	49	27	12	1	1	7	1	9	0	9	49	0
479	ELIMINATE UNBILLED REVENUE	L562	K_AA/GeoAdj	(1)	(1)	0	0	0	0	0	0	0	0	(1)	0
480	AFFILIATED COMPANY RENTS	L564	K_AA/GeoAdj	1	1	0	0	0	0	0	0	0	0	1	0
481	MISCELLANEOUS	L566	K_AA/GeoAdj	0	0	0	0	0	0	0	0	0	0	0	0
482	DSM ELIMINATION	L588	K_rtprod_d	(1)	(1)	0	0	0	0	0	0	0	0	(1)	0
483	TOTAL MISCELLANEOUS TAXES	L589		11,764	6,312	2,883	353	175	1,615	333	2,123	93	2,216	11,764	0
484															
485	MISCELLANEOUS EXPENSES														
487	PSC MAINTENANCE ON INCREASE	L584	K_Func_Rev	576	195	287	37	11	23	22	56	1	57	576	0
488	TOTAL MISCELLANEOUS EXPENSES	L599		576	195	287	37	11	23	22	56	1	57	576	0
489															
490	TOTAL OTHER TAX & MISC EXPENSE	L591		50,409	27,655	3,170	2,573	3,949	4,968	7,938	16,855	156	17,011	50,409	0
491															
492	PRELIMINARY SUMMARY														
493	TOTAL O&M EXPENSE	OM39		1,557,898	254,150	1,104,503	125,398	5,900	54,519	11,285	71,704	2,143	73,847	1,557,898	0
494	TOTAL DEPRECIATION EXPENSE	DE49		239,182	182,319	1,133	4,485	12,930	12,017	26,048	50,995	250	51,245	239,182	0
495	TOTAL OTHER TAX & MISC EXPENSE	L599		50,409	27,655	3,170	2,573	3,949	4,968	7,938	16,855	156	17,011	50,409	0
496	TOTAL OP EXP EXC IT & OTHER TAX	OP69		1,847,489	464,124	1,108,806	132,456	22,779	71,504	45,271	139,554	2,549	142,103	1,847,489	0
497															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-Inv-1 KW (12 CONN PEAK)														
6	DP														
7				DP							TOTAL				
8	DESCRIPTION	ITEM	ALLOC	PRIMARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
498	INCOME TAX BASED ON RETURN														
499	FEDERAL INCOME TAX DEDUCTIONS														
500	AUTOMATIC INTEREST CALCULATION														
501	AUTO PROC INTEREST DED	Y751	K_EPIS	116,169	85,702	540	3,108	6,775	6,268	13,647	26,690	129	26,819	116,169	0
502	TOTAL INTEREST EXPENSE	Y783	TOT_INT	116,169	85,702	540	3,108	6,775	6,268	13,647	26,690	129	26,819	116,169	0
503	OTHER DEDUCTIONS														
505	DEPR. EXCESS TAX OVER BOOK	Y790	K_Depr_Ex	23,005	17,536	109	431	1,244	1,156	2,505	4,905	24	4,929	23,005	0
507	LOSS ON REACQUIRED DEBT	Y794	K_EPIS	(887)	(654)	(4)	(24)	(52)	(48)	(104)	(204)	(1)	(205)	(887)	0
509	COST OF REMOVAL	Y798	K_Depr_Ex	10,952	8,349	52	205	592	550	1,193	2,335	11	2,346	10,952	0
512	METER CAPITAL LEASE PRINCIPLE PAYMENTS	Y804	K_rbdist_c	262	0	0	0	0	0	0	0	262	262	262	0
515	OTHER PERMANENT DIFFERENCES	Y816	K_EPIS	10,185	7,515	47	272	594	550	1,196	2,340	11	2,351	10,185	0
518	TOTAL OTHER DEDUCTIONS	Y828		43,517	32,746	204	884	2,378	2,208	4,790	9,376	307	9,683	43,517	0
520	NET DEDUCTIONS AND ADDITIONS	Y871		159,686	118,448	744	3,992	9,153	8,476	18,437	36,066	436	36,502	159,686	0
522	FEDERAL INCOME TAX ADJUSTMENTS														
524	FED PROV DEF INC TAX DEFERRALS (410.1)														
528	ANNUALIZE DEPRECIATION	Z768	K_EPIS	(541)	(399)	(3)	(14)	(31)	(29)	(64)	(124)	(1)	(125)	(541)	0
531	MISCELLANEOUS	Z762	K_A&GenAdj	(4,030)	(2,162)	(988)	(121)	(60)	(553)	(114)	(727)	(32)	(759)	(4,030)	0
532	MISCELLANEOUS PROFORMA ADJUSTMENT	Z770	K_EPIS	0	0	0	0	0	0	0	0	0	0	0	0
533	RECLASSIFY NON-JURIS INCOME TAX	Z770	K_rbrod_d	17,977	17,977	0	0	0	0	0	0	0	0	17,977	0
536	TOTAL FED PROV DEF IT DEFERRALS (410.1)	Z782		13,406	15,416	(991)	(135)	(91)	(582)	(178)	(651)	(33)	(684)	13,406	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
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3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-BV-1 KW (12 CONN PEAK)														
6	DP														
7				DP	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL		ALL
8	DESCRIPTION	ITEM	ALLOC	PRIMARY DISTRIBUTION	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	DISTRIBUTION	TOTAL	OTHER
554	AMORTIZED INV TAX CREDIT	Schedule 9a													
555	MISCELLANEOUS	Z804	K_A&GenAdj	0	0	0	0	0	0	0	0	0	0	0	0
556	AMORTIZE ITC	Z808	K_EPIS	1,029	758	5	28	60	56	121	237	1	238	1,029	0
557	TOTAL AMORTIZED ITC	Z813		1,029	758	5	28	60	56	121	237	1	238	1,029	0
558															
559	TEST YEAR INV TAX CREDIT			0											
560	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
561															
562	PRELIMINARY SUMMARY														
563	TOTAL FED PROV DEF IT (410.1)	Z782		13,406	15,416	(991)	(135)	(91)	(582)	(178)	(851)	(33)	(884)	13,406	0
564	TOTAL FED PROV DEF IT (411.1)	Z803		0	0	0	0	0	0	0	0	0	0	0	0
565	TOTAL AMORTIZED ITC	Z813		(1,029)	(758)	(5)	(28)	(60)	(56)	(121)	(237)	(1)	(238)	(1,029)	0
566	TOTAL FEDERAL TAX ADJUSTMENTS	Z883		12,377	14,658	(996)	(163)	(151)	(638)	(299)	(1,088)	(34)	(1,122)	12,377	0
567															
568	FEDERAL INCOME TAX COMPUTATION														
569	RETURN ON CAPITALIZATION	R751		311,747	217,082	15,086	9,649	17,439	16,777	35,358	69,574	356	69,930	311,747	0
570	NET DEDUCTIONS AND ADDITIONS	Y871		(159,686)	(118,448)	(744)	(3,992)	(9,153)	(8,476)	(18,437)	(36,066)	(436)	(36,502)	(159,686)	0
571	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		12,377	14,658	(996)	(163)	(151)	(638)	(299)	(1,088)	(34)	(1,122)	12,377	0
572	TOTAL STATE PROV DEF IT (410.1)	Z911		2,824	2,921	(1)	(10)	(23)	(20)	(43)	(86)	0	(86)	2,824	0
573	TOTAL STATE PROV DEF IT (411.1)	Z933		0	0	0	0	0	0	0	0	0	0	0	0
574	AFUDC OFFSET	Z935		(1,243)	2,427	0	(878)	(606)	(673)	(1,503)	(2,782)	(10)	(2,792)	(1,243)	0
575	BASE FOR FIT COMPUTATION	1865		166,019	118,640	13,345	4,606	7,506	6,970	15,076	29,552	(124)	29,428	166,019	0
576															
577	FIT FACTOR K190/(1-K190)	1887	FTTcomp_from	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538
578	PRELIM FEDERAL INCOME TAX	1869		89,395	63,883	7,186	2,480	4,042	3,753	8,118	15,913	(67)	15,846	89,395	0
579	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		12,377	14,658	(996)	(163)	(151)	(638)	(299)	(1,088)	(34)	(1,122)	12,377	0
580	NET FED INCOME TAX ALLOWABLE	1879		101,772	78,541	6,190	2,317	3,891	3,115	7,819	14,825	(101)	14,724	101,772	0
581															
582	INCOME TAX BASED ON RETURN														
583	FEDERAL INCOME TAX PAYABLE														
584	PRELIM FEDERAL INCOME TAX	1869		89,395	63,883	7,186	2,480	4,042	3,753	8,118	15,913	(67)	15,846	89,395	0
585	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
586	NET FED INCOME TAX PAYABLE	1889		89,395	63,883	7,186	2,480	4,042	3,753	8,118	15,913	(67)	15,846	89,395	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-0v-1 KW (12 COIN PEAK)														
6	DP														
7	5/28/06 7:36 AM														
8	DESCRIPTION	ITEM	ALLOC	DP PRIMARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
597	STATE INCOME TAX														
598	Schedule 9b														
599	DEDUCTIONS IN ADDITION TO Y871														
599	BONUS DEPRECIATION	Y890	K_Depr_Ex	7,996	6,095	38	150	432	402	871	1,705	8	1,713	7,996	0
599	DEDUCTIONS IN ADD TO Y871	Y911		7,996	6,095	38	150	432	402	871	1,705	8	1,713	7,996	0
599	STATE INCOME TAX ADJUSTMENTS														
597	STATE PROV DEF INC TAX DEFERRALS (410.1)														
600	NET DEFERRED TAXES	Z896	K_EPIS	(284)	(209)	(1)	(8)	(18)	(15)	(33)	(66)	0	(66)	(284)	0
601	ANNUALIZE DEPRECIATION	Z896	K_Depr_Ex	(95)	(73)	0	(2)	(5)	(5)	(10)	(20)	0	(20)	(95)	0
604	NON-JURISDICTIONAL TAX	Z896	K_rbrod_d	3,203	3,203	0	0	0	0	0	0	0	0	3,203	0
605	TOT STATE PROV DEF IT DEFERRALS (410.1)	Z911		2,824	2,921	(1)	(10)	(23)	(20)	(43)	(86)	0	(86)	2,824	0
610	TOTAL STATE INC TAX ADJUSTMENT	Z957		2,824	2,921	(1)	(10)	(23)	(20)	(43)	(86)	0	(86)	2,824	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
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4	ELECTRIC CASE NO: 2006-00172														
5	FR-IV-1 KW (12 COIN PEAK)														
6	DP														
7				DP							TOTAL				
8	DESCRIPTION	ITEM	ALLOC	PRIMARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
627	INCOME TAX BASED ON RETURN Schedule Bc														
628	SUMMARY OF SIT CALCULATION														
630	RETURN ON CAPITALIZATION	R751		311,747	217,082	15,086	9,649	17,439	16,777	35,358	69,574	356	69,930	311,747	0
631	NET FED INCOME TAX ALLOWABLE	I879		101,772	78,541	6,190	2,317	3,891	3,115	7,819	14,825	(101)	14,724	101,772	0
632	NET FED. DED. AND ADDITIONS	Y871		(159,686)	(118,448)	(744)	(3,992)	(9,153)	(8,476)	(18,437)	(36,066)	(436)	(36,502)	(159,686)	0
633	DEDUCTIONS IN ADD TO Y871	Y911		(7,996)	(6,095)	(38)	(150)	(432)	(402)	(871)	(1,705)	(8)	(1,713)	(7,996)	0
634	AFUDC OFFSET	L033		(1,243)	2,427	0	(878)	(606)	(673)	(1,503)	(2,782)	(10)	(2,792)	(1,243)	0
635	TOTAL STATE INC TAX ADJ	Z957		2,824	2,921	(1)	(10)	(23)	(20)	(43)	(86)	0	(86)	2,824	0
636	BASE FOR SIT COMPUTATION	J965		247,418	176,428	20,493	6,936	11,116	10,321	22,323	43,760	(199)	43,561	247,418	0
637															
638	SIT FACTOR K192/(1-K192)	J967	sl_tam	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378		0.061434378
639	PRELIMINARY STATE INCOME TAX	J969		15,200	10,839	1,259	426	683	634	1,371	2,688	(12)	2,676	15,200	0
640	TOTAL STATE INCOME TAX ADJ.	Z957		2,824	2,921	(1)	(10)	(23)	(20)	(43)	(86)	0	(86)	2,824	0
641	NET STATE INC TAX ALLOWABLE	J979		18,024	13,760	1,258	416	660	614	1,328	2,602	(12)	2,590	18,024	0
642															
643	STATE INCOME TAX PAYABLE														
644	PRELIMINARY STATE INCOME TAX	J969		15,200	10,839	1,259	426	683	634	1,371	2,688	(12)	2,676	15,200	0
645	OTHER SIT ADJUSTMENTS	Z955		0	0	0	0	0	0	0	0	0	0	0	0
646	NET STATE INCOME TAX PAYABLE	J989		15,200	10,839	1,259	426	683	634	1,371	2,688	(12)	2,676	15,200	0
647															
648	COMPOSITE TAX RATE	CTAX	ctax_tam	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621
649															
650															
651															
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654															

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1	DUKE ENERGY KENTUCKY														
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3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-9v-1 KW (12 COIN PEAK)														
6	DP														
7				DP							TOTAL				
8	DESCRIPTION	ITEM	ALLOC	PRIMARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
655	COST OF SERVICE COMPUTATION														
656	Schedule 10														
657	OTHER OPERATING REVENUES														
658	RENTAL REVENUE	Q000	K_EPIS	10,768	7,944	50	288	628	581	1,265	2,474	12	2,486	10,768	0
659	BAD CHECK CHARGE	Q002	K_Func_Rev	82	28	41	5	2	3	3	8	0	8	82	0
660	ELIMINATE NON-NATIVE SALES	Q002	K_rtprod_e	(150,416)	0	(150,416)	0	0	0	0	0	0	0	(150,416)	0
661	SALES FOR RESALE	Q002	K_rtprod_e	150,416	0	150,416	0	0	0	0	0	0	0	150,416	0
662	RECONNECTION CHARGES	Q002	K_Func_Rev	426	144	213	27	8	17	16	41	1	42	426	0
663	INTERRUPTIBLE CREDIT	Q002	K_Func_Rev	(433)	(147)	(216)	(27)	(8)	(17)	(17)	(42)	(1)	(43)	(433)	0
664	BILLING CYCLE IMPROVEMENT	Q004	K_Func_Rev	3,020	1,024	1,507	191	57	121	116	294	4	298	3,020	0
665	OTHER MISCELLANEOUS REVENUES	Q008	K_Func_Rev	416	141	208	26	7	17	16	40	1	41	416	0
666	MISCELLANEOUS	Q008	K_Func_Rev	0	0	0	0	0	0	0	0	0	0	0	0
667	TOTAL OTHER OPERATING REVS	Q027		14,279	9,134	1,803	510	694	722	1,399	2,815	17	2,832	14,279	0
670	COST OF SERVICE COMPUTATION														
671	TOTAL OF EXP EXC INC & REV TAX														
672		OP69		1,847,489	464,124	1,108,806	132,456	22,779	71,504	45,271	139,554	2,549	142,103	1,847,489	0
673	RETURN ON CAPITALIZATION	R751		311,747	217,082	15,086	9,649	17,439	16,777	35,358	69,574	356	69,930	311,747	0
674	NET FED INCOME TAX ALLOWABLE	I879		101,772	78,541	6,190	2,317	3,891	3,115	7,819	14,825	(101)	14,724	101,772	0
675	NET STATE INCOME TAX ALLOWABLE	J879		18,024	13,760	1,258	416	660	614	1,328	2,602	(12)	2,590	18,024	0
676	TOTAL OTHER OPERATING REVENUES	Q027		(14,279)	(9,134)	(1,803)	(510)	(694)	(722)	(1,399)	(2,815)	(17)	(2,832)	(14,279)	0
677	SUBTOTAL B	CS03		2,264,753	764,373	1,129,537	144,328	44,075	91,288	88,377	223,740	2,775	226,515	2,264,753	0
678	COST OF SERVICE COMPUTATION														
679	TOTAL OTHER OPERATING REVENUES	Q027		14,279	9,134	1,803	510	694	722	1,399	2,815	17	2,832	14,279	0
680	LESS: OTHER ITEMS			0	0	0	0	0	0	0	0	0	0	0	0
681	OTHER OPERATING REVS TO BE TAXED	OORT		14,279	9,134	1,803	510	694	722	1,399	2,815	17	2,832	14,279	0
682	COST OF SERVICE COMPUTATION														
683	AFUDC OFFSET	L032		(1,243)	2,427	0	(878)	(606)	(673)	(1,503)	(2,782)	(10)	(2,792)	(1,243)	0
684	OTHER DEDUCTIONS TO COST OF SERVICE	L033		(1,243)	2,427	0	(878)	(606)	(673)	(1,503)	(2,782)	(10)	(2,792)	(1,243)	0
687	TOTAL ELECTRIC COST OF SERVICE	CS09		2,263,510	766,800	1,129,537	143,450	43,469	90,615	86,874	220,958	2,765	223,723	2,263,510	0
688	COST OF SERVICE COMPUTATION														
689	PROPOSED REVENUES	R602		2,263,509										2,263,509	0
690	TOTAL ELECTRIC COST OF SERVICE	CS09		(2,263,510)										(2,263,510)	0
691	EXCESS REVENUES	XREV		(1)										(1)	0
692	COMPOSITE TAX RATE	CTAX	PPCOMPTAX_FROM	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621
693	EXCESS TAX	XTAX		0										0	0
694	EXCESS RETURN	XRET		(1)										(1)	0
695															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-0v-1 KW(12 CON PEAK)														
6	DP														
7															
8	DESCRIPTION	ITEM	ALLOC	DP PRIMARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
696	ROR AND TAX RATES														
697	Schedule 11														
698	RATE OF RETURN														
699	CAPITALIZATION AMOUNTS														
700		CAP_FROM		Total Company	Ratio										
701	LONG TERM DEBT	K100		275,774,125	0.406259216										
702	PREFERRED STOCK	K102		0	0.000000000										
703	COMMON STOCK	K104		345,393,322	0.508819383										
704	SHORT TERM DEBT	K106		57,645,769	0.084921401										
705	UNAMORTIZED DISCOUNT	K108		0	0.000000000										
706	TOTAL	K115		678,813,216	1.000000000										
707	COST OF CAPITAL														
708	LONG TERM DEBT	K120		0.0609											
709	PREFERRED STOCK	K122		0.0000											
710	COMMON STOCK	K124		0.1150											
711	SHORT TERM DEBT	K126		0.0514											
712	UNAMORTIZED DISCOUNT	K128		0.0000											
713	WEIGHTED COST OF CAPITAL														
714	LONG TERM DEBT	K141		0.0247											
715	PREFERRED STOCK	K143		0.0000											
716	COMMON STOCK	K145		0.0585											
717	SHORT TERM DEBT	K147		0.0044											
718	UNAMORTIZED DISCOUNT	K149		0.0000											
719	TOT RATE OF RETURN ALLOWABLE	RORA	ROR_EARNL_FROM	0.0876											
720	TAX RATES AND SPECIAL FACTORS														
721	SHORT TERM DEBT COST	K180		0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
722	FEDERAL INCOME TAX RATE	K180	FIT_FROM	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000
723	STATE INCOME TAX RATE	K192	STATETX_FROM	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788
724	REVENUE TAX RATE	K196		0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
725	PRESENT REVENUES	R600		1,764,802	0	0	0	0	0	0	0	0	0	1,764,802	0
726	PROPOSED REVENUES	R602		2,263,509	0	0	0	0	0	0	0	0	0	2,263,509	0
727	PRESENT NOI			6,349											
728	GROSS PRESENT REV AT AVERAGE ROR			1,848,731											
729	SUBSIDY EXCESS			(83,929)											
730	REDUCTION IN SUBSIDY EXCESS			(20,982)											
731	RATE INCREASE			477,725											
732	TAX COMPLEMENT														

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-#1 KW(12 CONN PEAK)														
6	DP														
7															
8	DESCRIPTION	ITEM	ALLOC	DP PRIMARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
745	INCOME TAX BASED ON REVENUES														
746	Schedule 12														
747	NET INCOME COMPUTATION														
747	TOTAL ELECTRIC COST OF SERVICE	CS09		2,263,510	766,800	1,129,537	143,450	43,469	90,615	86,874	220,958	2,765	223,723	2,263,510	0
748	TOTAL OTHER OPERATING REVENUES	Q027		14,279	9,134	1,803	510	694	722	1,399	2,815	17	2,832	14,279	0
749	TOTAL ELECTRIC REVENUE	CS07		2,277,789	775,934	1,131,340	143,960	44,163	91,337	88,273	223,773	2,782	226,555	2,277,789	0
750	TOTAL OP EXP EXC IT & OTHER DEDUCTIONS	OP61		(1,847,489)	(464,124)	(1,108,806)	(132,456)	(22,779)	(71,504)	(45,271)	(139,554)	(2,549)	(142,103)	(1,847,489)	0
751	OTHER	RTXP		0	0	0	0	0	0	0	0	0	0	0	0
752	NET INCOME	NI01		430,300	311,810	22,534	11,504	21,384	19,833	43,002	84,219	233	84,452	430,300	0
753	ADJUSTMENTS TO NET INCOME														
754	TOTAL INTEREST EXPENSE	Y783		(116,169)	(85,702)	(540)	(3,108)	(6,775)	(6,268)	(13,647)	(26,690)	(129)	(26,819)	(116,169)	0
755	TOTAL OTHER DEDUCTIONS	Y828		(43,517)	(32,748)	(204)	(884)	(2,378)	(2,208)	(4,790)	(9,376)	(307)	(9,683)	(43,517)	0
757	PRELIMINARY TAXABLE INCOME	TI01		270,614	193,362	21,790	7,512	12,231	11,357	24,565	48,153	(203)	47,950	270,614	0
759	STATE INCOME TAX COMPUTATION														
760	PRELIMINARY TAXABLE INCOME (INCL AFUDC)	TI01		270,614	193,362	21,790	7,512	12,231	11,357	24,565	48,153	(203)	47,950	270,614	0
761	DEDUCTIONS IN ADD TO Y871	Y911		(7,996)	(6,095)	(38)	(150)	(432)	(402)	(871)	(1,705)	(8)	(1,713)	(7,996)	0
762	STATE TAXABLE INCOME	SI01		262,618	187,267	21,752	7,362	11,799	10,955	23,694	46,448	(211)	46,237	262,618	0
763	STATE INCOME TAX PAYABLE														
765	STATE INCOME TAX RATE	K192	STATETX_FROM	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788
766	PRELIM SIT = SI01 * K192	ST01		15,200	10,839	1,259	426	683	634	1,371	2,688	(12)	2,676	15,200	0
767	OTHER SIT ADJUSTMENTS	Z955		0	0	0	0	0	0	0	0	0	0	0	0
768	STATE INCOME TAX PAYABLE	SP01		15,200	10,839	1,259	426	683	634	1,371	2,688	(12)	2,676	17,888	0
770	SIT ALLOWABLE														
771	STATE INCOME TAX PAYABLE	SP01		15,200	10,839	1,259	426	683	634	1,371	2,688	(12)	2,676	15,200	0
772	TOTAL STATE PROV DEF IT(410.1)	Z911		2,824	2,921	(1)	(10)	(23)	(20)	(43)	(86)	0	(86)	2,824	0
773	TOTAL STATE PROV DEF IT(411.1)	Z933		0	0	0	0	0	0	0	0	0	0	0	0
774	NET STATE INC TAX ALLOWABLE	SA01		18,024	13,760	1,258	416	660	614	1,328	2,602	(12)	2,590	20,626	0
775	INCOME TAX BASED ON REVENUES														
777	FEDERAL INCOME TAX COMPUTATION														
778	PRELIMINARY TAXABLE INCOME (INCL AFUDC)	TI01		270,614	193,362	21,790	7,512	12,231	11,357	24,565	48,153	(203)	47,950	270,614	0
779	STATE INC TAX PAYABLE	SP01		(15,200)	(10,839)	(1,259)	(426)	(683)	(634)	(1,371)	(2,688)	12	(2,676)	(15,200)	0
780	NET FEDERAL TAXABLE INCOME	FI01		255,414	182,523	20,531	7,086	11,548	10,723	23,194	45,465	(191)	45,274	255,414	0
781	FEDERAL INCOME TAX RATE	K190	FIT_FROM	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000
782	PRELIMINARY FIT = FI01 * K190	FT01		89,395	63,883	7,186	2,480	4,042	3,753	8,118	15,913	(67)	15,846	89,395	0
783	TOTAL FED PROV DEF IT (410.1)	Z782		13,406	15,416	(991)	(135)	(91)	(582)	(178)	(851)	(33)	(884)	13,406	0
784	TOTAL FED PROV DEF IT (411.1)	Z803		0	0	0	0	0	0	0	0	0	0	0	0
785	TOTAL AMORTIZED ITC & SERVICE CO ALLOC.	Z813		(1,029)	(758)	(5)	(28)	(60)	(56)	(121)	(237)	(1)	(238)	(1,029)	0
786	NET FED INC TAX ALLOWABLE	FA01		101,772	78,541	6,190	2,317	3,891	3,115	7,819	14,825	(101)	14,724	116,597	0
787	FEDERAL INCOME TAX PAYABLE														
788	PRELIM FIT	FT01		89,395	63,883	7,186	2,480	4,042	3,753	8,118	15,913	(67)	15,846	89,395	0
790	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
791	FED INC TAX PAYABLE	FP01		89,395	63,883	7,186	2,480	4,042	3,753	8,118	15,913	(67)	15,846	89,395	0
792	PRELIMINARY SUMMARY														
794	NET INCOME EXCLUDING AFUDC OFFSET	NI01		431,543	309,383	22,534	12,382	21,990	20,506	44,505	87,001	243	87,244	431,543	0
795	NET FED INC TAX ALLOWABLE	FA01		(101,772)	(78,541)	(6,190)	(2,317)	(3,891)	(3,115)	(7,819)	(14,825)	101	(14,724)	(101,772)	0
796	NET STATE INC TAX ALLOWABLE	SA01		(18,024)	(13,760)	(1,258)	(416)	(660)	(614)	(1,328)	(2,602)	12	(2,590)	(18,024)	0
797	OVERALL RETURN EARNED-SCH 12	RETU		311,747	217,082	15,086	9,649	17,439	16,777	35,358	69,574	356	69,930	311,747	0
798	RATE OF RETURN EARNED-SCH 12														
799	RORX	RORX	ROR_EARN_FROM	0.0780	0.0780	0.0780	0.0780	0.0780	0.0780	0.0780	0.0780	0.0779	0.0780	0.0780	0.0000

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
DUKE ENERGY KENTUCKY																	05/26/06
COST OF SERVICE STUDY																	
TWELVE MONTHS ENDING DECEMBER 31, 2005																	
ELECTRIC CASE NO: 2006-00172																	
DESCRIPTION	ALLOC	DP PRIMARY DISTRIBUTION	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER				
Schedule 13																	
Prod-Demand	K_rbprod_d		1.00000									0.00000					
Prod-Energy	K_rbprod_e			1.00000								0.00000					
Main Step-Up Transformers	K_rbtran_stepup											0.00000					
Transmission Other	K_rbtran_oth				1.00000							0.00000					
Substations	K_Subst					1.00000						1.00000					
Poles Towers & Fixtures	K_Poles						1.00000					1.00000					
Conductors	K_Conductors							1.00000				1.00000					
Transformers	K_Transformer											1.00000					
Distribution Demand	K_rbdist_d								1.00000			1.00000					
Distribution Customer	K_rbdist_c									1.00000		1.00000					
All Other	K_FERC												1.00000				
Gross Dist Plant excl CCNC-OC (108)		1,365,242	0	0	0	296,688	328,977	734,788	1,360,453	4,789	1,365,242	1,365,242	0				
Ratio	K_dist_ccnc	1.000000000	0.000000000	0.000000000	0.000000000	0.217315319	0.240966070	0.538210808	0.996492197	0.003507803	1.000000000	1.000000000	0.000000000				
Gross Plant (OC)		8,074,446	6,352,845	38,135	195,952	319,197	372,730	789,235	1,481,162	6,352	1,487,514	8,074,446	0				
Ratio	K_grossPlt	1.000000000	0.786784009	0.004722925	0.024268167	0.039531753	0.046161681	0.097744786	0.183438220	0.000786679	0.184224899	1.000000000	0.000000000				
Gross Prod Plant (OC)		6,269,382	6,269,382	0	0	0	0	0	0	0	0	6,269,382	0				
Ratio	K_gross_prodp1t	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
Gross Plant-Prod/Trans/Dist (OC)		7,918,856	6,269,382	0	191,266	316,891	351,379	784,823	1,453,093	5,115	1,458,208	7,918,856	0				
Ratio	K_grossPTD	1.000000000	0.791702994	0.000000000	0.024153236	0.040017270	0.044372445	0.099108129	0.183497844	0.000645927	0.184143770	1.000000000	0.000000000				
Gross Distribution Plant (OC)		1,458,208	0	0	0	316,891	351,379	784,823	1,453,093	5,115	1,458,208	1,458,208	0				
Ratio	K_gross_distp1t	1.000000000	0.000000000	0.000000000	0.000000000	0.217315363	0.240966309	0.538210598	0.996492270	0.003507730	1.000000000	1.000000000	0.000000000				
Gross Transmission Plant (OC)		191,266	0	0	191,266	0	0	0	0	0	0	191,266	0				
Ratio	K_gross_tranp1t	1.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
Gross General Plant (OC)		21,784	11,688	5,338	658	322	2,987	617	3,926	174	4,100	21,784	0				
Ratio	K_gross_genp1t	1.000000000	0.536540580	0.245042233	0.030205656	0.014781492	0.137118986	0.028323540	0.180224018	0.007987514	0.188211531	1.000000000	0.000000000				
Gross Common Plant (OC)		133,806	71,775	32,797	4,028	1,984	18,364	3,795	24,143	1,063	25,206	133,806	0				
Ratio	K_gross_comp1t	1.000000000	0.536410923	0.245108590	0.030103284	0.014827436	0.137243472	0.028361957	0.180432865	0.007944337	0.188377203	1.000000000	0.000000000				
Production Plant-Net (OC-Depr)		3,033,271	3,033,271	0	0	0	0	0	0	0	0	3,033,271	0				
Ratio	K_prodn1t	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
Distribution Plant-Net (OC-Depr)		947,592	0	0	0	241,950	214,099	487,528	943,577	4,015	947,592	947,592	0				
Ratio	K_distn1t	1.000000000	0.000000000	0.000000000	0.000000000	0.255331408	0.225940067	0.514491469	0.995762944	0.004237056	1.000000000	1.000000000	0.000000000				
Transmission Plant-Net (OC-Depr)		109,153	0	0	109,153	0	0	0	0	0	0	109,153	0				
Ratio	K_tran1t	1.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
General Plant-Net		10,200	5,475	2,495	311	151	1,397	288	1,836	83	1,919	10,200	0				
Ratio	K_genn1t	1.000000000	0.536764706	0.244607843	0.030490196	0.014803922	0.136960784	0.028235294	0.180000000	0.008137255	0.188137255	1.000000000	0.000000000				
Transmission & Distr Plant in Service		1,056,745	0	0	109,153	241,950	214,099	487,528	943,577	4,015	947,592	1,056,745	0				
Ratio	K_T&D_n1t	1.000000000	0.000000000	0.000000000	0.103291712	0.228957790	0.202602331	0.461348764	0.892908885	0.003799403	0.896708288	1.000000000	0.000000000				
Net Electric Plant In Service		4,169,166	3,075,730	19,392	111,539	243,123	224,965	489,773	957,861	4,644	962,505	4,169,166	0				
Ratio	K_EPIS	1.000000000	0.737732679	0.004651290	0.026753312	0.058314540	0.053959233	0.117475054	0.229748827	0.001113892	0.230862719	1.000000000	0.000000000				
Common Plant- net		68,950	36,984	16,897	2,075	1,022	9,469	1,957	12,448	546	12,994	68,950	0				
Ratio	K_comn1t	1.000000000	0.536388688	0.245061639	0.030094271	0.014822335	0.137331400	0.028362866	0.180536621	0.007918782	0.188455402	1.000000000	0.000000000				

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY																	
2	COST OF SERVICE STUDY																	
3	TWELVE MONTHS ENDING DECEMBER 31, 2006																	
4	ELECTRIC CASE NO: 2006-00172																	
5					DP													05/26/06
6	DESCRIPTION	ALLOC	DP	PRODUCTION	PRODUCTION	OTHER	POLES, TOWERS	CONDUCTORS	DISTRIBUTION	DISTRIBUTION	TOTAL	TOTAL	ALL					
7			PRIMARY	DEMAND	ENERGY	TRANSMISSION	& FIXTURES		DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	OTHER					
8			DISTRIBUTION															
9	Common & General Plant-net		79,150	42,459	19,392	2,386	1,173	10,866	2,245	14,284	629	14,913	79,150	0				
10	Ratio	K_comgennet	1.000000000	0.536437144	0.245003159	0.030145294	0.014819962	0.137283639	0.028363866	0.180467467	0.007946936	0.188414403	1.000000000	0.000000000				
11	Total OCD Rate Base		4,241,355	2,953,425	205,253	131,272	237,252	228,257	481,050	946,559	4,846	951,405	4,241,355	0				
12	Ratio	K_OCDRB	1.000000000	0.696339967	0.048393261	0.030950486	0.055937783	0.053817000	0.113418943	0.223173726	0.001142559	0.224316286	1.000000000	0.000000000				
13	Schedule 13a																	
14	Construction Work In Progress		14,193	(27,709)	0	10,020	6,929	7,682	17,159	31,770	112	31,882	14,193	0				
15	Ratio	K_CWIP	1.000000000	(1.952300430)	0.000000000	0.705981822	0.488198408	0.541252730	1.208976256	2.238427394	0.007891214	2.246318608	1.000000000	0.000000000				
16	A&G		154,188	82,713	37,796	4,640	2,287	21,155	4,372	27,814	1,225	29,039	154,188	0				
17	Ratio	K_A&G	1.000000000	0.536442524	0.245129323	0.030093133	0.014832542	0.137202636	0.028354995	0.180390173	0.007944847	0.188335020	1.000000000	0.000000000				
18	A&G (excluding adjustments)		164,795	88,404	40,396	4,959	2,444	22,611	4,672	29,727	1,309	31,036	164,795	0				
19	Ratio	K_A&GexAdj	1.000000000	0.536448315	0.245128796	0.030091932	0.014830546	0.137206833	0.028350375	0.180387754	0.007943202	0.188330957	1.000000000	0.000000000				
20	Dist A&G (ex reg exp)		29,906	0	0	0	2,453	22,636	4,692	29,781	125	29,906	29,906	0				
21	Ratio	K_DistA&G	1.000000000	0.000000000	0.000000000	0.000000000	0.082023674	0.756904969	0.156891594	0.995820237	0.004179763	1.000000000	1.000000000	0.000000000				
22	Transmission A&G		5,638	644	0	4,994	0	0	0	0	0	0	5,638	0				
23	Ratio	K_TranA&G	1.000000000	0.114224902	0.000000000	0.885775098	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
24	Customer Accounts A&G		459	0	0	0	0	0	0	0	459	459	459	0				
25	Ratio	K_CA_A&G	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000				
26	Cust Service & Informational A&G		159	(194)	(283)	(35)	(9)	(25)	(20)	(54)	725	671	159	0				
27	Ratio	K_CSI_A&G	1.000000000	(1.220125786)	(1.779874214)	(0.220125786)	(0.056603774)	(0.157232704)	(0.125786164)	(0.339622642)	4.559748428	4.220125786	1.000000000	0.000000000				
28	Sales A&G		0	0	0	0	0	0	0	0	0	0	0	0				
29	Ratio	K_Sales_A&G	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
30	Depreciation Expense		239,182	182,319	1,133	4,485	12,930	12,017	26,048	50,995	250	51,245	239,182	0				
31	Ratio	K_Depr_Ex	1.000000000	0.762260538	0.004736979	0.018751411	0.054059252	0.050242075	0.108904516	0.213205843	0.001045229	0.214251072	1.000000000	0.000000000				
32	O&M (no A&G)		1,403,710	171,437	1,066,707	120,758	3,613	33,364	6,913	43,890	918	44,808	1,403,710	0				
33	Ratio	K_O&M	1.000000000	0.122131352	0.759919784	0.086027741	0.002573894	0.023768442	0.004924806	0.031267142	0.000653981	0.031921123	1.000000000	0.000000000				
34	Production O&M		1,222,677	155,913	1,066,764	0	0	0	0	0	0	0	1,222,677	0				
35	Ratio	K_prodO&M	1.000000000	0.127517734	0.872482266	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
36	Dist O&M		44,086	0	0	0	3,615	33,369	6,917	43,901	185	44,086	44,086	0				
37	Ratio	K_distO&M	1.000000000	0.000000000	0.000000000	0.000000000	0.081998820	0.756906955	0.156897881	0.995803656	0.004196344	1.000000000	1.000000000	0.000000000				
38	Transmission O&M		136,328	15,563	0	120,765	0	0	0	0	0	0	136,328	0				
39	Ratio	K_tranO&M	1.000000000	0.114158500	0.000000000	0.885841500	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
40	Customer Accounting O&M		589	0	0	0	0	0	0	0	589	589	589	0				
41	Ratio	K_CA_O&M	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000				
42	Uncollectible Account O&M		(2)	0	0	0	0	0	0	0	(2)	(2)	(2)	0				
43	Ratio	K_Uncol_O&M	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000				
44	Customer Service & Informational O&M		32	(39)	(57)	(7)	(2)	(5)	(4)	(11)	146	135	32	0				
45	Ratio	K_CSI_O&M	1.000000000	(1.218750000)	(1.781250000)	(0.218750000)	(0.062500000)	(0.156250000)	(0.125000000)	(0.343750000)	4.562500000	4.218750000	1.000000000	0.000000000				
46	Sales O&M		0	0	0	0	0	0	0	0	0	0	0	0				
47	Ratio	K_Sales_O&M	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
48	AutoCalc Wkg Capital (incl A&G)		491,134	254,150	37,739	125,398	5,900	54,519	11,285	71,704	2,143	73,847	491,134	0				
49	Ratio	K_O&MxFuel	1.000000000	0.517475883	0.076840536	0.255323394	0.012013015	0.111006365	0.022977436	0.145996816	0.004363371	0.150360187	1.000000000	0.000000000				

COST OF SERVICE STUDY

BY FUNCTION

RATE TT

FR 10(9)(v)-15

DUKE ENERGY KENTUCKY														5/28/06 7:36 AM	
COST OF SERVICE STUDY															
TWELVE MONTHS ENDING DECEMBER 31, 2005															
ELECTRIC CASE NO: 2006-00172															
FR#N-1 KW (12 COIN PEAK)															
TT															
DESCRIPTION	ITEM	ALLOC	TT TRANSMISSION TIME OF DAY	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER	
			1	2	3	5	6	7	8	10	11	12	13	14	
SUMMARY OF RESULTS														Schedule 1	
NET INCOME COMPUTATION															
GROSS ELECTRIC PLANT IN SERVICE	GP19		\$26,485,125	\$25,468,082	\$194,611	\$785,646	\$0	\$0	\$0	\$0	\$36,786	\$36,786	\$26,485,125	\$0	
TOTAL DEPRECIATION RESERVE	DR19		(13,585,511)	(13,137,689)	(95,655)	(338,451)	0	0	0	0	(13,716)	(13,716)	(13,585,511)	0	
TOTAL RATE BASE ADJUSTMENTS	RB71		583,387	(446,277)	943,452	79,123	0	0	0	0	7,089	7,089	583,387	0	
TOTAL RATE BASE	RB99		13,483,001	11,884,116	1,042,408	526,318	0	0	0	0	30,159	30,159	13,483,001	0	
CAPITALIZATION ALLOC TO ELECTRIC OPER	ECAP		12,710,431	11,203,162	982,678	496,160	0	0	0	0	28,431	28,431	12,710,431	0	
OPERATING EXPENSES															
TOTAL O&M EXPENSE	OM39		7,181,749	1,019,524	5,606,636	502,825	0	0	0	0	52,764	52,764	7,181,749	0	
TOTAL DEPRECIATION EXPENSE	DE49		755,949	730,902	5,781	17,984	0	0	0	0	1,282	1,282	755,949	0	
TOTAL OTHER TAX & MISC EXPENSE	LS91		139,227	110,903	16,206	10,333	0	0	0	0	1,785	1,785	139,227	0	
TOTAL OP EXP EXC INC & R TAX	OP69		8,076,925	1,861,329	5,628,623	531,142	0	0	0	0	55,831	55,831	8,076,925	0	
NET FED INCOME TAX ALLOWABLE	IB79		507,430	445,235	46,060	16,197	0	0	0	0	(62)	(62)	507,430	0	
NET STATE INCOME TAX ALLOWABLE	J979		89,531	77,776	8,818	2,871	0	0	0	0	66	66	89,531	0	
AFUDC OFFSET	LO33	K_CWIP	6,183	9,732	0	(3,519)	0	0	0	0	(30)	(30)	6,183	0	
TOTAL OPERATING EXPENSE	OPEX		8,680,069	2,394,072	5,683,501	546,691	0	0	0	0	55,805	55,805	8,680,069	0	
RETURN ON CAPITALIZATION	R751		1,314,477	1,158,600	101,626	51,311	0	0	0	0	2,940	2,940	1,314,477	0	
TOTAL OTHER OPERATING REVENUES			(50,294)	(37,896)	(10,068)	(2,170)	0	0	0	0	(160)	(160)	(50,294)	0	
TOTAL ELECTRIC COST OF SERVICE	CS09		9,944,252	3,514,776	5,775,059	595,832	0	0	0	0	58,585	58,585	9,944,252	0	
PROPOSED REVENUES	R602		10,000,112	3,564,011	5,779,378	598,013	0	0	0	0	58,710	58,710	10,000,112	0	
EXCESS REVENUES	XREV		55,860	49,235	4,319	2,181	0	0	0	0	125	125	55,860	0	
TOTAL RETURN EARNED	RETE		1,348,684	1,188,750	104,270	52,647	0	0	0	0	3,017	3,017	1,348,684	0	
RATE OF RETURN EARNED ON CAPITALIZATION	RORE	SUM_RETURN_FROM	0.106108440	0.106108440	0.106108440	0.106108440	0.106108440	0.106108440	0.106108440	0.106108440	0.106108440	0.106108440	0.106108440	0.00000	
TOTAL RATE OF RETURN ALLOWABLE	RORA		0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	
RETURN EARNED ON COMMON EQUITY	REOE		0.15992	0.15992	0.15992	0.15992	0.00000	0.00000	0.00000	0.00000	0.15992	0.15992	0.15992	(0.00000)	
ALLOWED RETURN ON COMMON EQUITY	AROE		0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	
PRESENT REVENUES	R600		8,534,952	3,041,832	4,932,616	510,396	0	0	0	0	50,108	50,108	8,534,952	0	
REVENUE INCREASE JUSTIFIED	R1JD		1,409,300	472,944	842,443	85,436	0	0	0	0	8,477	8,477	1,409,300	0	
PER UNIT PRES REV	R1JP	PRESREV_FROM	0.16512										0.16512	0.00000	
REVENUE INCREASE REQUESTED	R1RD		1,465,160										1,465,160	0	
PER UNIT PRES REV	R1RP	PRESINCR_FROM	0.17167										0.17167	0.00000	

