



139 East Fourth Street, R. 25 At II
P.O. Box 960
Cincinnati, Ohio 45201-0960
Tel: 513-419-1837
Fax: 513-419-1846
dianne.kuhnell@duke-energy.com

Dianne B. Kuhnell.
Senior Paralegal

VIA OVERNIGHT DELIVERY

February 10, 2009

RECEIVED

FEB 11 2009

**PUBLIC SERVICE
COMMISSION**

Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Blvd
Frankfort, KY 40601

Re: Case No. 2008-00522

Dear Mr. Derouen:

Enclosed please find for filing an original and seven copies of the Responses to Initial Requests for Information from the Commission Staff to Duke Energy Kentucky in the above captioned case. We are enclosing a Petition for Confidential Treatment attached to an envelope containing the responses for which we are requesting confidential treatment.

Also enclosed for filing is an original and seven copies of each of the Direct Testimony of William Don Wathen Jr., John D. Swez and Vincent E. Stroud.

Please date-stamp the extra two copies of each of the filing, each testimony and the Petition and return to me in the enclosed envelope.

Sincerely,

Dianne B. Kuhnell
Senior Paralegal

RECEIVED

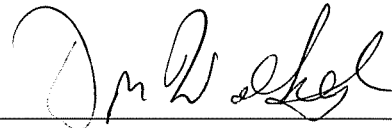
FEB 11 2009

**PUBLIC SERVICE
COMMISSION**

VERIFICATION

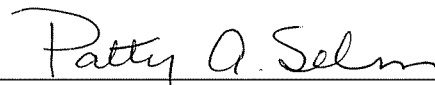
State of Ohio)
) SS:
County of Hamilton)

The undersigned, William Don Wathen Jr., being duly sworn, deposes and says that I am employed by the Duke Energy Corporation affiliated companies as Director-Rates; that on behalf of Duke Energy Kentucky, Inc., I have supervised the preparation of the responses to the foregoing information requests; and that the matters set forth in the foregoing response to information requests are true and accurate to the best of my knowledge, information and belief after reasonable inquiry.



William Don Wathen Jr., Affiant

Subscribed and sworn to before me by William Don Wathen Jr. on this 10th day of February 2009.



NOTARY PUBLIC

My Commission Expires:

**PATTY A. SELM
NOTARY PUBLIC, STATE OF OHIO
My Commission Expires 09-15-2009**

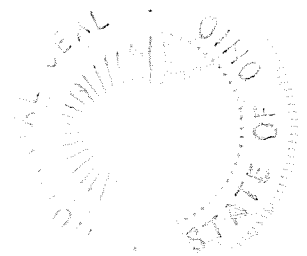


TABLE OF CONTENTS

<u>DATA REQUEST</u>	<u>WITNESS</u>	<u>TAB NO.</u>
KyPSC-DR-01-001	William Don Wathen Jr.....	1
KyPSC-DR-01-002	William Don Wathen Jr.....	2
KyPSC-DR-01-003	William Don Wathen Jr	3
KyPSC-DR-01-004	William Don Wathen Jr.....	4
KyPSC-DR-01-005	John D. Swez	5
KyPSC-DR-01-006	William Don Wathen Jr.....	6
KyPSC-DR-01-007	William Don Wathen Jr.	7
KyPSC-DR-01-008	William Don Wathen Jr	8
KyPSC-DR-01-009	John D. Swez	9
KyPSC-DR-01-010	John D. Swez	10
KyPSC-DR-01-011	John D. Swez.....	11
KyPSC-DR-01-012	William Don Wathen Jr	12
KyPSC-DR-01-013	William Don Wathen Jr	13
KyPSC-DR-01-014	John D. Swez	14
KyPSC-DR-01-015	Ryan D. Gentil (Miami Fort 6) Vincent E. Stroud (East Bend) John D. Swez (Woodsdale).....	15
KyPSC-DR-01-016	William Don Wathen Jr.....	16

KyPSC-DR-01-017	William Don Wathen Jr17
KyPSC-DR-01-018	Ryan D. Gentil (Miami Fort 6) Vincent E. Stroud (East Bend).....18
KyPSC-DR-01-019	Ryan D. Gentil (Miami Fort 6) Vincent E. Stroud (East Bend) John D. Swez (Woodsdale).....19
KyPSC-DR-01-020	Ryan D. Gentil (Miami Fort 6) Vincent E. Stroud (East Bend).....20
KyPSC-DR-01-021	Ryan D. Gentil (Miami Fort 6) Vincent E. Stroud (East Bend) John D. Swez (Woodsdale).....21
KyPSC-DR-01-022	William Don Wathen Jr.....22
KyPSC-DR-01-023	Ryan D. Gentil (Miami Fort 6) Vincent E. Stroud (East Bend) John D. Swez (Woodsdale).....23
KyPSC-DR-01-024	Ryan D. Gentil (Miami Fort 6) Vincent E. Stroud (East Bend) John D. Swez (Woodsdale).....24
KyPSC-DR-01-025	Ryan D. Gentil (Miami Fort 6) Vincent E. Stroud (East Bend) John D. Swez (Woodsdale).....25
KyPSC-DR-01-026	William Don Wathen Jr.....26
KyPSC-DR-01-027	William Don Wathen Jr.....27
KyPSC-DR-01-028	Ryan D. Gentil (Miami Fort 6) Vincent E. Stroud (East Bend) John D. Swez (Woodsdale).....28

KyPSC-DR-01-029	Ryan D. Gentil (Miami Fort 6) Vincent E. Stroud (East Bend) John D. Swez (Woodsdale).....	29
KyPSC-DR-01-030	Ryan D. Gentil (Miami Fort 6) Vincent E. Stroud (East Bend) John D. Swez (Woodsdale).....	30
KyPSC-DR-01-031	Ryan D. Gentil (Miami Fort 6) Vincent E. Stroud (East Bend) John D. Swez (Woodsdale).....	31
KyPSC-DR-01-032	William Don Wathen Jr.....	32
KyPSC-DR-01-033	William Don Wathen Jr.....	33
KyPSC-DR-01-034	William Don Wathen Jr.....	34

Duke Energy Kentucky, Inc.
Case No. 2008-00522
First Set Staff Data Requests
Date Received: January 23, 2009

STAFF-DR-01-001

REQUEST:

State the month to be used as the base period (b). Include a comprehensive, detailed explanation of the factors considered in the selection of this month as being representative of the net generating cost per kWh that Duke Kentucky will incur between November 1, 2008 and October 31, 2010 (“the next 2-year period”).

RESPONSE:

April 2008 was selected to be the base period because it is reasonably close-in-time to the next two-year period and because the average fuel costs for that month are a reasonable approximation of expected fuel costs for the next two-year fuel adjustment period. Therefore, Company requests that \$0.039186/kWh base fuel cost be approved for the next two year period.

The most recent fuel costs projections are \$149,878,000 for the calendar year 2009 and \$152,212,000 for the calendar year 2010. Kilowatt-hour sales projected for those same periods are 3,902,444,000 and 4,038,391,000, respectively, providing a projected fuel cost per kilowatt-hour of \$0.038406 for 2009 and \$0.037691 for 2010.

The cost per kWh during the proposed base month of April 2008 was calculated as follows:

<u>Fuel (b) (April 2008)</u>	<u>\$11,249,368</u>	
Sales (b) (April 2008)	287,073,382	= \$0.039186

PERSON RESPONSIBLE: William Don Wathen Jr.

Duke Energy Kentucky, Inc.
Case No. 2008-00522
First Set Staff Data Requests
Date Received: January 23, 2009

STAFF-DR-01-002

REQUEST:

Provide a calculation of the fossil fuel costs F(b) that Duke Kentucky proposes to use to calculate the base period fuel cost. This calculation shall show each component of F(b) as defined by 807 KAR 5:056. Explain why the fuel cost in the selected base period is representative of the level of fuel cost that Duke Kentucky will incur during the next 2-year period.

RESPONSE:

As stated in response to item 1, the Company proposes a base fossil fuel cost F(b) of \$11,249,368. Attached is a copy of the fuel cost schedule for April 2008, which shows the components of F(b) as defined by 807 KAR 5:056.

PERSON RESPONSIBLE: William Don Wathen Jr.

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: April 2008

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	2,956,074.93
Oil Burned	(+)	297,672.00
Gas Burned	(+)	1,513,260.41
MISO Make Whole Payments	(-)	1,874,605.67
Fuel (assigned cost during Forced Outage ^(a))	(+)	93,112.03
Fuel (substitute cost during Forced Outage ^(a))	(-)	178,297.83
Sub-Total		<u>\$2,807,215.87</u>
B. Purchases		
Economy Purchases	(+)	8,545,112.81
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	55,548.51
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$8,489,564.30</u>
C. Non-Native Sales Fuel Costs		\$47,411.97
D. Total Fuel Costs (A + B - C)		<u>\$11,249,368.20</u>

.....
Note: ^(a) Forced Outage as defined in 807 KAR 5:056.

Duke Energy Kentucky, Inc.
Case No. 2008-00522
First Set Staff Data Requests
Date Received: January 23, 2009

STAFF-DR-01-003

REQUEST:

Provide a schedule showing each component of sales as defined by 807 KAR 5:056 in the selected base period (b). Explain why Duke Kentucky believes that the sales in the selected base period (b) are representative of the level of kWh sales that Duke Kentucky will derive from the level of fuel cost incurred during the selected base period (b).

RESPONSE:

As stated in response to item 1, the Company proposes a base sales S(b) of 287,073,382 kilowatt-hours. Attached is a copy of the Sales Schedule for April 2008, which shows the components of sales as defined by 807 KAR 5:056.