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR.#v-1 KW (12 COIN PEAK)														
6	TT														
7															
8	DESCRIPTION	ITEM	ALLOC	TT TRANSMISSION TIME OF DAY	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
49	GROSS ELECTRIC PLANT IN SERVICE														
50	Schedule 2														
51	PRODUCTION PLANT														
51	PRODUCTION - STEAM	P100	K_rbrod_d	16,169,267	16,169,267	0	0	0	0	0	0	0	0	16,169,267	0
52	PRODUCTION - OTHER	P106	K_rbrod_d	8,963,662	8,963,662	0	0	0	0	0	0	0	0	8,963,662	0
53	PRODUCTION PLANT IN SERVICE	P129		25,132,929	25,132,929	0	0	0	0	0	0	0	0	25,132,929	0
54															
55	TRANSMISSION PLANT														
56	MAIN STEP-UP TRANSFORMERS	T100	K_rbrtan_stepup	0	0	0	0	0	0	0	0	0	0	0	0
57	OTHER TRANSMISSION	T102	K_rbrtan_oth	766,754	0	0	766,754	0	0	0	0	0	0	766,754	0
58	TRANSMISSION PLANT IN SERVICE	T129		766,754	0	0	766,754	0	0	0	0	0	0	766,754	0
59															
60	TOTAL PROD & TRANS PLANT	PT29		25,899,683	25,132,929	0	766,754	0	0	0	0	0	0	25,899,683	0
61															
62	DISTRIBUTION PLANT														
63	SUBSTATIONS	D100	K_Subst	0	0	0	0	0	0	0	0	0	0	0	0
64	POLES, TOWERS & FIXTURES	D102	K_Poles	0	0	0	0	0	0	0	0	0	0	0	0
65	CONDUCTORS	D104	K_Conductors	0	0	0	0	0	0	0	0	0	0	0	0
66	TRANSFORMERS	D106	K_rbdist_c	0	0	0	0	0	0	0	0	0	0	0	0
67	SERVICES	D108	K_rbdist_c	0	0	0	0	0	0	0	0	0	0	0	0
68	METERS	D110	K_rbdist_c	14,751	0	0	0	0	0	0	14,751	0	14,751	14,751	0
70	STREET LIGHTS	D114	K_rbdist_c	0	0	0	0	0	0	0	0	0	0	0	0
71	CONSTRUCTION NOT CLASSIFIED	D116	K_dist_conc	1,004	0	0	0	0	0	0	1,004	0	1,004	1,004	0
72	DISTRIBUTION PLANT IN SERVICE	D149		15,755	0	0	0	0	0	0	15,755	0	15,755	15,755	0
73															
74	TOTAL TRANS & DIST PLANT	TD29		782,509	0	0	766,754	0	0	0	0	15,755	15,755	782,509	0
75	TOTAL GROSS PTD PLANT	PD29		25,915,438	25,132,929	0	766,754	0	0	0	0	15,755	15,755	25,915,438	0
76															
77	GENERAL & INTANGIBLE PLANT														
78	PRODUCTION-DEMAND	G100	K_rbrod_d	46,619	46,619	0	0	0	0	0	0	0	0	46,619	0
79	PRODUCTION-ENERGY	G102	K_rbrod_e	27,276	0	27,276	0	0	0	0	0	0	0	27,276	0
80	TRANSMISSION	G104	K_TransA&G	3,000	342	0	2,658	0	0	0	0	0	0	3,000	0
81	DISTRIBUTION	G106	K_DistA&G	2,798	0	0	0	0	0	0	0	2,798	2,798	2,798	0
82	CUSTOMER ACCOUNTING	G108	K_CA_A&G	59	0	0	0	0	0	0	59	59	59	59	0
83	CUSTOMER SERVICE & INFORMATION	G110	K_CSI_A&G	19	(23)	(39)	(4)	0	0	0	85	85	19	0	0
84	SALES	G112	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
85	GENERAL & INTANGIBLE PLANT IN SERVICE	G129		79,771	46,938	27,237	2,654	0	0	0	0	2,942	2,942	79,771	0
86															
87	COMMON & OTHER PLANT														
88	PRODUCTION-DEMAND RELATED	C100	K_rbrod_d	286,266	286,266	0	0	0	0	0	0	0	0	286,266	0
89	PRODUCTION-ENERGY RELATED	C102	K_rbrod_e	167,612	0	167,612	0	0	0	0	0	0	0	167,612	0
90	TRANSMISSION	C104	K_TransA&G	18,357	2,095	0	16,262	0	0	0	0	0	0	18,357	0
91	DISTRIBUTION	C106	K_DistA&G	17,204	0	0	0	0	0	0	0	17,204	17,204	17,204	0
92	CUSTOMER ACCOUNTING	C108	K_CA_A&G	360	0	0	0	0	0	0	360	360	360	360	0
93	CUSTOMER SERVICE & INFORMATION	C110	K_CSI_A&G	117	(146)	(238)	(24)	0	0	0	525	525	117	0	0
94	SALES	C112	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
95	COMMON & OTHER PLANT IN SERVICE	C129		489,916	288,215	167,374	16,238	0	0	0	0	18,089	18,089	489,916	0
96															
97	GROSS ELECTRIC PLANT IN SERVICE	GP19		26,485,125	25,458,082	194,611	785,646	0	0	0	0	36,786	36,786	26,485,125	0

DUKE ENERGY KENTUCKY COST OF SERVICE STUDY TWELVE MONTHS ENDING DECEMBER 31, 2005 ELECTRIC CASE NO: 2006-00172 FR-IV-1 KW(12 CON PEAK) TT													5/26/06 7:36 AM	
DESCRIPTION	ITEM	ALLOC	TT TRANSMISSION TIME OF DAY	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
DEPRECIATION RESERVE Schedule 3														
PRODUCTION PLANT														
PRODUCTION - STEAM	P150	K_rtprod_d	8,884,844	8,884,844	0	0	0	0	0	0	0	0	8,884,844	0
PRODUCTION - OTHER	P152	K_rtprod_d	4,088,194	4,088,194	0	0	0	0	0	0	0	0	4,088,194	0
TOTAL PROD DEPREC RESERVE	P171		12,973,038	12,973,038	0	0	0	0	0	0	0	0	12,973,038	0
TRANSMISSION PLANT														
MAIN STEP-UP TRANSFORMERS		K_rtrtan_stepup	0	0	0	0	0	0	0	0	0	0	0	0
OTHER TRANSMISSION	T150	K_rtrtan_oth	329,176	0	0	329,176	0	0	0	0	0	0	329,176	0
TOTAL TRANS DEPREC RESERVE	T171		329,176	0	0	329,176	0	0	0	0	0	0	329,176	0
TOTAL PROD & TRANS DEPREC RESERVE			13,302,214	12,973,038	0	329,176	0	0	0	0	0	0	13,302,214	0
DISTRIBUTION PLANT														
SUBSTATIONS	D150	K_Subst	0	0	0	0	0	0	0	0	0	0	0	0
POLES, TOWERS & FIXTURES	D152	K_Poles	0	0	0	0	0	0	0	0	0	0	0	0
CONDUCTORS	D154	K_Conductors	0	0	0	0	0	0	0	0	0	0	0	0
TRANSFORMERS	D156	K_Transformer	0	0	0	0	0	0	0	0	0	0	0	0
SERVICES	D158	K_rbdist_c	0	0	0	0	0	0	0	0	0	0	0	0
METERS	D160	K_rbdist_c	2,970	0	0	0	0	0	0	0	2,970	2,970	2,970	0
DEPRECIATION EXPENSE ADJUSTMENT	D162	K_dist_conc	12	0	0	0	0	0	0	0	12	12	12	0
STREET LIGHTS	D164	K_rbdist_c	0	0	0	0	0	0	0	0	0	0	0	0
COMPLETED CONSTRUCTION NOT CLASSIFIED	D166	K_dist_conc	489	0	0	0	0	0	0	0	489	489	489	0
RETIREMENT WORK IN PROGRESS	D168	K_dist_conc	(84)	0	0	0	0	0	0	0	(84)	(84)	(84)	0
TOTAL DIST DEPREC RESERVE	D191		3,387	0	0	0	0	0	0	0	3,387	3,387	3,387	0
TOTAL TRANS & DIST DEPREC RESERVE			332,563	0	0	329,176	0	0	0	0	3,387	3,387	332,563	0
TOTAL GROSS PTD PLANT DEPREC RESERVE			13,305,601	12,973,038	0	329,176	0	0	0	0	3,387	3,387	13,305,601	0
GENERAL & INTANGIBLE PLANT														
PRODUCTION-DEMAND	G150	K_rtprod_d	24,778	24,778	0	0	0	0	0	0	0	0	24,778	0
PRODUCTION-ENERGY	G152	K_rtprod_e	14,530	0	14,530	0	0	0	0	0	0	0	14,530	0
TRANSMISSION	G154	K_TransA&G	1,581	180	0	1,401	0	0	0	0	0	0	1,581	0
DISTRIBUTION	G156	K_DistA&G	1,489	0	0	0	0	0	0	0	1,489	1,489	1,489	0
CUSTOMER ACCOUNTING	G158	K_CA_A&G	31	0	0	0	0	0	0	0	31	31	31	0
CUSTOMER SERVICE & INFORMATION	G160	K_CSI_A&G	10	(13)	(20)	(2)	0	0	0	0	45	45	10	0
SALES	G162	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL GEN & INTANGIBLE DEPREC RES.	G171		42,419	24,945	14,510	1,399	0	0	0	0	1,565	1,565	42,419	0
COMMON & OTHER PLANT														
PRODUCTION-DEMAND	C150	K_rtprod_d	138,761	138,761	0	0	0	0	0	0	0	0	138,761	0
PRODUCTION-ENERGY	C152	K_rtprod_e	81,261	0	81,261	0	0	0	0	0	0	0	81,261	0
TRANSMISSION	C154	K_TransA&G	8,904	1,016	0	7,888	0	0	0	0	0	0	8,904	0
DISTRIBUTION	C156	K_DistA&G	8,333	0	0	0	0	0	0	0	8,333	8,333	8,333	0
CUSTOMER ACCOUNTING	C158	K_CA_A&G	175	0	0	0	0	0	0	0	175	175	175	0
CUSTOMER SERVICE & INFORMATION	C160	K_CSI_A&G	57	(71)	(116)	(12)	0	0	0	0	256	256	57	0
SALES	C162	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL COM & OTHER PLT RESERVE	C171		237,491	139,706	81,145	7,876	0	0	0	0	8,764	8,764	237,491	0
TOTAL DEPRECIATION RESERVE	DR19		13,585,511	13,137,689	95,655	338,451	0	0	0	0	13,716	13,716	13,585,511	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-9v-1 KW (12 COIN PEAK)														
6	TT														
7		TT									TOTAL		TOTAL		
8	DESCRIPTION	ITEM	ALLOC	TIME OF DAY	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
149	NET ELECTRIC PLANT IN SERVICE Schedule 4														
151	PRODUCTION PLANT														
152	PRODUCTION - STEAM			7,284,423	7,284,423	0	0	0	0	0	0	0	0	7,284,423	0
153	PRODUCTION - OTHER			4,875,468	4,875,468	0	0	0	0	0	0	0	0	4,875,468	0
154	TOTAL PROD	P229		12,159,891	12,159,891	0	0	0	0	0	0	0	0	12,159,891	0
155	TRANSMISSION PLANT														
156	MAIN STEP-UP TRANSFORMERS			0	0	0	0	0	0	0	0	0	0	0	0
157	OTHER TRANSMISSION			437,578	0	0	437,578	0	0	0	0	0	0	437,578	0
158	TOTAL TRANSMISSION	T229		437,578	0	0	437,578	0	0	0	0	0	0	437,578	0
159	NET PROD & TRANS PLANT														
160				12,597,469	12,159,891	0	437,578	0	0	0	0	0	0	12,597,469	0
161	DISTRIBUTION PLANT														
162	SUBSTATIONS	S249		0	0	0	0	0	0	0	0	0	0	0	0
163	POLES, TOWERS & FIXTURES	PL49		0	0	0	0	0	0	0	0	0	0	0	0
164	CONDUCTORS	SL49		0	0	0	0	0	0	0	0	0	0	0	0
165	TRANSFORMERS	F249		0	0	0	0	0	0	0	0	0	0	0	0
166	SERVICES	SV49		0	0	0	0	0	0	0	0	0	0	0	0
167	METERS	M249		11,781	0	0	0	0	0	0	11,781	11,781	11,781	11,781	0
168	OTHER	O249		(12)	0	0	0	0	0	0	(12)	(12)	(12)	(12)	0
169	STREET LIGHTS	L249		0	0	0	0	0	0	0	0	0	0	0	0
170	CONSTRUCTION NOT CLASSIFIED	CN49		515	0	0	0	0	0	0	515	515	515	515	0
171	RETIREMENT WORK IN PROGRESS	CN49		84	0	0	0	0	0	0	84	84	84	84	0
172	TOTAL DIST	D249		12,368	0	0	0	0	0	0	12,368	12,368	12,368	12,368	0
173	NET TRANS & DIST PLANT														
174		NT29		449,946	0	0	437,578	0	0	0	12,368	12,368	12,368	449,946	0
175	NET PTD PLANT														
176		NT39		12,609,837	12,159,891	0	437,578	0	0	0	12,368	12,368	12,368	12,609,837	0
177	GENERAL & INTANGIBLE PLANT														
178	PRODUCTION-DEMAND			21,841	21,841	0	0	0	0	0	0	0	0	21,841	0
179	PRODUCTION-ENERGY			12,746	0	12,746	0	0	0	0	0	0	0	12,746	0
180	TRANSMISSION			1,419	162	0	1,257	0	0	0	0	0	0	1,419	0
181	DISTRIBUTION			1,309	0	0	0	0	0	0	1,309	1,309	1,309	1,309	0
182	CUSTOMER ACCOUNTING			28	0	0	0	0	0	0	28	28	28	28	0
183	CUSTOMER SERVICE & INFORMATION			9	(10)	(19)	(2)	0	0	0	40	40	40	9	0
184	SALES			0	0	0	0	0	0	0	0	0	0	0	0
185	TOTAL GENERAL AND INTANGIBLE PLANT	G229		37,352	21,993	12,727	1,255	0	0	0	1,377	1,377	1,377	37,352	0
186	COMMON & OTHER PLANT														
187	PRODUCTION-DEMAND			147,505	147,505	0	0	0	0	0	0	0	0	147,505	0
188	PRODUCTION-ENERGY			86,351	0	86,351	0	0	0	0	0	0	0	86,351	0
189	TRANSMISSION			9,453	1,079	0	8,374	0	0	0	0	0	0	9,453	0
190	DISTRIBUTION			8,871	0	0	0	0	0	0	8,871	8,871	8,871	8,871	0
191	CUSTOMER ACCOUNTING			185	0	0	0	0	0	0	185	185	185	185	0
192	CUSTOMER SERVICE & INFORMATION			60	(75)	(122)	(12)	0	0	0	269	269	269	60	0
193	SALES			0	0	0	0	0	0	0	0	0	0	0	0
194	TOTAL COM & OTHER PLT	C229		252,425	148,509	86,229	8,362	0	0	0	9,325	9,325	9,325	252,425	0
195	TOTAL ELECTRIC PLANT IN SERVICE														
196		NP29		12,899,614	12,330,393	98,956	447,195	0	0	0	23,070	23,070	23,070	12,899,614	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 COIN PEAK)														
6	TT														
7			TT								TOTAL				
8	DESCRIPTION	ITEM	ALLOC	TRANSMISSION TIME OF DAY	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
200	NET ELECTRIC PLANT														
		Schedule 4a													
201	PRODUCTION PLANT														
202	PRODUCTION PLANT IN SERVICE	P128		25,132,929	25,132,929	0	0	0	0	0	0	0	0	25,132,929	0
203	TOTAL PROD DEPRC RESERVE	P171		(12,973,038)	(12,973,038)	0	0	0	0	0	0	0	0	(12,973,038)	0
204	NET PRODUCTION PLANT	P228		12,159,891	12,159,891	0	0	0	0	0	0	0	0	12,159,891	0
205	TRANSMISSION PLANT														
206	TRANSMISSION PLANT IN SERVICE	T128		766,754	0	0	766,754	0	0	0	0	0	0	766,754	0
207	TOTAL TRANS DEPREC RESERVE	T171		(329,176)	0	0	(329,176)	0	0	0	0	0	0	(329,176)	0
208	NET TRANSMISSION PLANT	T228		437,578	0	0	437,578	0	0	0	0	0	0	437,578	0
209	NET PROD & TRANS PLANT			12,597,469	12,159,891	0	437,578	0	0	0	0	0	0	12,597,469	0
210	DISTRIBUTION PLANT														
211	DISTRIBUTION PLANT IN SERVICE	D148		15,755	0	0	0	0	0	0	15,755	15,755	15,755	15,755	0
212	TOTAL DIST DEPREC RESERVE	D191		(3,387)	0	0	0	0	0	0	(3,387)	(3,387)	(3,387)	(3,387)	0
213	NET DISTRIBUTION PLANT	D248		12,368	0	0	0	0	0	0	12,368	12,368	12,368	12,368	0
214	NET TRANS & DIST PLANT	NT28		449,946	0	0	437,578	0	0	0	12,368	12,368	12,368	449,946	0
215	NET PTD PLANT	NT38		12,609,837	12,159,891	0	437,578	0	0	0	12,368	12,368	12,368	12,609,837	0
216	GENERAL & INTANGIBLE PLANT														
217	GEN & INTANG PLANT IN SERVICE	G128		79,771	46,938	27,237	2,654	0	0	0	2,942	2,942	2,942	79,771	0
218	TOTAL GEN & INTG DEPREC RESERVE	G171		(42,419)	(24,945)	(14,510)	(1,399)	0	0	0	(1,565)	(1,565)	(1,565)	(42,419)	0
219	NET GENERAL & INTANG PLANT	G228		37,352	21,993	12,727	1,255	0	0	0	1,377	1,377	1,377	37,352	0
220	COMMON & OTHER PLANT														
221	COMMON & OTH PLT IN SERVICE	C121		489,916	288,215	167,374	16,238	0	0	0	18,089	18,089	18,089	489,916	0
222	TOTAL COM & OTH DEPREC RESERVE	C171		(237,491)	(139,706)	(81,145)	(7,876)	0	0	0	(8,764)	(8,764)	(8,764)	(237,491)	0
223	NET COMMON & OTHER PLANT	C228		252,425	148,509	86,229	8,362	0	0	0	9,325	9,325	9,325	252,425	0
224	NET ELECTRIC PLANT IN SERVICE	NP28		12,899,614	12,330,393	98,956	447,195	0	0	0	23,070	23,070	23,070	12,899,614	0

DUKE ENERGY KENTUCKY COST OF SERVICE STUDY TWELVE MONTHS ENDING DECEMBER 31, 2005 ELECTRIC CASE NO: 2006-00172 FR#41 KW (12 COM1 PEAK)										5/26/06 7:36 AM									
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1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-0v-1 KW (12 COIN PEAK)														
6	TT														
7				TT											
8	DESCRIPTION	ITEM	ALLOC	TRANSMISSION TIME OF DAY	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
286	CONSTRUCTION WORK IN PROGRESS	Schedule 5a													
287	PRODUCTION	V232	K_gross_procpit	(111,080)	(111,080)	0	0	0	0	0	0	0	0	(111,080)	0
288	TRANSMISSION	V234	K_gross_transpit	40,167	0	0	40,167	0	0	0	0	0	0	40,167	0
289	DISTRIBUTION	V238	K_gross_distpit	344	0	0	0	0	0	0	0	344	344	344	0
290	GENERAL	V238	K_gross_genpit	0	0	0	0	0	0	0	0	0	0	0	0
291	COMMON	V240	K_gross_compit	0	0	0	0	0	0	0	0	0	0	0	0
292	TOTAL RATE BASE CWP	V255		(70,569)	(111,080)	0	40,167	0	0	0	0	344	344	(70,569)	0
293															
294	TOTAL ADDITIVE ADJUSTMENTS	V289		(40,477)	(93,377)	10,281	41,164	0	0	0	0	1,455	1,455	(40,477)	0
295															
296	NET ORIGINAL COST RATE BASE	RB29		11,944,858	11,363,080	102,224	456,664	0	0	0	0	22,890	22,890	11,944,858	0
297															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2005-00172														
5	FR-IV-1 KW (12 COIN PEAK)														
6	TT														
7				TT							TOTAL				
8	DESCRIPTION	ITEM	ALLOC	TRANSMISSION TIME OF DAY	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
299	WORKING CAPITAL														
300	MATERIALS & SUPPLIES														
301	FUEL INVENTORIES														
302	FUEL	W640	K_rtprod_e	383,362	0	383,362	0	0	0	0	0	0	0	383,362	0
303	EMISSION ALLOWANCES	W642	K_rtprod_e	255,748	0	255,748	0	0	0	0	0	0	0	255,748	0
304	TOTAL FUEL STOCKS	W644		639,110	0	639,110	0	0	0	0	0	0	0	639,110	0
305	PLANT MATERIALS & SUPPLIES														
306	OTHER	W648	K_EPIS	187,450	179,179	1,438	6,498	0	0	0	0	335	335	187,450	0
310	TOTAL PLANT MATERIALS & SUPPLIES	W650		187,450	179,179	1,438	6,498	0	0	0	0	335	335	187,450	0
311	TOTAL MATERIALS & SUPPLIES	W669	TOT_M&S	826,560	179,179	640,548	6,498	0	0	0	0	335	335	826,560	0
314	PREPAYMENTS														
315	INSURANCE	W670	K_A&GenAdj	9,150	5,383	3,126	303	0	0	0	0	338	338	9,150	0
316	COAL, SYN FUEL AND MARGIN DEPOSITS	W684	K_rtprod_e	272,407	0	272,407	0	0	0	0	0	0	0	272,407	0
317	TOTAL PREPAYMENTS	W689		281,557	5,383	275,533	303	0	0	0	0	338	338	281,557	0
322	AUTO CALC (O&M-F-PP)/8	W719		430,026	336,474	24,103	62,853	0	0	0	0	6,596	6,596	430,026	0
324	TOTAL WORKING CASH	W729		430,026	336,474	24,103	62,853	0	0	0	0	6,596	6,596	430,026	0
326	TOTAL WORKING CAPITAL	WC79		1,538,143	521,036	940,184	69,654	0	0	0	0	7,269	7,269	1,538,143	0
327	PRELIMINARY SUMMARY														
328	TOTAL SUBTRACTIVE ADJUSTMENTS	B287		(914,279)	(873,936)	(7,013)	(31,695)	0	0	0	0	(1,635)	(1,635)	(914,279)	0
329	TOTAL ADDITIVE ADJUSTMENTS	V289		(40,477)	(93,377)	10,281	41,164	0	0	0	0	1,455	1,455	(40,477)	0
330	TOTAL WORKING CAPITAL	WC71		1,538,143	521,036	940,184	69,654	0	0	0	0	7,269	7,269	1,538,143	0
331	TOTAL RATE BASE ADJUSTMENTS	RB71		583,387	(446,277)	943,452	79,123	0	0	0	0	7,089	7,089	583,387	0
332	RATE BASE CALCULATION														
334	NET ELECTRIC PLANT IN SERVICE	NP21		12,899,614	12,330,393	98,956	447,195	0	0	0	0	23,070	23,070	12,899,614	0
335	TOTAL RATE BASE ADJUSTMENTS	RB71		583,387	(446,277)	943,452	79,123	0	0	0	0	7,089	7,089	583,387	0
336	TOTAL RATE BASE	RB99	TOT_RB	13,483,001	11,884,116	1,042,408	526,318	0	0	0	0	30,159	30,159	13,483,001	0
337	CAPITALIZATION ALLOC TO ELECTRIC OPER	ECAP	K_OCDRB	12,710,431	11,203,162	982,678	496,160	0	0	0	0	28,431	28,431	12,710,431	0
340	TOTAL RATE OF RETURN ALLOWABLE	RORA	ror_Allow_from	0.1034	0.1034	0.1034	0.1034	0.1034	0.1034	0.1034	0.1034	0.1034	0.1034	0.1034	0.1034
341	RETURN ON CAPITALIZATION	R751		1,314,477	1,158,600	101,626	51,311	0	0	0	0	2,940	2,940	1,314,477	0

DUKE ENERGY KENTUCKY														
COST OF SERVICE STUDY														
TWELVE MONTHS ENDING DECEMBER 31, 2005														
ELECTRIC CASE NO: 2006-00172														
FR-BV-1 KW (12 COIN PEAK)														
TT														
DESCRIPTION	ITEM	ALLOC	TT TRANSMISSION TIME OF DAY	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
O&M EXPENSES Schedule 6														
PRODUCTION O&M														
345	ENERGY RELATED PRODUCTION O&M													
346	FUEL	P300	K_rtprod_e	3,741,538	0	3,741,538	0	0	0	0	0	0	3,741,538	0
347	MISCELLANEOUS	P302	K_rtprod_e	0	0	0	0	0	0	0	0	0	0	0
348	EMISSION ALLOWANCES	P306	K_rtprod_e	234,860	0	234,860	0	0	0	0	0	0	234,860	0
349	ELIMINATE EMISSION ALLOW & OTHER VAR COST	P309	K_rtprod_e	350,116	0	350,116	0	0	0	0	0	0	350,116	0
350	OTHER PRODUCTION EXPENSE - MAINTENANCE	P310	K_rtprod_e	566,827	0	566,827	0	0	0	0	0	0	566,827	0
351	MISO TRANSMISSION CHARGES ACCT IN 555	P312	K_rtprod_e	520,472	0	520,472	0	0	0	0	0	0	520,472	0
352	TOTAL ENERGY RELATED	P349		5,413,813	0	5,413,813	0	0	0	0	0	0	5,413,813	0
DEMAND RELATED PROD O&M														
353	ELIMINATE MISCELLANEOUS	P344	K_rtprod_d	0	0	0	0	0	0	0	0	0	0	0
354	OTHER PRODUCTION EXPENSE - OPERATIONS	P346	K_rtprod_d	625,029	625,029	0	0	0	0	0	0	0	625,029	0
355	TOTAL DEMAND RELATED	P349		625,029	625,029	0	0	0	0	0	0	0	625,029	0
356	TOTAL PRODUCTION O&M	P459		6,038,842	625,029	5,413,813	0	0	0	0	0	0	6,038,842	0
TRANSMISSION O & M														
357	TRANSFORMER LEASE PAYMENTS	T300	K_rtprod_d	62,389	62,389	0	0	0	0	0	0	0	62,389	0
358	OTHER TRANSMISSION	T302	K_rstran_oth	574,799	0	0	574,799	0	0	0	0	0	574,799	0
359	MISCELLANEOUS ADJUSTMENTS	T304	K_gross_transpit	(135,121)	0	0	(135,121)	0	0	0	0	0	(135,121)	0
360	NETWORK SERVICE RATES ADJUSTMENT	T305	K_gross_transpit	44,448	0	0	44,448	0	0	0	0	0	44,448	0
361	TOTAL TRANSMISSION O & M	T349		546,515	62,389	0	484,126	0	0	0	0	0	546,515	0
DISTRIBUTION O & M														
362	SUBSTATIONS	D300	K_Subst	0	0	0	0	0	0	0	0	0	0	0
363	POLES, TOWERS & FIXTURES	D302	K_Poles	0	0	0	0	0	0	0	0	0	0	0
364	CONDUCTORS	D304	K_Conductors	0	0	0	0	0	0	0	0	0	0	0
365	TRANSFORMERS	D306	K_Transformer	0	0	0	0	0	0	0	0	0	0	0
366	OTHER MAINTENANCE	D308	K_distnet	0	0	0	0	0	0	0	0	0	0	0
367	METERS	D310	K_rbdist_c	464	0	0	0	0	0	0	464	464	464	0
368	STREET LIGHTS	D314	K_rbdist_c	0	0	0	0	0	0	0	0	0	0	0
369	OTHER OPERATIONS	D316	K_distnet	30,812	0	0	0	0	0	0	30,812	30,812	30,812	0
370	MISCELLANEOUS EXPENSES	D318	K_rbdist_c	(52)	0	0	0	0	0	0	(52)	(52)	(52)	0
371	AFFILIATED COMPANY RENTS	D320	K_distnet	3	0	0	0	0	0	0	3	3	3	0
372	TOTAL DISTRIBUTION O & M	D349		31,227	0	0	0	0	0	0	31,227	31,227	31,227	0
CUSTOMER ACCOUNTING														
373	CUSTOMER ACCOUNTING EXPENSE	C300	K_rbdist_c	443	0	0	0	0	0	0	443	443	443	0
374	ADJUST UNCOLLECTIBLE ACCOUNTS	C302	K_Func_Rev	0	0	0	0	0	0	0	0	0	0	0
375	METER READING	C304	K_rbdist_c	127	0	0	0	0	0	0	127	127	127	0
376	LOSS ON SALE OF A/R & INCR A/R ON INCR	C306	K_Func_Rev	0	0	0	0	0	0	0	0	0	0	0
377	MISCELLANEOUS EXPENSE ADJUSTMENT	C308	K_rbdist_c	(2)	0	0	0	0	0	0	(2)	(2)	(2)	0
378	TOTAL CUSTOMER ACCT EXPENSE	C319		568	0	0	0	0	0	0	568	568	568	0

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4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 COIN PEAK)														
6	TT														
7			TT								TOTAL		TOTAL		ALL
8	DESCRIPTION	ITEM	TRANSMISSION TIME OF DAY	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	OTHER	
393	CUSTOMER SERVICE & INFORMATION														
394	CUSTOMER SERVICE & INFORMATION	C320	K_rbdist_c	159	0	0	0	0	0	0	159	159	159	0	
395	INFORMATIONAL & INSTRUCTIONAL ADV	C322	K_rbdist_c	30	0	0	0	0	0	0	30	30	30	0	
396	CUSTOMER SERVICE & INFORM PROFORMA	C324	K_rbdist_c	(58)	0	0	0	0	0	0	(58)	(58)	(58)	0	
397	AMI	C326	K_Func_Rev	(102)	(36)	(59)	(6)	0	0	0	(1)	(1)	(102)	0	
398	TOTAL CUSTOMER SERV & INFORMATION	C331		29	(36)	(59)	(6)	0	0	0	130	130	29	0	
400	SALES	Schedule 6													
401	SALES EXPENSE	S300	K_rbdist_c	1	0	0	0	0	0	0	1	1	1	0	
403	SALES EXPENSE PROFORMA	S304	K_rbdist_c	(1)	0	0	0	0	0	0	(1)	(1)	(1)	0	
404	TOTAL SALES EXPENSE	S319		0	0	0	0	0	0	0	0	0	0	0	
406	SUBTOTAL O&M EXCL. A&G			6,617,181	687,382	5,413,754	484,120	0	0	0	31,925	31,925	6,617,181	0	
408	ADMINISTRATIVE & GENERAL														
409	A&G EXPENSE EXCL. REGULATORY EXP														
410	PRODUCTION-DEMAND RELATED	A300	K_rprod_d	352,591	352,591	0	0	0	0	0	0	0	352,591	0	
411	PRODUCTION-ENERGY RELATED	A302	K_rprod_e	206,445	0	206,445	0	0	0	0	0	0	206,445	0	
412	TRANSMISSION	A304	K_tranO&M	22,602	2,580	0	20,022	0	0	0	0	0	22,602	0	
413	DISTRIBUTION	A306	K_distO&M	21,183	0	0	0	0	0	0	21,183	21,183	21,183	0	
414	CUSTOMER ACCOUNTING	A308	K_CA_O&M	444	0	0	0	0	0	0	444	444	444	0	
415	CUSTOMER SERVICE & INFORMATION	A310	K_CSI_O&M	144	(179)	(283)	(30)	0	0	0	646	646	144	0	
416	SALES	A312	K_Sales_O&M	0	0	0	0	0	0	0	0	0	0	0	
417	A&G EXPENSE UNADJUSTED	A315		603,409	354,992	206,152	19,992	0	0	0	22,273	22,273	603,409	0	
418	RATE CASE EXPENSE	A318	K_A&GexAdj	1,819	1,071	621	60	0	0	0	67	67	1,819	0	
420	ELIMINATE MISCELLANEOUS EXPENSES	A340	K_A&GexAdj	(3,007)	(1,769)	(1,027)	(100)	0	0	0	(111)	(111)	(3,007)	0	
427	IMPLEMENT AUTOMATED METER READING	A342	K_A&GexAdj	1,918	1,128	655	64	0	0	0	71	71	1,918	0	
431	AMORTIZATION OF DEFERRED EXPENSES	A352	K_A&GexAdj	18,718	11,012	6,395	620	0	0	0	691	691	18,718	0	
432	MISCELLANEOUS	A354	K_A&GexAdj	0	0	0	0	0	0	0	0	0	0	0	
433	ELIMINATE INCENTIVE COMPENSATION	A356	K_A&GexAdj	(58,289)	(34,292)	(19,914)	(1,931)	0	0	0	(2,152)	(2,152)	(58,289)	0	
434	TOTAL ADMIN. & GENERAL	A357		564,568	332,142	192,882	18,705	0	0	0	20,839	20,839	564,568	0	
435															
436	TOTAL O & M EXPENSE	OM39	TOT_O&M	7,181,749	1,019,524	5,606,636	502,825	0	0	0	52,764	52,764	7,181,749	0	

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4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 COIN PEAK)														
6	TT														
7				TT							TOTAL		TOTAL		ALL
8	DESCRIPTION	ITEM	ALLOC	TRANSMISSION	PRODUCTION	PRODUCTION	OTHER	SUBSTATIONS	POLES, TOWERS	CONDUCTORS	DISTRIBUTION	DISTRIBUTION	TOTAL	TOTAL	OTHER
				TIME OF DAY	DEMAND	ENERGY	TRANSMISSION		& FIXTURES		DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	
437	DEPRECIATION EXPENSE Schedule 7														
438	PRODUCTION DEPRECIATION														
440	PRODUCTION DEPRECIATION	P460	K_rthprod_d	720,941	720,941	0	0	0	0	0	0	0	0	720,941	0
441	PROFORMA ADJUSTMENT	P462	K_rthprod_d	0	0	0	0	0	0	0	0	0	0	0	0
442	TOTAL PRODUCTION DEPREC EXP.	P469		720,941	720,941	0	0	0	0	0	0	0	0	720,941	0
443	TRANSMISSION DEPRECIATION														
444	TRANSMISSION DEPRECIATION	T460	K_trannet	17,422	0	0	17,422	0	0	0	0	0	0	17,422	0
445	PROFORMA ADJUSTMENT	T462	K_trannet	0	0	0	0	0	0	0	0	0	0	0	0
447	TOTAL TRANSMISSION DEP. EXP.	T469		17,422	0	0	17,422	0	0	0	0	0	0	17,422	0
448	DISTRIBUTION DEPRECIATION														
449	DISTRIBUTION DEPRECIATION	D460	K_distnet	657	0	0	0	0	0	0	0	657	657	657	0
451	PROFORMA ADJUSTMENT	D462	K_distnet	0	0	0	0	0	0	0	0	0	0	0	0
452	TOTAL DIST. DEPREC EXP.	D469		657	0	0	0	0	0	0	0	657	657	657	0
453	GENERAL DEPRECIATION														
454	GENERAL DEPRECIATION	G460	K_gannet	2,300	1,354	784	77	0	0	0	0	85	85	2,300	0
456	PROFORMA ADJUSTMENT	G462	K_gannet	0	0	0	0	0	0	0	0	0	0	0	0
457	TOTAL GENERAL DEPREC EXP.	G469		2,300	1,354	784	77	0	0	0	0	85	85	2,300	0
458	COMMON AND OTHER DEPRECIATION														
459	COMMON DEPRECIATION	C460	K_comnet	14,629	8,607	4,997	485	0	0	0	0	540	540	14,629	0
461	PROFORMA ADJUSTMENT	C462	K_comnet	0	0	0	0	0	0	0	0	0	0	0	0
462	TOTAL COM & OTHER DEPREC EXP.	C469		14,629	8,607	4,997	485	0	0	0	0	540	540	14,629	0
463	TOTAL DEPRECIATION EXPENSE														
464	TOTAL DEPRECIATION EXPENSE	DE49	TOT_DEPREX	755,949	730,902	5,781	17,984	0	0	0	0	1,282	1,282	755,949	0
465															

DUKE ENERGY KENTUCKY										528006 7:36 AM									
COST OF SERVICE STUDY																			
TWELVE MONTHS ENDING DECEMBER 31, 2005																			
ELECTRIC CASE NO: 2006-00172																			
FRANCIS KW (12 COIN PEAK)																			
LINE	DESCRIPTION	ITEM	ALLOC	TT	TRANSMISSION	PRODUCTION	PRODUCTION	OTHER	SUBSTATIONS	POLES, TOWERS	CONDUCTORS	TOTAL	DISTRIBUTION	DISTRIBUTION	TOTAL	ALL			
		Schedule #		TIME OF DAY	TIME OF DAY	DEMAND	ENERGY	TRANSMISSION		& FIXTURES		DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	OTHER			
466	TAXES OTHER THAN INC & REV																		
467	REAL ESTATE & PROPERTY TAX																		
468	PRODUCTION	L500	K_inprod_d	84,779	84,779	0	0	0	0	0	0	0	0	0	0	0	0		
469	TRANSMISSION	L501	K_intrans	8,750	0	0	0	8,750	0	0	0	0	0	0	0	0	0		
470	DISTRIBUTION	L502	K_indist	192	0	0	0	0	0	0	0	0	192	0	0	0	0		
471	OTHER	L514	K_EPIS	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
472	TOTAL REAL EST & PROP TAX	L529	PROP_TAX	93,721	84,779	0	0	8,750	0	0	0	0	192	0	0	0	0		
473	MISCELLANEOUS TAXES																		
474	PAYROLL RELATED	L566	K_AUGesA4	43,817	25,778	0	14,970	1,452	0	0	0	0	1,617	0	0	0	0		
475	OTHER STATE TAXES	L562	K_AUGesA4	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
476	ELIMINATE NON-NATIVE SALES	L564	K_AUGesA4	(1,275)	(750)	(436)	(436)	(42)	0	0	0	0	(47)	0	(1,275)	0	0		
477	AUTO LICENSES, ETC	L560	K_AUGesA4	181	106	62	62	6	0	0	0	0	7	0	181	0	0		
478	ELIMINATE UNBILLED REVENUE	L562	K_AUGesA4	(5)	(3)	(2)	(2)	0	0	0	0	0	0	0	(5)	0	0		
479	AFFILIATED COMPANY RENTS	L564	K_AUGesA4	2	1	1	1	0	0	0	0	0	0	0	2	0	0		
480	MISCELLANEOUS	L566	K_AUGesA4	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
481	DSM ELIMINATION	L568	K_inprod_d	(1)	(1)	0	0	0	0	0	0	0	0	0	(1)	0	0		
482	TOTAL MISCELLANEOUS TAXES	L588		42,719	25,131	14,595	14,595	1,416	0	0	0	0	1,577	0	42,719	0	0		
483	MISCELLANEOUS EXPENSES																		
484	PSC MAINTENANCE ON INCREASE	L584	K_Func_Rev	2,787	993	1,611	1,611	167	0	0	0	0	16	0	2,787	0	0		
485	TOTAL MISCELLANEOUS EXPENSES	L589		2,787	993	1,611	1,611	167	0	0	0	0	16	0	2,787	0	0		
486	OTHER TAX & MISC EXPENSE	L591		139,227	110,903	16,206	16,206	10,333	0	0	0	0	1,785	0	139,227	0	0		
487	PRELIMINARY SUMMARY																		
488	TOTAL OCM EXPENSE	OM39		7,181,749	1,019,524	5,606,636	5,606,636	502,825	0	0	0	0	52,764	0	7,181,749	0	0		
489	TOTAL DEPRECIATION EXPENSE	DE49		755,949	730,902	5,781	5,781	17,984	0	0	0	0	1,282	0	755,949	0	0		
490	TOTAL OTHER TAX & MISC EXPENSE	L599		139,227	110,903	16,206	16,206	10,333	0	0	0	0	1,785	0	139,227	0	0		
491	TOTAL OP EXP EXC IT & OTHER TAX	OP69		8,076,925	1,861,329	5,628,623	5,628,623	531,142	0	0	0	0	55,831	0	8,076,925	0	0		

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3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 COIN PEAK)														
6	TT														
7				TT							TOTAL	DISTRIBUTION	TOTAL		ALL
8	DESCRIPTION	ITEM	ALLOC	TRANSMISSION TIME OF DAY	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	OTHER
498	INCOME TAX BASED ON RETURN	Schedule 9													
499	FEDERAL INCOME TAX DEDUCTIONS														
500	AUTOMATIC INTEREST CALCULATION														
501	AUTO PROC INTEREST DED	Y751	K_EPIS	359,432	343,571	2,757	12,461	0	0	0	0	643	643	359,432	0
502	TOTAL INTEREST EXPENSE	Y783	TOT_INT	359,432	343,571	2,757	12,461	0	0	0	0	643	643	359,432	0
503															
504	OTHER DEDUCTIONS														
505	DEPR. EXCESS TAX OVER BOOK	Y790	K_Depr_Ex	72,710	70,301	556	1,730	0	0	0	0	123	123	72,710	0
507	LOSS ON REACQUIRED DEBT	Y794	K_EPIS	(2,745)	(2,624)	(21)	(95)	0	0	0	0	(5)	(5)	(2,745)	0
509	COST OF REMOVAL	Y788	K_Depr_Ex	34,616	33,468	265	824	0	0	0	0	59	59	34,616	0
512	METER CAPITAL LEASE PRINCIPLE PAYMENTS	Y804	K_rtdist_c	807	0	0	0	0	0	0	0	807	807	807	0
515	OTHER PERMANENT DIFFERENCES	Y816	K_EPIS	31,513	30,123	242	1,092	0	0	0	0	56	56	31,513	0
518	TOTAL OTHER DEDUCTIONS	Y828		136,901	131,268	1,042	3,551	0	0	0	0	1,040	1,040	136,901	0
519															
520	NET DEDUCTIONS AND ADDITIONS	Y871		496,333	474,839	3,799	16,012	0	0	0	0	1,683	1,683	496,333	0
521															
522	FEDERAL INCOME TAX ADJUSTMENTS														
523															
524	FED PROV DEF INC TAX DEFERRALS (410.1)														
526	ANNUALIZE DEPRECIATION	Z788	K_EPIS	(1,711)	(1,636)	(13)	(59)	0	0	0	0	(3)	(3)	(1,711)	0
531	MISCELLANEOUS	Z762	K_A&GenAdj	(12,469)	(7,336)	(4,260)	(413)	0	0	0	0	(460)	(460)	(12,469)	0
532	MISCELLANEOUS PROFORMA ADJUSTMENT	Z770	K_EPIS	0	0	0	0	0	0	0	0	0	0	0	0
533	RECLASSIFY NON-JURIS INCOME TAX	Z770	K_rtprod_d	55,623	55,623	0	0	0	0	0	0	0	0	55,623	0
536	TOTAL FED PROV DEF IT DEFERRALS (410.1)	Z782		41,443	46,651	(4,273)	(472)	0	0	0	0	(463)	(463)	41,443	0
537															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-0v-1 KW(12 COIN PEAK)														
6	TT														
7	DESCRIPTION	ITEM	ALLOC	TT TRANSMISSION TIME OF DAY	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
554	AMORTIZED INV TAX CREDIT	Schedule 0a													
555	MISCELLANEOUS	Z804	K_AROexAdj	0	0	0	0	0	0	0	0	0	0	0	0
556	AMORTIZE ITC	Z806	K_EPIS	3,184	3,044	24	110	0	0	0	0	6	6	3,184	0
557	TOTAL AMORTIZED ITC	Z813		3,184	3,044	24	110	0	0	0	0	6	6	3,184	0
558				0											
559	TEST YEAR INV TAX CREDIT			0											
560	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
561															
562	PRELIMINARY SUMMARY														
563	TOTAL FED PROV DEF IT (410.1)	Z782		41,443	46,651	(4,273)	(472)	0	0	0	0	(463)	(463)	41,443	0
564	TOTAL FED PROV DEF IT (411.1)	Z803		0	0	0	0	0	0	0	0	0	0	0	0
565	TOTAL AMORTIZED ITC	Z813		(3,184)	(3,044)	(24)	(110)	0	0	0	0	(6)	(6)	(3,184)	0
566	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		38,259	43,607	(4,297)	(582)	0	0	0	0	(469)	(469)	38,259	0
567															
568	FEDERAL INCOME TAX COMPUTATION														
569	RETURN ON CAPITALIZATION	R751		1,314,477	1,158,600	101,626	51,311	0	0	0	0	2,940	2,940	1,314,477	0
570	NET DEDUCTIONS AND ADDITIONS	Y871		(496,333)	(474,839)	(3,799)	(16,012)	0	0	0	0	(1,683)	(1,683)	(496,333)	0
571	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		38,259	43,607	(4,297)	(582)	0	0	0	0	(469)	(469)	38,259	0
572	TOTAL STATE PROV DEF IT (410.1)	Z911		8,732	8,781	(9)	(37)	0	0	0	0	(3)	(3)	8,732	0
573	TOTAL STATE PROV DEF IT (411.1)	Z933		0	0	0	0	0	0	0	0	0	0	0	0
574	AFUDC OFFSET	Z935		6,183	9,732	0	(3,519)	0	0	0	0	(30)	(30)	6,183	0
575	BASE FOR FIT COMPUTATION	I865		871,318	745,881	93,521	31,161	0	0	0	0	755	755	871,318	0
576															
577	FIT FACTOR K190/(1-K190)	I867	Fitcomp_from	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538
578	PRELIM FED INCOME TAX	I869		469,171	401,628	50,357	16,779	0	0	0	0	407	407	469,171	0
579	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		38,259	43,607	(4,297)	(582)	0	0	0	0	(469)	(469)	38,259	0
580	NET FED INCOME TAX ALLOWABLE	I879		507,430	445,235	46,060	16,197	0	0	0	0	(62)	(62)	507,430	0
581															
582	INCOME TAX BASED ON RETURN														
583	FEDERAL INCOME TAX PAYABLE														
584	PRELIM FEDERAL INCOME TAX	I869		469,171	401,628	50,357	16,779	0	0	0	0	407	407	469,171	0
585	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
586	NET FED INCOME TAX PAYABLE	I889		469,171	401,628	50,357	16,779	0	0	0	0	407	407	469,171	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-Sv-1 KW (12 CONN PEAK)														
6	TT														
7				TT							TOTAL				
8	DESCRIPTION	ITEM	ALLOC	TRANSMISSION TIME OF DAY	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
587	STATE INCOME TAX	Schedule 9b													
588	DEDUCTIONS IN ADDITION TO Y871														
591	BONUS DEPRECIATION	Y890	K_Depr_Ex	25,273	24,436	193	601	0	0	0	0	43	43	25,273	0
594	DEDUCTIONS IN ADD TO Y871	Y911		25,273	24,436	193	601	0	0	0	0	43	43	25,273	0
595	STATE INCOME TAX ADJUSTMENTS														
597	STATE PROV DEF INC TAX DEFERRALS (410.1)														
600	NET DEFERRED TAXES	Z896	K_EPIS	(879)	(840)	(7)	(30)	0	0	0	0	(2)	(2)	(879)	0
601	ANNUALIZE DEPRECIATION	Z896	K_Depr_Ex	(301)	(291)	(2)	(7)	0	0	0	0	(1)	(1)	(301)	0
604	NON-JURISDICTIONAL TAX	Z896	K_rbrprod_d	9,912	9,912	0	0	0	0	0	0	0	0	9,912	0
609	TOT STATE PROV DEF IT DEFERRALS (410.1)	Z911		8,732	8,781	(9)	(37)	0	0	0	0	(3)	(3)	8,732	0
610															
626	TOTAL STATE INC TAX ADJUSTMENT	Z957		8,732	8,781	(9)	(37)	0	0	0	0	(3)	(3)	8,732	0

DUKE ENERGY KENTUCKY															
COST OF SERVICE STUDY															
TWELVE MONTHS ENDING DECEMBER 31, 2005															
ELECTRIC CASE NO. 2006-00172															
FR44-1, NW112 CORN PEAK															
TT															
5/26/06 7:36 AM															
A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R	
LINE	DESCRIPTION	ITEM	ALLOC	TRANSMISSION TIME OF DAY	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
627	INCOME TAX BASED ON RETURN	Schedule 9c													
628	SUMMARY OF SIT CALCULATION														
629	RETURN ON CAPITALIZATION	R751		1,314,477	1,158,600	101,626	51,311	0	0	0	0	2,940	2,940	1,314,477	0
630	NET FED INCOME TAX ALLOWABLE	R79		507,430	445,235	46,060	16,197	0	0	0	0	(62)	(62)	507,430	0
631	NET FED INCOME TAX ALLOWABLE	R79		(496,333)	(474,839)	(3,799)	(16,012)	0	0	0	0	(1,683)	(1,683)	(496,333)	0
632	DEDUCTIONS IN ADD TO Y871	Y871		(25,273)	(24,436)	(193)	(601)	0	0	0	0	(43)	(43)	(25,273)	0
633	DEDUCTIONS IN ADD TO Y871	Y871		6,183	9,732	0	(3,519)	0	0	0	0	(30)	(30)	6,183	0
634	AFUDC OFFSET	L033		8,732	8,781	(9)	(37)	0	0	0	0	(3)	(3)	8,732	0
635	TOTAL STATE INC TAX ADJ.	Z957		8,732	8,781	(9)	(37)	0	0	0	0	(3)	(3)	8,732	0
636	BASE FOR SIT COMPUTATION	J865		1,315,216	1,123,073	143,685	47,339	0	0	0	0	1,119	1,119	1,315,216	0
637	SIT FACTOR K192/(K-182)	J967		0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378
638	PRELIMINARY STATE INCOME TAX	J969		80,799	68,995	8,827	2,908	0	0	0	0	69	69	80,799	0
639	PRELIMINARY STATE INCOME TAX ADJ.	Z957		8,732	8,781	(9)	(37)	0	0	0	0	(3)	(3)	8,732	0
640	NET STATE INC TAX ALLOWABLE	J879		89,531	77,776	8,818	2,871	0	0	0	0	66	66	89,531	0
641	STATE INCOME TAX PAYABLE	J969		80,799	68,995	8,827	2,908	0	0	0	0	69	69	80,799	0
642	PRELIMINARY STATE INCOME TAX	Z955		0	0	0	0	0	0	0	0	0	0	0	0
643	OTHER SIT ADJUSTMENTS	J888		80,799	68,995	8,827	2,908	0	0	0	0	69	69	80,799	0
644	NET STATE INCOME TAX PAYABLE	CTAX		0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621
645	COMPOSITE TAX RATE			0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621

A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY													
2	COST OF SERVICE STUDY													5/28/06 7:38 AM
3	TWELVE MONTHS ENDING DECEMBER 31, 2005													
4	ELECTRIC CASE NO: 2006-00172													
5	FR-4V-1 KW (12 COIN PEAK)													
6	TT													
7			TT							TOTAL				
8	DESCRIPTION	ITEM	TRANSMISSION	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		DISTRIBUTION	DISTRIBUTION	TOTAL	TOTAL	ALL
9		ALLOC	TIME OF DAY	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES	CONDUCTORS	DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	OTHER
655	COST OF SERVICE COMPUTATION													
656	Schedule 10													
657	OTHER OPERATING REVENUES													
658	RENTAL REVENUE	Q000	K_EPIS	33,317	31,846	256	1,155	0	0	0	60	60	33,317	0
659	BAD CHECK CHARGE	Q002	K_Func_Rev	395	141	228	24	0	0	0	2	2	395	0
660	ELIMINATE NON-NATIVE SALES	Q002	K_reprod_e	(763,361)	0	(763,361)	0	0	0	0	0	0	(763,361)	0
661	SALES FOR RESALE	Q002	K_reprod_e	763,361	0	763,361	0	0	0	0	0	0	763,361	0
662	RECONNECTION CHARGES	Q002	K_Func_Rev	2,060	734	1,191	123	0	0	0	12	12	2,060	0
663	INTERRUPTIBLE CREDIT	Q002	K_Func_Rev	(2,092)	(746)	(1,209)	(125)	0	0	0	(12)	(12)	(2,092)	0
664	BILLING CYCLE IMPROVEMENT	Q004	K_Func_Rev	14,604	5,205	8,440	873	0	0	0	86	86	14,604	0
665	OTHER MISCELLANEOUS REVENUES	Q006	K_Func_Rev	2,010	716	1,162	120	0	0	0	12	12	2,010	0
666	MISCELLANEOUS	Q006	K_Func_Rev	0	0	0	0	0	0	0	0	0	0	0
667	TOTAL OTHER OPERATING REVS	Q027		50,294	37,896	10,068	2,170	0	0	0	160	160	50,294	0
670	COST OF SERVICE COMPUTATION													
671	TOTAL OP EXP EXC INC & REV TAX	OP69		8,076,925	1,861,329	5,628,623	531,142	0	0	0	55,831	55,831	8,076,925	0
672	RETURN ON CAPITALIZATION	R751		1,314,477	1,158,600	101,626	51,311	0	0	0	2,940	2,940	1,314,477	0
673	NET FED INCOME TAX ALLOWABLE	I879		507,430	445,235	46,060	16,197	0	0	0	(62)	(62)	507,430	0
674	NET STATE INCOME TAX ALLOWABLE	I979		89,531	77,776	8,818	2,871	0	0	0	66	66	89,531	0
675	TOTAL OTHER OPERATING REVENUES	Q027		(50,294)	(37,896)	(10,068)	(2,170)	0	0	0	(160)	(160)	(50,294)	0
677	SUBTOTAL B	CS03		9,938,069	3,505,044	5,775,059	599,351	0	0	0	58,615	58,615	9,938,069	0
678	COST OF SERVICE COMPUTATION													
679	TOTAL OTHER OPERATING REVENUES	Q027		50,294	37,896	10,068	2,170	0	0	0	160	160	50,294	0
680	LESS: OTHER ITEMS			0	0	0	0	0	0	0	0	0	0	0
681	OTHER OPERATING REVS TO BE TAXED	OORT		50,294	37,896	10,068	2,170	0	0	0	160	160	50,294	0
682	COST OF SERVICE COMPUTATION													
685	AFUDC OFFSET	L032		6,183	9,732	0	(3,519)	0	0	0	(30)	(30)	6,183	0
686	OTHER DEDUCTIONS TO COST OF SERVICE	L033		6,183	9,732	0	(3,519)	0	0	0	(30)	(30)	6,183	0
687	TOTAL ELECTRIC COST OF SERVICE	CS09		9,944,252	3,514,776	5,775,059	595,832	0	0	0	58,585	58,585	9,944,252	0
688	COST OF SERVICE COMPUTATION													
689	PROPOSED REVENUES	R602		10,000,112									10,000,112	0
690	TOTAL ELECTRIC COST OF SERVICE	CS09		(9,944,252)									(9,944,252)	0
691	EXCESS REVENUES	XREV		55,860									55,860	0
692	COMPOSITE TAX RATE	CTAX	PPCOMPTAX_FROM	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621
693	EXCESS TAX	XTAX		21,653									21,653	0
694	EXCESS RETURN	XRET		34,207									34,207	0
695	COST OF SERVICE COMPUTATION													

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR#-1 KW (12 COIN PEAK)														
6	TT														
7	TT														
8	DESCRIPTION	ITEM	ALLOC	TT TIME OF DAY	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
696	ROR AND TAX RATES Schedule 11														
697	RATE OF RETURN														
698															
699	CAPITALIZATION AMOUNTS		CAP_FROM	Total Company	Ratio			Ratio							
700	LONG TERM DEBT	K100		275,774,125	0.406259216			0.406259216							
701	PREFERRED STOCK	K102		0	0.000000000			0.000000000							
702	COMMON STOCK	K104		345,393,322	0.508819383			0.508819383							
703	SHORT TERM DEBT	K106		57,645,769	0.084921401			0.084921401							
704	UNAMORTIZED DISCOUNT	K108		0	0.000000000			0.000000000							
705	TOTAL	K115		678,813,216	1.000000000			1.000000000							
706															
707	COST OF CAPITAL														
708	LONG TERM DEBT	K120		0.0609											
709	PREFERRED STOCK	K122		0.0000											
710	COMMON STOCK	K124		0.1150											
711	SHORT TERM DEBT	K126		0.0514											
712	UNAMORTIZED DISCOUNT	K128		0.0000											
713															
714	WEIGHTED COST OF CAPITAL														
715	LONG TERM DEBT	K141		0.0247											
716	PREFERRED STOCK	K143		0.0000											
717	COMMON STOCK	K145		0.0585											
718	SHORT TERM DEBT	K147		0.0044											
719	UNAMORTIZED DISCOUNT	K149		0.0000											
720	TOT RATE OF RETURN ALLOWABLE	RORA	ROR_EARN_FROM	0.0876											
721															
722	TAX RATES AND SPECIAL FACTORS														
723	SHORT TERM DEBT COST	K180		0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
724	FEDERAL INCOME TAX RATE	K190	FIT_FROM	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000
725	STATE INCOME TAX RATE	K192	STATETX_FROM	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788
726	REVENUE TAX RATE	K196		0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
727															
728															
729	PRESENT REVENUES	R800		8,534,952	0	0	0	0	0	0	0	0	0	8,534,952	0
730	PROPOSED REVENUES	R802		10,000,112	0	0	0	0	0	0	0	0	0	10,000,112	0
731	PRESENT NOI			451,451											
732	GROSS PRESENT REV AT AVERAGE ROR			8,097,508											
733	SUBSIDY EXCESS			437,444											
734	REDUCTION IN SUBSIDY EXCESS			109,361											
735	RATE INCREASE			1,574,521											
736	TAX COMPLEMENT														
737															
738															
739															
740															
741															
742															
743															
744															

DUKE ENERGY KENTUCKY													5/28/08 7:38 AM	
COST OF SERVICE STUDY														
TWELVE MONTHS ENDING DECEMBER 31, 2005														
ELECTRIC CASE NO: 2006-00172														
FR4v-1 KW (12 COIN PEAK)														
TT														
			TT	PRODUCTION	PRODUCTION	OTHER	POLES, TOWERS	CONDUCTORS	TOTAL	DISTRIBUTION	TOTAL	TOTAL	ALL	
		ALLOC	TRANSMISSION	DEMAND	ENERGY	TRANSMISSION	& FIXTURES		DISTRIBUTION	CUSTOMER	DISTRIBUTION	TOTAL	OTHER	
	DESCRIPTION	ITEM	TIME OF DAY						DEMAND					
745	INCOME TAX BASED ON REVENUES	Schedule 12												
746	NET INCOME COMPUTATION													
747	TOTAL ELECTRIC COST OF SERVICE	CS09	9,944,252	3,514,776	5,775,059	595,832	0	0	0	58,585	58,585	9,944,252	0	
748	TOTAL OTHER OPERATING REVENUES	Q027	50,294	37,896	10,068	2,170	0	0	0	160	160	50,294	0	
749	TOTAL ELECTRIC REVENUE	CS07	9,994,546	3,552,672	5,785,127	598,002	0	0	0	58,745	58,745	9,994,546	0	
750	TOTAL OP EXP EXC IT & OTHER DEDUCTIONS	OP61	(8,076,925)	(1,861,329)	(5,628,623)	(531,142)	0	0	0	(55,831)	(55,831)	(8,076,925)	0	
751	OTHER	RTXP	0	0	0	0	0	0	0	0	0	0	0	
752	NET INCOME	NI01	1,917,621	1,691,343	156,504	66,860	0	0	0	2,914	2,914	1,917,621	0	
753														
754	ADJUSTMENTS TO NET INCOME													
755	TOTAL INTEREST EXPENSE	Y783	(359,432)	(343,571)	(2,757)	(12,461)	0	0	0	(643)	(643)	(359,432)	0	
756	TOTAL OTHER DEDUCTIONS	Y828	(136,901)	(131,268)	(1,042)	(3,551)	0	0	0	(1,040)	(1,040)	(136,901)	0	
757	PRELIMINARY TAXABLE INCOME	TI01	1,421,288	1,216,504	152,705	50,848	0	0	0	1,231	1,231	1,421,288	0	
758														
759	STATE INCOME TAX COMPUTATION													
760	PRELIMINARY TAX ABLE INCOME (INCL AFUDC)	TI01	1,421,288	1,216,504	152,705	50,848	0	0	0	1,231	1,231	1,421,288	0	
761	DEDUCTIONS IN ADD TO Y871	Y911	(25,273)	(24,438)	(193)	(601)	0	0	0	(43)	(43)	(25,273)	0	
762	STATE TAXABLE INCOME	SI01	1,396,015	1,192,066	152,512	50,247	0	0	0	1,188	1,188	1,396,015	0	
763														
764	STATE INCOME TAX PAYABLE													
765	STATE INCOME TAX RATE	K192	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	
766	PRELIM SIT = SI01 * K192	ST01	80,799	68,995	8,827	2,908	0	0	0	69	69	80,799	0	
767	OTHER SIT ADJUSTMENTS	Z855	0	0	0	0	0	0	0	0	0	0	0	
768	STATE INCOME TAX PAYABLE	SP01	80,799	68,995	8,827	2,908	0	0	0	69	69	80,799	0	
769														
770	SIT ALLOWABLE													
771	STATE INCOME TAX PAYABLE	SP01	80,799	68,995	8,827	2,908	0	0	0	69	69	80,799	0	
772	TOTAL STATE PROV DEF IT(410.1)	Z911	8,732	8,781	(9)	(37)	0	0	0	(3)	(3)	8,732	0	
773	TOTAL STATE PROV DEF IT(411.1)	Z833	0	0	0	0	0	0	0	0	0	0	0	
774	NET STATE INC TAX ALLOWABLE	SA01	89,531	77,776	8,818	2,871	0	0	0	66	66	89,531	0	
775														
776	INCOME TAX BASED ON REVENUES													
777	FEDERAL INCOME TAX COMPUTATION													
778	PRELIMINARY TAXABLE INCOME (INCL AFUDC)	TI01	1,421,288	1,216,504	152,705	50,848	0	0	0	1,231	1,231	1,421,288	0	
779	STATE INC TAX PAYABLE	SP01	(80,799)	(68,995)	(8,827)	(2,908)	0	0	0	(69)	(69)	(80,799)	0	
780	NET FEDERAL TAXABLE INCOME	FI01	1,340,489	1,147,509	143,878	47,940	0	0	0	1,162	1,162	1,340,489	0	
781	FEDERAL INCOME TAX RATE	K190	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	
782	PRELIMINARY FIT = FI01 * K190	FT01	469,171	401,628	50,357	16,779	0	0	0	407	407	469,171	0	
783	TOTAL FED PROV DEF IT (410.1)	Z782	41,443	46,651	(4,273)	(472)	0	0	0	(463)	(463)	41,443	0	
784	TOTAL FED PROV DEF IT (411.1)	Z803	0	0	0	0	0	0	0	0	0	0	0	
785	TOTAL AMORTIZED ITC & SERVICE CO ALLOC.	Z813	(3,184)	(3,044)	(24)	(110)	0	0	0	(6)	(6)	(3,184)	0	
786	NET FED INC TAX ALLOWABLE	FA01	507,430	445,235	46,060	16,197	0	0	0	(62)	(62)	507,430	0	
787														
788	FEDERAL INCOME TAX PAYABLE													
789	PRELIM FIT	FT01	469,171	401,628	50,357	16,779	0	0	0	407	407	469,171	0	
790	TEST YEAR INV TAX CREDIT	Z823	0	0	0	0	0	0	0	0	0	0	0	
791	FED INC TAX PAYABLE	FP01	469,171	401,628	50,357	16,779	0	0	0	407	407	469,171	0	
792														
793	PRELIMINARY SUMMARY													
794	NET INCOME EXCLUDING AFUDC OFFSET	NI01	1,911,438	1,681,611	156,504	70,379	0	0	0	2,944	2,944	1,911,438	0	
795	NET FED INC TAX ALLOWABLE	FA01	(507,430)	(445,235)	(46,060)	(16,197)	0	0	0	62	62	(507,430)	0	
796	NET STATE INC TAX ALLOWABLE	SA01	(89,531)	(77,776)	(8,818)	(2,871)	0	0	0	(66)	(66)	(89,531)	0	
797	OVERALL RETURN EARNED-SCH 12	RETU	1,314,477	1,158,600	101,626	51,311	0	0	0	2,940	2,940	1,314,477	0	
798														
799	RATE OF RETURN EARNED-SCH 12	RORX	0.1034	0.1034	0.1034	0.1034	0.0000	0.0000	0.0000	0.1034	0.1034	0.1034	0.0000	

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
DUKE ENERGY KENTUCKY																	
COST OF SERVICE STUDY																	
TWELVE MONTHS ENDING DECEMBER 31, 2005																	
ELECTRIC CASE NO: 2006-00172																	
05/26/06																	
DESCRIPTION	ALLOC	TT TRANSMISSION TIME OF DAY	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER				
Schedule 13																	
Prod-Demand	K_rbprod_d		1.00000								0.00000						
Prod-Energy	K_rbprod_e			1.00000							0.00000						
Main Step-Up Transformers	K_rbrtran_stepup				1.00000						0.00000						
Transmission Other	K_rbrtran_oth					1.00000					0.00000						
Substations	K_Subst						1.00000				1.00000						
Poles Towers & Fixtures	K_Poles							1.00000			1.00000						
Conductors	K_Conductors								1.00000		1.00000						
Transformers	K_Transformer									1.00000	1.00000						
Distribution Demand	K_rbdist_d								1.00000		1.00000						
Distribution Customer	K_rbdist_c									1.00000	1.00000						
All Other	K_FERC												1.00000				
Gross Dist Plant excl CCNC-OC (106)		14,751	0	0	0	0	0	0	0	14,751	14,751	14,751	0				
Ratio	K_dist_ccnc	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000				
Gross Plant (OC)		26,485,125	25,468,082	194,611	785,646	0	0	0	0	36,786	36,786	26,485,125	0				
Ratio	K_grossPlt	1.000000000	0.961599463	0.007347936	0.029663670	0.000000000	0.000000000	0.000000000	0.000000000	0.001388931	0.001388931	1.000000000	0.000000000				
Gross Prod Plant (OC)		25,132,929	25,132,929	0	0	0	0	0	0	0	0	25,132,929	0				
Ratio	K_gross_prodpit	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
Gross Plant-Prod/Trans/Dist (OC)		25,915,438	25,132,929	0	766,754	0	0	0	0	15,755	15,755	25,915,438	0				
Ratio	K_grossPTD	1.000000000	0.969805295	0.000000000	0.029586766	0.000000000	0.000000000	0.000000000	0.000000000	0.000607939	0.000607939	1.000000000	0.000000000				
Gross Distribution Plant (OC)		15,755	0	0	0	0	0	0	0	15,755	15,755	15,755	0				
Ratio	K_gross_distpit	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000				
Gross Transmission Plant (OC)		766,754	0	0	766,754	0	0	0	0	0	0	766,754	0				
Ratio	K_gross_tranpit	1.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
Gross General Plant (OC)		79,771	46,938	27,237	2,654	0	0	0	0	2,942	2,942	79,771	0				
Ratio	K_gross_genpit	1.000000000	0.588409321	0.341439872	0.033270236	0.000000000	0.000000000	0.000000000	0.000000000	0.036880571	0.036880571	1.000000000	0.000000000				
Gross Common Plant (OC)		489,916	288,215	167,374	16,238	0	0	0	0	18,089	18,089	489,916	0				
Ratio	K_gross_compit	1.000000000	0.588294729	0.341638158	0.033144457	0.000000000	0.000000000	0.000000000	0.000000000	0.036922656	0.036922656	1.000000000	0.000000000				
Production Plant-Net (OC-Depr)		12,159,891	12,159,891	0	0	0	0	0	0	0	0	12,159,891	0				
Ratio	K_prodnet	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
Distribution Plant-Net (OC-Depr)		12,368	0	0	0	0	0	0	0	12,368	12,368	12,368	0				
Ratio	K_distnet	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000				
Transmission Plant-Net (OC-Depr)		437,578	0	0	437,578	0	0	0	0	0	0	437,578	0				
Ratio	K_tranenet	1.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
General Plant Plant-Net		37,352	21,993	12,727	1,255	0	0	0	0	1,377	1,377	37,352	0				
Ratio	K_gennet	1.000000000	0.588803812	0.340731420	0.033599272	0.000000000	0.000000000	0.000000000	0.000000000	0.036865496	0.036865496	1.000000000	0.000000000				
Transmission & Distr Plant In Service		449,946	0	0	437,578	0	0	0	0	12,368	12,368	449,946	0				
Ratio	K_T&D_net	1.000000000	0.000000000	0.000000000	0.972512257	0.000000000	0.000000000	0.000000000	0.000000000	0.027487743	0.027487743	1.000000000	0.000000000				
Net Electric Plant In Service		12,899,614	12,330,393	98,956	447,195	0	0	0	0	23,070	23,070	12,899,614	0				
Ratio	K_EPIS	1.000000000	0.955873021	0.007671237	0.034667316	0.000000000	0.000000000	0.000000000	0.000000000	0.001788426	0.001788426	1.000000000	0.000000000				
Common Plant- net		252,425	148,509	86,229	8,362	0	0	0	0	9,325	9,325	252,425	0				
Ratio	K_comnet	1.000000000	0.588329207	0.341602456	0.033126671	0.000000000	0.000000000	0.000000000	0.000000000	0.036941666	0.036941666	1.000000000	0.000000000				

DUKE ENERGY KENTUCKY COST OF SERVICE STUDY TWELVE MONTHS ENDING DECEMBER 31, 2005 ELECTRIC CASE NO: 2006-00172													05/26/06	
DESCRIPTION	ALLOC	TT TRANSMISSION TIME OF DAY	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER	
66	Common & General Plant-net	289,777	170,502	98,956	9,617	0	0	0	0	10,702	10,702	289,777	0	
67	Ratio	K_comgennet	1.000000000	0.588390383	0.341490180	0.033187589	0.000000000	0.000000000	0.000000000	0.036931848	0.036931848	1.000000000	0.000000000	
68														
69	Total OCD Rate Base	13,483,001	11,884,116	1,042,408	526,318	0	0	0	0	30,159	30,159	13,483,001	0	
70	Ratio	K_OCDRB	1.000000000	0.881414753	0.077312758	0.039035672	0.000000000	0.000000000	0.000000000	0.002236817	0.002236817	1.000000000	0.000000000	
71		Schedule 13a												
72	Construction Work In Progress	(70,569)	(111,080)	0	40,167	0	0	0	0	344	344	(70,569)	0	
73	Ratio	K_CWIP	1.000000000	1.574062266	0.000000000	(0.569187604)	0.000000000	0.000000000	0.000000000	(0.004874662)	(0.004874662)	1.000000000	0.000000000	
74														
75	A&G	564,568	332,142	192,892	18,705	0	0	0	0	20,839	20,839	564,568	0	
76	Ratio	K_A&G	1.000000000	0.588311772	0.341645293	0.033131527	0.000000000	0.000000000	0.000000000	0.036911408	0.036911408	1.000000000	0.000000000	
77														
78	A&G (excluding adjustments)	603,409	354,992	206,152	19,992	0	0	0	0	22,273	22,273	603,409	0	
79	Ratio	K_A&GexAdj	1.000000000	0.588310748	0.341645551	0.033131756	0.000000000	0.000000000	0.000000000	0.036911945	0.036911945	1.000000000	0.000000000	
80														
81	Dist A&G (ex reg exp)	21,183	0	0	0	0	0	0	0	21,183	21,183	21,183	0	
82	Ratio	K_DistA&G	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000	
83														
84	Transmission A&G	22,602	2,580	0	20,022	0	0	0	0	0	0	22,602	0	
85	Ratio	K_TransA&G	1.000000000	0.114149190	0.000000000	0.885850810	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000	
86														
87	Customer Accounts A&G	444	0	0	0	0	0	0	0	444	444	444	0	
88	Ratio	K_CA_A&G	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000	
89														
90	Cust Service & Informational A&G	144	(179)	(293)	(30)	0	0	0	0	646	646	144	0	
91	Ratio	K_CSI_A&G	1.000000000	(1.243055556)	(2.034722222)	(0.208333333)	0.000000000	0.000000000	0.000000000	4.486111111	4.486111111	1.000000000	0.000000000	
92														
93	Sales A&G	0	0	0	0	0	0	0	0	0	0	0	0	
94	Ratio	K_Sales_A&G	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	
95														
96	Depreciation Expense	755,949	730,902	5,781	17,984	0	0	0	0	1,282	1,282	755,949	0	
97	Ratio	K_Depr_Ex	1.000000000	0.966866812	0.007647341	0.023789965	0.000000000	0.000000000	0.000000000	0.001695882	0.001695882	1.000000000	0.000000000	
98														
99	O&M (no A&G)	6,617,181	687,382	5,413,754	484,120	0	0	0	0	31,925	31,925	6,617,181	0	
100	Ratio	K_O&M	1.000000000	0.103878373	0.818136001	0.073161064	0.000000000	0.000000000	0.000000000	0.004824562	0.004824562	1.000000000	0.000000000	
101														
102	Production O&M	6,038,842	625,029	5,413,813	0	0	0	0	0	0	0	6,038,842	0	
103	Ratio	K_prodO&M	1.000000000	0.103501486	0.896498534	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000	
104														
105	Dist O&M	31,227	0	0	0	0	0	0	0	31,227	31,227	31,227	0	
106	Ratio	K_distO&M	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000	
107														
108	Transmission O&M	546,515	62,389	0	484,126	0	0	0	0	0	0	546,515	0	
109	Ratio	K_tranO&M	1.000000000	0.114157891	0.000000000	0.885842109	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000	
110														
111	Customer Accounting O&M	570	0	0	0	0	0	0	0	570	570	570	0	
112	Ratio	K_CA_O&M	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000	
113														
114	Uncollectible Account O&M	(2)	0	0	0	0	0	0	0	(2)	(2)	(2)	0	
115	Ratio	K_Uncol_O&M	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000	
116														
117	Customer Service & Informational O&M	29	(36)	(59)	(6)	0	0	0	0	130	130	29	0	
118	Ratio	K_CSI_O&M	1.000000000	(1.241379310)	(2.034482759)	(0.206896552)	0.000000000	0.000000000	0.000000000	4.482758621	4.482758621	1.000000000	0.000000000	
119														
120	Sales O&M	0	0	0	0	0	0	0	0	0	0	0	0	
121	Ratio	K_Sales_O&M	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	
122														
123	AutoCalc Wkg Capital (incl A&G)	1,767,936	1,019,524	192,823	502,825	0	0	0	0	52,764	52,764	1,767,936	0	
124	Ratio	K_O&MxFuel	1.000000000	0.576674721	0.109066731	0.284413576	0.000000000	0.000000000	0.000000000	0.029844972	0.029844972	1.000000000	0.000000000	

COST OF SERVICE STUDY

BY FUNCTION

RATE TT-RTP

FR 10(9)(v)-16

DUKE ENERGY KENTUCKY															
COST OF SERVICE STUDY															
TWELVE MONTHS ENDING DECEMBER 31, 2005															
ELECTRIC CASE NO: 2006-00172															
FR-4v-1 KW (12 COIN PEAK)															
TT_RTP															
DESCRIPTION	ITEM	ALLOC	TT_RTP	PRODUCTION	PRODUCTION	OTHER	POLES, TOWERS & FIXTURES			TOTAL	DISTRIBUTION	TOTAL	ALL		
			INCR. TRANS	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	CONDUCTORS	DISTRIBUTION	CUSTOMER	DISTRIBUTION	TOTAL	OTHER		
			TIME OF DAY	1	2	3	5	6	7	8	10	11	12	13	14
SUMMARY OF RESULTS															
Schedule 1															
NET INCOME COMPUTATION															
GROSS ELECTRIC PLANT IN SERVICE	GP19		\$1,667,763	\$1,612,649	\$3,794	\$49,738	\$0	\$0	\$0	\$0	\$1,582	\$1,582	\$1,667,763	\$0	
TOTAL DEPRECIATION RESERVE	DR19		(855,956)	(831,887)	(1,865)	(21,427)	0	0	0	0	(777)	(777)	(855,956)	0	
TOTAL RATE BASE ADJUSTMENTS	RB71		36,166	(27,928)	58,799	5,009	0	0	0	0	286	286	36,166	0	
TOTAL RATE BASE	RB99		847,973	752,834	60,728	33,320	0	0	0	0	1,091	1,091	847,973	0	
CAPITALIZATION ALLOC TO ELECTRIC OPER	ECAP		799,385	709,698	57,248	31,411	0	0	0	0	1,028	1,028	799,385	0	
OPERATING EXPENSES															
TOTAL O&M EXPENSE	OM39		210,495	66,403	110,484	31,828	0	0	0	0	1,780	1,780	210,495	0	
TOTAL DEPRECIATION EXPENSE	DE49		47,579	46,282	112	1,138	0	0	0	0	47	47	47,579	0	
TOTAL OTHER TAX & MISC EXPENSE	L591		8,113	7,020	321	654	0	0	0	0	118	118	8,113	0	
TOTAL OP EXP EXC INC & R TAX	OP69		266,187	119,705	110,917	33,620	0	0	0	0	1,945	1,945	266,187	0	
NET FED INCOME TAX ALLOWABLE	IB79		58,888	51,898	4,912	2,072	0	0	0	0	6	6	58,888	0	
NET STATE INCOME TAX ALLOWABLE	J979		10,366	9,109	881	387	0	0	0	0	9	9	10,366	0	
AFUDC OFFSET	LO33	K_CWIP	393	616	0	(223)	0	0	0	0	0	0	393	0	
TOTAL OPERATING EXPENSE	OPEX		335,834	181,328	116,710	35,836	0	0	0	0	1,960	1,960	335,834	0	
RETURN ON CAPITALIZATION	R751		132,726	117,835	9,505	5,215	0	0	0	0	171	171	132,726	0	
TOTAL OTHER OPERATING REVENUES			(2,902)	(2,503)	(245)	(149)	0	0	0	0	(5)	(5)	(2,902)	0	
TOTAL ELECTRIC COST OF SERVICE	CS09		465,658	296,660	125,970	40,902	0	0	0	0	2,126	2,126	465,658	0	
PROPOSED REVENUES	R602		409,837	247,102	121,972	38,709	0	0	0	0	2,054	2,054	409,837	0	
EXCESS REVENUES	XREV		(55,821)	(49,558)	(3,998)	(2,193)	0	0	0	0	(72)	(72)	(55,821)	0	
TOTAL RETURN EARNED	RETE		98,542	87,486	7,057	3,872	0	0	0	0	127	127	98,542	0	
RATE OF RETURN EARNED ON CAPITALIZATION	RORE	SUM_RETURN_FROM	0.123272266	0.123272266	0.123272266	0.123272266	0.123272266	0.123272266	0.123272266	0.123272266	0.123272266	0.123272266	0.123272266	0.00000	
TOTAL RATE OF RETURN ALLOWABLE	RORA		0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	
RETURN EARNED ON COMMON EQUITY	REOE		0.19365	0.19365	0.19365	0.19365	0.00000	0.00000	0.00000	0.00000	0.19365	0.19365	0.19365	(0.00000)	
ALLOWED RETURN ON COMMON EQUITY	AROE		0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	
PRESENT REVENUES	R800		404,272	243,747	120,316	38,183	0	0	0	0	2,026	2,026	404,272	0	
REVENUE INCREASE JUSTIFIED	RIJD		61,386	52,913	5,654	2,719	0	0	0	0	100	100	61,386	0	
PER UNIT PRES REV	RIJP	PRESREV_FROM	0.15184										0.15184	0.00000	
REVENUE INCREASE REQUESTED	RIRD		5,565										5,565	0	
PER UNIT PRES REV	RIRP	PRESINCR_FROM	0.01377										0.01377	0.00000	

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
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3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-0v-1 KW (12 COIN PEAK)														
6	TT_RTP														
7															
8	DESCRIPTION	ITEM	ALLOC	TT_RTP INCR. TRANS TIME OF DAY	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
49	GROSS ELECTRIC PLANT IN SERVICE														
50	Schedule 2														
51	PRODUCTION PLANT														
51	PRODUCTION - STEAM	P100	K_rtprod_d	1,023,902	1,023,902	0	0	0	0	0	0	0	0	1,023,902	0
52	PRODUCTION - OTHER	P108	K_rtprod_d	567,615	567,615	0	0	0	0	0	0	0	0	567,615	0
53	PRODUCTION PLANT IN SERVICE	P129		1,591,517	1,591,517	0	0	0	0	0	0	0	0	1,591,517	0
54	TRANSMISSION PLANT														
56	MAIN STEP-UP TRANSFORMERS	T100	K_rtrtran_stepup	0	0	0	0	0	0	0	0	0	0	0	0
57	OTHER TRANSMISSION	T102	K_rtrtran_oth	48,554	0	0	48,554	0	0	0	0	0	0	48,554	0
58	TRANSMISSION PLANT IN SERVICE	T129		48,554	0	0	48,554	0	0	0	0	0	0	48,554	0
59	TOTAL PROD & TRANS PLANT														
60		PT29		1,640,071	1,591,517	0	48,554	0	0	0	0	0	0	1,640,071	0
61	DISTRIBUTION PLANT														
63	SUBSTATIONS	D100	K_Subst	0	0	0	0	0	0	0	0	0	0	0	0
64	POLES, TOWERS & FIXTURES	D102	K_Poles	0	0	0	0	0	0	0	0	0	0	0	0
65	CONDUCTORS	D104	K_Conductors	0	0	0	0	0	0	0	0	0	0	0	0
66	TRANSFORMERS	D106	K_rtdist_c	0	0	0	0	0	0	0	0	0	0	0	0
67	SERVICES	D108	K_rtdist_c	0	0	0	0	0	0	0	0	0	0	0	0
68	METERS	D110	K_rtdist_c	0	0	0	0	0	0	0	0	0	0	0	0
70	STREET LIGHTS	D114	K_rtdist_c	0	0	0	0	0	0	0	0	0	0	0	0
71	CONSTRUCTION NOT CLASSIFIED	D116	K_dist_conc	0	0	0	0	0	0	0	0	0	0	0	0
72	DISTRIBUTION PLANT IN SERVICE	D149		0	0	0	0	0	0	0	0	0	0	0	0
73	TOTAL TRANS & DIST PLANT														
74		TD29		48,554	0	0	48,554	0	0	0	0	0	0	48,554	0
75	TOTAL GROSS PTD PLANT														
76		PD29		1,640,071	1,591,517	0	48,554	0	0	0	0	0	0	1,640,071	0
77	GENERAL & INTANGIBLE PLANT														
78	PRODUCTION-DEMAND	G100	K_rtprod_d	2,952	2,952	0	0	0	0	0	0	0	0	2,952	0
79	PRODUCTION-ENERGY RELATED	G102	K_rtprod_e	538	0	538	0	0	0	0	0	0	0	538	0
80	TRANSMISSION	G104	K_TransA&G	190	22	0	168	0	0	0	0	0	0	190	0
81	DISTRIBUTION	G106	K_DistA&G	174	0	0	0	0	0	0	0	174	174	174	0
82	CUSTOMER ACCOUNTING	G108	K_CA_A&G	18	0	0	0	0	0	0	0	18	18	18	0
83	CUSTOMER SERVICE & INFORMATION	G110	K_CSI_A&G	6	(14)	(7)	(2)	0	0	0	0	29	29	6	0
84	SALES	G112	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
85	GENERAL & INTANGIBLE PLANT IN SERVICE	G129		3,878	2,960	531	166	0	0	0	0	221	221	3,878	0
86	COMMON & OTHER PLANT														
88	PRODUCTION-DEMAND RELATED	C100	K_rtprod_d	18,127	18,127	0	0	0	0	0	0	0	0	18,127	0
89	PRODUCTION-ENERGY RELATED	C102	K_rtprod_e	3,304	0	3,304	0	0	0	0	0	0	0	3,304	0
90	TRANSMISSION	C104	K_TransA&G	1,162	132	0	1,030	0	0	0	0	0	0	1,162	0
91	DISTRIBUTION	C106	K_DistA&G	1,073	0	0	0	0	0	0	0	1,073	1,073	1,073	0
92	CUSTOMER ACCOUNTING	C108	K_CA_A&G	111	0	0	0	0	0	0	0	111	111	111	0
93	CUSTOMER SERVICE & INFORMATION	C110	K_CSI_A&G	37	(87)	(41)	(12)	0	0	0	0	177	177	37	0
94	SALES	C112	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
95	COMMON & OTHER PLANT IN SERVICE	C129		23,814	18,172	3,263	1,018	0	0	0	0	1,361	1,361	23,814	0
96	TOTAL GROSS ELECTRIC PLANT IN SERVICE														
97		GP19		1,667,763	1,612,649	3,794	49,738	0	0	0	0	1,582	1,582	1,667,763	0