Projected sales for the same period in 2009 and 2010 (as shown in response to Staff-DR-01-006) are comparable to the level of sales included in the base period F(b).

PERSON RESPONSIBLE: William Don Wathen Jr.

DUKE ENERGY KENTUCKY
SALES SCHEDULE

Expense Month: April 2008

		<u>Kilowatt-Hours Current Month</u>
A. Generation (Net)	(+)	148,663,000
<u>Purchases Including Interchange-In</u>	(+)	<u>159,879,210</u>
Sub-Total		<u>308,542,210</u>
B. Pumped Storage Energy	(+)	-
Non-Native Sales Including Interchange Out	(+)	6,994,540
<u>System Losses (301,547,670 KWH times 4.8%^(a))</u>	(+)	<u>14,474,288</u>
Sub-Total		<u>21,468,828</u>
C. Total Sales (A - B)		<u><u>287,073,382</u></u>

Note: ^(a) Average of prior 12 months.

Duke Energy Kentucky, Inc.
Case No. 2008-00522
First Set Staff Data Requests
Date Received: January 23, 2009

STAFF-DR-01-004

REQUEST:

Provide a schedule showing the calculation of Duke Kentucky's proposed increase or decrease in its base fuel cost per kWh to be incorporated into its base rate.

RESPONSE:

Current Base	\$0.021619
Proposed Base	<u>\$0.039186</u>
Increase in Base Rates	\$0.017567

PERSON RESPONSIBLE: William Don Wathen Jr.

Duke Energy Kentucky, Inc.
Case No. 2008-00522
First Set Staff Data Requests
Date Received: January 23, 2009

STAFF-DR-01-005PUBLIC

REQUEST:

Provide Duke Kentucky's most recent projected fuel requirements for the years 2009 and 2010 in tons and dollars.

RESPONSE:

CONFIDENTIAL AND PROPRIETARY TRADE SECRET

The information requested is being provided pursuant to a Petition for Confidential Treatment.

PERSON RESPONSIBLE: John Swez

Duke Energy Kentucky, Inc.
Case No. 2008-00522
First Set Staff Data Requests
Date Received: January 23, 2009

STAFF-DR-01-006PUBLIC

REQUEST:

Provide Duke Kentucky's most recent sales projections for the years 2009 and 2010 in kWh and dollars.

RESPONSE:

CONFIDENTIAL AND PROPRIETARY TRADE SECRET

The information requested is being provided pursuant to a Petition for Confidential Treatment.

PERSON RESPONSIBLE: William Don Wathen Jr.

Duke Energy Kentucky, Inc.
Case No. 2008-00522
First Set Staff Data Requests
Date Received: January 23, 2009

STAFF-DR-01-007

REQUEST:

Provide separately the amounts of power purchases used in the calculation of sales provided in response to Item 3.

RESPONSE:

The attachment to Staff-DR-01-003 shows power purchases of 159,879,210 MWh all from the Midwest Independent System Operator, Inc..

PERSON RESPONSIBLE: William Don Wathen Jr.

Duke Energy Kentucky, Inc.
Case No. 2008-00522
First Set Staff Data Requests
Date Received: January 23, 2009

STAFF-DR-01-008

REQUEST:

Provide separately the amounts of intersystem power sales used in the calculation of sales provided in response to Item 3.

RESPONSE:

The attachment to Staff-DR-01-003 shows power sales of 6,994,540 MWh all to the Midwest Independent System Operator, Inc..

PERSON RESPONSIBLE: William Don Wathen Jr.

Duke Energy Kentucky, Inc.
Case No. 2008-00522
First Set Staff Data Requests
Date Received: January 23, 2009

STAFF-DR-01-009PUBLIC

REQUEST:

Provide the planned maintenance schedule for each of Duke Kentucky's generating units for the years 2009 and 2010.

RESPONSE:

CONFIDENTIAL PROPRIETARY TRADE SECRET

The information requested is being provided pursuant to a Petition for Confidential Treatment.

PERSON RESPONSIBLE: John Swez

STAFF-DR-01-010

REQUEST:

For the years ending October 31, 2007 and October 31, 2008, provide:

- a. Maximum annual system demand; and
- b. Average annual demand.

RESPONSE:

- a.

August 23, 2007, Hour Ending 1600 EST	912 MW
September 2, 2008, Hour Ending 1700 EST	853 MW

- b.

See Attachment KyPSC-DR-01-010 (b).

PERSON RESPONSIBLE: John Swez

Duke Energy Kentucky Monthly Peak Load

Nov 2006 thru October 2007

Date	Hour Ending (EST)	Mw
November, 2 2006	20	574
December, 7 2006	20	679
January, 30 2007	20	670
February, 6 2007	8	738
March, 6 2007	8	607
April, 30 2007	17	573
May, 30 2007	16	757
June, 26 2007	16	809
July, 9 2007	16	814
August, 23 2007	16	912
September, 5 2007	17	841
October, 8 2007	16	781

Nov 2007 thru October 2008

Date	Hour Ending (EST)	Mw
November, 29 2007	20	589
December, 5 2007	19	669
January, 25 2008	8	725
February, 21 2008	8	681
March, 7 2008	20	603
April, 25 2008	15	553
May, 27 2008	14	602
June, 9 2008	16	817
July, 29 2008	17	821
August, 1 2008	15	804
September, 2 2008	17	853
October, 15 2008	16	613

Duke Energy Kentucky, Inc.
Case No. 2008-00522
First Set Staff Data Requests
Date Received: January 23, 2009

STAFF-DR-01-011

REQUEST:

List all firm power commitments for Duke Kentucky for the years 2009 and 2010 for (a) purchases and (b) sales. This list shall identify the other party (buyer or seller), the amount of commitment in MW, and the purpose of the commitment (e.g., peaking, emergency).

RESPONSE:

To date this year, Duke Energy Kentucky has not bought or sold any capacity for 2009 and 2010.

PERSON RESPONSIBLE: John Swez

Duke Energy Kentucky, Inc.
Case No. 2008-00522
First Set Staff Data Requests
Date Received: January 23, 2009

STAFF-DR-01-012

REQUEST:

Provide a monthly billing summary for all sales other than native load sales for the period November 1, 2006 through October 31, 2008.

RESPONSE:

See Attachment STAFF-DR-01-012.

PERSON RESPONSIBLE: William Don Wathen Jr.

DUKE ENERGY KENTUCKY

Resource Type: Monthly Billing Summary for Non-Native Sales
Month Ended: February 28, 2007

STAFF-DR-01-012 Attach

Supplier/Buyer	Transaction Type	kWh	Charges (\$)			
			Demand	Fuel	Other	Total
Midwest ISO	Econ Sale	27,173,822		1,575,200.66	143,419.37	1,718,620.03
East Kentucky Power Cooperative, Inc.	CRSG	1,000		0.00	0.00	0.00
LGE/KU	CRSG	3,000		0.00	0.00	0.00
Northern Indiana Public Service Company	CRSG	1,684		30.02	3.57	33.59
Big Rivers Electric Corporation	CRSG	7,827		32.57	3.87	36.44
FirstEnergy Services Corp.	CRSG	5,000		35.66	4.24	39.90
Detroit Edison Company	CRSG	3,000		545.61	12.93	558.54
Nebraska Public Power District	CRSG	2,000		35.71	4.24	39.95
	Total Sales	<u>27,197,333</u>	<u>0.00</u>	<u>1,575,880.23</u>	<u>143,448.22</u>	<u>1,719,328.45</u>

Legend
CRSG - MISO Contingency Reserve Sharing Group Agreement

DUKE ENERGY KENTUCKY

STAFF-DR-01-012 Attach

Resource Type: Monthly Billing Summary for Non-Native Sales
Month Ended: March 31, 2007

Supplier/Buyer	Transaction Type	kWh	Charges (\$)			Total
			Demand	Fuel	Other	
Midwest ISO	Econ Sale	85,980,820			3,539,484	3,539,484
Big Rivers Electric Corporation	CRSG	18,000			855	855
First Energy Services Corp.	CRSG	4,000			290	290
LGE/KU	CRSG	2,000			94	94
Lincoln Electric System	CRSG	1,000			76	76
Manitoba Hydro Electric Board	CRSG	1,000			56	56
MidAmerican Energy Company	CRSG	7,000			483	483
Nebraska Public Power District	CRSG	1,000			78	78
Northern Indiana Public Service Company	CRSG	2,000			0	0
	Total Sales	86,016,820	0	0	3,541,416	3,541,416

Legend
CRSG - MISO Contingency Reserve Sharing Group Agreement

DUKE ENERGY KENTUCKY

Resource Type:
Month Ended:

Monthly Billing Summary for Non-Native Sales
April 30, 2007

STAFF-DR-01-012 Attach

Supplier/Buyer	Transaction Type	kWh	Charges (\$)			Total
			Demand	Fuel	Other	
Midwest ISO	Econ Sale	0			0	0
Big Rivers Electric Corporation	CRSG	20,000			947	947
First Energy Services Corp.	CRSG	4,000			143	143
LGE/KU	CRSG	3,000			75	75
Lincoln Electric System	CRSG	1,000			13	13
Manitoba Hydro Electric Board	CRSG	1,000			63	63
Northern States Power Co.	CRSG	1,000			32	32
	Total Sales	30,000	0	0	1,274	1,274

Legend

CRSG - MISO Contingency Reserve Sharing Group Agreement

DUKE ENERGY KENTUCKY

Resource Type:
Month Ended:

Monthly Billing Summary for Non-Native Sales
May 30, 2007

STAFF-DR-01-012 Attach

Supplier/Buyer	Transaction Type	kWh	Charges (\$)			Total
			Demand	Fuel	Other	
Midwest ISO	Econ Sales	0			0	0
Big Rivers Electric Corporation	CRSG	12,000			538	538
Consumers Energy Co.	CRSG	3,000			142	142
Detroit Edison Company	CRSG	3,000			68	68
East Kentucky Power Cooperative, Inc.	CRSG	3,000			0	0
First Energy Services Co.	CRSG	11,000			532	532
Great River Energy	CRSG	2,000			156	156
LGE/KU	CRSG	4,000			78	78
Lincoln Electric System	CRSG	1,000			11	11
Manitoba hydro Electric Board	CRSG	6,000			237	237
MidAmerican Energy Company	CRSG	5,000			117	117
Northern States Power Co.	CRSG	1,000			73	73
Omaha Public Power District	CRSG	2,000			29	29
WAPA UGPR E	CRSG	4,000			279	279
Wisconsin Power and Light	CRSG	1,000			11	11
Total Sales		58,000	0	0	2,271	2,271

Legend

CRSG - MISO Contingency Reserve Sharing Group Agreement

DUKE ENERGY KENTUCKY

STAFF-DR-01-012 Attach

Resource Type:
Month Ended:

Monthly Billing Summary for Non-Native Sales
June 30, 2007

Supplier/Buyer	Transaction Type	kWh	Charges (\$)			Total
			Demand	Fuel	Other	
Midwest ISO	Econ Sales	3,549,400			79,577	79,577
Big Rivers Electric Corporation	CRSG	12,000			835	835
Detroit Edison Company	CRSG	3,000			228	228
East Kentucky Power Cooperative, Inc.	CRSG	5,000			359	359
FirstEnergy Services Co.	CRSG	6,000			254	254
LGE/KU	CRSG	12,000			298	298
Manitoba Hydro Electric Board	CRSG	2,000			80	80
MidAmerican Energy Company	CRSG	4,000			296	296
Northern Indiana Public Service Company	CRSG	2,000			152	152
Northern States Power Co.	CRSG	2,000			144	144
Omaha Public Power District	CRSG	2,000			121	121
Total Sales		3,599,400	0	0	82,344	82,344

Legend
CRSG - MISO Contingency Reserve Sharing Group Agreement

DUKE ENERGY KENTUCKY

STAFF-DR-01-012 Attach

Resource Type:
Month Ended:

Monthly Billing Summary for Non-Native Sales
July 31, 2007

Supplier/Buyer	Transaction Type	kWh	Charges (\$)			
			Demand	Fuel	Other	Total
Midwest ISO	Econ Sales	17,452,000			390,701	390,701
Ameren Services Company (Ameren Services E)	CRSG	4,000			138	138
Basin Electric Power Cooperative (BasinElecCoop EM)	CRSG	4,000			179	179
Big Rivers Electric Corporation	CRSG	3,000			177	177
Detroit Edison Company	CRSG	7,000			174	174
FirstEnergy Services Co.	CRSG	6,000			418	418
LGE/KU	CRSG	3,000			109	109
MidAmerican Energy Company	CRSG	3,000			100	100
Missouri River Energy Services (MRES E)	CRSG	1,000			77	77
Nebraska Public Power District (NPPD E)	CRSG	4,000			303	303
Northern Indiana Public Service Company	CRSG	13,000			760	760
Total Sales		17,500,000	0	0	393,136	393,136

Legend

CRSG - MISO Contingency Reserve Sharing Group Agreement

DUKE ENERGY KENTUCKY

STAFF-DR-01-012 Attach

Resource Type:
Month Ended:

Monthly Billing Summary for Non-Native Sales
August 31, 2007

Supplier/Buyer	Transaction Type	kWh	Charges (\$)			Total
			Demand	Fuel	Other	
Midwest ISO	Econ Sales	3,549,780			92,218	92,218
Ameren Services Company (Ameren Services E)	CRSG	3,000			190	190
Detroit Edison Company (The) (Detroit Edison Co E)	CRSG	3,000			0	0
East Kentucky Power Cooperative, Inc. (East KY PowerCoopEEM)	CRSG	2,000			93	93
LGE/KU (LGE/KU E)	CRSG	15,000			113	113
Manitoba Hydro Electric Board (The) (Manitoba Hydro E)	CRSG	1,000			49	49
Northern Indiana Public Service Company (North IN Pub Sv E EM)	CRSG	4,000			221	221
Omaha Public Power District (Omaha Public PD E)	CRSG	2,000			11	11
Total Sales		<u>3,579,780</u>	<u>0</u>	<u>0</u>	<u>92,895</u>	<u>92,895</u>

Legend

CRSG - MISO Contingency Reserve Sharing Group Agreement

DUKE ENERGY KENTUCKY

STAFF-DR-01-012 Attach

Resource Type:
Month Ended:

Monthly Billing Summary for Non-Native Sales
September 30, 2007

Supplier/Buyer	Transaction Type	kWh	Charges (\$)			Total
			Demand	Fuel	Other	
Midwest ISO	Econ Sales	31,391,300			896,504	896,504
Big Rivers Electric Corporation (Big Rivers Elec Co E)	CRSG	3,000			0	0
FirstEnergy Services Co. (FirstEnergy Srv Co E)	CRSG	4,000			189	189
Indianapolis Power & Light Company (Indianapolis Pwr&Lt E)	CRSG	4,000			292	292
LGE/KU (LGE/KU E)	CRSG	5,000			233	233
MidAmerican Energy Company (MidAmerican Energy E)	CRSG	2,000			1	1
Northern States Power Co. (Northern Stats Pwr E)	CRSG	1,000			21	21
Total Sales		31,410,300	0	0	897,240	897,240

Legend

CRSG - MISO Contingency Reserve Sharing Group Agreement

DUKE ENERGY KENTUCKY

STAFF-DR-01-012 Attach

Resource Type:
Month Ended:

Monthly Billing Summary for Non-Native Sales
October 31, 2007

Supplier/Buyer	Transaction Type	kWh	Charges (\$)			Total
			Demand	Fuel	Other	
Midwest Independent System Operator	Econ Sales	62,130,360			2,562,794	2,562,794
Basin Electric Power Cooperative	CRSG	1,000			26	26
Big Rivers Electric Corporation	CRSG	51,000			2,791	2,791
FirstEnergy Services Co.	CRSG	4,000			236	236
LGE/KU	CRSG	2,000			111	111
Manitoba Hydro Electric Board	CRSG	18,000			938	938
Northern States Power Co.	CRSG	2,000			131	131
Southern Minnesota Municipal Power Agency	CRSG	1,000			53	53
WAPA UGPR E	CRSG	1,000			26	26
						0
		<u>62,210,360</u>	<u>0</u>	<u>0</u>	<u>2,567,106</u>	<u>2,567,106</u>

Legend

CRSG - MISO Contingency Reserve Sharing Group Agreement

DUKE ENERGY KENTUCKY

STAFF-DR-01-012 Attach

Resource Type:
Month Ended:

Monthly Billing Summary for Non-Native Sales
November 30, 2007

Supplier/Buyer	Transaction Type	kWh	Charges (\$)			
			Demand	Fuel	Other	Total
Midwest Independent System Operator	Econ Sales	27,178,890			990,630	990,630
Basin Electric Power Cooperative	CRSG	8,000			335	335
Big Rivers Electric Corporation	CRSG	29,000			2,081	2,081
Detroit Edison Company	CRSG	3,000			171	171
East Kentucky Power Cooperative, Inc.	CRSG	3,000			79	79
FirstEnergy Services Co.	CRSG	9,000			402	402
LGE/KU	CRSG	7,000			377	377
Manitoba Hydro Electric Board	CRSG	2,000			153	153
Nebraska Public Power District	CRSG	3,000			119	119
Northern Indiana Public Service Company	CRSG	2,000			120	120
Northern States Power Co.	CRSG	2,000			114	114
WAPA UGPR E	CRSG	16,000			927	927
						0
		<u>27,262,890</u>	<u>0</u>	<u>0</u>	<u>995,508</u>	<u>995,508</u>

Legend

CRSG - MISO Contingency Reserve Sharing Group Agreement

DUKE ENERGY KENTUCKY

STAFF-DR-01-012 Attach

Resource Type:
Month Ended:

Monthly Billing Summary for Non-Native Sales
December 31, 2007

Supplier/Buyer	Transaction Type	kWh	Charges (\$)			
			Demand	Fuel	Other	Total
Midwest Independent System Operator	Econ Sales	38,793,070			1,453,035	1,453,035
Northern States Power Co.	CRSG	2,000			82	82
LGE/KU	CRSG	4,000			208	208
Big Rivers Electric Corporation	CRSG	11,000			829	829
MidAmerican Energy Company	CRSG	3,000			84	84
East Kentucky Power Cooperative, Inc.	CRSG	7,000			525	525
Detroit Edison Company	CRSG	3,000			71	71
Basin Electric Power Cooperative	CRSG	2,000			100	100
WAPA UGPR E	CRSG	38,000			1,968	1,968
FirstEnergy Services Co.	CRSG	4,000			249	249
Missouri River Energy Services	CRSG	2,000			151	151
						0
		<u>38,869,070</u>	<u>0</u>	<u>0</u>	<u>1,457,302</u>	<u>1,457,302</u>