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1	DUKE ENERGY KENTUCKY														
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4	ELECTRIC CASE NO: 2006-00172														
5	FR-4Y-1 KW (12 COIN PEAK)														
6	TT_RTP														
7				TT_RTP											
8	DESCRIPTION	ITEM	ALLOC	INCR. TRANS TIME OF DAY	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
99	DEPRECIATION RESERVE Schedule 3														
100	PRODUCTION PLANT														
101	PRODUCTION - STEAM	P150	K_rtprod_d	562,624	562,624	0	0	0	0	0	0	0	0	562,624	0
102	PRODUCTION - OTHER	P152	K_rtprod_d	258,881	258,881	0	0	0	0	0	0	0	0	258,881	0
103	TOTAL PROD DEPREC RESERVE	P171		821,505	821,505	0	0	0	0	0	0	0	0	821,505	0
104	TRANSMISSION PLANT														
105	MAIN STEP-UP TRANSFORMERS		K_rtrbran_stepup	0	0	0	0	0	0	0	0	0	0	0	0
107	OTHER TRANSMISSION	T150	K_rtrbran_oth	20,845	0	0	20,845	0	0	0	0	0	0	20,845	0
108	TOTAL TRANS DEPREC RESERVE	T171		20,845	0	0	20,845	0	0	0	0	0	0	20,845	0
109	TOTAL PROD & TRANS DEPREC RESERVE			842,350	821,505	0	20,845	0	0	0	0	0	0	842,350	0
111	DISTRIBUTION PLANT														
113	SUBSTATIONS	D150	K_Subst	0	0	0	0	0	0	0	0	0	0	0	0
114	POLES, TOWERS & FIXTURES	D152	K_Poles	0	0	0	0	0	0	0	0	0	0	0	0
115	CONDUCTORS	D154	K_Conductors	0	0	0	0	0	0	0	0	0	0	0	0
116	TRANSFORMERS	D156	K_Transformer	0	0	0	0	0	0	0	0	0	0	0	0
117	SERVICES	D158	K_rtdist_c	0	0	0	0	0	0	0	0	0	0	0	0
118	METERS	D160	K_rtdist_c	0	0	0	0	0	0	0	0	0	0	0	0
119	DEPRECIATION EXPENSE ADJUSTMENT	D162	K_dist_cmc	0	0	0	0	0	0	0	0	0	0	0	0
120	STREET LIGHTS	D164	K_rtdist_c	0	0	0	0	0	0	0	0	0	0	0	0
121	COMPLETED CONSTRUCTION NOT CLASSIFIED	D166	K_dist_cmc	0	0	0	0	0	0	0	0	0	0	0	0
122	RETIREMENT WORK IN PROGRESS	D168	K_dist_cmc	0	0	0	0	0	0	0	0	0	0	0	0
123	TOTAL DIST DEPREC RESERVE	D191		0	0	0	0	0	0	0	0	0	0	0	0
124	TOTAL TRANS & DIST DEPREC RESERVE			20,845	0	0	20,845	0	0	0	0	0	0	20,845	0
125	TOTAL GROSS PTD PLANT DEPREC RESERVE			842,350	821,505	0	20,845	0	0	0	0	0	0	842,350	0
127	GENERAL & INTANGIBLE PLANT														
129	PRODUCTION-DEMAND	G150	K_rtprod_d	1,569	1,569	0	0	0	0	0	0	0	0	1,569	0
130	PRODUCTION-ENERGY	G152	K_rtprod_e	286	0	286	0	0	0	0	0	0	0	286	0
131	TRANSMISSION	G154	K_TransA&G	100	11	0	89	0	0	0	0	0	0	100	0
132	DISTRIBUTION	G156	K_DistA&G	93	0	0	0	0	0	0	0	93	93	93	0
133	CUSTOMER ACCOUNTING	G158	K_CA_A&G	10	0	0	0	0	0	0	0	10	10	10	0
134	CUSTOMER SERVICE & INFORMATION	G160	K_CSI_A&G	3	(7)	(3)	(1)	0	0	0	0	14	14	3	0
135	SALES	G162	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
136	TOTAL GEN & INTANGIBLE DEPREC RES.	G171		2,061	1,573	283	88	0	0	0	0	117	117	2,061	0
137	COMMON & OTHER PLANT														
139	PRODUCTION-DEMAND	C150	K_rtprod_d	8,787	8,787	0	0	0	0	0	0	0	0	8,787	0
140	PRODUCTION-ENERGY	C152	K_rtprod_e	1,602	0	1,602	0	0	0	0	0	0	0	1,602	0
141	TRANSMISSION	C154	K_TransA&G	564	64	0	500	0	0	0	0	0	0	564	0
142	DISTRIBUTION	C156	K_DistA&G	520	0	0	0	0	0	0	0	520	520	520	0
143	CUSTOMER ACCOUNTING	C158	K_CA_A&G	54	0	0	0	0	0	0	0	54	54	54	0
144	CUSTOMER SERVICE & INFORMATION	C160	K_CSI_A&G	18	(42)	(20)	(6)	0	0	0	0	86	86	18	0
145	SALES	C162	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
146	TOTAL COM & OTHER PLT RESERVE	C171		11,545	8,809	1,582	494	0	0	0	0	660	660	11,545	0
147	TOTAL DEPRECIATION RESERVE	DR19		855,956	831,887	1,865	21,427	0	0	0	0	777	777	855,956	0

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	DUKE ENERGY KENTUCKY														
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	ELECTRIC CASE NO: 2006-00172														
	FR-4v-1 KW (12 COIN PEAK)														
	TT_RTP														
				TT_RTP							TOTAL	DISTRIBUTION	TOTAL		ALL
	DESCRIPTION	ITEM	ALLOC	INCR. TRANS TIME OF DAY	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	DISTRIBUTION	TOTAL	OTHER
145	NET ELECTRIC PLANT IN SERVICE Schedule 4														
151	PRODUCTION PLANT														
152	PRODUCTION - STEAM			461,278	461,278	0	0	0	0	0	0	0	0	461,278	0
153	PRODUCTION - OTHER			308,734	308,734	0	0	0	0	0	0	0	0	308,734	0
154	TOTAL PROD	P229		770,012	770,012	0	0	0	0	0	0	0	0	770,012	0
155	TRANSMISSION PLANT														
157	MAIN STEP-UP TRANSFORMERS			0	0	0	0	0	0	0	0	0	0	0	0
158	OTHER TRANSMISSION			27,709	0	0	27,709	0	0	0	0	0	0	27,709	0
159	TOTAL TRANSMISSION	T229		27,709	0	0	27,709	0	0	0	0	0	0	27,709	0
161	NET PROD & TRANS PLANT			797,721	770,012	0	27,709	0	0	0	0	0	0	797,721	0
162	DISTRIBUTION PLANT														
164	SUBSTATIONS	S249		0	0	0	0	0	0	0	0	0	0	0	0
165	POLES, TOWERS & FIXTURES	PL49		0	0	0	0	0	0	0	0	0	0	0	0
166	CONDUCTORS	SL49		0	0	0	0	0	0	0	0	0	0	0	0
167	TRANSFORMERS	F249		0	0	0	0	0	0	0	0	0	0	0	0
168	SERVICES	SV49		0	0	0	0	0	0	0	0	0	0	0	0
169	METERS	M249		0	0	0	0	0	0	0	0	0	0	0	0
170	OTHER	O249		0	0	0	0	0	0	0	0	0	0	0	0
171	STREET LIGHTS	L249		0	0	0	0	0	0	0	0	0	0	0	0
172	CONSTRUCTION NOT CLASSIFIED	CN49		0	0	0	0	0	0	0	0	0	0	0	0
173	RETIREMENT WORK IN PROGRESS	CN49		0	0	0	0	0	0	0	0	0	0	0	0
174	TOTAL DIST	D249		0	0	0	0	0	0	0	0	0	0	0	0
176	NET TRANS & DIST PLANT	NT29		27,709	0	0	27,709	0	0	0	0	0	0	27,709	0
177	NET PTD PLANT	NT39		797,721	770,012	0	27,709	0	0	0	0	0	0	797,721	0
178	GENERAL & INTANGIBLE PLANT														
180	PRODUCTION-DEMAND			1,383	1,383	0	0	0	0	0	0	0	0	1,383	0
181	PRODUCTION-ENERGY			252	0	252	0	0	0	0	0	0	0	252	0
182	TRANSMISSION			90	11	0	79	0	0	0	0	0	0	90	0
183	DISTRIBUTION			81	0	0	0	0	0	0	0	81	81	81	0
184	CUSTOMER ACCOUNTING			8	0	0	0	0	0	0	0	8	8	8	0
185	CUSTOMER SERVICE & INFORMATION			3	(7)	(4)	(1)	0	0	0	0	15	15	3	0
186	SALES			0	0	0	0	0	0	0	0	0	0	0	0
187	TOTAL GENERAL AND INTANGIBLE PLANT	G229		1,817	1,387	248	78	0	0	0	0	104	104	1,817	0
188	COMMON & OTHER PLANT														
190	PRODUCTION-DEMAND			9,340	9,340	0	0	0	0	0	0	0	0	9,340	0
191	PRODUCTION-ENERGY			1,702	0	1,702	0	0	0	0	0	0	0	1,702	0
192	TRANSMISSION			598	68	0	530	0	0	0	0	0	0	598	0
193	DISTRIBUTION			553	0	0	0	0	0	0	553	553	553	553	0
194	CUSTOMER ACCOUNTING			57	0	0	0	0	0	0	0	57	57	57	0
195	CUSTOMER SERVICE & INFORMATION			19	(45)	(21)	(6)	0	0	0	0	91	91	19	0
196	SALES			0	0	0	0	0	0	0	0	0	0	0	0
197	TOTAL COM & OTHER PLT	C229		12,269	9,363	1,681	524	0	0	0	0	701	701	12,269	0
198	TOTAL ELECTRIC PLANT IN SERVICE														
199		NP29		811,807	780,762	1,929	28,311	0	0	0	0	805	805	811,807	0

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5	FR-4v-1 KW (12 COIN PEAK)														
6	TT_RTP														
7				TT_RTP											
8	DESCRIPTION	ITEM	ALLOC	INCR. TRANS TIME OF DAY	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
200	NET ELECTRIC PLANT	Schedule 4a													
202	PRODUCTION PLANT														
203	PRODUCTION PLANT IN SERVICE	P129		1,591,517	1,591,517	0	0	0	0	0	0	0	0	1,591,517	0
204	TOTAL PROD DEPREC RESERVE	P171		(821,505)	(821,505)	0	0	0	0	0	0	0	0	(821,505)	0
205	NET PRODUCTION PLANT	P229		770,012	770,012	0	0	0	0	0	0	0	0	770,012	0
207	TRANSMISSION PLANT														
208	TRANSMISSION PLANT IN SERVICE	T129		48,554	0	0	48,554	0	0	0	0	0	0	48,554	0
209	TOTAL TRANS DEPREC RESERVE	T171		(20,845)	0	0	(20,845)	0	0	0	0	0	0	(20,845)	0
210	NET TRANSMISSION PLANT	T229		27,709	0	0	27,709	0	0	0	0	0	0	27,709	0
212	NET PROD & TRANS PLANT			797,721	770,012	0	27,709	0	0	0	0	0	0	797,721	0
214	DISTRIBUTION PLANT														
215	DISTRIBUTION PLANT IN SERVICE	D149		0	0	0	0	0	0	0	0	0	0	0	0
216	TOTAL DIST DEPREC RESERVE	D191		0	0	0	0	0	0	0	0	0	0	0	0
217	NET DISTRIBUTION PLANT	D249		0	0	0	0	0	0	0	0	0	0	0	0
219	NET TRANS & DIST PLANT	NT29		27,709	0	0	27,709	0	0	0	0	0	0	27,709	0
221	NET PTD PLANT	NT39		797,721	770,012	0	27,709	0	0	0	0	0	0	797,721	0
223	GENERAL & INTANGIBLE PLANT														
224	GEN & INTANG PLANT IN SERVICE	G129		3,878	2,960	531	166	0	0	0	0	221	221	3,878	0
225	TOTAL GEN & INTG DEPREC RESERVE	G171		(2,061)	(1,573)	(283)	(88)	0	0	0	0	(117)	(117)	(2,061)	0
226	NET GENERAL & INTANG PLANT	G229		1,817	1,387	248	78	0	0	0	0	104	104	1,817	0
228	COMMON & OTHER PLANT														
229	COMMON & OTH PLT IN SERVICE	C121		23,814	18,172	3,263	1,018	0	0	0	0	1,361	1,361	23,814	0
230	TOTAL COM & OTH DEPREC RESERVE	C171		(11,545)	(8,809)	(1,582)	(494)	0	0	0	0	(650)	(650)	(11,545)	0
231	NET COMMON & OTHER PLANT	C229		12,269	9,363	1,681	524	0	0	0	0	701	701	12,269	0
233	NET ELECTRIC PLANT IN SERVICE	NP29		811,807	780,762	1,929	28,311	0	0	0	0	805	805	811,807	0

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6	TT_RTP														
7				TT_RTP							TOTAL				
8	DESCRIPTION	ITEM	ALLOC	INCR. TRANS TIME OF DAY	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
235	RATE BASE ADJUSTMENTS	Schedule 5													
236	SUBTRACTIVE ADJUSTMENTS														
237	ACCUM DEF INC TAXES (282)														
238	LIBERALIZED DEPRECIATION	B200	K_EPIS	57,125	54,940	136	1,992	0	0	0	0	57	57	57,125	0
242	MISCELLANEOUS	B208	K_EPIS	462	445	1	16	0	0	0	0	0	0	462	0
247	TOTAL ACCOUNT 282	B221		57,587	55,385	137	2,008	0	0	0	0	57	57	57,587	0
248															
249	ACCUM DEF INC TAXES (283/284)														
254	DEFERRED INCOME TAXES	B234	K_EPIS	(49)	(47)	0	(2)	0	0	0	0	0	0	(49)	0
256	TOTAL ACCOUNT 283/284	B243		(49)	(47)	0	(2)	0	0	0	0	0	0	(49)	0
257															
263	TOTAL SUBTRACTIVE ADJUSTMENTS	B287		57,538	55,338	137	2,006	0	0	0	0	57	57	57,538	0
264															
265	ADDITIVE ADJUSTMENTS														
266	ACCUM DEF INC TAXES (190)														
272	MISCELLANEOUS DEFERRALS	V212	K_A&OexcAdj	1,463	1,117	201	62	0	0	0	0	83	83	1,463	0
273	TOTAL ACCOUNT 190	V215		1,463	1,117	201	62	0	0	0	0	83	83	1,463	0
274															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-0v-1 KW (12 COIN PEAK)														
6	TT_RTP														
7				TT_RTP							TOTAL				
8	DESCRIPTION	ITEM	ALLOC	INCR. TRANS TIME OF DAY	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
285	CONSTRUCTION WORK IN PROGRESS	Schedule 5a													
287	PRODUCTION	V232	K_gross_prodpit	(7,034)	(7,034)	0	0	0	0	0	0	0	0	(7,034)	0
288	TRANSMISSION	V234	K_gross_transpit	2,544	0	0	2,544	0	0	0	0	0	0	2,544	0
289	DISTRIBUTION	V236	K_gross_distpit	0	0	0	0	0	0	0	0	0	0	0	0
290	GENERAL	V238	K_gross_genpit	0	0	0	0	0	0	0	0	0	0	0	0
291	COMMON	V240	K_gross_compit	0	0	0	0	0	0	0	0	0	0	0	0
292	TOTAL RATE BASE CWIP	V255		(4,490)	(7,034)	0	2,544	0	0	0	0	0	0	(4,490)	0
293															
294	TOTAL ADDITIVE ADJUSTMENTS	V289		(3,027)	(5,917)	201	2,606	0	0	0	0	83	83	(3,027)	0
295															
296	NET ORIGINAL COST RATE BASE	RB29		751,242	719,507	1,993	28,911	0	0	0	0	831	831	751,242	0
297															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW(12 COIN PEAK)														
6	TT_RTP														
7				TT_RTP							TOTAL	DISTRIBUTION	TOTAL		ALL
8	DESCRIPTION	ITEM	ALLOC	INCR. TRANS TIME OF DAY	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	OTHER
298	WORKING CAPITAL														
299	MATERIALS & SUPPLIES														
300	FUEL INVENTORIES														
301	FUEL	W640	K_rtpprod_e	24,468	0	24,468	0	0	0	0	0	0	0	24,468	0
302	EMISSION ALLOWANCES	W642	K_rtpprod_e	16,323	0	16,323	0	0	0	0	0	0	0	16,323	0
303	TOTAL FUEL STOCKS	W644		40,791	0	40,791	0	0	0	0	0	0	0	40,791	0
304															
305	PLANT MATERIALS & SUPPLIES														
309	OTHER	W648	K_EPIS	11,797	11,346	28	411	0	0	0	0	12	12	11,797	0
310	TOTAL PLANT MATERIALS & SUPPLIES	W650		11,797	11,346	28	411	0	0	0	0	12	12	11,797	0
311															
312	TOTAL MATERIALS & SUPPLIES	W669	TOT_M&S	52,588	11,346	40,819	411	0	0	0	0	12	12	52,588	0
313															
314	PREPAYMENTS														
315	INSURANCE	W670	K_A&GenAdj	445	340	61	19	0	0	0	0	25	25	445	0
316	COAL, SYNFUEL AND MARGIN DEPOSITS	W684	K_rtpprod_e	17,386	0	17,386	0	0	0	0	0	0	0	17,386	0
317	TOTAL PREPAYMENTS	W689		17,831	340	17,447	19	0	0	0	0	25	25	17,831	0
318															
319	AUTO CALC (O&M-F-PP)/8	W719		26,312	21,641	469	3,979	0	0	0	0	223	223	26,312	0
320	TOTAL WORKING CASH	W729		26,312	21,641	469	3,979	0	0	0	0	223	223	26,312	0
321															
322	TOTAL WORKING CAPITAL	WC79		96,731	33,327	58,735	4,409	0	0	0	0	260	260	96,731	0
323	PRELIMINARY SUMMARY														
324	TOTAL SUBTRACTIVE ADJUSTMENTS	B287		(57,538)	(55,338)	(137)	(2,006)	0	0	0	0	(57)	(57)	(57,538)	0
325	TOTAL ADDITIVE ADJUSTMENTS	V289		(3,027)	(5,917)	201	2,606	0	0	0	0	83	83	(3,027)	0
326	TOTAL WORKING CAPITAL	WC71		96,731	33,327	58,735	4,409	0	0	0	0	260	260	96,731	0
327	TOTAL RATE BASE ADJUSTMENTS	RB71		36,166	(27,928)	58,799	5,009	0	0	0	0	286	286	36,166	0
328															
329	RATE BASE CALCULATION														
330	NET ELECTRIC PLANT IN SERVICE	NP21		811,807	780,762	1,929	28,311	0	0	0	0	805	805	811,807	0
331	TOTAL RATE BASE ADJUSTMENTS	RB71		36,166	(27,928)	58,799	5,009	0	0	0	0	286	286	36,166	0
332	TOTAL RATE BASE	RB99	TOT_RB	847,973	752,834	60,728	33,320	0	0	0	0	1,091	1,091	847,973	0
333															
334	CAPITALIZATION ALLOC TO ELECTRIC OPER	ECAP	K_OCDRB	799,385	709,698	57,248	31,411	0	0	0	0	1,028	1,028	799,385	0
335															
336	TOTAL RATE OF RETURN ALLOWABLE	RORA	ror_Allow_from	0.1660	0.1660	0.1660	0.1660	0.1660	0.1660	0.1660	0.1660	0.1660	0.1660	0.1660	0.1660
337	RETURN ON CAPITALIZATION	R751		132,726	117,835	9,505	5,215	0	0	0	0	171	171	132,726	0
338															
339															
340															
341															
342															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR#v-1 KW (12 COIN PEAK)														
6	TT_RTP														
7				TT_RTP							TOTAL		TOTAL		
8	DESCRIPTION	ITEM	ALLOC	INCR. TRANS TIME OF DAY	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
343	O&M EXPENSES	Schedule 6													
344	PRODUCTION O&M														
345	ENERGY RELATED PRODUCTION O&M														
346	FUEL	P300		0	0	0	0	0	0	0	0	0	0	0	0
347	MISCELLANEOUS	P302		0	0	0	0	0	0	0	0	0	0	0	0
348	EMISSION ALLOWANCES	P306		14,990	0	14,990	0	0	0	0	0	0	0	14,990	0
349	ELIMINATE EMISSION ALLOW & OTHER VAR COST	P308		22,346	0	22,346	0	0	0	0	0	0	0	22,346	0
350	OTHER PRODUCTION EXPENSE - MAINTENANCE	P310		36,177	0	36,177	0	0	0	0	0	0	0	36,177	0
351	MISO TRANSMISSION CHARGES ACCT IN 555	P312		33,219	0	33,219	0	0	0	0	0	0	0	33,219	0
352	TOTAL ENERGY RELATED	P349		106,732	0	106,732	0	0	0	0	0	0	0	106,732	0
354	DEMAND RELATED PROD O&M														
355	ELIMINATE MISCELLANEOUS	P344		0	0	0	0	0	0	0	0	0	0	0	0
356	OTHER PRODUCTION EXPENSE - OPERATIONS	P346		39,579	39,579	0	0	0	0	0	0	0	0	39,579	0
357	TOTAL DEMAND RELATED	P349		39,579	39,579	0	0	0	0	0	0	0	0	39,579	0
361	TOTAL PRODUCTION O&M	P459		146,311	39,579	106,732	0	0	0	0	0	0	0	146,311	0
363	TRANSMISSION O & M														
364	TRANSFORMER LEASE PAYMENTS	T300		3,951	3,951	0	0	0	0	0	0	0	0	3,951	0
365	OTHER TRANSMISSION	T302		36,399	0	0	36,399	0	0	0	0	0	0	36,399	0
366	MISCELLANEOUS ADJUSTMENTS	T304		(8,556)	0	0	(8,556)	0	0	0	0	0	0	(8,556)	0
367	NETWORK SERVICE RATES ADJUSTMENT	T305		2,815	0	0	2,815	0	0	0	0	0	0	2,815	0
368	TOTAL TRANSMISSION O & M	T349		34,609	3,951	0	30,658	0	0	0	0	0	0	34,609	0
370	DISTRIBUTION O & M														
371	SUBSTATIONS	D300		0	0	0	0	0	0	0	0	0	0	0	0
372	POLES, TOWERS & FIXTURES	D302		0	0	0	0	0	0	0	0	0	0	0	0
373	CONDUCTORS	D304		0	0	0	0	0	0	0	0	0	0	0	0
374	TRANSFORMERS	D306		0	0	0	0	0	0	0	0	0	0	0	0
375	OTHER MAINTENANCE	D308		0	0	0	0	0	0	0	0	0	0	0	0
376	METERS	D310		0	0	0	0	0	0	0	0	0	0	0	0
377	STREET LIGHTS	D314		0	0	0	0	0	0	0	0	0	0	0	0
378	OTHER OPERATIONS	D318		1,951	1,951	0	0	0	0	0	0	0	0	1,951	0
379	MISCELLANEOUS EXPENSES	D318		(3)	0	0	0	0	0	0	0	(3)	(3)	(3)	0
380	AFFILIATED COMPANY RENTS	D320		0	0	0	0	0	0	0	0	0	0	0	0
381	TOTAL DISTRIBUTION O & M	D349		1,948	1,951	0	0	0	0	0	0	(3)	(3)	1,948	0
384	CUSTOMER ACCOUNTING														
385	CUSTOMER ACCOUNTING EXPENSE	C300		137	0	0	0	0	0	0	0	137	137	137	0
386	ADJUST UNCOLLECTIBLE ACCOUNTS	C302		0	0	0	0	0	0	0	0	0	0	0	0
387	METER READING	C304		39	0	0	0	0	0	0	0	39	39	39	0
388	LOSS ON SALE OF A/R & INCR A/R ON INCR	C306		(1)	0	0	0	0	0	0	0	0	0	0	0
389	MISCELLANEOUS EXPENSE ADJUSTMENT	C308		(1)	0	0	0	0	0	0	0	(1)	(1)	(1)	0
390	TOTAL CUSTOMER ACCT EXPENSE	C319		175	0	0	0	0	0	0	0	175	175	175	0

DUKE ENERGY KENTUCKY														
COST OF SERVICE STUDY														
TWELVE MONTHS ENDING DECEMBER 31, 2005														
ELECTRIC CASE NO: 2006-00172														
FR-4v-1 KW (12 COIN PEAK)														
TT_RTP														
DESCRIPTION	ITEM	ALLOC	TT_RTP INCR. TRANS TIME OF DAY	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
393	CUSTOMER SERVICE & INFORMATION													
394	CUSTOMER SERVICE & INFORMATION	C320	K_rbdist_o	52	0	0	0	0	0	0	52	52	52	0
395	INFORMATIONAL & INSTRUCTIONAL ADV	C322	K_rbdist_c	10	0	0	0	0	0	0	10	10	10	0
396	CUSTOMER SERVICE & INFORM PROFORMA	C324	K_rbdist_c	(19)	0	0	0	0	0	0	(19)	(19)	(19)	0
397	AMI	C326	K_Func_Rev	(34)	(21)	(10)	(3)	0	0	0	0	0	(34)	0
398	TOTAL CUSTOMER SERV & INFORMATION	C331		9	(21)	(10)	(3)	0	0	0	43	43	9	0
400	SALES	Schedule 6												
401	SALES EXPENSE	S300	K_rbdist_c	0	0	0	0	0	0	0	0	0	0	0
403	SALES EXPENSE PROFORMA	S304	K_rbdist_c	0	0	0	0	0	0	0	0	0	0	0
404	TOTAL SALES EXPENSE	S319		0	0	0	0	0	0	0	0	0	0	0
405														
406	SUBTOTAL O&M EXCL. A&G			183,052	45,460	106,722	30,855	0	0	0	215	215	183,052	0
407														
408	ADMINISTRATIVE & GENERAL													
409	A&G EXPENSE EXCL. REGULATORY EXP													
410	PRODUCTION-DEMAND RELATED	A300	K_rtprod_d	22,327	22,327	0	0	0	0	0	0	0	22,327	0
411	PRODUCTION-ENERGY RELATED	A302	K_rtprod_e	4,070	0	4,070	0	0	0	0	0	0	4,070	0
412	TRANSMISSION	A304	K_tranO&M	1,431	163	0	1,268	0	0	0	0	0	1,431	0
413	DISTRIBUTION	A306	K_distO&M	1,321	0	0	0	0	0	0	1,321	1,321	1,321	0
414	CUSTOMER ACCOUNTING	A308	K_CA_O&M	137	0	0	0	0	0	0	137	137	137	0
415	CUSTOMER SERVICE & INFORMATION	A310	K_CS_O&M	45	(105)	(50)	(15)	0	0	0	215	215	45	0
416	SALES	A312	K_Sales_O&M	0	0	0	0	0	0	0	0	0	0	0
417	A&G EXPENSE UNADJUSTED	A315		29,331	22,385	4,020	1,253	0	0	0	1,673	1,673	29,331	0
418	RATE CASE EXPENSE	A318	K_A&GexAdj	88	67	12	4	0	0	0	5	5	88	0
426	ELIMINATE MISCELLANEOUS EXPENSES	A340	K_A&GexAdj	(146)	(112)	(20)	(6)	0	0	0	(8)	(8)	(146)	0
427	IMPLEMENT AUTOMATED METER READING	A342	K_A&GexAdj	93	71	13	4	0	0	0	5	5	93	0
431	AMORTIZATION OF DEFERRED EXPENSES	A352	K_A&GexAdj	910	694	125	39	0	0	0	52	52	910	0
432	MISCELLANEOUS	A354	K_A&GexAdj	0	0	0	0	0	0	0	0	0	0	0
433	ELIMINATE INCENTIVE COMPENSATION	A356	K_A&GexAdj	(2,833)	(2,162)	(388)	(121)	0	0	0	(162)	(162)	(2,833)	0
434	TOTAL ADMIN. & GENERAL	A357		27,443	20,943	3,762	1,173	0	0	0	1,565	1,565	27,443	0
435														
436	TOTAL O & M EXPENSE	OM39	TOT O&M	210,495	66,403	110,484	31,828	0	0	0	1,780	1,780	210,495	0

A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
DUKE ENERGY KENTUCKY														
COST OF SERVICE STUDY														
TWELVE MONTHS ENDING DECEMBER 31, 2005														
ELECTRIC CASE NO: 2006-00172														
FR-Inv-1 KW (12 COIN PEAK)														
TT_RTP														
DESCRIPTION	ITEM	ALLOC	TT_RTP INCR. TRANS TIME OF DAY	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
437	DEPRECIATION EXPENSE Schedule 7													
438	PRODUCTION DEPRECIATION													
440	P460	K_rbprod_d	45,653	45,653	0	0	0	0	0	0	0	0	45,653	0
441	P462	K_rbprod_d	0	0	0	0	0	0	0	0	0	0	0	0
442	P489		45,653	45,653	0	0	0	0	0	0	0	0	45,653	0
443	TOTAL PRODUCTION DEPREC EXP.													
444	TRANSMISSION DEPRECIATION													
445	T460	K_tranmet	1,103	0	0	1,103	0	0	0	0	0	0	1,103	0
446	T462	K_tranmet	0	0	0	0	0	0	0	0	0	0	0	0
447	T489		1,103	0	0	1,103	0	0	0	0	0	0	1,103	0
448	TOTAL TRANSMISSION DEP. EXP.													
449	DISTRIBUTION DEPRECIATION													
450	D460	K_distnet	0	0	0	0	0	0	0	0	0	0	0	0
451	D462	K_distnet	0	0	0	0	0	0	0	0	0	0	0	0
452	D489		0	0	0	0	0	0	0	0	0	0	0	0
453	TOTAL DIST. DEPREC EXP.													
454	GENERAL DEPRECIATION													
455	G460	K_gennet	112	86	15	5	0	0	0	0	6	6	112	0
456	G462	K_gennet	0	0	0	0	0	0	0	0	0	0	0	0
457	G489		112	86	15	5	0	0	0	0	6	6	112	0
458	TOTAL GENERAL DEPREC EXP.													
459	COMMON AND OTHER DEPRECIATION													
460	C460	K_comnet	711	543	97	30	0	0	0	0	41	41	711	0
461	C462	K_comnet	0	0	0	0	0	0	0	0	0	0	0	0
462	C489		711	543	97	30	0	0	0	0	41	41	711	0
463	TOTAL COM & OTHER DEPREC EXP.													
464	DE49	TOT_DEPREX	47,579	46,282	112	1,138	0	0	0	0	47	47	47,579	0
465	TOTAL DEPRECIATION EXPENSE													

DUKE ENERGY KENTUCKY														
COST OF SERVICE STUDY														
TWELVE MONTHS ENDING DECEMBER 31, 2009														
ELECTRIC CASE NO: 2006-00172														
FR4v-1 KW (12 COIN PEAK)														
TT_RTP														
			TT_RTP	PRODUCTION	PRODUCTION	OTHER				TOTAL	DISTRIBUTION	TOTAL		ALL
			INCR. TRANS	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	OTHER
	DESCRIPTION	ITEM	TIME OF DAY											
466	TAXES OTHER THAN INC & REV	Schedule B												
467	REAL ESTATE & PROPERTY TAX													
468	PRODUCTION	L500	K_rtpprod_d	5,369	5,369	0	0	0	0	0	0	0	5,369	0
469	TRANSMISSION	L501	K_trannet	554	0	0	554	0	0	0	0	0	554	0
470	DISTRIBUTION	L502	K_distnet	0	0	0	0	0	0	0	0	0	0	0
471	OTHER	L514	K_EPIS	0	0	0	0	0	0	0	0	0	0	0
472	TOTAL REAL EST & PROP TAX	L529	PROP_TAX	5,923	5,369	0	554	0	0	0	0	0	5,923	0
473														
474	MISCELLANEOUS TAXES													
475	PAYROLL RELATED	L568	K_A&GesAdj	2,130	1,626	292	91	0	0	0	121	121	2,130	0
476	OTHER STATE TAXES	L562	K_A&GesAdj	0	0	0	0	0	0	0	0	0	0	0
477	ELIMINATE NON-NATIVE SALES	L564	K_A&GesAdj	(81)	(62)	(11)	(3)	0	0	0	(5)	(5)	(81)	0
478	AUTO LICENSES, ETC	L560	K_A&GesAdj	9	7	1	0	0	0	0	1	1	9	0
479	ELIMINATE UNBILLED REVENUE	L562	K_A&GesAdj	0	0	0	0	0	0	0	0	0	0	0
480	AFFILIATED COMPANY RENTS	L564	K_A&GesAdj	0	0	0	0	0	0	0	0	0	0	0
481	MISCELLANEOUS	L566	K_A&GesAdj	0	0	0	0	0	0	0	0	0	0	0
482	DSM ELIMINATION	L568	K_rtpprod_d	0	0	0	0	0	0	0	0	0	0	0
483	TOTAL MISCELLANEOUS TAXES	L566		2,058	1,571	282	88	0	0	0	117	117	2,058	0
484														
485	MISCELLANEOUS EXPENSES													
487	PSC MAINTENANCE ON INCREASE	L584	K_Func_Rev	132	80	39	12	0	0	0	1	1	132	0
488	TOTAL MISCELLANEOUS EXPENSES	L599		132	80	39	12	0	0	0	1	1	132	0
489														
490	TOTAL OTHER TAX & MISC EXPENSE	L591		8,113	7,020	321	654	0	0	0	118	118	8,113	0
491														
492	PRELIMINARY SUMMARY													
493	TOTAL O&M EXPENSE	OM39		210,495	66,403	110,484	31,828	0	0	0	1,780	1,780	210,495	0
494	TOTAL DEPRECIATION EXPENSE	DE49		47,579	46,282	112	1,138	0	0	0	47	47	47,579	0
495	TOTAL OTHER TAX & MISC EXPENSE	L599		8,113	7,020	321	654	0	0	0	118	118	8,113	0
496	TOTAL OP EXP EXC IT & OTHER TAX	OP69		266,187	119,705	110,917	33,620	0	0	0	1,945	1,945	266,187	0
497														

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
	DUKE ENERGY KENTUCKY														
	COST OF SERVICE STUDY														
	TWELVE MONTHS ENDING DECEMBER 31, 2005														
	ELECTRIC CASE NO: 2006-00172														
	FR-4v-1 KW (12 COIN PEAK)														
	TT_RTP														
				TT_RTP							TOTAL	DISTRIBUTION	TOTAL		ALL
	DESCRIPTION	ITEM	ALLOC	INCR. TRANS TIME OF DAY	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	DISTRIBUTION	TOTAL	OTHER
498	INCOME TAX BASED ON RETURN Schedule 9														
499	FEDERAL INCOME TAX DEDUCTIONS														
500	AUTOMATIC INTEREST CALCULATION														
501	AUTO PROC INTEREST DED	Y751	K_EPIS	22,620	21,755	54	789	0	0	0	0	22	22	22,620	0
502	TOTAL INTEREST EXPENSE	Y783	TOT_INT	22,620	21,755	54	789	0	0	0	0	22	22	22,620	0
503	OTHER DEDUCTIONS														
506	DEPR. EXCESS TAX OVER BOOK	Y790	K_Depr_Ex	4,576	4,451	11	109	0	0	0	0	5	5	4,576	0
507	LOSS ON REACQUIRED DEBT	Y794	K_EPIS	(173)	(167)	0	(6)	0	0	0	0	0	0	(173)	0
508	COST OF REMOVAL	Y798	K_Depr_Ex	2,179	2,120	5	52	0	0	0	0	2	2	2,179	0
512	METER CAPITAL LEASE PRINCIPLE PAYMENTS	Y804	K_rbdist_c	0	0	0	0	0	0	0	0	0	0	0	0
515	OTHER PERMANENT DIFFERENCES	Y816	K_EPIS	1,983	1,907	5	69	0	0	0	0	2	2	1,983	0
516	TOTAL OTHER DEDUCTIONS	Y828		8,565	8,311	21	224	0	0	0	0	9	9	8,565	0
518	NET DEDUCTIONS AND ADDITIONS														
520		Y871		31,185	30,066	75	1,013	0	0	0	0	31	31	31,185	0
521	FEDERAL INCOME TAX ADJUSTMENTS														
524	FED PROV DEF INC TAX DEFERRALS (410.1)														
526	ANNUALIZE DEPRECIATION	Z768	K_EPIS	(108)	(104)	0	(4)	0	0	0	0	0	0	(108)	0
531	MISCELLANEOUS	Z782	K_A&GrevAdj	(785)	(598)	(108)	(34)	0	0	0	0	(45)	(45)	(785)	0
532	MISCELLANEOUS PROFORMA ADJUSTMENT	Z770	K_EPIS	0	0	0	0	0	0	0	0	0	0	0	0
533	RECLASSIFY NON-JURIS INCOME TAX	Z770	K_reprod_d	3,501	3,501	0	0	0	0	0	0	0	0	3,501	0
536	TOTAL FED PROV DEF IT DEFERRALS (410.1)	Z782		2,608	2,799	(108)	(38)	0	0	0	0	(45)	(45)	2,608	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR#y-1 KW(12 COIN PEAK)														
6	TT_RTP														
7															
8	DESCRIPTION	ITEM	ALLOC	TT_RTP INCR. TRANS TIME OF DAY	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
554	AMORTIZED INV TAX CREDIT	Schedule 9a													
555	MISCELLANEOUS	Z804	K_A&GenAdj	0	0	0	0	0	0	0	0	0	0	0	0
556	AMORTIZE ITC	Z806	K_EPIS	200	193	0	7	0	0	0	0	0	0	200	0
557	TOTAL AMORTIZED ITC	Z813		200	193	0	7	0	0	0	0	0	0	200	0
558															
559	TEST YEAR INV TAX CREDIT			0											
560	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
561															
562	PRELIMINARY SUMMARY														
563	TOTAL FED PROV DEF IT (410.1)	Z782		2,608	2,799	(108)	(38)	0	0	0	0	(45)	(45)	2,608	0
564	TOTAL FED PROV DEF IT (411.1)	Z803		0	0	0	0	0	0	0	0	0	0	0	0
565	TOTAL AMORTIZED ITC	Z813		(200)	(193)	0	(7)	0	0	0	0	0	0	(200)	0
566	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		2,408	2,606	(108)	(45)	0	0	0	0	(45)	(45)	2,408	0
567															
568	FEDERAL INCOME TAX COMPUTATION														
569	RETURN ON CAPITALIZATION	R751		132,726	117,835	9,505	5,215	0	0	0	0	171	171	132,726	0
570	NET DEDUCTIONS AND ADDITIONS	Y871		(31,185)	(30,066)	(75)	(1,013)	0	0	0	0	(31)	(31)	(31,185)	0
571	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		2,408	2,606	(108)	(45)	0	0	0	0	(45)	(45)	2,408	0
572	TOTAL STATE PROV DEF IT (410.1)	Z911		550	552	0	(2)	0	0	0	0	0	0	550	0
573	TOTAL STATE PROV DEF IT (411.1)	Z933		0	0	0	0	0	0	0	0	0	0	0	0
574	AFUDC OFFSET	Z935		393	616	0	(223)	0	0	0	0	0	0	393	0
575	BASE FOR FIT COMPUTATION	I865		104,892	91,543	9,322	3,932	0	0	0	0	95	95	104,892	0
576															
577	FIT FACTOR K190/(1-K190)	I867	FITcomp_from	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538
578	PRELIM FED INCOME TAX	I869		56,480	49,292	5,020	2,117	0	0	0	0	51	51	56,480	0
579	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		2,408	2,606	(108)	(45)	0	0	0	0	(45)	(45)	2,408	0
580	NET FED INCOME TAX ALLOWABLE	I879		58,888	51,898	4,912	2,072	0	0	0	0	6	6	58,888	0
581															
582	INCOME TAX BASED ON RETURN														
583	FEDERAL INCOME TAX PAYABLE														
584	PRELIM FEDERAL INCOME TAX	I869		56,480	49,292	5,020	2,117	0	0	0	0	51	51	56,480	0
585	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
586	NET FED INCOME TAX PAYABLE	I889		56,480	49,292	5,020	2,117	0	0	0	0	51	51	56,480	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 CONN PEAK)														
6	TT_RTP														
7				TT_RTP											
8	DESCRIPTION	ITEM	ALLOC	INCR. TRANS TIME OF DAY	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
587	STATE INCOME TAX														
588	Schedule 9b														
589	DEDUCTIONS IN ADDITION TO Y871														
590	BONUS DEPRECIATION	Y890	K_Depr_Ex	1,591	1,547	4	38	0	0	0	0	2	2	1,591	0
591	DEDUCTIONS IN ADD TO Y871	Y911		1,591	1,547	4	38	0	0	0	0	2	2	1,591	0
592	STATE INCOME TAX ADJUSTMENTS														
593	STATE PROV DEF INC TAX DEFERRALS (410.1)														
594	NET DEFERRED TAXES	Z896	K_EPIS	(55)	(53)	0	(2)	0	0	0	0	0	0	(55)	0
595	ANNUALIZE DEPRECIATION	Z896	K_Depr_Ex	(19)	(19)	0	0	0	0	0	0	0	0	(19)	0
596	NON-JURISDICTIONAL TAX	Z896	K_rtprod_d	624	624	0	0	0	0	0	0	0	0	624	0
597	TOT STATE PROV DEF IT DEFERRALS (410.1)	Z911		550	552	0	(2)	0	0	0	0	0	0	550	0
598	TOTAL STATE INC TAX ADJUSTMENT	Z957		550	552	0	(2)	0	0	0	0	0	0	550	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 COIN PEAK)														
6	TT_RTP														
7				TT_RTP							TOTAL	DISTRIBUTION	TOTAL		ALL
8	DESCRIPTION	ITEM	ALLOC	INCR. TRANS TIME OF DAY	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	OTHER
627	INCOME TAX BASED ON RETURN Schedule 9c														
628	SUMMARY OF SIT CALCULATION														
630	RETURN ON CAPITALIZATION	R751		132,726	117,835	9,505	5,215	0	0	0	0	171	171	132,726	0
631	NET FED INCOME TAX ALLOWABLE	1879		58,888	51,898	4,912	2,072	0	0	0	0	6	6	58,888	0
632	NET FED. DED. AND ADDITIONS	Y871		(31,185)	(30,066)	(75)	(1,013)	0	0	0	0	(31)	(31)	(31,185)	0
633	DEDUCTIONS IN ADD TO Y871	Y811		(1,591)	(1,547)	(4)	(38)	0	0	0	0	(2)	(2)	(1,591)	0
634	AFUDC OFFSET	L033		393	616	0	(223)	0	0	0	0	0	0	393	0
635	TOTAL STATE INC TAX ADJ	Z957		550	552	0	(2)	0	0	0	0	0	0	550	0
636	BASE FOR SIT COMPUTATION	J965		159,781	139,288	14,338	6,011	0	0	0	0	144	144	159,781	0
637															
638	SIT FACTOR K192/(1-K192)	J967	sit_fact	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378
639	PRELIMINARY STATE INCOME TAX	J969		9,816	8,557	881	369	0	0	0	0	9	9	9,816	0
640	TOTAL STATE INCOME TAX ADJ.	Z957		550	552	0	(2)	0	0	0	0	0	0	550	0
641	NET STATE INC TAX ALLOWABLE	J979		10,366	9,109	881	367	0	0	0	0	9	9	10,366	0
642															
643	STATE INCOME TAX PAYABLE														
644	PRELIMINARY STATE INCOME TAX	J969		9,816	8,557	881	369	0	0	0	0	9	9	9,816	0
645	OTHER SIT ADJUSTMENTS	Z855		0	0	0	0	0	0	0	0	0	0	0	0
646	NET STATE INCOME TAX PAYABLE	J989		9,816	8,557	881	369	0	0	0	0	9	9	9,816	0
647															
648	COMPOSITE TAX RATE	CTAX	comp_rate	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621
649															
650															
651															
652															
653															
654															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 COIN PEAK)														
6	TT_RTP														
7				TT_RTP						TOTAL		TOTAL			
8	DESCRIPTION	ITEM	ALLOC	INCR. TRANS TIME OF DAY	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
655	COST OF SERVICE COMPUTATION Schedule 10														
657	OTHER OPERATING REVENUES														
658	RENTAL REVENUE	Q000	K_EPIS	2,097	2,017	5	73	0	0	0	0	2	2	2,097	0
659	BAD CHECK CHARGE	Q002	K_Func_Rev	19	11	6	2	0	0	0	0	0	0	19	0
660	ELIMINATE NON-NATIVE SALES	Q002	K_ubprod_e	(48,721)	0	(48,721)	0	0	0	0	0	0	0	(48,721)	0
661	SALES FOR RESALE	Q002	K_ubprod_e	48,721	0	48,721	0	0	0	0	0	0	0	48,721	0
662	RECONNECTION CHARGES	Q002	K_Func_Rev	98	60	29	9	0	0	0	0	0	0	98	0
663	INTERRUPTIBLE CREDIT	Q002	K_Func_Rev	(99)	(61)	(29)	(9)	0	0	0	0	0	0	(99)	0
664	BILLING CYCLE IMPROVEMENT	Q004	K_Func_Rev	692	418	206	65	0	0	0	0	3	3	692	0
665	OTHER MISCELLANEOUS REVENUES	Q006	K_Func_Rev	95	58	28	9	0	0	0	0	0	0	95	0
666	MISCELLANEOUS	Q008	K_Func_Rev	0	0	0	0	0	0	0	0	0	0	0	0
669	TOTAL OTHER OPERATING REVS	Q027		2,902	2,503	245	149	0	0	0	0	5	5	2,902	0
670	COST OF SERVICE COMPUTATION														
672	TOTAL OP EXP EXC INC & REV TAX	OP69		266,187	119,705	110,917	33,620	0	0	0	0	1,945	1,945	266,187	0
673	RETURN ON CAPITALIZATION	R751		132,726	117,835	9,505	5,215	0	0	0	0	171	171	132,726	0
674	NET FED INCOME TAX ALLOWABLE	I879		58,888	51,898	4,912	2,072	0	0	0	0	6	6	58,888	0
675	NET STATE INCOME TAX ALLOWABLE	J979		10,366	9,109	881	367	0	0	0	0	9	9	10,366	0
676	TOTAL OTHER OPERATING REVENUES	Q027		(2,902)	(2,503)	(245)	(149)	0	0	0	0	(5)	(5)	(2,902)	0
677	SUBTOTAL B	CS03		465,265	296,044	125,970	41,125	0	0	0	0	2,126	2,126	465,265	0
678	TOTAL OTHER OPERATING REVENUES	Q027		2,902	2,503	245	149	0	0	0	0	5	5	2,902	0
680	LESS: OTHER ITEMS			0	0	0	0	0	0	0	0	0	0	0	0
681	OTHER OPERATING REVS TO BE TAXED	OORT		2,902	2,503	245	149	0	0	0	0	5	5	2,902	0
682	AFUDC OFFSET														
685	AFUDC OFFSET	L032		393	616	0	(223)	0	0	0	0	0	0	393	0
686	OTHER DEDUCTIONS TO COST OF SERVICE	L033		393	616	0	(223)	0	0	0	0	0	0	393	0
687	TOTAL ELECTRIC COST OF SERVICE	CS09		465,658	296,660	125,970	40,902	0	0	0	0	2,126	2,126	465,658	0
688	PROPOSED REVENUES														
689	PROPOSED REVENUES	R602		409,837										409,837	0
690	TOTAL ELECTRIC COST OF SERVICE	CS08		(465,658)										(465,658)	0
691	EXCESS REVENUES	XREV		(55,821)										(55,821)	0
692	COMPOSITE TAX RATE	CTAX	PPCOMTAX_FROM	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621
693	EXCESS TAX	XTAX		(21,637)										(21,637)	0
694	EXCESS RETURN	XRET		(34,184)										(34,184)	0