Legend

CRSG - MISO Contingency Reserve Sharing Group Agreement

DUKE ENERGY KENTUCKY

STAFF-DR-01-012 Attach

Resource Type:
Month Ended:

Monthly Billing Summary for Non-Native Sales
January 31, 2008

Supplier/Buyer	Transaction Type	kWh	Charges (\$)			
			Demand	Fuel	Other	Total
Midwest Independent System Operator	Econ Sales	29,633,320			1,138,304	1,138,304
Northern States Power Co.	CRSG	1,000			45	45
LGE/KU	CRSG	9,000			515	515
Big Rivers Electric Corporation	CRSG	4,000			29	29
Northern Indiana Public Service Company	CRSG	3,000			42	42
MidAmerican Energy Company	CRSG	1,000			0	0
East Kentucky Power Cooperative, Inc.	CRSG	9,000			224	224
Detroit Edison Company	CRSG	4,000			177	177
Manitoba Hydro Electric Board	CRSG	1,000			86	86
Basin Electric Power Cooperative	CRSG	2,000			105	105
Consumers Energy Co.	CRSG	2,000			154	154
FirstEnergy Services Co.	CRSG	13,000			806	806
		<u>29,682,320</u>	<u>0</u>	<u>0</u>	<u>1,140,487</u>	<u>1,140,487</u>

Legend

CRSG - MISO Contingency Reserve Sharing Group Agreement

DUKE ENERGY KENTUCKY

STAFF-DR-01-012 Attach

Resource Type:
Month Ended:

Monthly Billing Summary for Non-Native Sales
February 29, 2008

Supplier/Buyer	Transaction Type	kWh	Charges (\$)			
			Demand	Fuel	Other	Total
Midwest Independent System Operator	Econ Sales	26,682,620			1,261,363	1,261,363
LGE/KU	CRSG	8,000			399	399
Big Rivers Electric Corporation	CRSG	4,000			196	196
MidAmerican Energy Company	CRSG	5,000			224	224
Omaha Public Power District (Omaha Public PD E)	CRSG	1,000			56	56
FirstEnergy Services Co. (FirstEnergy Srv Co E)	CRSG	8,000			458	458
Ameren Services Company (Ameren Services E)	CRSG	4,000			220	220
		<u>26,712,620</u>	<u>0</u>	<u>0</u>	<u>1,262,917</u>	<u>1,262,917</u>

Legend

CRSG - MISO Contingency Reserve Sharing Group Agreement

DUKE ENERGY KENTUCKY

STAFF-DR-01-012 Attach

Resource Type:
Month Ended:

Monthly Billing Summary for Non-Native Sales
March 31, 2008

Supplier/Buyer	Transaction Type	kWh	Charges (\$)			
			Demand	Fuel	Other	Total
Midwest Independent System Operator	Econ Sales	59,376,507			2,982,144	2,982,144
Basin Electric Power Cooperative	CRSG	1,000			73	73
Big Rivers Electric Corporation	CRSG	48,000			1,511	1,511
East Kentucky Power Cooperative, Inc.	CRSG	3,000			132	132
FirstEnergy Services Co.	CRSG	11,000			555	555
LGE/KU	CRSG	16,000			587	587
Manitoba Hydro Electric Board	CRSG	6,000			353	353
MidAmerican Energy Company	CRSG	2,000			234	234
Northern Indiana Public Service Company	CRSG	3,000			123	123
Northern States Power Co.	CRSG	1,000			47	47
Omaha Public Power District	CRSG	1,000			64	64
Southern Minnesota Municipal Power Agency	CRSG	1,000			47	47
		59,469,507	0	0	2,985,870	2,985,870

Legend

CRSG - MISO Contingency Reserve Sharing Group Agreement

DUKE ENERGY KENTUCKY

STAFF-DR-01-012 Attach

Resource Type:
Month Ended:

Monthly Billing Summary for Non-Native Sales
April 30, 2008

Supplier/Buyer	Transaction Type	kWh	Charges (\$)			
			Demand	Fuel	Other	Total
Midwest Independent System Operator	Econ Sales	5,173,800			266,286	266,286
Basin Electric Power Cooperative	CRSG	1,000			60	60
Big Rivers Electric Corporation	CRSG	9,000			549	549
East Kentucky Power Cooperative, Inc.	CRSG	5,000			272	272
FirstEnergy Services Co.	CRSG	9,000			712	712
Manitoba Hydro Electric Board	CRSG	1,000			29	29
MidAmerican Energy Company	CRSG	1,000			126	126
Northern Indiana Public Service Company	CRSG	4,000			310	310
		<u>5,203,800</u>	<u>0</u>	<u>0</u>	<u>268,344</u>	<u>268,344</u>

Legend

CRSG - MISO Contingency Reserve Sharing Group Agreement

DUKE ENERGY KENTUCKY

STAFF-DR-01-012 Attach

Resource Type:
Month Ended:

Monthly Billing Summary for Non-Native Sales
May 31, 2008

Supplier/Buyer	Transaction Type	kWh	Charges (\$)			Total
			Demand	Fuel	Other	
Midwest Independent System Operator	Econ Sales	58,336,080			2,580,069	2,580,069
Basin Electric Power Cooperative	CRSG	1,000			77	77
Big Rivers Electric Corporation	CRSG	43,000			2,575	2,575
Consumers Energy Co.	CRSG	2,000			198	198
FirstEnergy Services Co.	CRSG	8,000			500	500
Indianapolis Power & Light Company	CRSG	1,000			60	60
LGE/KU	CRSG	3,000			214	214
Manitoba Hydro Electric Board	CRSG	2,000			95	95
MidAmerican Energy Company	CRSG	1,000			67	67
Northern Indiana Public Service Company	CRSG	2,000			185	185
Nothern States Power Co.	CRSG	1,000			55	55
		58,400,080	0	0	2,584,095	2,584,095

Legend

CRSG - MISO Contingency Reserve Sharing Group Agreement

DUKE ENERGY KENTUCKY

STAFF-DR-01-012 Attach

Resource Type:
Month Ended:

Monthly Billing Summary for Non-Native Sales
June 30, 2008

Supplier/Buyer	Transaction Type	kWh	Charges (\$)			
			Demand	Fuel	Other	Total
Midwest Independent System Operator	Econ Sales	24,344,970			1,186,847	1,186,847
Ameren Services Company (Ameren Services E)	CRSG	4,000			0	0
Big Rivers Electric Corporation (Big Rivers Elec Co E)	CRSG	39,000			2,193	2,193
East Kentucky Power Cooperative, Inc. (East KY PowerCoopEEM)	CRSG	4,000			109	109
FirstEnergy Services Co. (FirstEnergy Srv Co E)	CRSG	11,000			619	619
LGE/KU (LGE/KU E)	CRSG	6,000			0	0
Manitoba Hydro Electric Board (The) (Manitoba Hydro E)	CRSG	15,000			1,290	1,290
MidAmerican Energy Company (MidAmerican Energy E)	CRSG	11,000			146	146
Nebraska Public Power District (NPPD E)	CRSG	3,000			141	141
		24,437,970	0	0	1,191,345	1,191,345

Legend
CRSG - MISO Contingency Reserve Sharing Group Agreement

DUKE ENERGY KENTUCKY

STAFF-DR-01-012 Attach

Resource Type:
Month Ended:

Monthly Billing Summary for Non-Native Sales
July 31, 2008

Supplier/Buyer	Transaction Type	kWh	Charges (\$)			
			Demand	Fuel	Other	Total
Midwest Independent System Operator	Econ Sales	11,330,070			437,391	437,391
Big Rivers Electric Corporation	CRSG	58,000			2,174	2,174
Consumers Energy Co.	CRSG	1,000			74	74
East Kentucky Power Cooperative, Inc.	CRSG	2,000			133	133
FirstEnergy Services Co.	CRSG	2,000			143	143
LGE/KU	CRSG	6,000			39	39
Manitoba Hydro Electric Board	CRSG	2,000			75	75
MidAmerican Energy Company	CRSG	12,000			429	429
Northern Indiana Public Service Company	CRSG	2,000			153	153
Northern States Power Co.	CRSG	1,000			47	47
Southern Minnesota Municipal Power Agency	CRSG	1,000			83	83
		<u>11,417,070</u>	<u>0</u>	<u>0</u>	<u>440,741</u>	<u>440,741</u>

Legend

CRSG - MISO Contingency Reserve Sharing Group Agreement

DUKE ENERGY KENTUCKY

STAFF-DR-01-012 Attach

Resource Type:
Month Ended:

Monthly Billing Summary for Non-Native Sales
August 31, 2008

Supplier/Buyer	Transaction Type	kWh	Charges (\$)			
			Demand	Fuel	Other	Total
Midwest Independent System Operator	Econ Sales	8,006,890			346,577	346,577
Ameren Services Company	CRSG	3,000			86	86
Basin Electric Power Cooperative	CRSG	2,000			143	143
Big Rivers Electric Corporation	CRSG	173,000			8,288	8,288
FirstEnergy Services Co.	CRSG	3,000			96	96
LGE/KU	CRSG	5,000			0	0
Manitoba Hydro Electric Board	CRSG	1,000			65	65
MidAmerican Energy Company	CRSG	1,000			57	57
Nebraska Public Power District	CRSG	1,000			81	81
Northern Indiana Public Service Company	CRSG	1,000			0	0
		<u>8,196,890</u>	<u>0</u>	<u>0</u>	<u>355,393</u>	<u>355,393</u>

Legend

CRSG - MISO Contingency Reserve Sharing Group Agreement

DUKE ENERGY KENTUCKY

Resource Type:
Month Ended:

Monthly Billing Summary for Non-Native Sales
September 30, 2008

STAFF-DR-01-012 Attach

Supplier/Buyer	Transaction Type	kWh	Charges (\$)			Total
			Demand	Fuel	Other	
Midwest Independent System Operator	Econ Sales	34,629,120			1,477,970	1,477,970
Big Rivers Electric Corporation	CRSG	46,000			1,474	1,474
FirstEnergy Services Co.	CRSG	5,000			260	260
Indianapolis Power & Light Company	CRSG	4,000			41	41
LGE/KU	CRSG	2,000			95	95
MidAmerican Energy Company	CRSG	2,000			65	65
Nebraska Public Power District	CRSG	4,000			91	91
Northern States Power Co.	CRSG	1,000			81	81
		<u>34,693,120</u>	<u>0</u>	<u>0</u>	<u>1,480,077</u>	<u>1,480,077</u>

Legend

CRSG - MISO Contingency Reserve Sharing Group Agreement

DUKE ENERGY KENTUCKY

STAFF-DR-01-012 Attach

Resource Type:
Month Ended:

Monthly Billing Summary for Non-Native Sales
October 31, 2008

Supplier/Buyer	Transaction Type	kWh	Charges (\$)			
			Demand	Fuel	Other	Total
Midwest Independent System Operator	Econ Sales	25,691,470			1,190,578	1,190,578
Big Rivers Electric Corporation	CRSG	19,000			1,000	1,000
East Kentucky Power Cooperative, Inc.	CRSG	2,000			117	117
FirstEnergy Services Co.	CRSG	6,000			162	162
Manitoba Hydro Electric Board	CRSG	2,000			55	55
MidAmerican Energy Company	CRSG	1,000			45	45
Northern Indiana Public Service Company	CRSG	7,000			438	438
		<u>25,728,470</u>	<u>0</u>	<u>0</u>	<u>1,192,395</u>	<u>1,192,395</u>

Legend

CRSG - MISO Contingency Reserve Sharing Group Agreement

Duke Energy Kentucky, Inc.
Case No. 2008-00522
First Set Staff Data Requests
Date Received: January 23, 2009

STAFF-DR-01-013

REQUEST:

- a. Provide a schedule of the calculation of the 12-month average line loss by month for November 2006 through October 2008.
- b. Describe the actions that Duke Kentucky has taken to reduce line loss during this period.

RESPONSE:

- a. See Attachment STAFF-DR-01-013.
- b. Changes to the DE-Kentucky transmission and distribution systems are based on meeting planning criteria, which are intended to provide reliable system performance in a cost-effective manner. Loss reduction is a secondary goal, which may be considered, when appropriate, in deciding between various alternatives, which serve the primary purpose of maintaining system performance. Typical system reinforcement projects do often result in reduced system losses. System projects completed by DE-Kentucky from November 2006, through October 2008 which would be expected to have a loss reduction impact include the following:

Transmission System Improvements:

- installation of a 150 MVA 138-69 kV transformer in a new substation (Blackwell)
- installation of a 28.8 MVar 69 kV capacitor bank in Wilder substation

Distribution System Improvements:

- installation of 4 new 12 kV distribution system supply transformers with a total capacity of 88.9 MVA
- installation of approximately 15 distribution feeder capacitor banks with a total capacity of 18.6 MVar

PERSON RESPONSIBLE: William Don Wathen Jr.

Duke Energy Kentucky
12 Month Average Line Loss
December 2006 - October 2008

(1)	(2)	(3)	(4)	(5)	(6)
Month	Total kWh Sources 12 Months Ended Current Month	Total kWh System Losses 12 Months Ended Current Month	12 Months End % Losses (3) / (2)	Total kWh Sources Current Month	Current Month Calculates System Losses (kWh) (4) x (5)
Dec-06	4,025,424,560	138,808,728	3.448300%	339,233,140	11,697,776
Jan-07	4,055,305,090	155,016,268	3.822560%	361,348,560	13,812,766
Feb-07	4,105,024,890	163,888,702	3.992390%	364,713,140	14,560,771
Mar-07	4,110,607,441	167,684,863	4.079320%	331,111,391	13,507,093
Apr-07	4,130,148,881	159,358,126	3.858410%	304,327,890	11,742,218
May-07	4,165,499,350	174,187,783	4.181680%	345,864,449	14,462,944
Jun-07	4,203,299,460	172,691,766	4.108480%	384,661,510	15,803,741
Jul-07	4,191,126,915	173,537,145	4.140580%	399,850,626	16,556,135
Aug-07	4,240,052,895	192,902,135	4.549520%	478,626,710	21,775,218
Sep-07	4,310,443,735	199,834,590	4.636060%	378,193,570	17,533,281
Oct-07	4,333,366,105	209,014,855	4.823380%	335,468,520	16,180,921
Nov-07	4,338,085,405	207,460,471	4.782300%	314,685,900	15,049,224
Dec-07	4,357,474,825	214,660,680	4.926260%	358,622,560	17,666,680
Jan-08	4,381,688,645	215,425,475	4.916490%	385,562,380	18,956,136
Feb-08	4,369,572,315	210,996,450	4.828770%	352,596,810	17,026,089
Mar-08	4,379,665,914	208,212,651	4.754080%	341,204,990	16,221,158
Apr-08	4,376,704,454	220,753,918	5.043840%	301,366,430	15,200,441
May-08	4,336,311,526	204,874,805	4.724630%	305,471,520	14,432,399
Jun-08	4,334,769,746	227,655,661	5.251850%	383,119,730	20,120,874
Jul-08	4,352,421,260	219,875,183	5.051790%	417,502,140	21,091,331
Aug-08	4,283,553,080	208,526,923	4.868080%	409,758,530	19,947,373
Sep-08	4,256,250,560	202,231,204	4.751390%	350,891,050	16,672,202
Oct-08	4,236,407,080	211,825,619	5.000120%	315,625,040	15,781,631
Nov-08	4,241,629,560	216,915,067	5.113960%	319,908,380	16,359,987

Duke Energy Kentucky, Inc.
Case No. 2008-00522
First Set Staff Data Requests
Date Received: January 23, 2009

STAFF-DR-01-014

REQUEST:

List Duke Kentucky's scheduled, actual, and forced outages between May 1, 2008 and October 31, 2008.

RESPONSE:

Please see Attachment KyPSC-DR-01-014.

PERSON RESPONSIBLE: John Swez

Duke Kentucky
 East Bend Unit 2
 May 2008 - Oct 2008

MONTH	MAINTENANCE		HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled	Actual	Scheduled	Actual	
	FROM	TO	FROM	TO	
May					
Jun					
Jul					
Aug					
Sep					
Oct					
	6/28/2008	6/27/2008			
	7/15/2008	7/15/2008			
	8/4/2008	8/5/2008			
	8/7/2008	8/11/2008			
	8/7/2008	8/11/2008			
	10/7/2008	10/9/2008			
	10/19/2008	10/20/2008			
	10/30/2008	10/31/2008			
			16.46		Failed Bailey Power Supply Cards
			2.82		2-1 Service Water Pump Motor went to ground
			29.20		2-3 SAH Dropped A Basket Causing Header to Lock Up
			78.22	79.22	Boiler Tube Leak in the #10 SSH Pleten
			35.20		EHC Fluid Line to the Governor Valves Failed Resulting in EHC Fluid Leak
			21.20		Leak in the Gland Seal Water Line to the BFF
			1.82		Unit was Manually Tripped after Lost Power to Coal Feeders

Duke Kentucky
 Miami Fort Unit 6
 May 2008 - Oct 2008

MONTH	MAINTENANCE		Actual		HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	FROM	TO	FROM	TO	Scheduled	Actual	
May	5/16/2008	5/25/2008	5/16/2008	5/25/2008	202.15	202.15	Collector Ring Replacement
June							
Jul							
Aug							
Sep							
Oct	10/29/2008	10/31/2008	10/27/2008 10/29/2008	10/29/2008 10/31/2008	52.97	52.97	480V Normal Supply Feed "B" Bus Tripped
							Tube Leak - Top of PSH Repair HTSH Crossovers

Duke Kentucky
 Woodside Unit 1
 May 2008 - Oct 2008

MONTH	MAINTENANCE		HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled	Actual	Scheduled	Actual	
May					
Jun					
Jul					
Aug					
Sep					
Oct					

MONTH	FROM	TO	FROM	TO	Scheduled	Actual	Reason
	7/10/2008	7/12/2008	7/10/2008	7/12/2008	0.22	0.28	Starting Device Not On
	7/12/2008	7/12/2008	7/12/2008	7/12/2008	0.28	0.28	Natural Gas Valve Left In manual
	8/28/2008	8/28/2008	8/28/2008	8/28/2008	0.53	0.53	Gas Valve Not Open
	9/12/2008	9/14/2008	9/12/2008	9/14/2008	42.10	42.10	Jacking Oil Pump Failure
	10/27/2008	10/27/2008	10/27/2008	10/27/2008	6.00	6.00	Boroscope Inspection

Duke Kentucky
 Wooddale Unit 2
 May 2008 - Oct 2008

MONTH	MAINTENANCE		HOURS OF DURATION			REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled FROM	Scheduled TO	Scheduled	Forced	Actual	
May						
June						
Jul						
Aug						
Sep						
Oct						