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A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY																
2	COST OF SERVICE STUDY																
3	TWELVE MONTHS ENDING DECEMBER 31, 2005																
4	ELECTRIC CASE NO: 2006-00172																
5	FRY-1 KW (12 COM PEAK)																
6	TT_RTP																
7	TT_RTP																
8	DESCRIPTION	ITEM	ALLOC	TIME OF DAY	DEMAND	PRODUCTION	PRODUCTION	ENERGY	TRANSMISSION	OTHER	POLES, TOWERS & FIXTURES	CONDUCTORS	DEMAND	DISTRIBUTION	CUSTOMER	DISTRIBUTION	TOTAL
9	RATE OF RETURN																
999	CAPITALIZATION AMOUNTS																
1000	LONG TERM DEBT	K100		275,774.125	0.0000000000	0.406259216	Ratio										
1001	PREFERRED STOCK	K102		0	0.0000000000	0.0000000000											
1002	COMMON STOCK	K104		345,393.322	0.508819383	0.508819383											
1003	SHORT TERM DEBT	K108		57,645.769	0.084921401	0.084921401											
1004	UNAMORTIZED DISCOUNT	K108		0	0.0000000000	0.0000000000											
1005	TOTAL	K115		678,813.216	1.0000000000	1.0000000000	Ratio										
1006	COST OF CAPITAL																
1010	LONG TERM DEBT	K120		0.0609													
1012	PREFERRED STOCK	K122		0.0000													
1014	COMMON STOCK	K124		0.1150													
1016	SHORT TERM DEBT	K126		0.0514													
1018	UNAMORTIZED DISCOUNT	K128		0.0000													
1019	WEIGHTED COST OF CAPITAL																
1041	LONG TERM DEBT	K141		0.0247													
1043	PREFERRED STOCK	K143		0.0000													
1045	COMMON STOCK	K145		0.0585													
1047	SHORT TERM DEBT	K147		0.0044													
1048	UNAMORTIZED DISCOUNT	K148		0.0000													
1049	TOT RATE OF RETURN ALLOWABLE																
1049	RORA	RORA		0.0876													
1221	TAX RATES AND SPECIAL FACTORS																
1222	SHORT TERM DEBT COST	K180		0.00000	0.00000	0.00000											
1223	FEDERAL INCOME TAX RATE	K180	FT FROM	0.35000	0.35000	0.35000											
1224	STATE INCOME TAX RATE	K182	STATL FROM	0.05788	0.05788	0.05788											
1225	REVENUE TAX RATE	K186		0.00000	0.00000	0.00000											
1226	PROPOSED REVENUES																
1229	PROPOSED REVENUES	R600		404,272	0	0											
1231	PRESENT NOI	R602		409,837	0	0											
1232	GROSS PRESENT REV AT AVERAGE ROR			95,134													
1233	SUBSIDY EXCESS			136,499													
1234	REDUCTION IN SUBSIDY EXCESS			34,125													
1235	RATE INCREASE			39,690													
1236	TAX COMPLEMENT																
1237	PRESENT NOI			404,272	0	0											
1238	PROPOSED REVENUES			409,837	0	0											
1240	TOTAL			409,837	0	0											

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
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3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 COIN PEAK)														
6	TT_RTP														
7				TT_RTP							TOTAL	DISTRIBUTION	TOTAL		
8	DESCRIPTION	ITEM	ALLOC	INCR. TRANS TIME OF DAY	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
745	INCOME TAX BASED ON REVENUES	Schedule 12													
746	NET INCOME COMPUTATION														
747	TOTAL ELECTRIC COST OF SERVICE	CS09		465,658	296,660	125,970	40,902	0	0	0	0	2,126	2,126	465,658	0
748	TOTAL OTHER OPERATING REVENUES	Q027		2,902	2,503	245	149	0	0	0	0	5	5	2,902	0
749	TOTAL ELECTRIC REVENUE	CS07		468,560	299,163	126,215	41,051	0	0	0	0	2,131	2,131	468,560	0
750	TOTAL OP EXP EXC IT & OTHER DEDUCTIONS	OP61		(266,187)	(119,705)	(110,917)	(33,620)	0	0	0	0	(1,945)	(1,945)	(266,187)	0
751	OTHER	RTXP		0	0	0	0	0	0	0	0	0	0	0	0
752	NET INCOME	NI01		202,373	179,458	15,298	7,431	0	0	0	0	186	186	202,373	0
753	ADJUSTMENTS TO NET INCOME														
754	TOTAL INTEREST EXPENSE	Y783		(22,620)	(21,755)	(54)	(789)	0	0	0	0	(22)	(22)	(22,620)	0
755	TOTAL OTHER DEDUCTIONS	Y828		(8,565)	(8,311)	(21)	(224)	0	0	0	0	(9)	(9)	(8,565)	0
757	PRELIMINARY TAXABLE INCOME	TI01		171,188	149,392	15,223	6,418	0	0	0	0	155	155	171,188	0
758	STATE INCOME TAX COMPUTATION														
759	PRELIMINARY TAX ABLE INCOME (INCL AFUDC)	TI01		171,188	149,392	15,223	6,418	0	0	0	0	155	155	171,188	0
761	DEDUCTIONS IN ADD TO Y871	Y911		(1,591)	(1,547)	(4)	(38)	0	0	0	0	(2)	(2)	(1,591)	0
762	STATE TAXABLE INCOME	SI01		169,597	147,845	15,219	6,380	0	0	0	0	153	153	169,597	0
763	STATE INCOME TAX PAYABLE														
764	STATE INCOME TAX RATE	K192	STATETX_FROM	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788
765	PRELIM SIT = SI01 * K192	ST01		9,816	8,557	881	369	0	0	0	0	9	9	9,816	0
767	OTHER SIT ADJUSTMENTS	Z955		0	0	0	0	0	0	0	0	0	0	0	0
768	STATE INCOME TAX PAYABLE	SP01		9,816	8,557	881	369	0	0	0	0	9	9	9,816	0
769	SIT ALLOWABLE														
771	STATE INCOME TAX PAYABLE	SP01		9,816	8,557	881	369	0	0	0	0	9	9	9,816	0
772	TOTAL STATE PROV DEF IT(410.1)	Z911		550	552	0	(2)	0	0	0	0	0	0	550	0
773	TOTAL STATE PROV DEF IT(411.1)	Z933		0	0	0	0	0	0	0	0	0	0	0	0
774	NET STATE INC TAX ALLOWABLE	SA01		10,366	9,109	881	367	0	0	0	0	9	9	10,366	0
775	INCOME TAX BASED ON REVENUES														
777	FEDERAL INCOME TAX COMPUTATION														
778	PRELIMINARY TAXABLE INCOME (INCL AFUDC)	TI01		171,188	149,392	15,223	6,418	0	0	0	0	155	155	171,188	0
779	STATE INC TAX PAYABLE	SP01		(9,816)	(8,557)	(881)	(369)	0	0	0	0	(9)	(9)	(9,816)	0
780	NET FEDERAL TAXABLE INCOME	FI01		161,372	140,835	14,342	6,049	0	0	0	0	146	146	161,372	0
781	FEDERAL INCOME TAX RATE	K190	FIT_FROM	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000
782	PRELIMINARY FIT = FI01 * K190	FT01		56,480	49,292	5,020	2,117	0	0	0	0	51	51	56,480	0
783	TOTAL FED PROV DEF IT (410.1)	Z782		2,608	2,799	(108)	(38)	0	0	0	0	(45)	(45)	2,608	0
784	TOTAL FED PROV DEF IT (411.1)	Z803		0	0	0	0	0	0	0	0	0	0	0	0
785	TOTAL AMORTIZED ITC & SERVICE CO ALLOC.	Z813		(200)	(193)	0	(7)	0	0	0	0	0	0	(200)	0
786	NET FED INC TAX ALLOWABLE	FA01		58,888	51,898	4,912	2,072	0	0	0	0	6	6	58,888	0
787	FEDERAL INCOME TAX PAYABLE														
788	PRELIM FIT	FT01		56,480	49,292	5,020	2,117	0	0	0	0	51	51	56,480	0
790	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
791	FED INC TAX PAYABLE	FP01		56,480	49,292	5,020	2,117	0	0	0	0	51	51	56,480	0
792	PRELIMINARY SUMMARY														
794	NET INCOME EXCLUDING AFUDC OFFSET	NI01		201,980	178,842	15,298	7,654	0	0	0	0	186	186	201,980	0
795	NET FED INC TAX ALLOWABLE	FA01		(58,888)	(51,898)	(4,912)	(2,072)	0	0	0	0	(6)	(6)	(58,888)	0
796	NET STATE INC TAX ALLOWABLE	SA01		(10,366)	(9,109)	(881)	(367)	0	0	0	0	(9)	(9)	(10,366)	0
797	OVERALL RETURN EARNED-SCH 12	RETU		132,726	117,835	9,505	5,215	0	0	0	0	171	171	132,726	0
798	RATE OF RETURN EARNED-SCH 12	RORX	ROR_EARN_FROM	0.1660	0.1660	0.1660	0.1660	0.0000	0.0000	0.0000	0.0000	0.1663	0.1663	0.1660	0.0000

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
DUKE ENERGY KENTUCKY																	
COST OF SERVICE STUDY																	
TWELVE MONTHS ENDING DECEMBER 31, 2005																	
ELECTRIC CASE NO: 2006-00172																	
DESCRIPTION	ALLOC	TT_RTP INCR. TRANS TIME OF DAY	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER				
Schedule 13																	
Prod-Demand	K_rbprod_d		1.00000									0.00000					
Prod-Energy	K_rbprod_e			1.00000								0.00000					
Main Step-Up Transformers	K_rbtran_stepup											0.00000					
Transmission Other	K_rbtran_oth				1.00000							0.00000					
Substations	K_Subst					1.00000						1.00000					
Poles Towers & Fbdures	K_Poles						1.00000					1.00000					
Conductors	K_Conductors							1.00000				1.00000					
Transformers	K_Transformer											1.00000	1.00000				
Distribution Demand	K_rbdist_d								1.00000			1.00000					
Distribution Customer	K_rbdist_c									1.00000		1.00000					
All Other	K_FERC																1.00000
Gross Dist Plant excl CCNC-OC (106)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ratio	K_dist_ccnc	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000
Gross Plant (OC)		1,667,763	1,612,649	3,794	49,738	0	0	0	0	1,582	1,582	1,667,763	0				
Ratio	K_grossPlt	1.000000000	0.966953338	0.002274904	0.029823182	0.000000000	0.000000000	0.000000000	0.000000000	0.000948576	0.000948576	1.000000000	0.000000000				
Gross Prod Plant (OC)		1,591,517	1,591,517	0	0	0	0	0	0	0	0	1,591,517	0				
Ratio	K_gross_prodpit	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
Gross Plant-Prod/Trans/Dist (OC)		1,640,071	1,591,517	0	48,554	0	0	0	0	0	0	1,640,071	0				
Ratio	K_grossPTD	1.000000000	0.970395184	0.000000000	0.029604816	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
Gross Distribution Plant (OC)		0	0	0	0	0	0	0	0	0	0	0	0				
Ratio	K_gross_distpit	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000				
Gross Transmission Plant (OC)		48,554	0	0	48,554	0	0	0	0	0	0	48,554	0				
Ratio	K_gross_tranpit	1.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
Gross General Plant (OC)		3,878	2,960	531	166	0	0	0	0	221	221	3,878	0				
Ratio	K_gross_genpit	1.000000000	0.763280041	0.136926251	0.042805570	0.000000000	0.000000000	0.000000000	0.000000000	0.056988138	0.056988138	1.000000000	0.000000000				
Gross Common Plant (OC)		23,814	18,172	3,263	1,018	0	0	0	0	1,361	1,361	23,814	0				
Ratio	K_gross_complt	1.000000000	0.763080541	0.137020240	0.042747963	0.000000000	0.000000000	0.000000000	0.000000000	0.057151256	0.057151256	1.000000000	0.000000000				
Production Plant-Net (OC-Depr)		770,012	770,012	0	0	0	0	0	0	0	0	770,012	0				
Ratio	K_prodnet	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
Distribution Plant-Net (OC-Depr)		0	0	0	0	0	0	0	0	0	0	0	0				
Ratio	K_distnet	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000				
Transmission Plant-Net (OC-Depr)		27,709	0	0	27,709	0	0	0	0	0	0	27,709	0				
Ratio	K_tranet	1.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
General Plant Plant-Net		1,817	1,387	248	78	0	0	0	0	104	104	1,817	0				
Ratio	K_gennet	1.000000000	0.763346175	0.136488718	0.042927903	0.000000000	0.000000000	0.000000000	0.000000000	0.057237204	0.057237204	1.000000000	0.000000000				
Transmission & Distr Plant In Service		27,709	0	0	27,709	0	0	0	0	0	0	27,709	0				
Ratio	K_T&D_net	1.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
Net Electric Plant In Service		811,807	780,762	1,929	28,311	0	0	0	0	805	805	811,807	0				
Ratio	K_EPIS	1.000000000	0.961758151	0.002376181	0.034874053	0.000000000	0.000000000	0.000000000	0.000000000	0.000991615	0.000991615	1.000000000	0.000000000				
Common Plant- net		12,269	9,363	1,681	524	0	0	0	0	701	701	12,269	0				
Ratio	K_comnet	1.000000000	0.763142881	0.137011981	0.042709267	0.000000000	0.000000000	0.000000000	0.000000000	0.057135871	0.057135871	1.000000000	0.000000000				

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY																	
2	COST OF SERVICE STUDY																	
3	TWELVE MONTHS ENDING DECEMBER 31, 2005																	
4	ELECTRIC CASE NO: 2006-00172																	
5					TT_RTP													
6					INCR TRANS	PRODUCTION	PRODUCTION	OTHER						TOTAL				
7					TIME OF DAY	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	POLES, TOWERS	CONDUCTORS			DISTRIBUTION	DISTRIBUTION	TOTAL	TOTAL	ALL
8										& FIXTURES				DEMAND	CUSTOMER	DISTRIBUTION		OTHER
9	DESCRIPTION	ALLOC																
96	Common & General Plant-net			14,086	10,750	1,929	602	0	0	0	0	0	0	0	805	805	14,086	0
97	Ratio	K_comgenet	1.000000000	0.763169104	0.136944484	0.042737470	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.057148942	0.057148942	1.000000000	0.000000000	
98	Total OCD Rate Base			847,973	752,834	60,728	33,320	0	0	0	0	0	0	1,091	1,091	847,973	0	
99	Ratio	K_OCDRB	1.000000000	0.887804210	0.071615488	0.039293704	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.001286598	0.001286598	1.000000000	0.000000000		
100	Construction Work In Progress			(4,490)	(7,034)	0	2,544	0	0	0	0	0	0	0	0	0	(4,490)	0
101	Ratio	K_CWIP	1.000000000	1.566592428	0.000000000	(0.566592428)	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000	
102	A&G			27,443	20,943	3,762	1,173	0	0	0	0	0	0	1,565	1,565	27,443	0	
103	Ratio	K_A&G	1.000000000	0.763145429	0.137084138	0.042743140	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.057027293	0.057027293	1.000000000	0.000000000		
104	A&G (excluding adjustments)			29,331	22,385	4,020	1,253	0	0	0	0	0	0	1,673	1,673	29,331	0	
105	Ratio	K_A&GexAdj	1.000000000	0.763185708	0.137056357	0.042719307	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.057038628	0.057038628	1.000000000	0.000000000		
106	Dist A&G (ex reg exp)			1,321	0	0	0	0	0	0	0	0	0	1,321	1,321	1,321	0	
107	Ratio	K_DistA&G	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000		
108	Transmission A&G			1,431	163	0	1,268	0	0	0	0	0	0	0	0	0	1,431	0
109	Ratio	K_TransA&G	1.000000000	0.113906359	0.000000000	0.886093641	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000	
110	Customer Accounts A&G			137	0	0	0	0	0	0	0	0	0	137	137	137	0	
111	Ratio	K_CA_A&G	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000		
112	Cust Service & Informational A&G			45	(105)	(50)	(15)	0	0	0	0	0	0	215	215	45	0	
113	Ratio	K_CSI_A&G	1.000000000	(2.333333334)	(1.111111111)	(0.333333333)	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	4.777777778	4.777777778	1.000000000	0.000000000		
114	Sales A&G			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
115	Ratio	K_Sales_A&G	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	
116	Depreciation Expense			47,579	46,282	112	1,138	0	0	0	0	0	0	47	47	47,579	0	
117	Ratio	K_Depr_Ex	1.000000000	0.972740074	0.002353980	0.023918115	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000987831	0.000987831	1.000000000	0.000000000		
118	O&M (no A&G)			183,052	45,460	106,722	30,655	0	0	0	0	0	0	215	215	183,052	0	
119	Ratio	K_O&M	1.000000000	0.248344732	0.583014663	0.167466075	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.001174530	0.001174530	1.000000000	0.000000000		
120	Production O&M			146,311	39,579	106,732	0	0	0	0	0	0	0	0	0	146,311	0	
121	Ratio	K_prodO&M	1.000000000	0.270512812	0.729487188	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000		
122	Dist O&M			(3)	1,951	0	0	0	0	0	0	0	0	(3)	(3)	1,948	(1,951)	
123	Ratio	K_distO&M	1.000000000	(650.333333333)	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	(649.333333333)	650.333333333		
124	Transmission O&M			34,609	3,951	0	30,658	0	0	0	0	0	0	0	0	34,609	0	
125	Ratio	K_TransO&M	1.000000000	0.114161056	0.000000000	0.885838944	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000		
126	Customer Accounting O&M			176	0	0	0	0	0	0	0	0	0	176	176	176	0	
127	Ratio	K_CA_O&M	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000		
128	Uncollectible Account O&M			(1)	0	0	0	0	0	0	0	0	0	(1)	(1)	(1)	0	
129	Ratio	K_Uncol_O&M	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000		
130	Customer Service & Informational O&M			9	(21)	(10)	(3)	0	0	0	0	0	0	43	43	9	0	
131	Ratio	K_CSI_O&M	1.000000000	(2.333333334)	(1.111111111)	(0.333333333)	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	4.777777778	4.777777778	1.000000000	0.000000000		
132	Sales O&M			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
133	Ratio	K_Sales_O&M	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000		
134	AutoCalc W/kg Capital (incl A&G)			103,763	66,403	3,752	31,828	0	0	0	0	0	0	1,780	1,780	103,763	0	
135	Ratio	K_O&MxFuel	1.000000000	0.639948729	0.036159325	0.036737469	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.017154477	0.017154477	1.000000000	0.000000000		

COST OF SERVICE STUDY

BY FUNCTION

RATE LT

FR 10(9)(v)-17

DUKE ENERGY KENTUCKY															
COST OF SERVICE STUDY															
TWELVE MONTHS ENDING DECEMBER 31, 2005															
ELECTRIC CASE NO: 2006-00172															
FR#-1 KW (12 COIN PEAK)															
LT															
Schedule 1															
DESCRIPTION	ITEM	ALLOC	LT			PRODUCTION		OTHER	POLES, TOWERS & FIXTURES		TOTAL DISTRIBUTION		DISTRIBUTION	TOTAL	ALL
			LIGHTING	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	CONDUCTORS	DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	TOTAL	OTHER	
			1	2	3	5	6	7	8	10	11	12	13	14	
SUMMARY OF RESULTS															
NET INCOME COMPUTATION															
GROSS ELECTRIC PLANT IN SERVICE	GP19		\$12,644,599	\$2,501,624	\$21,251	\$76,779	\$360,631	\$501,575	\$1,062,871	\$1,925,077	\$8,119,868	\$10,044,945	\$12,644,599	\$0	
TOTAL DEPRECIATION RESERVE	DR19		(7,523,065)	(1,290,556)	(10,443)	(33,044)	(85,343)	(198,551)	(402,650)	(686,544)	(5,502,478)	(6,189,022)	(7,523,065)	0	
TOTAL RATE BASE ADJUSTMENTS	RB71		127,878	(35,049)	134,843	7,687	(7,430)	3,559	(13,609)	(17,480)	37,877	20,397	127,878	0	
TOTAL RATE BASE	RB99		5,249,412	1,176,019	145,651	51,422	267,858	306,583	646,612	1,221,053	2,655,267	3,876,320	5,249,412	0	
CAPITALIZATION ALLOC TO ELECTRIC OPER	ECAP		4,948,623	1,108,633	137,305	48,476	252,511	289,016	609,561	1,151,088	2,503,121	3,654,209	4,948,623	0	
OPERATING EXPENSES															
TOTAL O&M EXPENSE	OM39		1,067,874	95,600	800,852	48,850	1,472	67,614	2,731	71,817	50,755	122,572	1,067,874	0	
TOTAL DEPRECIATION EXPENSE	DE49		279,309	71,789	632	1,755	14,633	16,178	35,098	65,909	139,224	205,133	279,309	0	
TOTAL OTHER TAX & MISC EXPENSE	LS91		77,664	10,630	1,838	979	4,318	6,502	10,338	21,158	43,059	64,217	77,664	0	
TOTAL OP EXP EXC INC & R TAX	OP69		1,424,847	178,019	803,322	51,584	20,423	90,294	48,167	158,884	233,038	391,922	1,424,847	0	
NET FED INCOME TAX ALLOWABLE	IB79		340,586	104,973	10,211	3,058	15,781	16,471	38,016	70,268	152,076	222,344	340,586	0	
NET STATE INCOME TAX ALLOWABLE	J979		60,009	18,536	1,959	543	2,734	3,055	6,587	12,376	26,595	38,971	60,009	0	
AFUDC OFFSET	LO33	K_CWIP	(18,519)	957	0	(346)	(691)	(911)	(2,035)	(3,637)	(15,493)	(19,130)	(18,519)	0	
TOTAL OPERATING EXPENSE	OPEX		1,806,923	302,485	815,492	54,839	38,247	108,909	90,735	237,891	396,216	634,107	1,806,923	0	
RETURN ON CAPITALIZATION	R751		797,854	178,742	22,137	7,816	40,712	46,597	98,278	185,587	403,572	589,159	797,854	0	
TOTAL OTHER OPERATING REVENUES			(17,594)	(3,934)	(1,439)	(218)	(845)	(1,044)	(2,019)	(3,908)	(8,095)	(12,003)	(17,594)	0	
TOTAL ELECTRIC COST OF SERVICE	CS99		2,587,183	477,293	836,190	62,437	78,114	154,462	186,994	419,570	791,693	1,211,263	2,587,183	0	
PROPOSED REVENUES	R802		2,587,182	477,293	836,190	62,437	78,114	154,462	186,994	419,570	791,692	1,211,262	2,587,182	0	
EXCESS REVENUES	XREV		(1)	0	0	0	0	0	0	0	(1)	(1)	(1)	0	
TOTAL RETURN EARNED	RETE		797,853	178,742	22,137	7,816	40,712	46,597	98,278	185,587	403,571	589,158	797,853	0	
RATE OF RETURN EARNED ON CAPITALIZATION	RORE	SUM_RETURN_FROM	0.161227275	0.161227275	0.161227275	0.161227275	0.161227275	0.161227275	0.161227275	0.161227275	0.161227275	0.161227275	0.161227275	0.00000	
TOTAL RATE OF RETURN ALLOWABLE	RORA		0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	
RETURN EARNED ON COMMON EQUITY	REOE		0.26824	0.26824	0.26824	0.26824	0.26824	0.26824	0.26824	0.26824	0.26824	0.26824	0.26824	0.00000	
ALLOWED RETURN ON COMMON EQUITY	AROE		0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	
PRESENT REVENUES	R600		2,194,212	404,797	709,180	52,953	66,249	131,001	158,591	355,841	671,441	1,027,282	2,194,212	0	
REVENUE INCREASE JUSTIFIED	RIJD		392,971	72,496	127,010	9,484	11,865	23,461	28,403	63,729	120,252	183,981	392,971	0	
PER UNIT PRES REV	RIJP	PRESREV_FROM	0.17909										0.17909	0.00000	
REVENUE INCREASE REQUESTED	RIRD		392,970										392,970	0	
PER UNIT PRES REV	RIRP	PRESINCR_FROM	0.17909										0.17909	0.00000	

DUKE ENERGY KENTUCKY													5/26/08 7:36 AM	
COST OF SERVICE STUDY														
TWELVE MONTHS ENDING DECEMBER 31, 2006														
ELECTRIC CASE NO: 2006-00172														
FR-4v-1 KW (12 COIN PEAK)														
LT														
DESCRIPTION	ITEM	ALLOC	LT LIGHTING	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
GROSS ELECTRIC PLANT IN SERVICE														
Schedule 2														
PRODUCTION PLANT														
PRODUCTION - STEAM	P100	K_rtprod_d	1,590,718	1,590,718	0	0	0	0	0	0	0	0	1,590,718	0
PRODUCTION - OTHER	P106	K_rtprod_d	881,837	881,837	0	0	0	0	0	0	0	0	881,837	0
PRODUCTION PLANT IN SERVICE	P129		2,472,555	2,472,555	0	0	0	0	0	0	0	0	2,472,555	0
TRANSMISSION PLANT														
MAIN STEP-UP TRANSFORMERS	T100	K_rstran_stepup	0	0	0	0	0	0	0	0	0	0	0	0
OTHER TRANSMISSION	T102	K_rstran_oth	75,433	0	0	75,433	0	0	0	0	0	0	75,433	0
TRANSMISSION PLANT IN SERVICE	T129		75,433	0	0	75,433	0	0	0	0	0	0	75,433	0
TOTAL PROD & TRANS PLANT	PT29		2,547,988	2,472,555	0	75,433	0	0	0	0	0	0	2,547,988	0
DISTRIBUTION PLANT														
SUBSTATIONS	D100	K_Subst	337,421	0	0	0	337,421	0	0	337,421	0	337,421	337,421	0
POLES, TOWERS & FIXTURES	D102	K_Poles	445,420	0	0	0	0	445,420	0	445,420	0	445,420	445,420	0
CONDUCTORS	D104	K_Conductors	994,868	0	0	0	0	0	994,868	994,868	0	994,868	994,868	0
TRANSFORMERS	D106	K_rbdist_c	243,394	0	0	0	0	0	0	0	243,394	243,394	243,394	0
SERVICES	D108	K_rbdist_c	31,456	0	0	0	0	0	0	0	31,456	31,456	31,456	0
METERS	D110	K_rbdist_c	845	0	0	0	0	0	0	0	845	845	845	0
STREET LIGHTS	D114	K_rbdist_c	7,297,000	0	0	0	0	0	0	0	7,297,000	7,297,000	7,297,000	0
CONSTRUCTION NOT CLASSIFIED	D116	K_dist_conc	636,712	0	0	0	22,976	30,331	67,745	121,052	515,660	636,712	636,712	0
DISTRIBUTION PLANT IN SERVICE	D149		9,987,116	0	0	0	360,397	475,751	1,062,613	1,898,761	8,088,355	9,987,116	9,987,116	0
TOTAL TRANS & DIST PLANT	TD29		10,062,549	0	0	75,433	360,397	475,751	1,062,613	1,898,761	8,088,355	9,987,116	10,062,549	0
TOTAL GROSS PTD PLANT	PD29		12,535,104	2,472,555	0	75,433	360,397	475,751	1,062,613	1,898,761	8,088,355	9,987,116	12,535,104	0
GENERAL & INTANGIBLE PLANT														
PRODUCTION-DEMAND	G100	K_rtprod_d	4,586	4,586	0	0	0	0	0	0	0	0	4,586	0
PRODUCTION-ENERGY	G102	K_rtprod_e	3,936	0	3,936	0	0	0	0	0	0	0	3,936	0
TRANSMISSION	G104	K_TransA&G	295	34	0	261	0	0	0	0	0	0	295	0
DISTRIBUTION	G106	K_DistA&G	4,573	0	0	0	123	3,790	251	4,164	409	4,573	4,573	0
CUSTOMER ACCOUNTING	G108	K_CA_A&G	1,086	0	0	0	0	0	0	0	1,086	1,086	1,086	0
CUSTOMER SERVICE & INFORMATION	G110	K_CSI_A&G	853	(550)	(964)	(72)	(91)	(178)	(216)	(485)	2,924	2,439	853	0
SALES	G112	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
GENERAL & INTANGIBLE PLANT IN SERVICE	G129		15,329	4,070	2,972	189	32	3,612	35	3,679	4,419	8,098	15,329	0
COMMON & OTHER PLANT														
PRODUCTION-DEMAND RELATED	C100	K_rtprod_d	28,163	28,163	0	0	0	0	0	0	0	0	28,163	0
PRODUCTION-ENERGY RELATED	C102	K_rtprod_e	24,187	0	24,187	0	0	0	0	0	0	0	24,187	0
TRANSMISSION	C104	K_TransA&G	1,806	206	0	1,600	0	0	0	0	0	0	1,806	0
DISTRIBUTION	C106	K_DistA&G	28,119	0	0	0	758	23,303	1,544	25,605	2,514	28,119	28,119	0
CUSTOMER ACCOUNTING	C108	K_CA_A&G	6,664	0	0	0	0	0	0	0	6,664	6,664	6,664	0
CUSTOMER SERVICE & INFORMATION	C110	K_CSI_A&G	5,227	(3,370)	(5,908)	(443)	(556)	(1,091)	(1,321)	(2,968)	17,916	14,948	5,227	0
SALES	C112	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
COMMON & OTHER PLANT IN SERVICE	C129		94,166	24,999	18,279	1,157	202	22,212	223	22,637	27,094	49,731	94,166	0
GROSS ELECTRIC PLANT IN SERVICE	GP19		12,644,599	2,501,624	21,251	76,779	360,631	501,575	1,062,871	1,925,077	8,119,868	10,044,945	12,644,599	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-#v-1 KW (12 COIN PEAK)														
6	LT														
7		LT									TOTAL				
8	DESCRIPTION	ITEM	ALLOC	LIGHTING	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
99	DEPRECIATION RESERVE	Schedule 3													
100	PRODUCTION PLANT														
101	PRODUCTION - STEAM	P150	K_rtprod_d	874,083	874,083	0	0	0	0	0	0	0	0	874,083	0
102	PRODUCTION - OTHER	P152	K_rtprod_d	402,193	402,193	0	0	0	0	0	0	0	0	402,193	0
103	TOTAL PROD DEPREC RESERVE	P171		1,276,276	1,276,276	0	0	0	0	0	0	0	0	1,276,276	0
104															
105	TRANSMISSION PLANT														
106	MAIN STEP-UP TRANSFORMERS		K_rtbran_estaup	0	0	0	0	0	0	0	0	0	0	0	0
107	OTHER TRANSMISSION	T150	K_rtbran_oth	32,384	0	0	32,384	0	0	0	0	0	0	32,384	0
108	TOTAL TRANS DEPREC RESERVE	T171		32,384	0	0	32,384	0	0	0	0	0	0	32,384	0
109															
110	TOTAL PROD & TRANS DEPREC RESERVE			1,308,660	1,276,276	0	32,384	0	0	0	0	0	0	1,308,660	0
111															
112	DISTRIBUTION PLANT														
113	SUBSTATIONS	D150	K_Subst	75,703	0	0	0	75,703	0	0	75,703	0	75,703	75,703	0
114	POLES, TOWERS & FIXTURES	D152	K_Poles	173,296	0	0	0	0	173,296	0	173,296	0	173,296	173,296	0
115	CONDUCTORS	D154	K_Conductors	374,437	0	0	0	0	0	374,437	374,437	0	374,437	374,437	0
116	TRANSFORMERS	D156	K_Transformer	119,386	0	0	0	0	0	0	0	119,386	119,386	119,386	0
117	SERVICES	D158	K_rbdist_c	20,646	0	0	0	0	0	0	0	20,646	20,646	20,646	0
118	METERS	D160	K_rbdist_c	170	0	0	0	0	0	0	0	170	170	170	0
119	DEPRECIATION EXPENSE ADJUSTMENT	D162	K_dist_conc	7,698	0	0	0	278	367	819	1,464	6,234	7,698	7,698	0
120	STREET LIGHTS	D164	K_rbdist_c	5,133,000	0	0	0	0	0	0	0	5,133,000	5,133,000	5,133,000	0
121	COMPLETED CONSTRUCTION NOT CLASSIFIED	D166	K_dist_conc	309,704	0	0	0	11,176	14,753	32,952	58,881	250,823	309,704	309,704	0
122	RETIREMENT WORK IN PROGRESS	D168	K_dist_conc	(53,431)	0	0	0	(1,928)	(2,545)	(5,685)	(10,158)	(43,273)	(53,431)	(53,431)	0
123	TOTAL DIST DEPREC RESERVE	D191		6,160,609	0	0	0	85,229	185,871	402,523	673,623	5,486,986	6,160,609	6,160,609	0
124															
125	TOTAL TRANS & DIST DEPREC RESERVE			6,192,993	0	0	32,384	85,229	185,871	402,523	673,623	5,486,986	6,160,609	6,192,993	0
126	TOTAL GROSS PTD PLANT DEPREC RESERVE			7,469,269	1,276,276	0	32,384	85,229	185,871	402,523	673,623	5,486,986	6,160,609	7,469,269	0
127															
128	GENERAL & INTANGIBLE PLANT														
129	PRODUCTION-DEMAND	G150	K_rtprod_d	2,438	2,438	0	0	0	0	0	0	0	0	2,438	0
130	PRODUCTION-ENERGY	G152	K_rtprod_e	2,097	0	2,097	0	0	0	0	0	0	0	2,097	0
131	TRANSMISSION	G154	K_TransA&G	156	18	0	138	0	0	0	0	0	0	156	0
132	DISTRIBUTION	G156	K_DistA&G	2,434	0	0	0	65	2,017	134	2,216	218	2,434	2,434	0
133	CUSTOMER ACCOUNTING	G158	K_CA_A&G	577	0	0	0	0	0	0	0	577	577	577	0
134	CUSTOMER SERVICE & INFORMATION	G160	K_CSI_A&G	457	(294)	(517)	(39)	(49)	(95)	(115)	(259)	1,566	1,307	457	0
135	SALES	G162	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
136	TOTAL GEN & INTANGIBLE DEPREC RES.	G171		8,159	2,162	1,580	99	16	1,922	19	1,957	2,361	4,318	8,159	0
137															
138	COMMON & OTHER PLANT														
139	PRODUCTION-DEMAND	C150	K_rtprod_d	13,651	13,651	0	0	0	0	0	0	0	0	13,651	0
140	PRODUCTION-ENERGY	C152	K_rtprod_e	11,726	0	11,726	0	0	0	0	0	0	0	11,726	0
141	TRANSMISSION	C154	K_TransA&G	876	100	0	776	0	0	0	0	0	0	876	0
142	DISTRIBUTION	C156	K_DistA&G	13,620	0	0	0	367	11,287	748	12,402	1,218	13,620	13,620	0
143	CUSTOMER ACCOUNTING	C158	K_CA_A&G	3,231	0	0	0	0	0	0	0	3,231	3,231	3,231	0
144	CUSTOMER SERVICE & INFORMATION	C160	K_CSI_A&G	2,533	(1,633)	(2,863)	(215)	(269)	(529)	(640)	(1,438)	8,682	7,244	2,533	0
145	SALES	C162	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
146	TOTAL COM & OTHER PLT RESERVE	C171		45,637	12,118	8,863	561	98	10,758	108	10,964	13,131	24,095	45,637	0
147															
148	TOTAL DEPRECIATION RESERVE	DR19		7,523,065	1,290,556	10,443	33,044	85,343	198,551	402,650	686,544	5,502,478	6,189,022	7,523,065	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-#v-1 KW(12 CONN PEAK)														
6	LT														
7	5/28/06 7:38 AM														
8	DESCRIPTION	ITEM	ALLOC	LT LIGHTING	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
200	NET ELECTRIC PLANT														
201	Schedule 4a														
202	PRODUCTION PLANT														
203	PRODUCTION PLANT IN SERVICE	P129		2,472,555	2,472,555	0	0	0	0	0	0	0	0	2,472,555	0
204	TOTAL PROD DEPREC RESERVE	P171		(1,276,276)	(1,276,276)	0	0	0	0	0	0	0	0	(1,276,276)	0
205	NET PRODUCTION PLANT	P229		1,196,279	1,196,279	0	0	0	0	0	0	0	0	1,196,279	0
206	TRANSMISSION PLANT														
207	TRANSMISSION PLANT IN SERVICE	T129		75,433	0	0	75,433	0	0	0	0	0	0	75,433	0
208	TOTAL TRANS DEPREC RESERVE	T171		(32,384)	0	0	(32,384)	0	0	0	0	0	0	(32,384)	0
210	NET TRANSMISSION PLANT	T229		43,049	0	0	43,049	0	0	0	0	0	0	43,049	0
212	NET PROD & TRANS PLANT			1,239,328	1,196,279	0	43,049	0	0	0	0	0	0	1,239,328	0
214	DISTRIBUTION PLANT														
215	DISTRIBUTION PLANT IN SERVICE	D149		9,987,116	0	0	0	360,397	475,751	1,062,613	1,898,761	8,088,355	9,987,116	9,987,116	0
216	TOTAL DIST DEPREC RESERVE	D191		(6,160,609)	0	0	0	(85,229)	(185,871)	(402,523)	(673,623)	(5,486,986)	(6,160,609)	(6,160,609)	0
217	NET DISTRIBUTION PLANT	D249		3,826,507	0	0	0	275,168	289,880	660,090	1,225,138	2,601,369	3,826,507	3,826,507	0
220	NET TRANS & DIST PLANT	NT29		3,869,556	0	0	43,049	275,168	289,880	660,090	1,225,138	2,601,369	3,826,507	3,869,556	0
221	NET PTD PLANT	NT39		5,065,835	1,196,279	0	43,049	275,168	289,880	660,090	1,225,138	2,601,369	3,826,507	5,065,835	0
222	GENERAL & INTANGIBLE PLANT														
223	GEN & INTANG PLANT IN SERVICE	G129		15,329	4,070	2,972	189	32	3,612	35	3,679	4,419	8,098	15,329	0
225	TOTAL GEN & INTG DEPREC RESERVE	G171		(8,159)	(2,162)	(1,580)	(99)	(16)	(1,922)	(19)	(1,957)	(2,361)	(4,318)	(8,159)	0
226	NET GENERAL & INTANG PLANT	G229		7,170	1,908	1,392	90	16	1,690	16	1,722	2,058	3,780	7,170	0
228	COMMON & OTHER PLANT														
229	COMMON & OTH PLT IN SERVICE	C121		94,166	24,899	18,279	1,157	202	22,212	223	22,637	27,094	49,731	94,166	0
230	TOTAL COM & OTH DEPREC RESERVE	C171		(45,637)	(12,118)	(8,863)	(561)	(98)	(10,758)	(108)	(10,964)	(13,131)	(24,095)	(45,637)	0
231	NET COMMON & OTHER PLANT	C229		48,529	12,881	9,416	596	104	11,454	115	11,673	13,963	25,636	48,529	0
233	NET ELECTRIC PLANT IN SERVICE	NP29		5,121,534	1,211,068	10,808	43,735	275,288	303,024	660,221	1,238,533	2,617,390	3,855,923	5,121,534	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2009														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 COIN PEAK)														
6	LT														
7	LT														
8	DESCRIPTION	ITEM	ALLOC	LIGHTING	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
225	RATE BASE ADJUSTMENTS														
226	SUBTRACTIVE ADJUSTMENTS														
227	ACCUM DEF INC TAXES (282)														
228	LIBERALIZED DEPRECIATION	B200	K_EPIS	360,390	85,219	761	3,078	19,372	21,323	46,458	87,153	184,179	271,332	360,390	0
242	MISCELLANEOUS	B208	K_EPIS	2,913	689	8	25	156	172	376	704	1,489	2,193	2,913	0
247	TOTAL ACCOUNT 282	B221		363,303	85,908	767	3,103	19,528	21,495	46,834	87,857	185,668	273,525	363,303	0
248															
249	ACCUM DEF INC TAXES (283/284)														
254	DEFERRED INCOME TAXES	B234	K_EPIS	(306)	(72)	(1)	(3)	(17)	(18)	(39)	(74)	(156)	(230)	(306)	0
256	TOTAL ACCOUNT 283/284	B243		(306)	(72)	(1)	(3)	(17)	(18)	(39)	(74)	(156)	(230)	(306)	0
257															
263	TOTAL SUBTRACTIVE ADJUSTMENTS	B287		362,997	85,836	766	3,100	19,511	21,477	46,795	87,783	185,512	273,295	362,997	0
264															
265	ADDITIVE ADJUSTMENTS														
266	ACCUM DEF INC TAXES (190)														
272	MISCELLANEOUS DEFERRALS	V212	K_A&GexAdj	5,784	1,535	1,123	71	12	1,364	14	1,390	1,665	3,055	5,784	0
273	TOTAL ACCOUNT 190	V215		5,784	1,535	1,123	71	12	1,364	14	1,390	1,665	3,055	5,784	0
274															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-0V-1 KW (12 COIN PEAK)														
6	LT														
7				LT							TOTAL				
8	DESCRIPTION	ITEM	ALLOC	LIGHTING	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
286	CONSTRUCTION WORK IN PROGRESS	Schedule 5a													
287	PRODUCTION	V232	K_gross_prodpit	(10,928)	(10,928)	0	0	0	0	0	0	0	0	(10,928)	0
288	TRANSMISSION	V234	K_gross_tranpit	3,952	0	0	3,952	0	0	0	0	0	0	3,952	0
289	DISTRIBUTION	V238	K_gross_distpit	218,354	0	0	0	7,879	10,402	23,233	41,514	176,840	218,354	218,354	0
290	GENERAL	V238	K_gross_genpit	0	0	0	0	0	0	0	0	0	0	0	0
291	COMMON	V240	K_gross_compit	0	0	0	0	0	0	0	0	0	0	0	0
292	TOTAL RATE BASE CWIP	V255		211,378	(10,928)	0	3,952	7,879	10,402	23,233	41,514	176,840	218,354	211,378	0
293															
294	TOTAL ADDITIVE ADJUSTMENTS	V289		217,162	(9,393)	1,123	4,023	7,891	11,766	23,247	42,904	178,505	221,409	217,162	0
295															
296	NET ORIGINAL COST RATE BASE	RB29		4,975,699	1,115,839	11,165	44,658	263,668	293,313	636,673	1,193,654	2,610,383	3,804,037	4,975,699	0
297															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
	DUKE ENERGY KENTUCKY														
	COST OF SERVICE STUDY														
	TWELVE MONTHS ENDING DECEMBER 31, 2005														
	ELECTRIC CASE NO: 2006-00172														
	FR-4v-1 KW (12 COIN PEAK)														
	LT														
				LT	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL		ALL
	DESCRIPTION	ITEM	ALLOC	LIGHTING	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES	CONDUCTORS	DISTRIBUTION	CUSTOMER	DISTRIBUTION	TOTAL	OTHER
298	WORKING CAPITAL														
299	MATERIALS & SUPPLIES														
300	FUEL INVENTORIES														
301	FUEL	W640	K_rtprod_e	55,322	0	55,322	0	0	0	0	0	0	0	55,322	0
302	EMISSION ALLOWANCES	W642	K_rtprod_e	36,906	0	36,906	0	0	0	0	0	0	0	36,906	0
303	TOTAL FUEL STOCKS	W644		92,228	0	92,228	0	0	0	0	0	0	0	92,228	0
304															
305	PLANT MATERIALS & SUPPLIES														
306	OTHER	W646	K_EPIS	74,423	17,598	157	636	4,001	4,403	9,594	17,998	38,034	56,032	74,423	0
310	TOTAL PLANT MATERIALS & SUPPLIES	W650		74,423	17,598	157	636	4,001	4,403	9,594	17,998	38,034	56,032	74,423	0
311															
312	TOTAL MATERIALS & SUPPLIES	W669	TOT_M&S	166,651	17,598	92,385	636	4,001	4,403	9,594	17,998	38,034	56,032	166,651	0
313															
314	PREPAYMENTS														
315	INSURANCE	W670	K_A&GasAdj	1,759	467	341	22	4	415	4	423	506	929	1,759	0
316	COAL_SYN FUEL AND MARGIN DEPOSITS	W684	K_rtprod_e	39,310	0	39,310	0	0	0	0	0	0	0	39,310	0
317	TOTAL PREPAYMENTS	W689		41,069	467	39,651	22	4	415	4	423	506	929	41,069	0
322	AUTO CALC (O&M-F-PP)/8	W718		65,993	42,115	2,450	6,106	185	8,452	341	8,978	6,344	15,322	65,993	0
324	TOTAL WORKING CASH	W729		65,993	42,115	2,450	6,106	185	8,452	341	8,978	6,344	15,322	65,993	0
325															
326	TOTAL WORKING CAPITAL	WC78		273,713	60,180	134,486	6,764	4,190	13,270	9,939	27,399	44,884	72,283	273,713	0
327	PRELIMINARY SUMMARY														
328	TOTAL SUBTRACTIVE ADJUSTMENTS	B287		(362,997)	(85,836)	(766)	(3,100)	(19,511)	(21,477)	(46,795)	(87,783)	(185,512)	(273,295)	(362,997)	0
329	TOTAL ADDITIVE ADJUSTMENTS	V289		217,162	(9,393)	1,123	4,023	7,891	11,766	23,247	42,904	178,505	221,409	217,162	0
330	TOTAL WORKING CAPITAL	WC71		273,713	60,180	134,486	6,764	4,190	13,270	9,939	27,399	44,884	72,283	273,713	0
331	TOTAL RATE BASE ADJUSTMENTS	RB71		127,878	(35,049)	134,843	7,687	(7,430)	3,559	(13,609)	(17,480)	37,877	20,397	127,878	0
332															
333	RATE BASE CALCULATION														
334	NET ELECTRIC PLANT IN SERVICE	NP21		5,121,534	1,211,068	10,808	43,735	275,288	303,024	660,221	1,238,533	2,617,390	3,855,923	5,121,534	0
335	TOTAL RATE BASE ADJUSTMENTS	RB71		127,878	(35,049)	134,843	7,687	(7,430)	3,559	(13,609)	(17,480)	37,877	20,397	127,878	0
336	TOTAL RATE BASE	RB99	TOT_RB	5,249,412	1,176,019	145,651	51,422	267,858	306,583	646,612	1,221,053	2,655,267	3,876,320	5,249,412	0
337															
338	CAPITALIZATION ALLOC TO ELECTRIC OPER	ECAP	K_OCDRB	4,948,623	1,108,633	137,305	48,476	252,511	289,016	609,561	1,151,088	2,503,121	3,654,209	4,948,623	0
339															
340	TOTAL RATE OF RETURN ALLOWABLE	RORA	ror_Allow_from	0.1612	0.1612	0.1612	0.1612	0.1612	0.1612	0.1612	0.1612	0.1612	0.1612	0.1612	0.1612
341	RETURN ON CAPITALIZATION	R751		797,854	178,742	22,137	7,816	40,712	46,597	98,278	185,587	403,572	589,159	797,854	0
342															