Duke Kentucky
 Woodside Unit 3
 May 2008 - Oct 2008

MONTH	MAINTENANCE		HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled	Actual	Scheduled	Actual	
May					
Jun					
Jul		7/10/2008		0.18	SFC Not On
Aug					
Sep		9/6/2008		0.92	Shutdown Blowoff Valve would Not Close
Oct	10/27/2008	10/27/2008	12.33	12.33	Borescope Inspection

Duke Kentucky
 Woodside Unit 4
 May 2008 - Oct 2008

MONTH	MAINTENANCE		HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled	Actual	Scheduled	Actual	
May					
Jun					
Jul					
Aug					
Sep					
Oct	10/8/2008	10/8/2008	2027.00	2027.00	Open Open Fall Outage

Duke Kentucky
 Wooddale Unit 5
 May 2008 - Oct 2008

MONTH	MAINTENANCE				REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE		
	Scheduled FROM	Scheduled TO	Actual FROM	Actual TO	Scheduled	Forecast	Actual
May							
Jun			6/21/2008	6/21/2008		1.00	
Jul							Loss of Water Injection
Aug			8/28/2008 8/31/2008	8/28/2008 8/31/2008		3.25 2.22	Water Injection Problem Water Injection Problem
Sep							
Oct	10/28/2008	10/28/2008	10/28/2008	10/28/2008	4.00	4.00	Boroscope Inspection

Duke Kentucky
 Woodstate Unit 6
 May 2008 - Oct 2008

MONTH	MAINTENANCE		HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled FROM	TO	Scheduled	Actual	
May					
Jun					
Jul					
Aug					
Sep					
Oct	10/28/2008	10/28/2008	10.00	10.00	Boroscope Inspection

Duke Energy Kentucky, Inc.
Case No. 2008-00522
First Set Staff Data Requests
Date Received: January 23, 2009

STAFF-DR-01-015

REQUEST:

For each existing fuel contract categorized as long-term (i.e., more than 1 year in length), provide:

- a. Supplier's name and address;
- b. Name and location of production facility;
- c. Date contract executed;
- d. Duration of contract;
- e. Date of each contract revision, modification, or amendment;
- f. Annual tonnage requirements;
- g. Actual annual tonnage received since the contract's inception;
- h. Percent of annual requirements received during the contract's term;
- i. Base price;
- j. Total amount of price escalations to date; and
- k. Current price paid for coal under the contract (i + j).

RESPONSE:

MIAMI FORT:

- a. Supplier's name and address.

Peabody COALSALES Company
701 Market St.
St. Louis, MO 63101-1826

b. Name and location of production facility.

Arclar
Saline County, IL

Somerville
Gibson Co., IN

Highland
Henderson Co.. KY

c. Date when contract was executed.

January 1, 2008

d. Duration of contract.

January 2008 – December 2010

e. Date(s) of each contract revision, modification or amendment.

March 19, 2008
March 27, 2008
November 23, 2008
December 9, 2008

f. Annual tonnage requirements.

2,200,000 tons in 2008
2,500,000 tons 2009-2010

g. Actual tonnage received since the contract's inception.

See Attachment KyPSC-DR-01-015(a)

h. Percent of annual requirements received during the contract's term.

2008 - 97.46% through December

i. Base price.

2008	\$39.40/ton	\$36.31/ton	\$31.84/ton
2009	\$40.39/ton	\$37.23/ton	\$33.50/ton
2010	\$41.23/ton	\$38.66/ton	\$34.64/ton

- j. Total amount of price escalations to date.
Fixed Pricing
- k. Current price paid for coal under for the contract (i ÷ j).
See response to KyPSC-DR-01-015(i) above.

- a. Supplier's name and address.

The American Coal Company
101 Prosperous Place, Suite 125
Lexington, KY 40509

- b. Name and location of production facility.

Galatia Mine
Saline County, IL

- c. Date when contract was executed.

June 27, 2005

- d. Duration of contract.

September 1, 2005 – August 31, 2015

- e. Date(s) of each contract revision, modification or amendment.

July 14, 2006
June 1, 2008

- f. Annual tonnage requirements.

300,000 tons

- g. Actual tonnage received since the contract's inception.

See Attachment KyPSC-DR-01-015(b)

- h. Percent of annual requirements received during the contract's term.

2005	-	92.8%
2006	-	97.3%
2007	-	98.6%
2008	-	94.1%

i. Base price.

2005 \$37.05/ton

j. Total amount of price escalations to date.

9/1/2005 – 1/31/2006	\$37.96/ton
2/1/2006 – 7/31/2006	\$38.78/ton
8/1/2006 – 11/12/2006	\$40.87/ton
11/13/2006 – 12/31/2006	\$39.56/ton
1/1/2007 – 1/31/2007	\$40.01/ton
2/1/2007 – 7/31/2007	\$40.44/ton
8/1/2007 – 1/31/2008	\$40.52/ton
2/1/2008 – 5/31/2008	\$41.48/ton
6/1/2008 – 12/31/2008	\$56.00/ton

k. Current price paid for coal under for the contract (i ÷ j).

See response to KyPSC-DR-01-015(j).

a. Supplier's name and address.

Cumberland Coal Resources, LP
 C/O Foundation Energy Sales, Inc.
 999 Corporate Blvd., Suite 300
 Linthicum Heights, MD 21090

b. Name and location of production facility.

Cumberland Mine
 Greene County, PA

c. Date when contract was executed.

March 1, 2005

d. Duration of contract.

January 1, 2006 – December 31, 2008

e. Date(s) of each contract revision, modification or amendment.

January 19, 2006
January 26, 2006
May 1, 2007
October 1, 2007
November 8, 2007

f. Annual tonnage requirements.

600,000 tons in 2006
1,200,000 tons in 2007 and 2008

g. Actual tonnage received since the contract's inception.

See Attachment KyPSC-DR-01-015(c).

h. Percent of annual requirements received during the contract's term.

2006	-	100.0%
2007	-	92.9%
2008	-	100.0%

i. Base price.

2006-2008 \$40.00/ ton

j. Total amount of price escalations to date.

\$0.26/ton government imposition imposed 1/1/2007

k. Current price paid for coal under for the contract (i ÷ j).

\$40.26/ton

a. Supplier's name and address.

Hopkins County Coal, LLC
1717 South Boulder Avenue
Tulsa, OK 74119

b. Name and location of production facility.

Elk Creek Mine
near Madisonville in Hopkins County, KY

- c. Date when contract was executed.
January 25, 2008
- d. Duration of contract.
January 1, 2008 – December 31, 2008
- e. Date(s) of each contract revision, modification or amendment.
February 25, 2008
July 10, 2008
December 4, 2008
- f. Annual tonnage requirements.
300,000 tons in 2008
Revised to 315,500 tons per December 4 amendment
- g. Actual tonnage received since the contract's inception.
See Attachment KyPSC-DR-01-015(d)
- h. Percent of annual requirements received during the contract's term.
2008 - 99.7% thru December
- i. Base price.
2008 - \$39.03/ton
- j. Total amount of price escalations to date.
\$41.19 per amendment 1
\$62.00 per amendment 3 for additional 15,500 tons
- k. Current price paid for coal under for the contract (i ÷ j).
\$62.00/ton
- a. Supplier's name and address.

Williamson Energy, LLC
430 Harper Park Dr.
Beckley, WV 25801

- b. Name and location of production facility.

Pond Creek Mine
Williamson and Franklin County, IL

- c. Date when contract was executed.

May 25, 2007

- d. Duration of contract.

June 2007 – December 31, 2009

- e. Date(s) of each contract revision, modification or amendment.

December 20, 2007

May 30, 2008

June 1, 2008

June 1, 2008

- f. Annual tonnage requirements.

70,000 tons in 2007

500,000 tons in 2008 – Revised to 168,702.60 tons

1,000,000 tons in 2009 – Revised to 126,867.00 tons

- g. Actual tonnage received since the contract's inception.

See Attachment KyPSC-DR-01-015(e)

- h. Percent of annual requirements received during the contract's term.

2007 - 102.7%

2008 - 101.9%

- i. Base price.

2007 - \$37.42/ton

2008 - \$37.42/ton

- j. Total amount of price escalations to date.

Fixed pricing

- k. Current price paid for coal under for the contract (i ÷ j).
\$37.42/ton
- a. Supplier's name and address.
Arch Coal Sales Company, Inc.
City PlaceOne, Suite 300
St. Louis, MO 63141
- b. Name and location of production facility.
Not specified.
- c. Date when contract was executed.
February 16, 2004
- d. Duration of contract.
January 2005 – March 2008
- e. Date(s) of each contract revision, modification or amendment.
March 4, 2005
March 20, 2005
March 26, 2005
- f. Annual tonnage requirements.
700,000 tons
- g. Actual annual tonnage received since the contract's inception.
See Attachment KyPSC-DR-01-015(f)
- h. Percent of annual requirements received during the contract's term.
2005 - 94.6%
2006 - 106.8%
2007 - 99.6%

- i. Base price.

2005	\$37.00/ton	
2006	\$38.25/ton	
2007	Product A	\$34.50/ton
	Product B	\$30.50/ton

- j. Total amount of price escalations to date.

Fixed pricing

- k. Current price paid for coal under the contract (i÷j)
 - a. See response to KyPSC-DR-01-015(i) above.

EAST BEND:

- a. **Oxford Mining Company, Inc. (10199)**
544 Chestnut Street
Coshocton, OH 43812

- b. Various Ohio Mines

- c. July 22, 2005

- d. December 31, 2009 (unless extended to 12/31/11)

- e. July 6, 2006

- f. 2006 = 500,000; 2007 = 1,000,000; 2008 = 600,000; 2009 = 600,000

- g. 2006 = 380,561; 2007 = 1,004,037; YTD 10/31/08 = 374,059

- h. 2006 = 76%; 2007 = 100.4%; YTD 10/31/08 = 74.8%

- i. 2006 = \$33.50; 2007 = \$34.25; 2008 = \$32.16

- j. 4th Qtr 2006 = 2.466; 4th Qtr 2007 = \$2.877; 3rd Qtr 2008 = \$7.545

- k. 4th Qtr 2006 = \$35.966; 4th Qtr 2007 = \$37.127; 3rd Qtr 2008 = \$39.705

- a. **CoalSales, LLC (10451)**
701 Market Street
St. Louis, MO 63101
- b. Arclar Coal Company, Saline or Gallatin Counties, Illinois
- c. December 29, 2005
- d. December 31, 2008
- e. Amendment dated 4/9/08
- f. 2006 = 700,000; 2007 = 700,000; 2008 = 300,000
- g. 2006 = 675,459 2007 = 659,572; YTD 10/31/08 = 271,276
- h. 2006 = 96%; 2007 = 94% YTD 10/31/08 = 108.5%
- i. 2006 = \$37.50; 2007 = \$38.44; 2008 = \$42.81
- j. 2006 4Q = \$3.75; 2007 4Q = \$3.98 3rd Qtr 2008 = \$3.65
- k. 2006 = \$41.25; 2007 4Q = \$42.42; 3rd Qtr 2008 = \$46.46

- a. **Patriot Coal Sales (HC 10054)**
701 Market Street
St. Louis, MO 63101
- b. Highland Operating Company, Henderson and Union Counties, Kentucky
- c. October 26, 2007
- d. January 1, 2008 to December 31, 2008
- e. none
- f. 2008 = 300,000
- g. YTD 10/31/08 = 254,271
- h. YTD 10/31/08 = 101.7%
- i. 2008 = \$30.50
- j. 1st Qtr 2008 = \$ 0.00

k. 1st Qtr 2008 = \$30.50

a. Charolais Coal Co (HC 10053)

Suite 3650
101 South Fifth Street
Louisville, KY 40202

b. Charolais Coal Company, Muhlenberg, Hopkins and Webster Counties, Kentucky

c. September 5, 2007

d. January 1, 2008 to December 31, 2009

e. Amendment 1 = March 1, 2008; Amendment 2 = March 17, 2008; Amendment 3
= July 15, 2008

f. 2008 = 500,000; 2009 = 500,000

g. YTD 10/31/08 = 256,235

h. YTD 10/31/08 = 61.5%

i. 2008 = \$32.00

j. 1st Qtr 2008 = \$0.00

k. 1st Qtr 2008 = \$32.00

a. Cumberland Coal Resources, LP (MC10450)

c/o Foundation Energy Sales, Inc.
999 Corporate Blvd., Suite 300
Linthicum Heights, MD 21090

b. Cumberland Coal Resources, Greene County, Pennsylvania

c. January 24, 2006

d. January 23, 2006 to December 31, 2006

e. Amendment 1 = August 7, 2006

f. 2006 = 310,000

g. YTD 2006 = 308,155

- h. YTD 2006 = 99.4%
- i. 1/23/06 = \$40.00 @ 250,000 tpy, 8/1/06 = \$38.73 @ 310,000 (Amendment 1 added 60,000 tons)
- j. No escalation
- k. 1/23/06 = \$40.00 @ 250,000 tpy, 8/1/06 = \$38.73 @ 310,000 (the first 180,000 tons @ \$40.00/ton, the next 130,000 tons @ \$38.73/ton)

WOODSDALE:

There are no long term contracts with suppliers that source and deliver gas to Company plants. The only long-term contracts that extend past one year are contracts with pipelines for transportation service.

PERSON RESPONSIBLE:

Ryan D. Gentil (Miami Fort 6)
Vincent E. Stroud (East Bend)
John D. Swez (Woodsdale)

COALSALES Arclar HC10331A

R:\Contracts Non-Reg\CoalSales Duke OH amended and restated executed 12-28-07.pdf
 R:\Contract Summaries\COALSALES - Arclar 2008-2010.doc

	Nominal Tons	Total Ordered	Payment Tons Shipped	Tons Unloaded	Delta		Tons Unloaded	12,100 Btu	Ash	10.00 Ash(AR)	Sul	5.00 Lbs SO2	10.00 Mois	\$/Ton	\$/MMBtu
Jan-08	25,000.00	25,000.00	36,264.84	36,131.60	11,264.84	Jan-08	36,264.84	12,243	8.85%	8.03%	2.74%	4.48	9.29%	\$41.322	1.688
Feb-08	25,000.00	25,000.00	29,247.58	29,882.90	4,247.58	Feb-08	29,247.58	12,204	8.33%	7.51%	2.59%	4.24	9.81%	\$41.861	1.707
Mar-08	25,000.00	25,000.00	26,762.78	27,307.30	1,762.78	Mar-08	26,762.78	12,141	9.03%	8.18%	2.62%	4.31	9.47%	\$41.822	1.714
Apr-08	25,000.00	25,000.00	14,975.40	14,823.00	-10,024.60	Apr-08	14,975.40	12,298	8.65%	7.89%	2.58%	4.20	8.81%	\$44.293	1.801
May-08	25,000.00	25,000.00	19,605.78	19,597.60	-5,394.22	May-08	19,605.78	12,172	8.68%	7.84%	2.59%	4.25	9.65%	\$41.307	1.697
Jun-08	25,000.00	25,000.00	34,829.15	34,333.70	8,829.15	Jun-08	34,828.65	12,192	8.38%	7.57%	2.55%	4.18	9.73%	\$41.565	1.705
Jul-08	25,000.00	25,000.00	12,105.51	11,942.10	-12,894.49	Jul-08	12,105.51	12,265	8.34%	7.58%	2.48%	4.05	9.29%	\$41.832	1.705
Aug-08	25,000.00	25,000.00	28,011.57	27,935.30	3,011.57	Aug-08	28,011.57	12,323	8.40%	7.88%	2.53%	4.11	8.78%	\$41.932	1.701
Sep-08	25,000.00	25,000.00	23,031.33	23,234.42	-1,988.67	Sep-08	23,031.33	12,313	8.59%	7.85%	2.65%	4.30	8.55%	\$41.857	1.692
Oct-08	25,000.00	25,000.00	20,348.44	20,461.29	-4,651.56	Oct-08	20,348.44	12,288	8.63%	7.86%	2.62%	4.28	8.93%	\$41.613	1.683
Nov-08	25,000.00	25,000.00	25,076.28	25,063.01	78.28	Nov-08	25,076.28	12,254	8.83%	7.82%	2.57%	4.19	9.33%	\$41.564	1.696
Dec-08	25,000.00	25,000.00	26,093.39	26,277.15	1,093.39	Dec-08	26,093.39	12,199	8.71%	7.88%	2.53%	4.14	9.57%	\$41.401	1.697
	300,000.00	300,000.00	296,351.83	296,989.37	-3,648.17		296,351.33	12,236	8.61%	7.81%	2.60%	4.24	9.31%	\$41.712	1.705

COALSALES Highland HC10331H

R:\Contracts Non-Reg\CoalSales Duke OH amended and restated executed 12-28-07.pdf
 R:\Contract Summaries\COALSALES - Highland 2008-2010.doc

	Nominal Tons	Total Ordered	Payment Tons Shipped	Tons Unloaded	Delta		Tons Unloaded	11,300 Btu	Ash	10.00 Ash(AR)	Sul	5.30 Lbs SO2	14.00 Mois	\$/Ton	\$/MMBtu
Jan-08	58,333.33	58,333.33	24,492.00	23,810.50	-33,841.33	Jan-08	24,492.00	11,292	10.25%	8.90%	2.95%	5.22	13.15%	\$36.900	1.634
Feb-08	58,333.33	58,333.33	99,827.00	100,809.90	41,493.87	Feb-08	99,827.00	11,392	10.00%	8.73%	2.84%	5.16	12.71%	\$37.358	1.640
Mar-08	58,333.33	58,333.33	0.00	0.00	-58,333.33	Mar-08									
Apr-08	58,333.33	58,333.33	78,494.00	77,904.90	20,160.67	Apr-08	78,494.00	11,414	9.71%	8.48%	2.88%	5.04	12.65%	\$37.633	1.649
May-08	58,333.33	58,333.33	57,671.00	53,104.20	-662.33	May-08	53,404.00	11,418	10.03%	8.78%	2.86%	5.19	12.34%	\$37.374	1.637
Jun-08	58,333.33	58,333.33	52,865.00	51,610.40	-5,468.33	Jun-08	52,865.00	11,363	10.17%	8.91%	2.95%	5.20	12.45%	\$37.136	1.634
Jul-08	58,333.33	58,333.33	52,807.00	50,545.70	-5,526.33	Jul-08	52,807.00	11,340	9.90%	8.63%	2.94%	5.19	12.87%	\$37.200	1.640
Aug-08	58,333.33	58,333.33	50,227.00	49,460.10	-8,106.33	Aug-08	26,712.00	11,428	9.84%	8.68%	2.81%	4.92	11.94%	\$37.641	1.647
						Aug-08	23,515.00	11,481	9.79%	8.60%	2.90%	5.05	12.14%	\$37.762	1.645
Sep-08	58,333.33	58,333.33	69,084.00	68,695.80	10,750.67	Sep-08	69,084.00	11,391	10.01%	8.82%	2.92%	5.13	12.36%	\$37.302	1.637
Oct-08	58,333.33	58,333.33	71,212.00	70,641.70	12,878.67	Oct-08	71,212.00	11,398	9.82%	8.58%	2.96%	5.20	12.66%	\$37.405	1.641
Nov-08	58,333.33	58,333.33	45,921.00	45,921.00	-12,412.33	Nov-08	45,921.00	11,419	9.79%	8.58%	2.95%	5.17	12.54%	\$37.497	1.642
Dec-08	58,333.33	58,333.33	47,503.00	47,503.00	-10,830.33	Dec-08	47,503.00	11,405	9.58%	8.35%	2.90%	5.08	12.83%	\$37.819	1.649
	700,000.00	700,000.00	650,103.00	640,007.20	-49,897.00		645,838.00	11,395	9.90%	8.66%	2.93%	5.14	12.58%	\$37.399	1.641