DUKE ENERGY KENTUCKY														5/28/06 7:38 AM	
COST OF SERVICE STUDY															
TWELVE MONTHS ENDING DECEMBER 31, 2005															
ELECTRIC CASE NO: 2006-00172															
FR-4v-1 KW (12 COIN PEAK)															
LT															
DESCRIPTION	ITEM	ALLOC	LIGHTING	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER	
O&M EXPENSES															
Schedule 6															
PRODUCTION O&M															
ENERGY RELATED PRODUCTION O&M															
FUEL	P300	K_rprod_e	539,931	0	539,931	0	0	0	0	0	0	0	539,931	0	
MISCELLANEOUS	P302	K_rprod_e	0	0	0	0	0	0	0	0	0	0	0	0	
EMISSION ALLOWANCES	P306	K_rprod_e	33,892	0	33,892	0	0	0	0	0	0	0	33,892	0	
ELIMINATE EMISSION ALLOW & OTHER VAR COST	P308	K_rprod_e	50,524	0	50,524	0	0	0	0	0	0	0	50,524	0	
OTHER PRODUCTION EXPENSE - MAINTENANCE	P310	K_rprod_e	81,797	0	81,797	0	0	0	0	0	0	0	81,797	0	
MISO TRANSMISSION CHARGES ACCT IN 555	P312	K_rprod_e	75,108	0	75,108	0	0	0	0	0	0	0	75,108	0	
TOTAL ENERGY RELATED	P349		781,252	0	781,252	0	0	0	0	0	0	0	781,252	0	
DEMAND RELATED PROD O&M															
ELIMINATE MISCELLANEOUS	P344	K_rprod_d	0	0	0	0	0	0	0	0	0	0	0	0	
OTHER PRODUCTION EXPENSE - OPERATIONS	P346	K_rprod_d	61,490	61,490	0	0	0	0	0	0	0	0	61,490	0	
TOTAL DEMAND RELATED	P349		61,490	61,490	0	0	0	0	0	0	0	0	61,490	0	
TOTAL PRODUCTION O&M	P459		842,742	61,490	781,252	0	0	0	0	0	0	0	842,742	0	
TRANSMISSION O & M															
TRANSFORMER LEASE PAYMENTS	T300	K_rprod_d	6,138	6,138	0	0	0	0	0	0	0	0	6,138	0	
OTHER TRANSMISSION	T302	K_rtrasm_oth	56,548	0	0	56,548	0	0	0	0	0	0	56,548	0	
MISCELLANEOUS ADJUSTMENTS	T304	K_gross_traspl	(13,293)	0	0	(13,293)	0	0	0	0	0	0	(13,293)	0	
NETWORK SERVICE RATES ADJUSTMENT	T305	K_gross_traspl	4,373	0	0	4,373	0	0	0	0	0	0	4,373	0	
TOTAL TRANSMISSION O & M	T349		53,766	6,138	0	47,628	0	0	0	0	0	0	53,766	0	
DISTRIBUTION O & M															
SUBSTATIONS	D300	K_Subst	940	0	0	0	940	0	0	940	0	940	940	0	
POLES, TOWERS & FIXTURES	D302	K_Poles	41,837	0	0	0	0	41,837	0	41,837	0	41,837	41,837	0	
CONDUCTORS	D304	K_Conductors	1,754	0	0	0	0	0	1,754	1,754	0	1,754	1,754	0	
TRANSFORMERS	D306	K_Transformer	408	0	0	0	0	0	0	0	408	408	408	0	
OTHER MAINTENANCE	D308	K_distat	2,223	0	0	0	161	168	383	712	1,511	2,223	2,223	0	
METERS	D310	K_rbdist_c	27	0	0	0	0	0	0	0	27	27	27	0	
STREET LIGHTS	D314	K_rbdist_c	0	0	0	0	0	0	0	0	0	0	0	0	
OTHER OPERATIONS	D316	K_distat	3,031	0	0	0	217	230	523	970	2,061	3,031	3,031	0	
MISCELLANEOUS EXPENSES	D318	K_rbdist_c	(5)	0	0	0	0	0	0	0	(5)	(5)	(5)	0	
AFFILIATED COMPANY RENTS	D320	K_distat	824	0	0	0	60	62	142	264	560	824	824	0	
TOTAL DISTRIBUTION O & M	D349		51,039	0	0	0	1,378	42,297	2,802	46,477	4,562	51,039	51,039	0	
CUSTOMER ACCOUNTING															
CUSTOMER ACCOUNTING EXPENSE	C300	K_rbdist_c	8,187	0	0	0	0	0	0	0	8,187	8,187	8,187	0	
ADJUST UNCOLLECTIBLE ACCOUNTS	C302	K_Func_Rev	(34)	(6)	(11)	(1)	(2)	(2)	(2)	(6)	(16)	(34)	(34)	0	
METER READING	C304	K_rbdist_c	2,346	0	0	0	0	0	0	0	2,346	2,346	2,346	0	
LOSS ON SALE OF AVR & INCR AVR ON INCR	C306	K_Func_Rev	48	9	16	1	1	3	3	7	15	22	48	0	
MISCELLANEOUS EXPENSE ADJUSTMENT	C308	K_rbdist_c	(38)	0	0	0	0	0	0	0	(38)	(38)	(38)	0	
TOTAL CUSTOMER ACCT EXPENSE	C319		10,509	3	5	0	(1)	1	1	1	10,500	10,501	10,509	0	

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
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3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-IV-1 KW (12 COIN PEAK)														
6	LT														
7			LT								TOTAL	DISTRIBUTION	TOTAL		ALL
8	DESCRIPTION	ITEM	ALLOC	LIGHTING	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	OTHER
393	CUSTOMER SERVICE & INFORMATION														
394	CUSTOMER SERVICE & INFORMATION	C320	K_rbdist_c	7,071	0	0	0	0	0	0	0	7,071	7,071	7,071	0
395	INFORMATIONAL & INSTRUCTIONAL ADV	C322	K_rbdist_c	1,323	0	0	0	0	0	0	0	1,323	1,323	1,323	0
396	CUSTOMER SERVICE & INFORM PROFORMA	C324	K_rbdist_c	(2,556)	0	0	0	0	0	0	0	(2,556)	(2,556)	(2,556)	0
397	AMI	C328	K_Func_Rev	(4,540)	(837)	(1,467)	(110)	(138)	(271)	(328)	(737)	(1,389)	(2,126)	(4,540)	0
398	TOTAL CUSTOMER SERV & INFORMATION	C331		1,298	(837)	(1,467)	(110)	(138)	(271)	(328)	(737)	4,449	3,712	1,298	0
399															
400	SALES		Schedule B												
401	SALES EXPENSE	S300	K_rbdist_c	59	0	0	0	0	0	0	0	59	59	59	0
403	SALES EXPENSE PROFORMA	S304	K_rbdist_c	(51)	0	0	0	0	0	0	0	(51)	(51)	(51)	0
404	TOTAL SALES EXPENSE	S319		8	0	0	0	0	0	0	0	8	8	8	0
405															
406	SUBTOTAL O&M EXCL. A&G			959,362	66,794	779,790	47,518	1,239	42,027	2,475	45,741	19,519	65,260	959,362	0
407															
408	ADMINISTRATIVE & GENERAL														
409	A&G EXPENSE EXCL. REGULATORY EXP														
410	PRODUCTION-DEMAND RELATED	A300	K_rtprod_d	34,688	34,688	0	0	0	0	0	0	0	0	34,688	0
411	PRODUCTION-ENERGY RELATED	A302	K_rtprod_e	29,791	0	29,791	0	0	0	0	0	0	0	29,791	0
412	TRANSMISSION	A304	K_tranO&M	2,224	254	0	1,970	0	0	0	0	0	0	2,224	0
413	DISTRIBUTION	A306	K_distO&M	34,622	0	0	0	934	28,692	1,901	31,527	3,095	34,622	34,622	0
414	CUSTOMER ACCOUNTING	A308	K_CA_O&M	8,209	0	0	0	0	0	0	0	8,209	8,209	8,209	0
415	CUSTOMER SERVICE & INFORMATION	A310	K_CS_O&M	6,442	(4,154)	(7,281)	(546)	(684)	(1,345)	(1,628)	(3,657)	22,080	18,423	6,442	0
416	SALES	A312	K_Sales_O&M	0	0	0	0	0	0	0	0	0	0	0	0
417	A&G EXPENSE UNADJUSTED	A315		115,976	30,788	22,510	1,424	250	27,347	273	27,870	33,384	61,254	115,976	0
418	RATE CASE EXPENSE	A318	K_AA&GenAdj	350	93	68	4	0	83	1	84	101	185	350	0
426	ELIMINATE MISCELLANEOUS EXPENSES	A340	K_AA&GenAdj	(578)	(154)	(112)	(7)	(2)	(136)	(1)	(139)	(166)	(305)	(578)	0
427	IMPLEMENT AUTOMATED METER READING	A342	K_AA&GenAdj	369	97	72	5	1	87	1	89	106	195	369	0
431	AMORTIZATION OF DEFERRED EXPENSES	A352	K_AA&GenAdj	3,598	956	698	44	8	848	8	864	1,036	1,900	3,598	0
432	MISCELLANEOUS	A354	K_AA&GenAdj	0	0	0	0	0	0	0	0	0	0	0	0
433	ELIMINATE INCENTIVE COMPENSATION	A356	K_AA&GenAdj	(11,203)	(2,974)	(2,174)	(138)	(24)	(2,642)	(26)	(2,692)	(3,225)	(5,917)	(11,203)	0
434	TOTAL ADMIN. & GENERAL	A357		108,512	28,806	21,062	1,332	233	25,587	256	26,076	31,236	57,312	108,512	0
435															
436	TOTAL O & M EXPENSE	OM39	TOT O&M	1,067,874	95,600	800,852	48,850	1,472	67,614	2,731	71,817	50,755	122,572	1,067,874	0

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4	ELECTRIC CASE NO: 2006-00172														
5	FR-av-1 KW (12 COIN PEAK)														
6	LT														
7				LT							TOTAL				
8	DESCRIPTION	ITEM	ALLOC	LIGHTING	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
437	DEPRECIATION EXPENSE <i>Schedule 7</i>														
438	PRODUCTION DEPRECIATION														
440	PRODUCTION DEPRECIATION	P460	K_rprod_d	70,926	70,926	0	0	0	0	0	0	0	0	70,926	0
441	PROFORMA ADJUSTMENT	P462	K_rprod_d	0	0	0	0	0	0	0	0	0	0	0	0
442	TOTAL PRODUCTION DEPREC EXP.	P489		70,926	70,926	0	0	0	0	0	0	0	0	70,926	0
443	TRANSMISSION DEPRECIATION														
444	TRANSMISSION DEPRECIATION														
445	TRANSMISSION DEPRECIATION	T460	K_tranmet	1,714	0	0	1,714	0	0	0	0	0	0	1,714	0
446	PROFORMA ADJUSTMENT	T462	K_tranmet	0	0	0	0	0	0	0	0	0	0	0	0
447	TOTAL TRANSMISSION DEP. EXP.	T489		1,714	0	0	1,714	0	0	0	0	0	0	1,714	0
448	DISTRIBUTION DEPRECIATION														
449	DISTRIBUTION DEPRECIATION														
450	DISTRIBUTION DEPRECIATION	D460	K_distnet	203,416	0	0	0	14,628	15,410	35,090	65,128	138,288	203,416	203,416	0
451	PROFORMA ADJUSTMENT	D462	K_distnet	0	0	0	0	0	0	0	0	0	0	0	0
452	TOTAL DIST. DEPREC EXP.	D489		203,416	0	0	0	14,628	15,410	35,090	65,128	138,288	203,416	203,416	0
453	GENERAL DEPRECIATION														
454	GENERAL DEPRECIATION														
455	GENERAL DEPRECIATION	G460	K_genmet	441	117	86	6	0	104	1	105	127	232	441	0
456	PROFORMA ADJUSTMENT	G462	K_genmet	0	0	0	0	0	0	0	0	0	0	0	0
457	TOTAL GENERAL DEPREC EXP.	G489		441	117	86	6	0	104	1	105	127	232	441	0
458	COMMON AND OTHER DEPRECIATION														
459	COMMON AND OTHER DEPRECIATION														
460	COMMON AND OTHER DEPRECIATION	C460	K_comnet	2,812	746	546	35	5	664	7	676	809	1,485	2,812	0
461	PROFORMA ADJUSTMENT	C462	K_comnet	0	0	0	0	0	0	0	0	0	0	0	0
462	TOTAL COM & OTHER DEPREC EXP.	C489		2,812	746	546	35	5	664	7	676	809	1,485	2,812	0
463	TOTAL DEPRECIATION EXPENSE														
464	TOTAL DEPRECIATION EXPENSE	DE49	TOT_DEPREX	279,309	71,789	632	1,755	14,633	16,178	35,098	65,909	139,224	205,133	279,309	0
465															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
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4	ELECTRIC CASE NO: 2006-00172														
5	FR-#v-1 KW (12 COIN PEAK)														
6	LT														
7	DESCRIPTION	ITEM	ALLOC	LT LIGHTING	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
465	TAXES OTHER THAN INC & REV	Schedule 8													
467	REAL ESTATE & PROPERTY TAX														
468	PRODUCTION	L500	K_rtprod_d	8,341	8,341	0	0	0	0	0	0	0	0	8,341	0
469	TRANSMISSION	L501	K_tranmit	861	0	0	861	0	0	0	0	0	0	861	0
470	DISTRIBUTION	L502	K_distnet	59,513	0	0	0	4,280	4,508	10,266	19,054	40,459	59,513	59,513	0
471	OTHER	L514	K_EPIS	0	0	0	0	0	0	0	0	0	0	0	0
472	TOTAL REAL EST & PROP TAX	L529	PROP_TAX	68,715	8,341	0	861	4,280	4,508	10,266	19,054	40,459	59,513	68,715	0
473															
474	MISCELLANEOUS TAXES														
475	PAYROLL RELATED	L566	K_AA_GexAdj	8,422	2,236	1,635	103	18	1,985	20	2,024	2,424	4,448	8,422	0
476	OTHER STATE TAXES	L562	K_AA_GexAdj	0	0	0	0	0	0	0	0	0	0	0	0
477	ELIMINATE NON-NATIVE SALES	L564	K_AA_GexAdj	(184)	(49)	(36)	(2)	(1)	(43)	0	(44)	(53)	(97)	(184)	0
478	AUTO LICENSES, ETC	L560	K_AA_GexAdj	35	10	7	0	0	8	0	8	10	18	35	0
479	ELIMINATE UNBILLED REVENUE	L562	K_AA_GexAdj	(1)	0	0	0	(1)	0	0	(1)	0	(1)	(1)	0
480	AFFILIATED COMPANY RENTS	L564	K_AA_GexAdj	0	0	0	0	0	0	0	0	0	0	0	0
481	MISCELLANEOUS	L566	K_AA_GexAdj	0	0	0	0	0	0	0	0	0	0	0	0
482	DSM ELIMINATION	L568	K_rtprod_d	(40)	(40)	0	0	0	0	0	0	0	0	(40)	0
483	TOTAL MISCELLANEOUS TAXES	L569		8,232	2,157	1,606	101	16	1,951	20	1,987	2,381	4,368	8,232	0
484															
485	MISCELLANEOUS EXPENSES														
487	PSC MAINTENANCE ON INCREASE	L584	K_Func_Rev	717	132	232	17	22	43	52	117	219	336	717	0
488	TOTAL MISCELLANEOUS EXPENSES	L589		717	132	232	17	22	43	52	117	219	336	717	0
489															
490	TOTAL OTHER TAX & MISC EXPENSE	L591		77,664	10,630	1,838	979	4,318	6,502	10,338	21,158	43,059	64,217	77,664	0
491															
492	PRELIMINARY SUMMARY														
493	TOTAL O&M EXPENSE	OM39		1,067,874	95,600	800,852	48,850	1,472	67,614	2,731	71,817	50,755	122,572	1,067,874	0
494	TOTAL DEPRECIATION EXPENSE	DE49		279,309	71,789	632	1,755	14,633	16,178	35,098	65,909	139,224	205,133	279,309	0
495	TOTAL OTHER TAX & MISC EXPENSE	L599		77,664	10,630	1,838	979	4,318	6,502	10,338	21,158	43,059	64,217	77,664	0
496	TOTAL OP EXP EXC IT & OTHER TAX	OP69		1,424,847	178,019	803,322	51,584	20,423	90,294	48,167	158,884	233,038	391,922	1,424,847	0
497															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR#-1 KW (12 COIN PEAK)														
6	LT														
7				LT	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL		
8	DESCRIPTION	ITEM	ALLOC	LIGHTING	DEMAND	ENERGY	TRANSMISSION	SUBSTATONS	& FIXTURES	CONDUCTORS	DISTRIBUTION	CUSTOMER	DISTRIBUTION	TOTAL	ALL OTHER
499	INCOME TAX BASED ON RETURN														
499	FEDERAL INCOME TAX DEDUCTIONS														
500	AUTOMATIC INTEREST CALCULATION														
501	AUTO PROC INTEREST DED	Y751	K_EPIS	142,705	33,745	301	1,219	7,671	8,443	18,396	34,510	72,930	107,440	142,705	0
502	TOTAL INTEREST EXPENSE	Y783	TOT_INT	142,705	33,745	301	1,219	7,671	8,443	18,396	34,510	72,930	107,440	142,705	0
503	OTHER DEDUCTIONS														
505	DEPR. EXCESS TAX OVER BOOK	Y790	K_Depr_Ex	26,865	6,905	61	169	1,407	1,556	3,376	6,339	13,391	19,730	26,865	0
507	LOSS ON REACQUIRED DEBT	Y794	K_EPIS	(1,090)	(258)	(2)	(9)	(59)	(64)	(141)	(264)	(557)	(821)	(1,090)	0
509	COST OF REMOVAL	Y798	K_Depr_Ex	12,790	3,288	29	80	670	741	1,607	3,018	6,375	9,393	12,790	0
512	METER CAPITAL LEASE PRINCIPLE PAYMENTS	Y804	K_rbtst_c	46	0	0	0	0	0	0	0	46	46	46	0
515	OTHER PERMANENT DIFFERENCES	Y816	K_EPIS	12,512	2,959	26	107	673	740	1,613	3,026	6,394	9,420	12,512	0
516	TOTAL OTHER DEDUCTIONS	Y828		51,123	12,894	114	347	2,691	2,973	6,455	12,119	25,649	37,768	51,123	0
518	NET DEDUCTIONS AND ADDITIONS	Y871		193,828	46,639	415	1,566	10,362	11,416	24,851	46,629	98,579	145,208	193,828	0
522	FEDERAL INCOME TAX ADJUSTMENTS														
524	FED PROV DEF INC TAX DEFERRALS (410.1)														
526	ANNUALIZE DEPRECIATION	Z768	K_EPIS	(632)	(150)	(1)	(5)	(35)	(37)	(81)	(153)	(323)	(476)	(632)	0
531	MISCELLANEOUS	Z762	K_A&GenAdj	(4,951)	(1,314)	(961)	(61)	(11)	(1,167)	(12)	(1,190)	(1,425)	(2,615)	(4,951)	0
532	MISCELLANEOUS PROFORMA ADJUSTMENT	Z770	K_EPIS	0	0	0	0	0	0	0	0	0	0	0	0
533	RECLASSIFY NON-JURIS INCOME TAX	Z770	K_rbtprod_d	22,084	22,084	0	0	0	0	0	0	0	0	22,084	0
536	TOTAL FED PROV DEF IT DEFERRALS (410.1)	Z782		16,501	20,620	(962)	(66)	(46)	(1,204)	(93)	(1,343)	(1,748)	(3,091)	16,501	0

DUKE ENERGY KENTUCKY														5/28/06 7:36 AM	
COST OF SERVICE STUDY															
TWELVE MONTHS ENDING DECEMBER 31, 2005															
ELECTRIC CASE NO: 2006-00172															
PR-0v-1 KW (12 COIN PEAK)															
LT															
			LT	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL		ALL	
	DESCRIPTION	ITEM	ALLOC	LIGHTING	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES	CONDUCTORS	DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	OTHER
554	AMORTIZED INV TAX CREDIT	Schedule 9a													
555	MISCELLANEOUS	Z804	K_A&GenAdj	0	0	0	0	0	0	0	0	0	0	0	0
556	AMORTIZE ITC	Z808	K_EPIS	1,264	298	3	11	68	75	163	306	646	952	1,264	0
557	TOTAL AMORTIZED ITC	Z813		1,264	298	3	11	68	75	163	306	646	952	1,264	0
558				0											
559	TEST YEAR INV TAX CREDIT			0											
560	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
561															
562	PRELIMINARY SUMMARY														
563	TOTAL FED PROV DEF IT (410.1)	Z782		16,501	20,620	(962)	(66)	(46)	(1,204)	(93)	(1,343)	(1,748)	(3,091)	16,501	0
564	TOTAL FED PROV DEF IT (411.1)	Z803		0	0	0	0	0	0	0	0	0	0	0	0
565	TOTAL AMORTIZED ITC	Z813		(1,264)	(298)	(3)	(11)	(68)	(75)	(163)	(306)	(646)	(952)	(1,264)	0
566	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		15,237	20,322	(965)	(77)	(114)	(1,279)	(256)	(1,649)	(2,394)	(4,043)	15,237	0
567															
568	FEDERAL INCOME TAX COMPUTATION														
569	RETURN ON CAPITALIZATION	R751		797,854	178,742	22,137	7,816	40,712	46,597	98,278	185,587	403,572	589,159	797,854	0
570	NET DEDUCTIONS AND ADDITIONS	Y871		(193,828)	(46,639)	(415)	(1,566)	(10,362)	(11,416)	(24,851)	(46,629)	(98,579)	(145,208)	(193,828)	0
571	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		15,237	20,322	(965)	(77)	(114)	(1,279)	(256)	(1,649)	(2,394)	(4,043)	15,237	0
572	TOTAL STATE PROV DEF IT (410.1)	Z911		3,475	3,825	(1)	(4)	(26)	(27)	(59)	(112)	(233)	(345)	3,475	0
573	TOTAL STATE PROV DEF IT (411.1)	Z933		0	0	0	0	0	0	0	0	0	0	0	0
574	AFUDC OFFSET	Z935		(18,519)	957	0	(346)	(691)	(911)	(2,035)	(3,637)	(15,493)	(19,130)	(18,519)	0
575	BASE FOR FIT COMPUTATION	I865		604,219	157,207	20,756	5,823	29,519	32,964	71,077	133,560	286,873	420,433	604,219	0
576															
577	FIT FACTOR K190/(1-K190)	I867	Fitcomp_from	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538
578	PRELIM FED INCOME TAX	I869		325,349	84,651	11,176	3,135	15,895	17,750	38,272	71,917	154,470	226,387	325,349	0
579	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		15,237	20,322	(965)	(77)	(114)	(1,279)	(256)	(1,649)	(2,394)	(4,043)	15,237	0
580	NET FED INCOME TAX ALLOWABLE	I879		340,586	104,973	10,211	3,058	15,781	16,471	38,016	70,268	152,076	222,344	340,586	0
581															
582	INCOME TAX BASED ON RETURN														
583	FEDERAL INCOME TAX PAYABLE														
584	PRELIM FEDERAL INCOME TAX	I869		325,349	84,651	11,176	3,135	15,895	17,750	38,272	71,917	154,470	226,387	325,349	0
585	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
586	NET FED INCOME TAX PAYABLE	I889		325,349	84,651	11,176	3,135	15,895	17,750	38,272	71,917	154,470	226,387	325,349	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-0v-1 KW (12 CORN PEAK)														
6	LT														
7	LT														
8	DESCRIPTION	ITEM	ALLOC	LIGHTING	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
587	STATE INCOME TAX	Schedule 9b													
588	DEDUCTIONS IN ADDITION TO Y871														
589	BONUS DEPRECIATION	Y890	K_Depr_Ex	9,338	2,400	21	59	489	541	1,173	2,203	4,655	6,858	9,338	0
590	DEDUCTIONS IN ADD TO Y871	Y911		9,338	2,400	21	59	489	541	1,173	2,203	4,655	6,858	9,338	0
591	STATE INCOME TAX ADJUSTMENTS														
592	STATE PROV DEF INC TAX DEFERRALS (410.1)														
593	NET DEFERRED TAXES	Z896	K_EPIS	(349)	(82)	(1)	(3)	(19)	(21)	(45)	(85)	(178)	(263)	(349)	0
594	ANNUALIZE DEPRECIATION	Z896	K_Depr_Ex	(111)	(28)	0	(1)	(7)	(6)	(14)	(27)	(55)	(82)	(111)	0
595	NON-JURISDICTIONAL TAX	Z896	K_rtbprod_d	3,935	3,935	0	0	0	0	0	0	0	0	3,935	0
596	TOT STATE PROV DEF IT DEFERRALS (410.1)	Z911		3,475	3,825	(1)	(4)	(26)	(27)	(59)	(112)	(233)	(345)	3,475	0
597	TOTAL STATE INC TAX ADJUSTMENT	Z957		3,475	3,825	(1)	(4)	(26)	(27)	(59)	(112)	(233)	(345)	3,475	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2008														
4	ELECTRIC CASE NO: 2008-00172														
5	FR-9v-1 KW(12 COIN PEAK)														
6	LT														
7	LT														
8	DESCRIPTION	ITEM	ALLOC	LIGHTING	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
627	INCOME TAX BASED ON RETURN Schedule 9c														
628	SUMMARY OF SIT CALCULATION														
629	RETURN ON CAPITALIZATION	R751		797,854	178,742	22,137	7,816	40,712	46,597	98,278	185,587	403,572	589,159	797,854	0
630	NET FED INCOME TAX ALLOWABLE	I878		340,586	104,973	10,211	3,058	15,781	16,471	38,016	70,268	152,076	222,344	340,586	0
631	NET FED. DED. AND ADDITIONS	Y871		(193,828)	(46,639)	(415)	(1,566)	(10,362)	(11,416)	(24,851)	(46,629)	(98,579)	(145,208)	(193,828)	0
632	DEDUCTIONS IN ADD TO Y871	Y811		(9,338)	(2,400)	(21)	(59)	(489)	(541)	(1,173)	(2,203)	(4,655)	(6,858)	(9,338)	0
633	AFUDC OFFSET	L033		(18,519)	957	0	(346)	(691)	(911)	(2,035)	(3,637)	(15,493)	(19,130)	(18,519)	0
634	TOTAL STATE INC TAX ADJ	Z957		3,475	3,825	(1)	(4)	(26)	(27)	(59)	(112)	(233)	(345)	3,475	0
635	BASE FOR SIT COMPUTATION	J965		920,230	239,458	31,911	8,899	44,925	50,173	108,176	203,274	436,688	639,962	920,230	0
636	SIT FACTOR K192/(1-K182)	J967	sit_fom	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378
637	PRELIMINARY STATE INCOME TAX	J969		56,534	14,711	1,960	547	2,760	3,082	6,646	12,488	26,828	39,316	56,534	0
638	OTHER SIT ADJUSTMENTS	Z955		0	0	0	0	0	0	0	0	0	0	0	0
639	TOTAL STATE INCOME TAX ADJ.	Z957		3,475	3,825	(1)	(4)	(26)	(27)	(59)	(112)	(233)	(345)	3,475	0
640	NET STATE INC TAX ALLOWABLE	J978		60,009	18,536	1,959	543	2,734	3,055	6,587	12,376	26,595	38,971	60,009	0
641	STATE INCOME TAX PAYABLE	J969		56,534	14,711	1,960	547	2,760	3,082	6,646	12,488	26,828	39,316	56,534	0
642	PRELIMINARY STATE INCOME TAX	J969		56,534	14,711	1,960	547	2,760	3,082	6,646	12,488	26,828	39,316	56,534	0
643	OTHER SIT ADJUSTMENTS	Z955		0	0	0	0	0	0	0	0	0	0	0	0
644	NET STATE INCOME TAX PAYABLE	J969		56,534	14,711	1,960	547	2,760	3,082	6,646	12,488	26,828	39,316	56,534	0
645	COMPOSITE TAX RATE	CTAX	ctax_fom	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
	DUKE ENERGY KENTUCKY														
	COST OF SERVICE STUDY														
	TWELVE MONTHS ENDING DECEMBER 31, 2005														
	ELECTRIC CASE NO: 2006-00172														
	FR#v-1 KW (12 COIN PEAK)														
	LT														
			LT	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL		ALL	
	DESCRIPTION	ITEM	ALLOC	LIGHTING	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	OTHER
655	COST OF SERVICE COMPUTATION														
656	Schedule 10														
657	OTHER OPERATING REVENUES														
658	RENTAL REVENUE	Q000	K_EPIS	13,228	3,128	28	113	711	783	1,705	3,199	6,760	9,959	13,228	0
659	BAD CHECK CHARGE	Q002	K_Func_Rev	102	19	33	2	4	6	7	17	31	48	102	0
660	ELIMINATE NON-NATIVE SALES	Q002	K_rbrod_e	(110,159)	0	(110,159)	0	0	0	0	0	0	0	(110,159)	0
661	SALES FOR RESALE	Q002	K_rbrod_e	110,159	0	110,159	0	0	0	0	0	0	0	110,159	0
662	RECONNECTION CHARGES	Q002	K_Func_Rev	530	98	171	13	16	32	38	86	162	248	530	0
663	INTERRUPTIBLE CREDIT	Q002	K_Func_Rev	(538)	(99)	(174)	(13)	(16)	(32)	(39)	(87)	(165)	(252)	(538)	0
664	BILLING CYCLE IMPROVEMENT	Q004	K_Func_Rev	3,755	692	1,214	91	114	224	271	609	1,149	1,758	3,755	0
665	OTHER MISCELLANEOUS REVENUES	Q006	K_Func_Rev	517	96	167	12	16	31	37	84	158	242	517	0
666	MISCELLANEOUS	Q008	K_Func_Rev	0	0	0	0	0	0	0	0	0	0	0	0
669	TOTAL OTHER OPERATING REVS	Q027		17,594	3,934	1,439	218	845	1,044	2,019	3,908	8,095	12,003	17,594	0
670	COST OF SERVICE COMPUTATION														
671	TOTAL OP EXP EXC INC & REV TAX	OP69		1,424,847	178,019	803,322	51,584	20,423	90,294	48,167	158,884	233,038	391,922	1,424,847	0
673	RETURN ON CAPITALIZATION	R751		797,854	178,742	22,137	7,816	40,712	46,597	98,278	185,587	403,572	589,159	797,854	0
674	NET FED INCOME TAX ALLOWABLE	1879		340,586	104,973	10,211	3,058	15,781	16,471	38,016	70,268	152,076	222,344	340,586	0
675	NET STATE INCOME TAX ALLOWABLE	J979		60,009	18,536	1,959	543	2,734	3,055	6,587	12,376	26,595	38,971	60,009	0
678	TOTAL OTHER OPERATING REVENUES	Q027		(17,594)	(3,934)	(1,439)	(218)	(845)	(1,044)	(2,019)	(3,908)	(8,095)	(12,003)	(17,594)	0
677	SUBTOTAL B	CS03		2,605,702	476,336	836,190	62,783	78,805	155,373	189,029	423,207	807,186	1,230,393	2,605,702	0
678	TOTAL OTHER OPERATING REVENUES	Q027		17,594	3,934	1,439	218	845	1,044	2,019	3,908	8,095	12,003	17,594	0
680	LESS: OTHER ITEMS			0	0	0	0	0	0	0	0	0	0	0	0
681	OTHER OPERATING REVS TO BE TAXED	OORT		17,594	3,934	1,439	218	845	1,044	2,019	3,908	8,095	12,003	17,594	0
682	AFUDC OFFSET	L032		(18,519)	957	0	(346)	(691)	(911)	(2,035)	(3,637)	(15,493)	(19,130)	(18,519)	0
686	OTHER DEDUCTIONS TO COST OF SERVICE	L033		(18,519)	957	0	(346)	(691)	(911)	(2,035)	(3,637)	(15,493)	(19,130)	(18,519)	0
687	TOTAL ELECTRIC COST OF SERVICE	CS09		2,587,183	477,293	836,190	62,437	78,114	154,462	186,994	419,570	791,693	1,211,263	2,587,183	0
689	PROPOSED REVENUES	R602		2,587,182										2,587,182	0
690	TOTAL ELECTRIC COST OF SERVICE	CS09		(2,587,183)										(2,587,183)	0
691	EXCESS REVENUES	XREV		(1)										(1)	0
692	COMPOSITE TAX RATE	CTAX	PPCOMPTAX_FROM	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621
693	EXCESS TAX	XTAX		0										0	0
694	EXCESS RETURN	XRET		(1)										(1)	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
	DUKE ENERGY KENTUCKY														
	COST OF SERVICE STUDY														
	TWELVE MONTHS ENDING DECEMBER 31, 2006														
	ELECTRIC CASE NO: 2006-00172														
	FR-#v-1 KW (12 COIN PEAK)														
	LT														
				LT	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL	ALL	
	DESCRIPTION	ITEM	ALLOC	LIGHTING	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES	CONDUCTORS	DISTRIBUTION	CUSTOMER	DISTRIBUTION	TOTAL	OTHER
											DEMAND				
745	INCOME TAX BASED ON REVENUES	Schedule 12													
746	NET INCOME COMPUTATION														
747	TOTAL ELECTRIC COST OF SERVICE	CS09		2,587,183	477,293	836,190	62,437	78,114	154,462	186,994	419,570	791,693	1,211,263	2,587,183	0
748	TOTAL OTHER OPERATING REVENUES	Q027		17,594	3,934	1,439	218	845	1,044	2,019	3,908	8,095	12,003	17,594	0
749	TOTAL ELECTRIC REVENUE	CS07		2,604,777	481,227	837,629	62,655	78,959	155,506	189,013	423,478	799,788	1,223,266	2,604,777	0
750	TOTAL OP EXP EXC IT & OTHER DEDUCTIONS	OP61		(1,424,847)	(178,019)	(803,322)	(51,584)	(20,423)	(90,294)	(48,167)	(158,884)	(233,038)	(391,922)	(1,424,847)	0
751	OTHER	RTXP		0	0	0	0	0	0	0	0	0	0	0	0
752	NET INCOME	NI01		1,179,930	303,208	34,307	11,071	58,536	65,212	140,846	264,594	566,750	831,344	1,179,930	0
753	ADJUSTMENTS TO NET INCOME														
754	TOTAL INTEREST EXPENSE	Y783		(142,705)	(33,745)	(301)	(1,219)	(7,671)	(8,443)	(18,396)	(34,510)	(72,930)	(107,440)	(142,705)	0
755	TOTAL OTHER DEDUCTIONS	Y828		(51,123)	(12,894)	(114)	(347)	(2,691)	(2,973)	(6,455)	(12,119)	(25,649)	(37,768)	(51,123)	0
756	PRELIMINARY TAXABLE INCOME	TI01		986,102	256,569	33,892	9,505	48,174	53,796	115,995	217,965	468,171	686,136	986,102	0
757	STATE INCOME TAX COMPUTATION														
758	PRELIMINARY TAX ABLE INCOME (INCL AFUDC)	TI01		986,102	256,569	33,892	9,505	48,174	53,796	115,995	217,965	468,171	686,136	986,102	0
759	DEDUCTIONS IN ADD TO Y871	Y911		(9,338)	(2,400)	(21)	(59)	(489)	(541)	(1,173)	(2,203)	(4,655)	(6,858)	(9,338)	0
760	STATE TAXABLE INCOME	SI01		976,764	254,169	33,871	9,446	47,685	53,255	114,822	215,762	463,516	679,278	976,764	0
761	STATE INCOME TAX PAYABLE														
762	STATE INCOME TAX RATE	K192	STATETX_FROM	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788
763	PRELIM SIT = SI01 * K192	ST01		58,534	14,711	1,960	547	2,760	3,082	6,646	12,488	26,828	39,316	58,534	0
764	OTHER SIT ADJUSTMENTS	Z955		0	0	0	0	0	0	0	0	0	0	0	0
765	STATE INCOME TAX PAYABLE	SP01		58,534	14,711	1,960	547	2,760	3,082	6,646	12,488	26,828	39,316	58,534	0
766	SIT ALLOWABLE														
767	STATE INCOME TAX PAYABLE	SP01		58,534	14,711	1,960	547	2,760	3,082	6,646	12,488	26,828	39,316	58,534	0
768	TOTAL STATE PROV DEF IT (410.1)	Z911		3,475	3,825	(1)	(4)	(26)	(27)	(59)	(112)	(233)	(345)	3,475	0
769	TOTAL STATE PROV DEF IT (411.1)	Z933		0	0	0	0	0	0	0	0	0	0	0	0
770	NET STATE INC TAX ALLOWABLE	SA01		60,009	18,536	1,959	543	2,734	3,055	6,587	12,376	26,595	38,971	72,385	0
771	INCOME TAX BASED ON REVENUES														
772	FEDERAL INCOME TAX COMPUTATION														
773	PRELIMINARY TAXABLE INCOME (INCL AFUDC)	TI01		986,102	256,569	33,892	9,505	48,174	53,796	115,995	217,965	468,171	686,136	986,102	0
774	STATE INC TAX PAYABLE	SP01		(58,534)	(14,711)	(1,960)	(547)	(2,760)	(3,082)	(6,646)	(12,488)	(26,828)	(39,316)	(58,534)	0
775	NET FEDERAL TAXABLE INCOME	F101		929,568	241,858	31,932	8,958	45,414	50,714	109,349	205,477	441,343	646,820	929,568	0
776	FEDERAL INCOME TAX RATE	K190	FIT_FROM	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000
777	PRELIMINARY FIT = F101 * K190	FT01		325,349	84,651	11,176	3,135	15,895	17,750	38,272	71,917	154,470	226,387	325,349	0
778	TOTAL FED PROV DEF IT (410.1)	Z782		16,501	20,620	(962)	(66)	(46)	(1,204)	(93)	(1,343)	(1,748)	(3,091)	16,501	0
779	TOTAL FED PROV DEF IT (411.1)	Z803		0	0	0	0	0	0	0	0	0	0	0	0
780	TOTAL AMORTIZED ITC & SERVICE CO ALLOC.	Z813		(1,264)	(298)	(3)	(11)	(68)	(75)	(163)	(306)	(646)	(952)	(1,264)	0
781	NET FED INC TAX ALLOWABLE	FA01		340,586	104,973	10,211	3,058	15,781	16,471	38,016	70,268	152,076	222,344	410,854	0
782	FEDERAL INCOME TAX PAYABLE														
783	PRELIM FIT	FT01		325,349	84,651	11,176	3,135	15,895	17,750	38,272	71,917	154,470	226,387	325,349	0
784	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
785	FED INC TAX PAYABLE	FP01		325,349	84,651	11,176	3,135	15,895	17,750	38,272	71,917	154,470	226,387	325,349	0
786	PRELIMINARY SUMMARY														
787	NET INCOME EXCLUDING AFUDC OFFSET	NI01		1,198,449	302,251	34,307	11,417	59,227	66,123	142,881	268,231	582,243	850,474	1,198,449	0
788	NET FED INC TAX ALLOWABLE	FA01		(340,586)	(104,973)	(10,211)	(3,058)	(15,781)	(16,471)	(38,016)	(70,268)	(152,076)	(222,344)	(340,586)	0
789	NET STATE INC TAX ALLOWABLE	SA01		(60,009)	(18,536)	(1,959)	(543)	(2,734)	(3,055)	(6,587)	(12,376)	(26,595)	(38,971)	(60,009)	0
790	OVERALL RETURN EARNED-SCH 12	RETU		797,854	178,742	22,137	7,816	40,712	46,597	98,278	185,587	403,572	589,159	797,854	0
791	RATE OF RETURN EARNED-SCH 12	RORX	ROR_EARN_FROM	0.1612	0.1612	0.1612	0.1612	0.1612	0.1612	0.1612	0.1612	0.1612	0.1612	0.1612	0.0000

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY																	
2	COST OF SERVICE STUDY																	
3	TWELVE MONTHS ENDING DECEMBER 31, 2005																	
4	ELECTRIC CASE NO: 2006-00172																	
5				LT														
6	DESCRIPTION	ALLOC	LIGHTING	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER				
7	Schedule 13																	
8	Prod-Demand	K_rbprod_d		1.00000								0.00000						
9	Prod-Energy	K_rbprod_e			1.00000							0.00000						
10	Main Step-Up Transformers	K_rbtran_stepup										0.00000						
11	Transmission Other	K_rbtran_oth				1.00000						0.00000						
12	Substations	K_Subs					1.00000					1.00000						
13	Poles Towers & Fixtures	K_Poles						1.00000				1.00000						
14	Conductors	K_Conductors							1.00000			1.00000						
15	Transformers	K_Transformer										1.00000						
16	Distribution Demand	K_rbdist_d								1.00000		1.00000						
17	Distribution Customer	K_rbdist_c									1.00000	1.00000						
18	All Other	K_FERC																1.00000
20																		
21	Gross Dist Plant excl CCNC-OC (106)		9,350,404	0	0	0	337,421	445,420	994,868	1,777,709	7,572,695	9,350,404	9,350,404	0				
22	Ratio	K_dist_ccnc	1.000000000	0.000000000	0.000000000	0.000000000	0.036086249	0.047636444	0.106398397	0.190121090	0.809878910	1.000000000	1.000000000	0.000000000				
23																		
24	Gross Plant (OC)		12,644,599	2,501,624	21,251	76,779	360,631	501,575	1,062,871	1,925,077	8,119,868	10,044,945	12,644,599	0				
25	Ratio	K_grossPit	1.000000000	0.197841307	0.001680639	0.006072079	0.028520556	0.039667134	0.084057312	0.152245002	0.642160973	0.794405975	1.000000000	0.000000000				
26																		
27	Gross Prod Plant (OC)		2,472,555	2,472,555	0	0	0	0	0	0	0	0	2,472,555	0				
28	Ratio	K_gross_prodpit	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
29																		
30	Gross Plant-Prod/Trans/Dist (OC)		12,535,104	2,472,555	0	75,433	360,397	475,751	1,062,613	1,898,761	8,088,355	9,987,116	12,535,104	0				
31	Ratio	K_grossPTD	1.000000000	0.197250458	0.000000000	0.006017740	0.028751018	0.037953494	0.084770978	0.151475488	0.645256314	0.796731802	1.000000000	0.000000000				
32																		
33	Gross Distribution Plant (OC)		9,987,116	0	0	0	360,397	475,751	1,062,613	1,898,761	8,088,355	9,987,116	9,987,116	0				
34	Ratio	K_gross_distpit	1.000000000	0.000000000	0.000000000	0.000000000	0.036086193	0.047636475	0.106398384	0.190121052	0.809878948	1.000000000	1.000000000	0.000000000				
35																		
36	Gross Transmission Plant (OC)		75,433	0	0	75,433	0	0	0	0	0	0	75,433	0				
37	Ratio	K_gross_tranpit	1.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
38																		
39	Gross General Plant (OC)		15,329	4,070	2,972	189	32	3,612	35	3,679	4,419	8,098	15,329	0				
40	Ratio	K_gross_genpit	1.000000000	0.265509819	0.193880879	0.012329571	0.002087546	0.235631809	0.002283254	0.240002609	0.288277122	0.528279731	1.000000000	0.000000000				
41																		
42	Gross Common Plant (OC)		94,166	24,999	18,279	1,157	202	22,212	223	22,637	27,094	49,731	94,166	0				
43	Ratio	K_gross_compit	1.000000000	0.265477985	0.194114649	0.012286813	0.002145148	0.235881316	0.002368158	0.240394622	0.287725931	0.528120553	1.000000000	0.000000000				
44																		
45	Production Plant-Net (OC-Depr)		1,196,279	1,196,279	0	0	0	0	0	0	0	0	1,196,279	0				
46	Ratio	K_prodnet	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
47																		
48	Distribution Plant-Net (OC-Depr)		3,826,507	0	0	0	275,168	289,880	660,090	1,225,138	2,601,369	3,826,507	3,826,507	0				
49	Ratio	K_distnet	1.000000000	0.000000000	0.000000000	0.000000000	0.071911015	0.075755774	0.172504584	0.320171373	0.679828627	1.000000000	1.000000000	0.000000000				
50																		
51	Transmission Plant-Net (OC-Depr)		43,049	0	0	43,049	0	0	0	0	0	0	43,049	0				
52	Ratio	K_tranet	1.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
53																		
54	General Plant Plant-Net		7,170	1,908	1,392	90	16	1,690	16	1,722	2,058	3,780	7,170	0				
55	Ratio	K_gennet	1.000000000	0.266108787	0.194142259	0.012552301	0.002231520	0.235704324	0.002231520	0.240167364	0.287029289	0.527196653	1.000000000	0.000000000				
56																		
57	Transmission & Distr Plant In Service		3,869,556	0	0	43,049	275,168	289,880	660,090	1,225,138	2,601,369	3,826,507	3,869,556	0				
58	Ratio	K_T&D_net	1.000000000	0.000000000	0.000000000	0.011125049	0.071111001	0.074912987	0.170585463	0.316609451	0.672265500	0.988874951	1.000000000	0.000000000				
59																		
60	Net Electric Plant In Service		5,121,534	1,211,068	10,808	43,735	275,288	303,024	660,221	1,238,533	2,617,390	3,855,923	5,121,534	0				
61	Ratio	K_EPIS	1.000000000	0.236465871	0.002110305	0.008539434	0.053751083	0.059166648	0.128910791	0.241828522	0.511055867	0.752884390	1.000000000	0.000000000				
62																		
63	Common Plant- net		48,529	12,881	9,416	596	104	11,454	115	11,873	13,963	25,636	48,529	0				
64	Ratio	K_comnet	1.000000000	0.265428919	0.194028313	0.012281316	0.002143048	0.236023821	0.002369717	0.240536586	0.287724866	0.528261452	1.000000000	0.000000000				
65																		

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY																	
2	COST OF SERVICE STUDY																	
3	TWELVE MONTHS ENDING DECEMBER 31, 2005																	
4	ELECTRIC CASE NO: 2006-00172																	
5				LT														
6	DESCRIPTION	ALLOC	LIGHTING	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER				
66	Common & General Plant-net		55,699	14,789	10,808	686	120	13,144	131	13,395	16,021	29,416	55,699	0				
67	Ratio	K_comgennet	1.000000000	0.265516436	0.194042881	0.012316200	0.002154437	0.235982693	0.002351927	0.240489057	0.287635326	0.528124383	1.000000000	0.000000000				
68																		
69	Total OCD Rate Base		5,249,412	1,176,019	145,651	51,422	267,858	306,583	646,612	1,221,053	2,655,267	3,876,320	5,249,412	0				
70	Ratio	K_OCDRB	1.000000000	0.224026710	0.027746155	0.009795764	0.051026287	0.058403303	0.123177986	0.232607576	0.505821795	0.738429371	1.000000000	0.000000000				
71																		
72	Construction Work In Progress		211,378	(10,928)	0	3,952	7,879	10,402	23,233	41,514	176,840	218,354	211,378	0				
73	Ratio	K_CWIP	1.000000000	(0.051698852)	0.000000000	0.018696364	0.037274456	0.049210419	0.109912101	0.196396976	0.836605512	1.033002488	1.000000000	0.000000000				
74																		
75	A&G		108,512	28,806	21,062	1,332	233	25,587	256	26,076	31,236	57,312	108,512	0				
76	Ratio	K_A&G	1.000000000	0.265463727	0.194098349	0.012275140	0.002147228	0.235798806	0.002359186	0.240305220	0.287857564	0.528162784	1.000000000	0.000000000				
77																		
78	A&G (excluding adjustments)		115,976	30,788	22,510	1,424	250	27,347	273	27,870	33,384	61,254	115,976	0				
79	Ratio	K_A&GexAdj	1.000000000	0.265468718	0.194091881	0.012278402	0.002155619	0.235798786	0.002353935	0.240308340	0.287852659	0.528160999	1.000000000	0.000000000				
80																		
81	Dist A&G (ex reg exp)		34,622	0	0	0	934	28,692	1,901	31,527	3,095	34,622	34,622	0				
82	Ratio	K_DistA&G	1.000000000	0.000000000	0.000000000	0.000000000	0.026977067	0.828721622	0.054907284	0.910605973	0.089394027	1.000000000	1.000000000	0.000000000				
83																		
84	Transmission A&G		2,224	254	0	1,970	0	0	0	0	0	0	2,224	0				
85	Ratio	K_TransA&G	1.000000000	0.114208633	0.000000000	0.885791367	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
86																		
87	Customer Accounts A&G		8,209	0	0	0	0	0	0	0	8,209	8,209	8,209	0				
88	Ratio	K_CA_A&G	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000				
89																		
90	Cust Service & Informational A&G		6,442	(4,154)	(7,281)	(546)	(684)	(1,345)	(1,628)	(3,657)	22,080	18,423	6,442	0				
91	Ratio	K_CSI_A&G	1.000000000	(0.644830798)	(1.130239056)	(0.084756287)	(0.106178205)	(0.208786091)	(0.252716548)	(0.567680844)	3.427506985	2.859826141	1.000000000	0.000000000				
92																		
93	Sales A&G		0	0	0	0	0	0	0	0	0	0	0	0				
94	Ratio	K_Sales_A&G	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000				
95																		
96	Depeciation Expense		279,309	71,789	632	1,755	14,633	16,178	35,098	65,909	139,224	205,133	279,309	0				
97	Ratio	K_Depr_Ex	1.000000000	0.257023583	0.002262727	0.006283364	0.052390006	0.057921513	0.125660111	0.235971630	0.498458696	0.734430326	1.000000000	0.000000000				
98																		
99	O&M (no A&G)		959,362	66,794	779,790	47,518	1,239	42,027	2,475	45,741	19,519	65,260	959,362	0				
100	Ratio	K_O&M	1.000000000	0.069623353	0.812821438	0.049530834	0.001291482	0.043807239	0.002579840	0.047678561	0.020345813	0.068024375	1.000000000	0.000000000				
101																		
102	Production O&M		842,742	61,490	781,252	0	0	0	0	0	0	0	842,742	0				
103	Ratio	K_prodO&M	1.000000000	0.072964205	0.927035795	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
104																		
105	Dist O&M		51,039	0	0	0	1,378	42,297	2,802	46,477	4,562	51,039	51,039	0				
106	Ratio	K_distO&M	1.000000000	0.000000000	0.000000000	0.000000000	0.026998961	0.828719215	0.054899195	0.910617371	0.089382629	1.000000000	1.000000000	0.000000000				
107																		
108	Transmission O&M		53,766	6,138	0	47,628	0	0	0	0	0	0	53,766	0				
109	Ratio	K_tranO&M	1.000000000	0.114161366	0.000000000	0.885838634	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
110																		
111	Customer Accounting O&M		10,533	0	0	0	0	0	0	0	10,533	10,533	10,533	0				
112	Ratio	K_CA_O&M	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000				
113																		
114	Uncollectible Account O&M		(72)	(6)	(11)	(1)	(2)	(2)	(2)	(6)	(48)	(54)	(72)	0				
115	Ratio	K_Uncol_O&M	1.000000000	0.083333333	0.152777778	0.013888889	0.027777777	0.027777778	0.027777778	0.083333333	0.666666667	0.750000000	1.000000000	0.000000000				
116																		
117	Customer Service & Informational O&M		1,298	(837)	(1,467)	(110)	(138)	(271)	(328)	(737)	4,449	3,712	1,298	0				
118	Ratio	K_CSI_O&M	1.000000000	(0.644838213)	(1.130200308)	(0.084745763)	(0.106317411)	(0.208782743)	(0.252896456)	(0.567796610)	3.427580894	2.859784284	1.000000000	0.000000000				
119																		
120	Sales O&M		8	0	0	0	0	0	0	0	8	8	8	0				
121	Ratio	K_Sales_O&M	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000				
122																		
123	AutoCalc W/kg Capital (incl A&G)		286,622	95,600	19,600	48,850	1,472	67,614	2,731	71,817	50,755	122,572	286,622	0				
124	Ratio	K_O&MxFuel	1.000000000	0.333540342	0.068382748	0.170433533	0.005135684	0.235899547	0.009528229	0.250563460	0.177079917	0.427643377	1.000000000	0.000000000				

COST OF SERVICE STUDY

BY FUNCTION

OTHER

FR 10(9)(v)-18

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
	DUKE ENERGY KENTUCKY														
	COST OF SERVICE STUDY														
	TWELVE MONTHS ENDING DECEMBER 31, 2005														
	ELECTRIC CASE NO: 2006-00172														
	FR-4v-1 KW (12 COIN PEAK)														
	OTHER														
	DESCRIPTION	ITEM	ALLOC	OTHER WATER PUMPING	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
				1	2	3	5	6	7	8	10	11	12	13	14
10	SUMMARY OF RESULTS														
11	NET INCOME COMPUTATION														
12	GROSS ELECTRIC PLANT IN SERVICE	GP19		\$93,623	\$59,336	\$115	\$1,806	\$3,263	\$4,534	\$9,632	\$17,429	\$14,937	\$32,366	\$93,623	\$0
13	TOTAL DEPRECIATION RESERVE	DR19		(45,257)	(30,609)	(57)	(777)	(773)	(1,795)	(3,650)	(6,218)	(7,596)	(13,814)	(45,257)	0
14	TOTAL RATE BASE ADJUSTMENTS	RB71		743	(1,162)	1,713	180	(65)	33	(117)	(149)	161	12	743	0
15	TOTAL RATE BASE	RB99		49,109	27,565	1,771	1,209	2,425	2,772	5,865	11,062	7,502	18,564	49,109	0
17	CAPITALIZATION ALLOC TO ELECTRIC OPER	ECAP		46,295	25,985	1,670	1,140	2,286	2,613	5,529	10,428	7,072	17,500	46,295	0
19	OPERATING EXPENSES														
20	TOTAL O&M EXPENSE	OM39		15,875	2,246	10,152	1,141	21	622	73	716	1,620	2,336	15,875	0
21	TOTAL DEPRECIATION EXPENSE	DE49		2,737	1,704	3	41	132	146	318	596	393	989	2,737	0
22	TOTAL OTHER TAX & MISC EXPENSE	L591		655	249	11	21	40	59	95	194	180	374	655	0
23	TOTAL OF EXP EXC INC & R TAX	OP69		19,267	4,199	10,166	1,203	193	827	486	1,506	2,193	3,699	19,267	0
24	NET FED INCOME TAX ALLOWABLE	I878		(286)	(9)	12	(13)	(30)	(41)	(78)	(149)	(127)	(276)	(286)	0
25	NET STATE INCOME TAX ALLOWABLE	J979		(48)	(4)	3	(2)	(6)	(6)	(14)	(26)	(19)	(45)	(48)	0
26	AFUDC OFFSET	LO33	K_CWIP	(45)	22	0	(8)	(6)	(8)	(18)	(32)	(27)	(59)	(45)	0
27	TOTAL OPERATING EXPENSE	OPEX		18,888	4,208	10,181	1,180	151	772	376	1,299	2,020	3,319	18,888	0
29	RETURN ON CAPITALIZATION	R751		913	513	33	22	45	52	109	206	139	345	913	0
30	TOTAL OTHER OPERATING REVENUES			(150)	(79)	(14)	(4)	(8)	(8)	(16)	(32)	(21)	(53)	(150)	0
31	TOTAL ELECTRIC COST OF SERVICE	CS09		19,651	4,642	10,200	1,198	188	816	469	1,473	2,138	3,611	19,651	0
33	PROPOSED REVENUES	R602		19,650	4,641	10,200	1,198	188	816	469	1,473	2,138	3,611	19,650	0
34	EXCESS REVENUES	XREV		(1)	(1)	0	0	0	0	0	0	0	0	(1)	0
36	TOTAL RETURN EARNED	RETE		912	512	33	22	46	51	109	206	139	345	912	0
37	RATE OF RETURN EARNED ON CAPITALIZATION	RORE	SUM_RETURN_FROM	0.019699752	0.019699752	0.019699752	0.019699752	0.019699752	0.019699752	0.019699752	0.019699752	0.019699752	0.019699752	0.019699752	0.00000
38	TOTAL RATE OF RETURN ALLOWABLE	RORA		0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761	0.08761
39	RETURN EARNED ON COMMON EQUITY	REOE		(0.00991)	(0.00991)	(0.00991)	(0.00991)	(0.00991)	(0.00991)	(0.00991)	(0.00991)	(0.00991)	(0.00991)	(0.00991)	0.00000
40	ALLOWED RETURN ON COMMON EQUITY	AROE		0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499	0.11499
42	PRESENT REVENUES	R600		12,408	2,931	6,441	756	119	515	296	930	1,350	2,280	12,408	0
43	REVENUE INCREASE JUSTIFIED	R1JD		7,243	1,711	3,759	442	69	301	173	543	788	1,331	7,243	0
44	PER UNIT PRES REV	R1JP	PRESREV_FROM	0.58374										0.58374	0.00000
45	REVENUE INCREASE REQUESTED	R1RD		7,242										7,242	0
46	PER UNIT PRES REV	R1RP	PRESINCR_FROM	0.58366										0.58366	0.00000

DUKE ENERGY KENTUCKY													5/28/06 7:38 AM	
COST OF SERVICE STUDY														
TWELVE MONTHS ENDING DECEMBER 31, 2005														
ELECTRIC CASE NO: 2005-00172														
FR-Inv-1 KW (12 COIN PEAK)														
OTHER														
DESCRIPTION	ITEM	ALLOC	OTHER WATER PUMPING	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
DEPRECIATION RESERVE Schedule 3														
PRODUCTION PLANT														
PRODUCTION - STEAM	P150	K_rtprod_d	20,739	20,739	0	0	0	0	0	0	0	0	20,739	0
PRODUCTION - OTHER	P152	K_rtprod_d	9,542	9,542	0	0	0	0	0	0	0	0	9,542	0
TOTAL PROD DEPREC RESERVE	P171		30,281	30,281	0	0	0	0	0	0	0	0	30,281	0
TRANSMISSION PLANT														
MAIN STEP-UP TRANSFORMERS		K_rtrstran_stepup	0	0	0	0	0	0	0	0	0	0	0	0
OTHER TRANSMISSION	T150	K_rtrstran_oth	768	0	0	768	0	0	0	0	0	0	768	0
TOTAL TRANS DEPREC RESERVE	T171		768	0	0	768	0	0	0	0	0	0	768	0
TOTAL PROD & TRANS DEPREC RESERVE			31,049	30,281	0	768	0	0	0	0	0	0	31,049	0
DISTRIBUTION PLANT														
SUBSTATIONS	D150	K_Subst	684	0	0	0	684	0	0	684	0	684	684	0
POLES, TOWERS & FIXTURES	D152	K_Poles	1,567	0	0	0	0	1,567	0	1,567	0	1,567	1,567	0
CONDUCTORS	D154	K_Conductors	3,386	0	0	0	0	0	3,386	3,386	0	3,386	3,386	0
TRANSFORMERS	D156	K_Transformer	5,429	0	0	0	0	0	0	0	5,429	5,429	5,429	0
SERVICES	D158	K_rbdist_c	1,324	0	0	0	0	0	0	0	1,324	1,324	1,324	0
METERS	D160	K_rbdist_c	0	0	0	0	0	0	0	0	0	0	0	0
DEPRECIATION EXPENSE ADJUSTMENT	D162	K_dist_ccnc	24	0	0	0	3	3	7	13	11	24	24	0
STREET LIGHTS	D164	K_rbdist_c	0	0	0	0	0	0	0	0	0	0	0	0
COMPLETED CONSTRUCTION NOT CLASSIFIED	D168	K_dist_ccnc	966	0	0	0	101	133	298	532	434	966	966	0
RETIREMENT WORK IN PROGRESS	D168	K_dist_ccnc	(167)	0	0	0	(17)	(23)	(52)	(92)	(75)	(167)	(167)	0
TOTAL DIST DEPREC RESERVE	D191		13,213	0	0	0	771	1,680	3,639	6,090	7,123	13,213	13,213	0
TOTAL TRANS & DIST DEPREC RESERVE			13,981	0	0	768	771	1,680	3,639	6,090	7,123	13,213	13,981	0
TOTAL GROSS PTD PLANT DEPREC RESERVE			44,262	30,281	0	768	771	1,680	3,639	6,090	7,123	13,213	44,262	0
GENERAL & INTANGIBLE PLANT														
PRODUCTION-DEMAND	G150	K_rtprod_d	58	58	0	0	0	0	0	0	0	0	58	0
PRODUCTION-ENERGY	G152	K_rtprod_e	27	0	27	0	0	0	0	0	0	0	27	0
TRANSMISSION	G154	K_TransA&G	4	0	0	4	0	0	0	0	0	0	4	0
DISTRIBUTION	G156	K_DistA&G	25	0	0	0	1	19	2	22	3	25	25	0
CUSTOMER ACCOUNTING	G158	K_CA_A&G	27	0	0	0	0	0	0	0	27	27	27	0
CUSTOMER SERVICE & INFORMATION	G160	K_CSI_A&G	10	(9)	(18)	(2)	0	(1)	(1)	(2)	41	39	10	0
SALES	G162	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL GEN & INTANGIBLE DEPREC RES.	G171		151	49	9	2	1	18	1	20	71	91	151	0
COMMON & OTHER PLANT														
PRODUCTION-DEMAND	C150	K_rtprod_d	324	324	0	0	0	0	0	0	0	0	324	0
PRODUCTION-ENERGY	C152	K_rtprod_e	152	0	152	0	0	0	0	0	0	0	152	0
TRANSMISSION	C154	K_TransA&G	21	2	0	19	0	0	0	0	0	0	21	0
DISTRIBUTION	C156	K_DistA&G	140	0	0	0	5	105	14	124	16	140	140	0
CUSTOMER ACCOUNTING	C158	K_CA_A&G	150	0	0	0	0	0	0	0	150	150	150	0
CUSTOMER SERVICE & INFORMATION	C160	K_CSI_A&G	57	(47)	(104)	(12)	(4)	(8)	(4)	(16)	236	220	57	0
SALES	C162	K_Sales_A&G	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL COM & OTHER PLT RESERVE	C171		844	279	48	7	1	97	10	108	402	510	844	0
TOTAL DEPRECIATION RESERVE	DR19		45,257	30,609	57	777	773	1,795	3,650	6,218	7,596	13,814	45,257	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
	DUKE ENERGY KENTUCKY														
	COST OF SERVICE STUDY														
	TWELVE MONTHS ENDING DECEMBER 31, 2005														
	ELECTRIC CASE NO: 2006-00172														
	FR-av-1 KW(12 CON PEAK)														
	OTHER														
				OTHER	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL		ALL
	DESCRIPTION	ITEM	ALLOC	WATER PUMPING	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	DISTRIBUTION	TOTAL	OTHER
148	NET ELECTRIC PLANT IN SERVICE	Schedule 4													
151	PRODUCTION PLANT														
152	PRODUCTION - STEAM			17,003	17,003	0	0	0	0	0	0	0	0	17,003	0
153	PRODUCTION - OTHER			11,381	11,381	0	0	0	0	0	0	0	0	11,381	0
154	TOTAL PROD	P229		28,384	28,384	0	0	0	0	0	0	0	0	28,384	0
156	TRANSMISSION PLANT														
157	MAIN STEP-UP TRANSFORMERS			0	0	0	0	0	0	0	0	0	0	0	0
158	OTHER TRANSMISSION			1,022	0	0	1,022	0	0	0	0	0	0	1,022	0
159	TOTAL TRANSMISSION	T229		1,022	0	0	1,022	0	0	0	0	0	0	1,022	0
161	NET PROD & TRANS PLANT			29,406	28,384	0	1,022	0	0	0	0	0	0	29,406	0
163	DISTRIBUTION PLANT														
164	SUBSTATIONS	S249		2,367	0	0	0	2,367	0	0	2,367	0	2,367	2,367	0
165	POLES, TOWERS & FIXTURES	PL49		2,460	0	0	0	0	2,460	0	2,460	0	2,460	2,460	0
166	CONDUCTORS	SL49		5,609	0	0	0	0	0	5,609	5,609	0	5,609	5,609	0
167	TRANSFORMERS	F249		5,639	0	0	0	0	0	0	5,639	5,639	5,639	5,639	0
168	SERVICES	SV49		694	0	0	0	0	0	0	694	694	694	694	0
169	METERS	M249		0	0	0	0	0	0	0	0	0	0	0	0
170	OTHER	O249		(24)	0	0	0	(3)	(3)	(7)	(13)	(11)	(24)	(24)	0
171	STREET LIGHTS	L249		0	0	0	0	0	0	0	0	0	0	0	0
172	CONSTRUCTION NOT CLASSIFIED	CN49		1,020	0	0	0	107	141	315	563	457	1,020	1,020	0
173	RETIREMENT WORK IN PROGRESS	CN49		167	0	0	0	17	23	52	92	75	167	167	0
174	TOTAL DIST	D249		17,932	0	0	0	2,488	2,621	5,969	11,078	6,854	17,932	17,932	0
176	NET TRANS & DIST PLANT	NT29		18,954	0	0	1,022	2,488	2,621	5,969	11,078	6,854	17,932	18,954	0
177	NET PTD PLANT	NT39		47,338	28,384	0	1,022	2,488	2,621	5,969	11,078	6,854	17,932	47,338	0
179	GENERAL & INTANGIBLE PLANT														
180	PRODUCTION-DEMAND			51	51	0	0	0	0	0	0	0	0	51	0
181	PRODUCTION-ENERGY			24	0	24	0	0	0	0	0	0	0	24	0
182	TRANSMISSION			3	1	0	2	0	0	0	0	0	0	3	0
183	DISTRIBUTION			22	0	0	0	1	16	3	20	2	22	22	0
184	CUSTOMER ACCOUNTING			23	0	0	0	0	0	0	0	23	23	23	0
185	CUSTOMER SERVICE & INFORMATION			9	(6)	(17)	(2)	(2)	(2)	0	(4)	38	34	9	0
186	SALES			0	0	0	0	0	0	0	0	0	0	0	0
187	TOTAL GENERAL AND INTANGIBLE PLANT	G229		132	46	7	0	(1)	14	3	16	63	79	132	0
189	COMMON & OTHER PLANT														
190	PRODUCTION-DEMAND			344	344	0	0	0	0	0	0	0	0	344	0
191	PRODUCTION-ENERGY			161	0	161	0	0	0	0	0	0	0	161	0
192	TRANSMISSION			22	3	0	19	0	0	0	0	0	0	22	0
193	DISTRIBUTION			150	0	0	0	7	112	14	133	17	150	150	0
194	CUSTOMER ACCOUNTING			159	0	0	0	0	0	0	0	159	159	159	0
195	CUSTOMER SERVICE & INFORMATION			60	(50)	(110)	(12)	(4)	(8)	(4)	(16)	248	232	60	0
196	SALES			0	0	0	0	0	0	0	0	0	0	0	0
197	TOTAL COM & OTHER PLT	C229		896	297	51	7	3	104	10	117	424	541	896	0
199	TOTAL ELECTRIC PLANT IN SERVICE	NP29		48,366	28,727	58	1,029	2,490	2,739	5,982	11,211	7,341	18,552	48,366	0

A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R	
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-9r-1 KW (12 COIN PEAK)														
6	OTHER														
7	DESCRIPTION	ITEM	ALLOC	OTHER WATER PUMPING	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
200	NET ELECTRIC PLANT	Schedule 4a													
201	PRODUCTION PLANT														
202	PRODUCTION PLANT IN SERVICE	P129		58,665	58,665	0	0	0	0	0	0	0	0	58,665	0
203	TOTAL PROD DEPREC RESERVE	P171		(30,281)	(30,281)	0	0	0	0	0	0	0	0	(30,281)	0
204	NET PRODUCTION PLANT	P229		28,384	28,384	0	0	0	0	0	0	0	0	28,384	0
205	TRANSMISSION PLANT														
206	TRANSMISSION PLANT IN SERVICE	T129		1,790	0	0	1,790	0	0	0	0	0	0	1,790	0
207	TOTAL TRANS DEPREC RESERVE	T171		(768)	0	0	(768)	0	0	0	0	0	0	(768)	0
208	NET TRANSMISSION PLANT	T229		1,022	0	0	1,022	0	0	0	0	0	0	1,022	0
209	NET PROD & TRANS PLANT			29,406	28,384	0	1,022	0	0	0	0	0	0	29,406	0
210	DISTRIBUTION PLANT														
211	DISTRIBUTION PLANT IN SERVICE	D149		31,145	0	0	0	3,259	4,301	9,608	17,168	13,977	31,145	31,145	0
212	TOTAL DIST DEPREC RESERVE	D191		(13,213)	0	0	0	(771)	(1,680)	(3,639)	(6,090)	(7,123)	(13,213)	(13,213)	0
213	NET DISTRIBUTION PLANT	D249		17,932	0	0	0	2,488	2,621	5,969	11,078	6,854	17,932	17,932	0
214	NET TRANS & DIST PLANT	NT29		18,954	0	0	1,022	2,488	2,621	5,969	11,078	6,854	17,932	18,954	0
215	NET PTD PLANT	NT39		47,338	28,384	0	1,022	2,488	2,621	5,969	11,078	6,854	17,932	47,338	0
216	GENERAL & INTANGIBLE PLANT														
217	GEN & INTANG PLANT IN SERVICE	G129		283	95	16	2	0	32	4	36	134	170	283	0
218	TOTAL GEN & INTG DEPREC RESERVE	G171		(151)	(49)	(9)	(2)	(1)	(18)	(1)	(20)	(71)	(91)	(151)	0
219	NET GENERAL & INTANG PLANT	G229		132	46	7	0	(1)	14	3	16	63	79	132	0
220	COMMON & OTHER PLANT														
221	COMMON & OTH PLT IN SERVICE	C121		1,740	576	99	14	4	201	20	225	826	1,051	1,740	0
222	TOTAL COM & OTH DEPREC RESERVE	C171		(844)	(279)	(48)	(7)	(1)	(97)	(10)	(108)	(402)	(510)	(844)	0
223	NET COMMON & OTHER PLANT	C229		896	297	51	7	3	104	10	117	424	541	896	0
224	NET ELECTRIC PLANT IN SERVICE	NP29		48,366	28,727	58	1,029	2,490	2,739	5,982	11,211	7,341	18,552	48,366	0

										A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
										5/26/06 7:39 AM														
										DUKE ENERGY KENTUCKY COST OF SERVICE STUDY TWELVE MONTHS ENDING DECEMBER 31, 2005 ELECTRIC CASE NO: 2006-00172 FR-4v-1 KW(12 COIN PEAK) OTHER														
1	2	3	4	5	6	7	8	9	10	DESCRIPTION	ITEM	ALLOC	OTHER WATER PUMPING	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
										Schedule 5														
235										RATE BASE ADJUSTMENTS														
236										SUBTRACTIVE ADJUSTMENTS														
237										ACCU DEF INC TAXES (282)														
238										LIBERALIZED DEPRECIATION														
239										MISCELLANEOUS														
240										TOTAL ACCOUNT 282														
241																								
242										ACCU DEF INC TAXES (283/284)														
243										DEFERRED INCOME TAXES														
244										TOTAL ACCOUNT 283/284														
245																								
246																								
247										TOTAL SUBTRACTIVE ADJUSTMENTS														
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	DUKE ENERGY KENTUCKY														
	COST OF SERVICE STUDY														
	TWELVE MONTHS ENDING DECEMBER 31, 2005														
	ELECTRIC CASE NO: 2006-00172														
	FR-09-1 KW (12 COIN PEAK)														
	OTHER														
	DESCRIPTION	ITEM	ALLOC	OTHER WATER PUMPING	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
296	WORKING CAPITAL														
298	MATERIALS & SUPPLIES														
300	FUEL INVENTORIES														
301	FUEL	W640	K_rhprod_e	715	0	715	0	0	0	0	0	0	0	715	0
302	EMISSION ALLOWANCES	W642	K_rhprod_e	477	0	477	0	0	0	0	0	0	0	477	0
303	TOTAL FUEL STOCKS	W644		1,192	0	1,192	0	0	0	0	0	0	0	1,192	0
304	PLANT MATERIALS & SUPPLIES														
305	OTHER	W648	K_EPIS	703	417	1	15	36	40	87	163	107	270	703	0
310	TOTAL PLANT MATERIALS & SUPPLIES	W650		703	417	1	15	36	40	87	163	107	270	703	0
311	TOTAL MATERIALS & SUPPLIES														
312		W669	TOT_M&S	1,895	417	1,193	15	36	40	87	163	107	270	1,895	0
313	PREPAYMENTS														
314	INSURANCE	W670	K_AltGessAdj	32	11	2	0	0	4	0	4	15	19	32	0
316	COAL SYN FUEL AND MARGIN DEPOSITS	W684	K_rhprod_e	508	0	508	0	0	0	0	0	0	0	508	0
317	TOTAL PREPAYMENTS	W689		540	11	510	0	0	4	0	4	15	19	540	0
322	AUTO CALC (O&M-F-PP)/S														
324		W719		1,113	670	8	143	2	78	9	89	203	292	1,113	0
324	TOTAL WORKING CASH	W729		1,113	670	8	143	2	78	9	89	203	292	1,113	0
325	TOTAL WORKING CAPITAL														
326		WC79		3,548	1,098	1,711	158	38	122	96	256	325	581	3,548	0
327	PRELIMINARY SUMMARY														
328	TOTAL SUBTRACTIVE ADJUSTMENTS	B287		(3,428)	(2,036)	(4)	(73)	(175)	(195)	(424)	(794)	(521)	(1,315)	(3,428)	0
329	TOTAL ADDITIVE ADJUSTMENTS	V289		623	(224)	6	95	72	106	211	389	357	746	623	0
330	TOTAL WORKING CAPITAL	WC71		3,548	1,098	1,711	158	38	122	96	256	325	581	3,548	0
331	TOTAL RATE BASE ADJUSTMENTS	RB71		743	(1,162)	1,713	180	(65)	33	(117)	(149)	161	12	743	0
332	RATE BASE CALCULATION														
334	NET ELECTRIC PLANT IN SERVICE	NP21		48,366	28,727	58	1,029	2,490	2,739	5,982	11,211	7,341	18,552	48,366	0
335	TOTAL RATE BASE ADJUSTMENTS	RB71		743	(1,162)	1,713	180	(65)	33	(117)	(149)	161	12	743	0
336	TOTAL RATE BASE	RB99	TOT_RB	49,109	27,565	1,771	1,209	2,425	2,772	5,865	11,062	7,502	18,564	49,109	0
337	CAPITALIZATION ALLOC TO ELECTRIC OPER														
338		ECAP	K_ocDRB	46,295	25,985	1,670	1,140	2,286	2,613	5,529	10,428	7,072	17,500	46,295	0
340	TOTAL RATE OF RETURN ALLOWABLE	RORA	rot_Allow_from	0.0197	0.0197	0.0197	0.0197	0.0197	0.0197	0.0197	0.0197	0.0197	0.0197	0.0197	0.0197
341	RETURN ON CAPITALIZATION	R751		913	513	33	22	45	52	109	206	139	345	913	0

DUKE ENERGY KENTUCKY COST OF SERVICE STUDY TWELVE MONTHS ENDING DECEMBER 31, 2005 ELECTRIC CASE NO: 2006-00172 FR44-1 KW (12 CON PEAK) OTHER												
A	B	C	E	F	G	I	J	K	L	N	O	P
DESCRIPTION	ITEM	ALLOC	WATER PUMPING	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS & FIXTURES	CONDUCTORS	DEMAND	CUSTOMER DISTRIBUTION	TOTAL DISTRIBUTION	ALL OTHER
O&M EXPENSES												
PRODUCTION O&M	P300											
FUEL	P300_e		6,974	0	6,974	0	0	0	0	0	0	0
ENERGY RELATED PRODUCTION O&M	P300_e			0	0	0	0	0	0	0	0	0
MISCELLANEOUS	P302_e		0	0	0	0	0	0	0	0	0	0
EMISSION ALLOWANCES	P306_e		438	0	438	0	0	0	0	0	0	0
ELIMINATE EMISSION ALLOW & OTHER VAR COST	P308_e		0	0	653	0	0	0	0	0	0	0
OTHER PRODUCTION EXPENSE - MAINTENANCE	P310_e		1,057	0	1,057	0	0	0	0	0	0	0
MISO TRANSMISSION CHARGES ACCT IN 555	P312_e		970	0	970	0	0	0	0	0	0	0
TOTAL ENERGY RELATED	P348_e		10,092	0	10,092	0	0	0	0	0	0	0
DEMAND RELATED PROD O&M	P344_e		0	0	0	0	0	0	0	0	0	0
ELIMINATE MISCELLANEOUS	P346_e		0	0	0	0	0	0	0	0	0	0
OTHER PRODUCTION EXPENSE - OPERATIONS	P348_e		1,459	0	1,459	0	0	0	0	0	0	0
TOTAL DEMAND RELATED	P348_e		1,459	0	1,459	0	0	0	0	0	0	0
TOTAL PRODUCTION O&M	P459_e		11,551	10,092	11,551	0	0	0	0	0	0	0
TRANSMISSION O & M	T300_e		146	0	146	0	0	0	0	0	0	0
TRANSFORMER LEASE PAYMENTS	T302_e		0	0	0	0	0	0	0	0	0	0
OTHER TRANSMISSION	T302_e		1,342	0	1,342	0	0	0	0	0	0	0
MISCELLANEOUS ADJUSTMENTS	T304_e		(315)	0	(315)	0	0	0	0	0	0	0
NETWORK SERVICE RATES ADJUSTMENT	T305_e		104	0	104	0	0	0	0	0	0	0
TOTAL TRANSMISSION O & M	T348_e		1,277	146	1,131	0	0	0	0	0	0	0
DISTRIBUTION O & M	D300_e		8	0	8	0	0	0	0	0	0	0
SUBSTATIONS & FIXTURES	D302_e		378	0	378	0	0	0	0	0	0	0
CONDUCTORS	D304_e		16	0	16	0	0	0	0	0	0	0
TRANSFORMERS	D306_e		19	0	19	0	0	0	0	0	0	0
OTHER MAINTENANCE	D308_e		29	0	29	0	0	0	0	0	0	0
METERS	D310_e		0	0	0	0	0	0	0	0	0	0
STREET LIGHTS	D314_e		0	0	0	0	0	0	0	0	0	0
OTHER OPERATIONS	D316_e		72	0	72	0	0	0	0	0	0	0
MISCELLANEOUS EXPENSES	D318_e		0	0	0	0	0	0	0	0	0	0
AFFILIATED COMPANY RENTS	D320_e		4	0	4	0	0	0	0	0	0	0
TOTAL DISTRIBUTION O & M	D348_e		526	0	526	0	0	0	0	0	0	0
CUSTOMER ACCOUNTING EXPENSE	C300_e		381	0	381	0	0	0	0	0	0	0
ADJUST UNCOLLECTIBLE ACCOUNTS	C302_e		0	0	0	0	0	0	0	0	0	0
METER READING	C304_e		109	0	109	0	0	0	0	0	0	0
LOSS ON SALE OF AIR & INCR AIR ON INCR	C306_e		0	0	0	0	0	0	0	0	0	0
MISCELLANEOUS EXPENSE ADJUSTMENT	C308_e		(2)	0	(2)	0	0	0	0	0	0	0
TOTAL CUSTOMER ACCT EXPENSE	C318_e		488	0	488	0	0	0	0	0	0	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2006														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4v-1 KW (12 COIN PEAK)														
6	OTHER														
7				OTHER	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL		ALL
8	DESCRIPTION	ITEM	ALLOC	WATER PUMPING	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	OTHER
393	CUSTOMER SERVICE & INFORMATION														
394	CUSTOMER SERVICE & INFORMATION	C320	K_rbdist_c	159	0	0	0	0	0	0	0	159	159	159	0
395	INFORMATIONAL & INSTRUCTIONAL ADV	C322	K_rbdist_c	30	0	0	0	0	0	0	0	30	30	30	0
396	CUSTOMER SERVICE & INFORM PROFORMA	C324	K_rbdist_c	(58)	0	0	0	0	0	0	0	(58)	(58)	(58)	0
397	AMI	C328	K_Func_Rev	(102)	(24)	(53)	(6)	(2)	(4)	(2)	(8)	(11)	(19)	(102)	0
398	TOTAL CUSTOMER SERV & INFORMATION	C331		29	(24)	(53)	(6)	(2)	(4)	(2)	(8)	120	112	29	0
399															
400	SALES		Schedule 6												
401	SALES EXPENSE	S300	K_rbdist_c	1	0	0	0	0	0	0	0	1	1	1	0
403	SALES EXPENSE PROFORMA	S304	K_rbdist_c	(1)	0	0	0	0	0	0	0	(1)	(1)	(1)	0
404	TOTAL SALES EXPENSE	S319		0	0	0	0	0	0	0	0	0	0	0	0
405															
406	SUBTOTAL O&M EXCL. A&G			13,871	1,581	10,039	1,125	19	390	49	458	668	1,126	13,871	0
407															
408	ADMINISTRATIVE & GENERAL														
409	A&G EXPENSE EXCL. REGULATORY EXP														
410	PRODUCTION-DEMAND RELATED	A300	K_rbprod_d	823	823	0	0	0	0	0	0	0	0	823	0
411	PRODUCTION-ENERGY RELATED	A302	K_rbprod_e	385	0	385	0	0	0	0	0	0	0	385	0
412	TRANSMISSION	A304	K_trainO&M	53	6	0	47	0	0	0	0	0	0	53	0
413	DISTRIBUTION	A306	K_distO&M	357	0	0	0	14	267	35	316	41	357	357	0
414	CUSTOMER ACCOUNTING	A308	K_CA_O&M	381	0	0	0	0	0	0	0	381	381	381	0
415	CUSTOMER SERVICE & INFORMATION	A310	K_CSI_O&M	144	(119)	(263)	(30)	(10)	(20)	(10)	(40)	596	556	144	0
416	SALES	A312	K_Sales_O&M	0	0	0	0	0	0	0	0	0	0	0	0
417	A&G EXPENSE UNADJUSTED	A315		2,143	710	122	17	4	247	25	276	1,018	1,294	2,143	0
418	RATE CASE EXPENSE	A318	K_A&GexAdj	6	2	0	0	0	1	0	1	3	4	6	0
426	ELIMINATE MISCELLANEOUS EXPENSES	A340	K_A&GexAdj	(11)	(3)	(1)	0	(1)	(1)	0	(2)	(5)	(7)	(11)	0
427	IMPLEMENT AUTOMATED METER READING	A342	K_A&GexAdj	7	3	0	0	0	1	0	1	3	4	7	0
431	AMORTIZATION OF DEFERRED EXPENSES	A352	K_A&GexAdj	66	21	4	1	0	8	1	9	31	40	66	0
432	MISCELLANEOUS	A354	K_A&GexAdj	0	0	0	0	0	0	0	0	0	0	0	0
433	ELIMINATE INCENTIVE COMPENSATION	A356	K_A&GexAdj	(207)	(68)	(12)	(2)	(1)	(24)	(2)	(27)	(98)	(125)	(207)	0
434	TOTAL ADMIN. & GENERAL	A357		2,004	665	113	16	2	232	24	258	952	1,210	2,004	0
435															
436	TOTAL O & M EXPENSE	OM39	TOT O&M	15,875	2,246	10,152	1,141	21	622	73	716	1,620	2,336	15,875	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R	
1	DUKE ENERGY KENTUCKY															
2	COST OF SERVICE STUDY															
3	TWELVE MONTHS ENDING DECEMBER 31, 2005															
4	ELECTRIC CASE NO: 2006-00172															
5	FR-9v-1 KW (12 COIN PEAK)															
6	OTHER															
7				OTHER	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL		ALL	
8	DESCRIPTION	ITEM	ALLOC	WATER PUMPING	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	DISTRIBUTION	TOTAL	OTHER	
437	DEPRECIATION EXPENSE Schedule 7															
438	PRODUCTION DEPRECIATION															
440	PRODUCTION DEPRECIATION	P460	K_rprod_d	1,683	1,683	0	0	0	0	0	0	0	0	0	1,683	0
441	PROFORMA ADJUSTMENT	P462	K_rprod_d	0	0	0	0	0	0	0	0	0	0	0	0	0
442	TOTAL PRODUCTION DEPREC EXP.	P489		1,683	1,683	0	0	0	0	0	0	0	0	0	1,683	0
443	TRANSMISSION DEPRECIATION															
444	TRANSMISSION DEPRECIATION	T460	K_transnet	41	0	0	41	0	0	0	0	0	0	0	41	0
445	PROFORMA ADJUSTMENT	T462	K_transnet	0	0	0	0	0	0	0	0	0	0	0	0	0
446	TOTAL TRANSMISSION DEP. EXP.	T489		41	0	0	41	0	0	0	0	0	0	0	41	0
447	DISTRIBUTION DEPRECIATION															
448	DISTRIBUTION DEPRECIATION	D460	K_distnet	953	0	0	0	133	139	317	589	364	953	953	0	0
449	PROFORMA ADJUSTMENT	D462	K_distnet	0	0	0	0	0	0	0	0	0	0	0	0	0
450	TOTAL DIST. DEPREC EXP.	D489		953	0	0	0	133	139	317	589	364	953	953	0	0
451	GENERAL DEPRECIATION															
452	GENERAL DEPRECIATION	G460	K_genetnet	8	3	0	0	0	1	0	1	4	5	8	0	0
453	PROFORMA ADJUSTMENT	G462	K_genetnet	0	0	0	0	0	0	0	0	0	0	0	0	0
454	TOTAL GENERAL DEPREC EXP.	G489		8	3	0	0	0	1	0	1	4	5	8	0	0
455	COMMON AND OTHER DEPRECIATION															
456	COMMON DEPRECIATION	C480	K_comnet	52	18	3	0	(1)	6	1	6	25	31	52	0	0
457	PROFORMA ADJUSTMENT	C462	K_comnet	0	0	0	0	0	0	0	0	0	0	0	0	0
458	TOTAL COM & OTHER DEPREC EXP.	C489		52	18	3	0	(1)	6	1	6	25	31	52	0	0
459	TOTAL DEPRECIATION EXPENSE															
460		DE49	TOT_DEPREX	2,737	1,704	3	41	132	146	318	596	393	989	2,737	0	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R	
1	DUKE ENERGY KENTUCKY															
2	COST OF SERVICE STUDY															
3	TWELVE MONTHS ENDING DECEMBER 31, 2006															
4	ELECTRIC CASE NO: 2006-00172															
5	FR-4v-1 KW (12 COIN PEAK)															
6	OTHER															
7				OTHER	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS	CONDUCTORS	TOTAL	DISTRIBUTION	TOTAL		ALL	
8	DESCRIPTION	ITEM	ALLOC	WATER PUMPING	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES		DISTRIBUTION DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	OTHER	
465	TAXES OTHER THAN INC & REV	Schedule #														
467	REAL ESTATE & PROPERTY TAX															
468	PRODUCTION	L500	K_rbrod_d	198	198	0	0	0	0	0	0	0	0	198	0	
469	TRANSMISSION	L501	K_rtransm	20	0	0	20	0	0	0	0	0	0	20	0	
470	DISTRIBUTION	L502	K_rdistnet	279	0	0	0	38	41	93	172	107	279	279	0	
471	OTHER	L514	K_rEPIS	0	0	0	0	0	0	0	0	0	0	0	0	
472	TOTAL REAL EST & PROP TAX	L529	PROP_TAX	497	198	0	20	38	41	93	172	107	279	497	0	
473																
474	MISCELLANEOUS TAXES															
475	PAYROLL RELATED	L566	K_AA_GevAdj	156	52	9	1	0	18	2	20	74	94	156	0	
476	OTHER STATE TAXES	L582	K_AA_GevAdj	0	0	0	0	0	0	0	0	0	0	0	0	
477	ELIMINATE NON-NATIVE SALES	L564	K_AA_GevAdj	(2)	(1)	0	0	0	0	0	0	(1)	(1)	(2)	0	
478	AUTO LICENSES, ETC	L560	K_AA_GevAdj	1	0	0	0	1	0	0	1	0	1	1	0	
479	ELIMINATE UNBILLED REVENUE	L582	K_AA_GevAdj	0	0	0	0	0	0	0	0	0	0	0	0	
480	AFFILIATED COMPANY RENTS	L584	K_AA_GevAdj	0	0	0	0	0	0	0	0	0	0	0	0	
481	MISCELLANEOUS	L568	K_AA_GevAdj	0	0	0	0	0	0	0	0	0	0	0	0	
482	DSM ELIMINATION	L568	K_rbrod_d	(1)	(1)	0	0	0	0	0	0	0	0	(1)	0	
483	TOTAL MISCELLANEOUS TAXES	L589		154	50	9	1	1	18	2	21	73	94	154	0	
484																
485	MISCELLANEOUS EXPENSES															
487	PSC MAINTENANCE ON INCREASE	L584	K_Func_Rev	4	1	2	0	1	0	0	1	0	1	4	0	
488	TOTAL MISCELLANEOUS EXPENSES	L599		4	1	2	0	1	0	0	1	0	1	4	0	
489																
490	TOTAL OTHER TAX & MISC EXPENSE	L591		655	249	11	21	40	59	95	194	180	374	655	0	
491																
492	PRELIMINARY SUMMARY															
493	TOTAL O&M EXPENSE	OM39		15,875	2,246	10,152	1,141	21	622	73	716	1,620	2,336	15,875	0	
494	TOTAL DEPRECIATION EXPENSE	DE49		2,737	1,704	3	41	132	146	318	596	393	989	2,737	0	
495	TOTAL OTHER TAX & MISC EXPENSE	L599		655	249	11	21	40	59	95	194	180	374	655	0	
496	TOTAL OP EXP EXC IT & OTHER TAX	OP69		19,267	4,199	10,166	1,203	193	827	486	1,506	2,193	3,699	19,267	0	
497																

A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R	
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-IV-1 KW (12 COIN PEAK)														
6	OTHER														
7															
8	DESCRIPTION	ITEM	ALLOC	OTHER WATER PUMPING	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
498	INCOME TAX BASED ON RETURN														
499	Schedule 9														
500	FEDERAL INCOME TAX DEDUCTIONS														
501	AUTOMATIC INTEREST CALCULATION														
502	AUTO PROC INTEREST DED	Y751	K_EPIS	1,348	800	2	29	69	76	167	312	205	517	1,348	0
503	TOTAL INTEREST EXPENSE	Y763	TOT_INT	1,348	800	2	29	69	76	167	312	205	517	1,348	0
504	OTHER DEDUCTIONS														
505	DEPR. EXCESS TAX OVER BOOK	Y760	K_Depr_Ext	263	164	0	4	12	14	31	57	38	95	263	0
506	LOSS ON REACQUIRED DEBT	Y794	K_EPIS	(10)	(6)	0	0	0	(1)	(1)	(2)	(2)	(4)	(10)	0
507	COST OF REMOVAL	Y798	K_Depr_Ext	125	78	0	2	5	7	15	27	18	45	125	0
508	METER CAPITAL LEASE PRINCIPLE PAYMENTS	Y804	K_rtdist_c	0	0	0	0	0	0	0	0	0	0	0	0
509	OTHER PERMANENT DIFFERENCES	Y816	K_EPIS	118	70	0	3	5	7	15	27	18	45	118	0
510	TOTAL OTHER DEDUCTIONS	Y828		496	306	0	9	22	27	60	109	72	181	496	0
511	NET DEDUCTIONS AND ADDITIONS	Y871		1,844	1,106	2	38	91	103	227	421	277	698	1,844	0
512	FEDERAL INCOME TAX ADJUSTMENTS														
513	FED PROV DEF INC TAX DEFERRALS (410.1)														
514	ANNUALIZE DEPRECIATION	Z768	K_EPIS	(6)	(4)	0	0	0	0	(1)	(1)	(1)	(2)	(6)	0
515	MISCELLANEOUS	Z762	K_A&GenAdj	(47)	(16)	(3)	0	0	(5)	(1)	(6)	(22)	(28)	(47)	0
516	MISCELLANEOUS PROFORMA ADJUSTMENT	Z770	K_EPIS	0	0	0	0	0	0	0	0	0	0	0	0
517	RECLASSIFY NON-JURIS INCOME TAX	Z770	K_rtdist_c	209	209	0	0	0	0	0	0	0	0	209	0
518	TOTAL FED PROV DEF IT DEFERRALS (410.1)	Z782		156	189	(3)	0	0	(5)	(2)	(7)	(23)	(30)	156	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-4-1 KW (12 COIN PEAK)														
6	OTHER														
7	DESCRIPTION	ITEM	ALLOC	OTHER WATER PUMPING	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
554	AMORTIZED INV TAX CREDIT	Schedule 9a		0	0	0	0	0	0	0	0	0	0	0	0
555	MISCELLANEOUS	Z804	K_AA&GenAdj	0	0	0	0	0	0	0	0	0	0	0	0
556	AMORTIZE ITC	Z806	K_EPIS	12	7	0	0	1	1	1	3	2	5	12	0
557	TOTAL AMORTIZED ITC	Z813		12	7	0	0	1	1	1	3	2	5	12	0
558				0											
559	TEST YEAR INV TAX CREDIT			0	0	0	0	0	0	0	0	0	0	0	0
560	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
561															
562	PRELIMINARY SUMMARY														
563	TOTAL FED PROV DEF IT (410.1)	Z782		156	189	(3)	0	0	(5)	(2)	(7)	(23)	(30)	156	0
564	TOTAL FED PROV DEF IT (411.1)	Z803		0	0	0	0	0	0	0	0	0	0	0	0
565	TOTAL AMORTIZED ITC	Z813		(12)	(7)	0	0	(1)	(1)	(1)	(3)	(2)	(5)	(12)	0
566	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		144	182	(3)	0	(1)	(6)	(3)	(10)	(25)	(35)	144	0
567															
568	FEDERAL INCOME TAX COMPUTATION														
569	RETURN ON CAPITALIZATION	R751		913	513	33	22	45	52	109	206	139	345	913	0
570	NET DEDUCTIONS AND ADDITIONS	Y871		(1,844)	(1,106)	(2)	(38)	(91)	(103)	(227)	(421)	(277)	(688)	(1,844)	0
571	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		144	182	(3)	0	(1)	(6)	(3)	(10)	(25)	(35)	144	0
572	TOTAL STATE PROV DEF IT (410.1)	Z811		33	34	0	0	(1)	0	0	(1)	0	(1)	33	0
573	TOTAL STATE PROV DEF IT (411.1)	Z833		0	0	0	0	0	0	0	0	0	0	0	0
574	AFUDC OFFSET	Z835		(45)	22	0	(8)	(6)	(8)	(18)	(32)	(27)	(59)	(45)	0
575	BASE FOR FIT COMPUTATION	I885		(799)	(355)	28	(24)	(54)	(65)	(139)	(258)	(190)	(448)	(799)	0
576															
577	FIT FACTOR K190/(1-K190)	I887	FITcomp_from	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538	0.538461538
578	PRELIM FED INCOME TAX	I869		(430)	(191)	15	(13)	(29)	(35)	(75)	(139)	(102)	(241)	(430)	0
579	TOTAL FEDERAL TAX ADJUSTMENTS	Z863		144	182	(3)	0	(1)	(6)	(3)	(10)	(25)	(35)	144	0
580	NET FED INCOME TAX ALLOWABLE	I878		(286)	(9)	12	(13)	(30)	(41)	(78)	(149)	(127)	(276)	(286)	0
581															
582	INCOME TAX BASED ON RETURN														
583	FEDERAL INCOME TAX PAYABLE														
584	PRELIM FEDERAL INCOME TAX	I869		(430)	(191)	15	(13)	(29)	(35)	(75)	(139)	(102)	(241)	(430)	0
585	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
586	NET FED INCOME TAX PAYABLE	I889		(430)	(191)	15	(13)	(29)	(35)	(75)	(139)	(102)	(241)	(430)	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR#v-1 KW (12 COMB PEAK)														
6	OTHER														
7															
8	DESCRIPTION	ITEM	ALLOC	OTHER WATER PUMPING	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
597	STATE INCOME TAX		Schedule 9b												
598															
599	DEDUCTIONS IN ADDITION TO Y871														
591	BONUS DEPRECIATION	Y890	K_Depr_Ext	92	58	0	1	4	5	11	20	13	33	92	0
594	DEDUCTIONS IN ADD TO Y871	Y811		92	58	0	1	4	5	11	20	13	33	92	0
595															
596	STATE INCOME TAX ADJUSTMENTS														
597															
598	STATE PROV DEF INC TAX DEFERRALS (410.1)														
600	NET DEFERRED TAXES	Z896	K_EPIS	(3)	(2)	0	0	(1)	0	0	(1)	0	(1)	(3)	0
601	ANNUALIZE DEPRECIATION	Z896	K_Depr_Ext	(1)	(1)	0	0	0	0	0	0	0	0	(1)	0
604	NON-JURISDICTIONAL TAX	Z896	K_rhprod_d	37	37	0	0	0	0	0	0	0	0	37	0
605	TOT STATE PROV DEF IT DEFERRALS (410.1)	Z911		33	34	0	0	(1)	0	0	(1)	0	(1)	33	0
610															
626	TOTAL STATE INC TAX ADJUSTMENT	Z957		33	34	0	0	(1)	0	0	(1)	0	(1)	33	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-9v-1 KW (12 COIN PEAK)														
6	OTHER														
7				OTHER	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL		ALL
8	DESCRIPTION	ITEM	ALLOC	WATER PUMPING	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	DISTRIBUTION	TOTAL	OTHER
627	INCOME TAX BASED ON RETURN Schedule 9c														
628	SUMMARY OF SIT CALCULATION														
630	RETURN ON CAPITALIZATION	R751		913	513	33	22	45	52	109	206	139	345	913	0
631	NET FED INCOME TAX ALLOWABLE	1879		(286)	(9)	12	(13)	(30)	(41)	(78)	(149)	(127)	(276)	(286)	0
632	NET FED. DED. AND ADDITIONS	Y871		(1,844)	(1,106)	(2)	(38)	(91)	(103)	(227)	(421)	(277)	(698)	(1,844)	0
633	DEDUCTIONS IN ADD TO Y871	Y911		(92)	(58)	0	(1)	(4)	(5)	(11)	(20)	(13)	(33)	(92)	0
634	AFUDC OFFSET	L033		(45)	22	0	(8)	(6)	(8)	(18)	(32)	(27)	(59)	(45)	0
635	TOTAL STATE INC TAX ADJ	Z957		33	34	0	0	(1)	0	0	(1)	0	(1)	33	0
636	BASE FOR SIT COMPUTATION	J965		(1,321)	(604)	43	(38)	(87)	(105)	(225)	(417)	(305)	(722)	(1,321)	0
637	SIT FACTOR K192/(1-K192)	J967	sit_fact	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378	0.061434378
638	PRELIMINARY STATE INCOME TAX	J969		(81)	(38)	3	(2)	(5)	(6)	(14)	(25)	(19)	(44)	(81)	0
640	TOTAL STATE INCOME TAX ADJ.	Z957		33	34	0	0	(1)	0	0	(1)	0	(1)	33	0
641	NET STATE INC TAX ALLOWABLE	J978		(48)	(4)	3	(2)	(6)	(6)	(14)	(26)	(19)	(45)	(48)	0
642	STATE INCOME TAX PAYABLE														
643	PRELIMINARY STATE INCOME TAX	J969		(81)	(38)	3	(2)	(5)	(6)	(14)	(25)	(19)	(44)	(81)	0
645	OTHER SIT ADJUSTMENTS	Z955		0	0	0	0	0	0	0	0	0	0	0	0
646	NET STATE INCOME TAX PAYABLE	J969		(81)	(38)	3	(2)	(5)	(6)	(14)	(25)	(19)	(44)	(81)	0
647	COMPOSITE TAX RATE	CTAX	ctax_fact	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621
648															
649															
650															
651															
652															
653															
654															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR-9v-1 KW (12 CONN PEAK)														
6	OTHER														
7				OTHER							TOTAL				
8	DESCRIPTION	ITEM	ALLOC	WATER PUMPING	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
656	COST OF SERVICE COMPUTATION														
657	Schedule 10														
658	OTHER OPERATING REVENUES														
659	RENTAL REVENUE	Q000	K_EPIS	125	74	0	3	7	7	15	29	19	48	125	0
660	BAD CHECK CHARGE	Q002	K_Func_Rev	1	0	1	0	0	0	0	0	0	0	1	0
661	ELIMINATE NON-NATIVE SALES	Q002	K_rtprod_e	(1,423)	0	(1,423)	0	0	0	0	0	0	0	(1,423)	0
662	SALES FOR RESALE	Q002	K_rtprod_e	1,423	0	1,423	0	0	0	0	0	0	0	1,423	0
663	RECONNECTION CHARGES	Q002	K_Func_Rev	3	0	2	0	1	0	0	1	0	1	3	0
664	INTERRUPTIBLE CREDIT	Q002	K_Func_Rev	(3)	0	(2)	0	(1)	0	0	(1)	0	(1)	(3)	0
665	BILLING CYCLE IMPROVEMENT	Q004	K_Func_Rev	21	5	11	1	0	1	1	2	2	4	21	0
666	OTHER MISCELLANEOUS REVENUES	Q006	K_Func_Rev	3	0	2	0	1	0	0	1	0	1	3	0
667	MISCELLANEOUS	Q008	K_Func_Rev	0	0	0	0	0	0	0	0	0	0	0	0
668	TOTAL OTHER OPERATING REVS	Q027		150	79	14	4	8	8	16	32	21	53	150	0
670	COST OF SERVICE COMPUTATION														
671	TOTAL OP EXP EXC INC & REV TAX	OP69		19,267	4,199	10,166	1,203	193	827	486	1,506	2,193	3,699	19,267	0
672	RETURN ON CAPITALIZATION	R751		913	513	33	22	45	52	109	206	139	345	913	0
673	NET FED INCOME TAX ALLOWABLE	I879		(286)	(9)	12	(13)	(30)	(41)	(78)	(149)	(127)	(276)	(286)	0
674	NET STATE INCOME TAX ALLOWABLE	J979		(48)	(4)	3	(2)	(6)	(6)	(14)	(26)	(19)	(45)	(48)	0
675	TOTAL OTHER OPERATING REVENUES	Q027		(150)	(79)	(14)	(4)	(8)	(8)	(16)	(32)	(21)	(53)	(150)	0
676	SUBTOTAL B	CS03		19,696	4,620	10,200	1,206	194	824	487	1,505	2,165	3,670	19,696	0
678	TOTAL OTHER OPERATING REVENUES	Q027		150	79	14	4	8	8	16	32	21	53	150	0
680	LESS: OTHER ITEMS			0	0	0	0	0	0	0	0	0	0	0	0
681	OTHER OPERATING REVS TO BE TAXED	OORT		150	79	14	4	8	8	16	32	21	53	150	0
682	AFUDC OFFSET														
683	OTHER DEDUCTIONS TO COST OF SERVICE	L032		(45)	22	0	(8)	(6)	(8)	(18)	(32)	(27)	(59)	(45)	0
684	OTHER DEDUCTIONS TO COST OF SERVICE	L033		(45)	22	0	(8)	(6)	(8)	(18)	(32)	(27)	(59)	(45)	0
687	TOTAL ELECTRIC COST OF SERVICE	CS09		19,651	4,642	10,200	1,198	188	816	469	1,473	2,138	3,611	19,651	0
688	PROPOSED REVENUES														
689	TOTAL ELECTRIC COST OF SERVICE	R602		19,650										19,650	0
690	EXCESS REVENUES	CS09		(19,651)										(19,651)	0
691	EXCESS REVENUES	XREV		(1)										(1)	0
692	COMPOSITE TAX RATE	CTAX	PPCOMPTAX_FROM	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621	0.387621
693	EXCESS TAX	XTAX		0										0	0
694	EXCESS RETURN	XRET		(1)										(1)	0

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY														
2	COST OF SERVICE STUDY														
3	TWELVE MONTHS ENDING DECEMBER 31, 2005														
4	ELECTRIC CASE NO: 2006-00172														
5	FR#-1 KW (12 COIN PEAK)														
6	OTHER														
7				OTHER	PRODUCTION	PRODUCTION	OTHER		POLES, TOWERS		TOTAL	DISTRIBUTION	TOTAL		ALL
8	DESCRIPTION	ITEM	ALLOC	WATER PUMPING	DEMAND	ENERGY	TRANSMISSION	SUBSTATIONS	& FIXTURES	CONDUCTORS	DEMAND	CUSTOMER	DISTRIBUTION	TOTAL	OTHER
696	ROR AND TAX RATES Schedule 11														
697	RATE OF RETURN														
698															
699	CAPITALIZATION AMOUNTS		CAP_FROM	Total Company	Ratio				Ratio						
700	LONG TERM DEBT	K100		275,774,125	0.406259216				0.406259216						
701	PREFERRED STOCK	K102		0	0.000000000				0.000000000						
702	COMMON STOCK	K104		345,393,322	0.508819383				0.508819383						
703	SHORT TERM DEBT	K108		57,645,769	0.084921401				0.084921401						
704	UNAMORTIZED DISCOUNT	K108		0	0.000000000				0.000000000						
705	TOTAL	K115		678,813,216	1.000000000				1.000000000						
706															
707	COST OF CAPITAL														
708	LONG TERM DEBT	K120		0.0609											
709	PREFERRED STOCK	K122		0.0000											
710	COMMON STOCK	K124		0.1150											
711	SHORT TERM DEBT	K128		0.0514											
712	UNAMORTIZED DISCOUNT	K128		0.0000											
713															
714	WEIGHTED COST OF CAPITAL														
715	LONG TERM DEBT	K141		0.0247											
716	PREFERRED STOCK	K143		0.0000											
717	COMMON STOCK	K145		0.0585											
718	SHORT TERM DEBT	K147		0.0044											
719	UNAMORTIZED DISCOUNT	K149		0.0000											
720	TOT RATE OF RETURN ALLOWABLE	RORA	ROR_EARN_FROM	0.0876											
721															
722	TAX RATES AND SPECIAL FACTORS														
723	SHORT TERM DEBT COST	K180		0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
724	FEDERAL INCOME TAX RATE	K190	FTY_FROM	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000
725	STATE INCOME TAX RATE	K192	STATETX_FROM	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788
726	REVENUE TAX RATE	K196		0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
727															
728	PRESENT REVENUES	R600		12,408	0	0	0	0	0	0	0	0	0	12,408	0
730	PROPOSED REVENUES	R602		19,650	0	0	0	0	0	0	0	0	0	19,650	0
731	PRESENT NOI			(3,522)											0
732	GROSS PRESENT REV AT AVERAGE ROR			19,251											
733	SUBSIDY EXCESS			(6,843)											
734	REDUCTION IN SUBSIDY EXCESS			(1,711)											
735	RATE INCREASE			5,531											
736	TAX COMPLEMENT														
737															
738															
739															
740															
741															
742															
743															
744															

	A	B	C	E	F	G	I	J	K	L	N	O	P	Q	R
	DUKE ENERGY KENTUCKY														
	COST OF SERVICE STUDY														
	TWELVE MONTHS ENDING DECEMBER 31, 2005														
	ELECTRIC CASE NO: 2006-00172														
	FR-#v-1 KW (12 CONN PEAK)														
	OTHER														
	DESCRIPTION	ITEM	ALLOC	OTHER WATER PUMPING	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER
745	INCOME TAX BASED ON REVENUES														
746	NET INCOME COMPUTATION														
747	TOTAL ELECTRIC COST OF SERVICE	CS09		19,651	4,642	10,200	1,198	188	816	469	1,473	2,138	3,611	19,651	0
748	TOTAL OTHER OPERATING REVENUES	Q027		150	79	14	4	8	8	16	32	21	53	150	0
749	TOTAL ELECTRIC REVENUE	CS07		19,801	4,721	10,214	1,202	196	824	485	1,505	2,159	3,664	19,801	0
750	TOTAL OP EXP EXC IT & OTHER DEDUCTIONS	OP61		(19,267)	(4,199)	(10,166)	(1,203)	(193)	(827)	(486)	(1,506)	(2,193)	(3,699)	(19,267)	0
751	OTHER	RTXP		0	0	0	0	0	0	0	0	0	0	0	0
752	NET INCOME	NI01		534	522	48	(1)	3	(3)	(1)	(1)	(34)	(35)	534	0
753	ADJUSTMENTS TO NET INCOME														
754	TOTAL INTEREST EXPENSE	Y783		(1,348)	(800)	(2)	(29)	(69)	(76)	(167)	(312)	(205)	(517)	(1,348)	0
755	TOTAL OTHER DEDUCTIONS	Y828		(496)	(306)	0	(9)	(22)	(27)	(60)	(109)	(72)	(181)	(496)	0
756	PRELIMINARY TAXABLE INCOME	T101		(1,310)	(584)	46	(39)	(88)	(106)	(228)	(422)	(311)	(733)	(1,310)	0
759	STATE INCOME TAX COMPUTATION														
760	PRELIMINARY TAXABLE INCOME (INCL AFUDC)	T101		(1,310)	(584)	46	(39)	(88)	(106)	(228)	(422)	(311)	(733)	(1,310)	0
761	DEDUCTIONS IN ADD TO Y871	Y811		(92)	(58)	0	(1)	(4)	(5)	(11)	(20)	(13)	(33)	(92)	0
762	STATE TAXABLE INCOME	SI01		(1,402)	(642)	46	(40)	(92)	(111)	(239)	(442)	(324)	(766)	(1,402)	0
763	STATE INCOME TAX PAYABLE														
764	STATE INCOME TAX RATE	K192	STATETX_FROM	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788	0.05788
765	PRELIM SIT = SI01 * K192	SD1		(81)	(38)	3	(2)	(5)	(6)	(14)	(25)	(19)	(44)	(81)	0
767	OTHER SIT ADJUSTMENTS	Z855		0	0	0	0	0	0	0	0	0	0	0	0
768	STATE INCOME TAX PAYABLE	SP01		(81)	(38)	3	(2)	(5)	(6)	(14)	(25)	(19)	(44)	(106)	0
769	SIT ALLOWABLE														
771	STATE INCOME TAX PAYABLE	SP01		(81)	(38)	3	(2)	(5)	(6)	(14)	(25)	(19)	(44)	(81)	0
772	TOTAL STATE PROV DEF IT(410.1)	Z811		33	34	0	0	(1)	0	0	(1)	0	(1)	33	0
773	TOTAL STATE PROV DEF IT(411.1)	Z833		0	0	0	0	0	0	0	0	0	0	0	0
774	NET STATE INC TAX ALLOWABLE	SA01		(48)	(4)	3	(2)	(6)	(6)	(14)	(26)	(19)	(45)	(74)	0
775	INCOME TAX BASED ON REVENUES														
776	FEDERAL INCOME TAX COMPUTATION														
777	PRELIMINARY TAXABLE INCOME (INCL AFUDC)	T101		(1,310)	(584)	46	(39)	(88)	(106)	(228)	(422)	(311)	(733)	(1,310)	0
778	STATE INC TAX PAYABLE	SP01		81	38	(3)	2	5	6	14	25	19	44	81	0
780	NET FEDERAL TAXABLE INCOME	F101		(1,229)	(546)	43	(37)	(83)	(100)	(214)	(397)	(292)	(689)	(1,229)	0
781	FEDERAL INCOME TAX RATE	K190	FIT_FROM	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000	0.35000
782	PRELIMINARY FIT = F101 * K190	FT01		(430)	(191)	15	(13)	(29)	(35)	(75)	(139)	(102)	(241)	(430)	0
783	TOTAL FED PROV DEF IT (410.1)	Z782		156	189	(3)	0	0	(5)	(2)	(7)	(23)	(30)	156	0
784	TOTAL FED PROV DEF IT (411.1)	Z803		0	0	0	0	0	0	0	0	0	0	0	0
785	TOTAL AMORTIZED ITC & SERVICE CO ALLOC.	Z813		(12)	(7)	0	0	(1)	(1)	(1)	(3)	(2)	(5)	(12)	0
786	NET FED INC TAX ALLOWABLE	FA01		(286)	(9)	12	(13)	(30)	(41)	(78)	(149)	(127)	(276)	(435)	0
787	FEDERAL INCOME TAX PAYABLE														
788	PRELIM FIT	FT01		(430)	(191)	15	(13)	(29)	(35)	(75)	(139)	(102)	(241)	(430)	0
790	TEST YEAR INV TAX CREDIT	Z823		0	0	0	0	0	0	0	0	0	0	0	0
791	FED INC TAX PAYABLE	FP01		(430)	(191)	15	(13)	(29)	(35)	(75)	(139)	(102)	(241)	(430)	0
792	PRELIMINARY SUMMARY														
794	NET INCOME EXCLUDING AFUDC OFFSET	NI01		579	500	48	7	9	5	17	31	(7)	24	579	0
795	NET FED INC TAX ALLOWABLE	FA01		286	9	(12)	13	30	41	78	149	127	276	286	0
796	NET STATE INC TAX ALLOWABLE	SA01		48	4	(3)	2	6	6	14	26	19	45	48	0
797	OVERALL RETURN EARNED-SCH 12	RETU		913	513	33	22	45	52	109	206	139	345	913	0
798	RATE OF RETURN EARNED-SCH 12														
799	RORX	RDR_EARN_FROM		0.0197	0.0197	0.0198	0.0193	0.0197	0.0199	0.0197	0.0198	0.0197	0.0197	0.0197	0.0000

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
DUKE ENERGY KENTUCKY																	
COST OF SERVICE STUDY																	
TWELVE MONTHS ENDING DECEMBER 31, 2005																	
ELECTRIC CASE NO: 2006-00172																	
DESCRIPTION	ALLOC	OTHER WATER PUMPING	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER				
Schedule 13																	
9	Prod-Demand	K_rbprod_d	1.00000									0.00000					
10	Prod-Energy	K_rbprod_e		1.00000								0.00000					
11	Main Step-Up Transformers	K_rbrtran_stepup										0.00000					
12	Transmission Other	K_rbrtran_oth			1.00000							0.00000					
13	Substations	K_Subst				1.00000						1.00000					
14	Poles Towers & Fixtures	K_Poles					1.00000					1.00000					
15	Conductors	K_Conductors						1.00000				1.00000					
16	Transformers	K_Transformer										1.00000		1.00000			
17	Distribution Demand	K_rbdist_d										1.00000					
18	Distribution Customer	K_rbdist_c												1.00000			
19	All Other	K_FERC															1.00000
21	Gross Dist Plant excd CCNC-OC (106)		29,159	0	0	0	3,051	4,027	8,995	16,073	13,086	29,159	0	29,159	0	0	0
22	Ratio	K_dist_ccnc	1.000000000	0.000000000	0.000000000	0.000000000	0.104633219	0.138104873	0.308481086	0.551219178	0.448780822	1.000000000	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000
24	Gross Plant (OC)		93,623	59,336	115	1,806	3,263	4,534	9,632	17,429	14,937	32,366	0	93,623	0	0	0
25	Ratio	K_grossPH	1.000000000	0.633775888	0.001228331	0.019290132	0.034852547	0.048428271	0.102880702	0.186161520	0.159544129	0.345705649	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000
27	Gross Prod Plant (OC)		58,665	58,665	0	0	0	0	0	0	0	0	0	58,665	0	0	0
28	Ratio	K_gross_prodpit	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000
30	Gross Plant-Prod/Trans/Dist (OC)		91,600	58,665	0	1,790	3,259	4,301	9,608	17,168	13,977	31,145	0	91,600	0	0	0
31	Ratio	K_grossPTD	1.000000000	0.640447598	0.000000000	0.019541485	0.035578603	0.046954148	0.104890830	0.187423581	0.152587336	0.340010917	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000
33	Gross Distribution Plant (OC)		31,145	0	0	0	3,259	4,301	9,608	17,168	13,977	31,145	0	31,145	0	0	0
34	Ratio	K_gross_distpit	1.000000000	0.000000000	0.000000000	0.000000000	0.104639589	0.138096003	0.308492535	0.551228127	0.448771873	1.000000000	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000
36	Gross Transmission Plant (OC)		1,790	0	0	1,790	0	0	0	0	0	0	0	1,790	0	0	0
37	Ratio	K_gross_tranpit	1.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000
39	Gross General Plant (OC)		283	95	16	2	0	32	4	36	134	170	0	283	0	0	0
40	Ratio	K_gross_genpit	1.000000000	0.335689046	0.056537102	0.007067138	0.000000000	0.113074205	0.014134276	0.127208481	0.473498233	0.600706714	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000
42	Gross Common Plant (OC)		1,740	576	99	14	4	20	20	225	826	1,051	0	1,740	0	0	0
43	Ratio	K_gross_complpit	1.000000000	0.331034482	0.056896552	0.008045977	0.002298851	0.115517241	0.011494253	0.129310345	0.474712644	0.604022989	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000
45	Production Plant-Net (OC-Depr)		28,384	28,384	0	0	0	0	0	0	0	0	0	28,384	0	0	0
46	Ratio	K_prodnnet	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000
48	Distribution Plant-Net (OC-Depr)		17,932	0	0	0	2,488	2,621	5,969	11,078	6,854	17,932	0	17,932	0	0	0
49	Ratio	K_distnet	1.000000000	0.000000000	0.000000000	0.000000000	0.138746374	0.146163284	0.332868615	0.617778273	0.382221727	1.000000000	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000
51	Transmission Plant-Net (OC-Depr)		1,022	0	0	1,022	0	0	0	0	0	0	0	1,022	0	0	0
52	Ratio	K_trannt	1.000000000	0.000000000	0.000000000	1.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000
54	General Plant Plant-Net		132	46	7	0	(1)	14	3	16	63	79	0	132	0	0	0
55	Ratio	K_gennet	1.000000000	0.348484849	0.053030303	0.000000000	(0.007575758)	0.106080606	0.022727273	0.121212121	0.477272727	0.598484848	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000
57	Transmission & Distr Plant in Service		18,954	0	0	1,022	2,488	2,621	5,969	11,078	6,854	17,932	0	18,954	0	0	0
58	Ratio	K_T&D_net	1.000000000	0.000000000	0.000000000	0.053920017	0.131265169	0.138282157	0.314920333	0.584467659	0.361612325	0.946079983	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000
60	Net Electric Plant In Service		48,366	28,727	58	1,029	2,490	2,739	5,982	11,211	7,341	18,552	0	48,366	0	0	0
61	Ratio	K_EPIS	1.000000000	0.593950295	0.001199190	0.021275276	0.051482447	0.056630691	0.123681925	0.231795063	0.151780176	0.383575239	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000
63	Common Plant- net		896	297	51	7	3	104	10	117	424	541	0	896	0	0	0
64	Ratio	K_comnet	1.000000000	0.331473214	0.056919643	0.007812500	0.003348214	0.116071429	0.011160714	0.130580357	0.473214286	0.603794643	1.000000000	1.000000000	0.000000000	0.000000000	0.000000000

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	DUKE ENERGY KENTUCKY																	
2	COST OF SERVICE STUDY																	
3	TWELVE MONTHS ENDING DECEMBER 31, 2005																	
4	ELECTRIC CASE NO: 2006-00172																	
5																		05/26/06
6	DESCRIPTION	ALLOC	OTHER WATER PUMPING	PRODUCTION DEMAND	PRODUCTION ENERGY	OTHER TRANSMISSION	SUBSTATIONS	POLES, TOWERS & FIXTURES	CONDUCTORS	TOTAL DISTRIBUTION DEMAND	DISTRIBUTION CUSTOMER	TOTAL DISTRIBUTION	TOTAL	ALL OTHER				
66	Common & General Plant-net		1,028	343	58	7	2	118	13	133	487	620	1,028	0				
67	Ratio	K_comgennet	1.00000000	0.333657588	0.056420233	0.006809339	0.001945526	0.114785992	0.012645914	0.129377432	0.473735409	0.603112840	1.000000000	0.000000000				
68																		
69	Total OCD Rate Base		49,109	27,565	1,771	1,209	2,425	2,772	5,865	11,062	7,502	18,564	49,109	0				
70	Ratio	K_OCDRB	1.00000000	0.561302409	0.036062636	0.024618705	0.049379951	0.056445865	0.119428211	0.225254027	0.152762223	0.378016250	1.000000000	0.000000000				
71		Schedule 13a																
72	Construction Work In Progress		516	(259)	0	94	71	94	210	375	306	681	516	0				
73	Ratio	K_CWIP	1.00000000	(0.501937985)	0.000000000	0.182170543	0.137596899	0.182170543	0.406976744	0.726744186	0.593023256	1.319767442	1.000000000	0.000000000				
74																		
75	A&G		2,004	665	113	16	2	232	24	258	952	1,210	2,004	0				
76	Ratio	K_A&G	1.00000000	0.331836327	0.056387226	0.007984032	0.000998004	0.115768463	0.011976048	0.128742515	0.475049900	0.603792415	1.000000000	0.000000000				
77																		
78	A&G (excluding adjustments)		2,143	710	122	17	4	247	25	276	1,018	1,294	2,143	0				
79	Ratio	K_A&GexAdj	1.00000000	0.331311246	0.056929538	0.007932804	0.001866542	0.115258983	0.011665889	0.128791414	0.475034998	0.603826412	1.000000000	0.000000000				
80																		
81	Dist A&G (ex reg exp)		357	0	0	0	14	267	35	316	41	357	357	0				
82	Ratio	K_DistA&G	1.00000000	0.000000000	0.000000000	0.000000000	0.039215686	0.747899160	0.098039216	0.885154062	0.114845938	1.000000000	1.000000000	0.000000000				
83																		
84	Transmission A&G		53	6	0	47	0	0	0	0	0	0	53	0				
85	Ratio	K_TransA&G	1.00000000	0.113207547	0.000000000	0.886792453	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
86																		
87	Customer Accounts A&G		381	0	0	0	0	0	0	0	381	381	381	0				
88	Ratio	K_CA_A&G	1.00000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000				
89																		
90	Cust Service & Informational A&G		144	(119)	(263)	(30)	(10)	(20)	(10)	(40)	596	556	144	0				
91	Ratio	K_CSI_A&G	1.00000000	(0.826388889)	(1.826388889)	(0.208333333)	(0.069444445)	(0.138888889)	(0.069444444)	(0.277777778)	4.138888889	3.861111111	1.000000000	0.000000000				
92																		
93	Sales A&G		0	0	0	0	0	0	0	0	0	0	0	0				
94	Ratio	K_Sales_A&G	1.00000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000				
95																		
96	Depeceation Expense		2,737	1,704	3	41	132	146	318	596	393	989	2,737	0				
97	Ratio	K_Depr_Ex	1.00000000	0.622579466	0.001096091	0.014979905	0.048227987	0.053343076	0.116185605	0.217756668	0.143587870	0.361344538	1.000000000	0.000000000				
98																		
99	O&M (no A&G)		13,871	1,581	10,039	1,125	19	390	49	458	668	1,126	13,871	0				
100	Ratio	K_O&M	1.00000000	0.113978805	0.723740177	0.081104463	0.001369764	0.028116214	0.003532550	0.033018528	0.048158028	0.081176555	1.000000000	0.000000000				
101																		
102	Production O&M		11,551	1,459	10,092	0	0	0	0	0	0	0	11,551	0				
103	Ratio	K_prodO&M	1.00000000	0.126309410	0.873690590	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
104																		
105	Dist O&M		526	0	0	0	21	394	51	466	60	526	526	0				
106	Ratio	K_distO&M	1.00000000	0.000000000	0.000000000	0.000000000	0.039923954	0.749049430	0.096958175	0.885931559	0.114068441	1.000000000	1.000000000	0.000000000				
107																		
108	Transmission O&M		1,277	146	0	1,131	0	0	0	0	0	0	1,277	0				
109	Ratio	K_tranO&M	1.00000000	0.114330462	0.000000000	0.885669538	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	0.000000000				
110																		
111	Customer Accounting O&M		490	0	0	0	0	0	0	0	490	490	490	0				
112	Ratio	K_CA_O&M	1.00000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000				
113																		
114	Uncollectible Account O&M		(2)	0	0	0	0	0	0	0	(2)	(2)	(2)	0				
115	Ratio	K_Uncol_O&M	1.00000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000	1.000000000	1.000000000	0.000000000				
116																		
117	Customer Service & Informational O&M		29	(24)	(53)	(6)	(2)	(4)	(2)	(8)	120	112	29	0				
118	Ratio	K_CSI_O&M	1.00000000	(0.827586207)	(1.827586207)	(0.206896552)	(0.068965518)	(0.137931034)	(0.068965517)	(0.275862069)	4.137931034	3.862068966	1.000000000	0.000000000				
119																		
120	Sales O&M		0	0	0	0	0	0	0	0	0	0	0	0				
121	Ratio	K_Sales_O&M	1.00000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	0.000000000	1.000000000				
122																		
123	AutoCalc Wkg Capital (incl A&G)		5,783	2,246	60	1,141	21	622	73	716	1,620	2,336	5,783	0				
124	Ratio	K_O&MxFuel	1.00000000	0.388379734	0.010375238	0.197302438	0.003631333	0.107556632	0.012623206	0.123811171	0.280131420	0.403942590	1.000000000	0.000000000				