* Includes 4,267 ton adjustment due to scale error

COALSALES Sommerville		HC10331S		R:\Contracts Non-Reg\Coal\Sales Duke OH amended and restated executed 12-28-07.pdf R:\Contract Summaries\COALSALES - Sommerville 2008-2010.doc											
	Nominal Tons	Total Ordered	Payment Tons Shipped	Tons Unloaded	Delta		Tons Unloaded	11,350 Btu	Ash	10.00 Ash(AR)	Sul	6.60 Lbs SO2	14.00 Mois	\$/Ton	\$/MMBtu
Jan-08	100,000.00	100,000.00	93,918.10	94,030.90	-8,081.90	Jan-08	93,918.10	11,471	9.33%	8.11%	3.31%	5.77	13.01%	\$33.808	1.474
Feb-08	100,000.00	100,000.00	84,648.50	84,359.60	-15,353.50	Feb-08	84,648.50	11,423	9.49%	8.24%	3.28%	5.75	13.15%	\$33.592	1.470
Mar-08	100,000.00	100,000.00	20,551.10	20,001.00	-57,945.00	Mar-08	20,551.10	11,398	9.57%	8.29%	3.21%	5.84	13.34%	\$33.573	1.473
			21,503.90	21,042.20		Mar-08	21,503.90	11,378	8.77%	8.49%	3.33%	5.85	13.12%	\$38.401	1.888
Apr-08	100,000.00	100,000.00	117,589.50	116,845.40	17,589.50	Apr-08	117,589.50	11,409	9.79%	8.53%	3.33%	5.84	12.90%	\$33.293	1.459
May-08	100,000.00	100,000.00	112,046.00	110,242.70	12,046.00	May-08	112,046.00	11,372	10.23%	8.63%	3.41%	6.00	12.70%	\$32.824	1.443
Jun-08	100,000.00	100,000.00	117,887.00	116,231.50	17,887.00	Jun-08	117,887.00	11,350	10.54%	9.23%	3.36%	5.93	12.38%	\$32.674	1.439
Jul-08	100,000.00	100,000.00	100,747.00	99,080.60	747.00	Jul-08	100,747.00	11,295	10.90%	9.53%	3.31%	5.88	12.51%	\$32.230	1.427
Aug-08	100,000.00	100,000.00	111,361.00	109,570.20	11,361.00	Jul-08	109,570.20	11,322	10.34%	8.99%	3.21%	5.88	13.05%	\$32.770	1.447
Sep-08	100,000.00	100,000.00	90,307.00	89,449.30	-9,893.00	Aug-08	111,361.00	11,320	10.89%	9.63%	3.38%	5.97	12.33%	\$32.267	1.425
Oct-08	100,000.00	100,000.00	58,816.00	57,761.90	-41,184.00	Sep-08	90,307.00	11,375	10.48%	9.17%	3.33%	5.85	12.49%	\$32.783	1.441
Nov-08	100,000.00	100,000.00	108,665.00	105,709.20	8,665.00	Oct-08	58,816.00	11,300	10.64%	9.26%	3.31%	5.88	12.94%	\$32.452	1.436
Dec-08	100,000.00	100,000.00	161,657.00	158,183.90	61,657.00	Nov-08	108,665.00	11,239	10.28%	8.88%	3.15%	5.60	13.61%	\$32.820	1.460
						Dec-08	161,657.00	11,072	10.84%	9.29%	2.88%	5.21	14.22%	\$32.076	1.448
	1,200,000.00	1,200,000.00	1,197,695.10	1,181,508.70	-2,304.90		1,197,695.10	11,319	10.32%	8.97%	3.26%	5.75	13.01%	\$32.887	1.453

Galatia	MC10350	Payment				
	Nominal Tons	Tons Ordered	Tons Shipped	Tons Unloaded	Delta	
Jan-05	0.00	0.00	0.00		0.00	
Feb-05	0.00	0.00	0.00		0.00	
Mar-05	0.00	0.00	0.00		0.00	
Apr-05	0.00	0.00	0.00		0.00	
May-05	0.00	0.00	0.00		0.00	
Jun-05	0.00	0.00	0.00		0.00	
Jul-05	0.00	0.00	0.00		0.00	
Aug-05	0.00	0.00	0.00		0.00	
Sep-05	25,000.00	25,000.00	12,141.00	12,087.50	-12,859.00	
Oct-05	25,000.00	25,000.00	11,977.00	11,948.30	-13,023.00	
Nov-05	25,000.00	25,000.00	36,011.00	35,656.30	11,011.00	
Dec-05	25,000.00	25,000.00	32,687.00	32,358.00	7,687.00	
	100,000.00	100,000.00	92,816.00	92,050.10	-7,184.00	
Jan-06	25,000.00	25,000.00	23,998.00	23,920.40	-1,002.00	
Feb-06	25,000.00	25,000.00	37,775.40	37,621.80	12,775.40	
Mar-06	25,000.00	25,000.00	27,078.40	27,099.20	2,078.40	
Apr-06	25,000.00	25,000.00	48,856.50	48,148.00	23,856.50	
May-06	25,000.00	25,000.00	26,577.60	26,607.80	1,577.60	
Jun-06	25,000.00	25,000.00	13,720.90	13,629.80	-11,279.10	
Jul-06	25,000.00	25,000.00	17,994.50	18,202.30	-7,005.50	
Aug-06	25,000.00	25,000.00	16,656.30	16,391.90	-8,343.70	
Sep-06	25,000.00	25,000.00	3,575.90	3,638.40	-21,424.10	
Oct-06	25,000.00	25,000.00	13,611.80	13,505.40	-11,388.20	
Nov-06	25,000.00	25,000.00	29,747.50	29,929.10	4,747.50	
Dec-06	25,000.00	25,000.00	32,411.50	32,659.20	7,411.50	
	300,000.00	300,000.00	292,004.30	291,353.30	-7,995.70	
Jan-07	25,000.00	25,000.00	29,486.20	29,947.80	4,466.20	
Feb-07	25,000.00	25,000.00	34,766.30	34,749.70	9,766.30	
Mar-07	25,000.00	25,000.00	31,356.30	30,924.80	6,356.30	
Apr-07	25,000.00	25,000.00	32,779.55	32,608.60	7,779.55	
May-07	25,000.00	25,000.00	12,000.00	11,990.40	-13,000.00	
Jun-07	25,000.00	25,000.00	25,688.90	25,473.40	688.90	
Jul-07	25,000.00	25,000.00	21,621.50	21,651.30	-3,378.50	
Aug-07	25,000.00	25,000.00	24,242.60	23,804.20	-757.40	
Sep-07	25,000.00	25,000.00	20,837.70	20,767.70	-4,162.30	
Oct-07	25,000.00	25,000.00	26,455.70	26,133.20	1,455.70	
Nov-07	25,000.00	25,000.00	21,776.20	22,290.20	-3,223.80	
Dec-07	25,000.00	25,000.00	14,897.60	14,952.30	-10,102.40	
	300,000.00	300,000.00	295,908.55	295,293.60	-4,091.45	
Jan-08	25,000.00	25,000.00	18,246.50	18,126.00	-6,753.50	
Feb-08	25,000.00	25,000.00	25,756.10	25,450.00	756.10	
Mar-08	25,000.00	25,000.00	19,374.70	19,395.20	-5,625.30	
Apr-08	25,000.00	25,000.00	38,377.90	38,050.10	13,377.90	
May-08	25,000.00	25,000.00	32,522.20	32,221.00	7,522.20	
Jun-08	25,000.00	25,000.00	18,540.60	18,129.00	-6,459.40	
Jul-08	25,000.00	25,000.00	22,282.13	21,765.60	-2,717.87	
Aug-08	25,000.00	25,000.00	0.00	0.00	-25,000.00	
Sep-08	25,000.00	25,000.00	23,255.00	23,222.10	-1,745.00	
Oct-08	25,000.00	25,000.00	9,308.90	9,308.90	-15,691.10	
Nov-08	25,000.00	25,000.00	15,529.00	15,529.00	-9,471.00	
Dec-08	25,000.00	25,000.00	48,039.80	48,039.80	23,039.80	
		0.00	11,017.38 *		11,017.38	
	300,000.00	300,000.00	282,250.21	221,196.90	-17,749.79	

* Applied overshipment of 11,017.38 tons on MS02321 to December tons

Total cumulative shortfall on contract					-37,020.94
Galatia FM letter dated October 6, 2008					15,691.10
Lock 52 outages - September 2006			(8/25/2006 FM letter from Ingram)		21,424.10
Contract is essentially up to date starting 1/1/2009					37,115.20

Cumberland		MC10367		R1Contracts Non-Regl/Cumberland 2006-2008.pdf R1Contract Summaries/cumberland.doc		Specifications		13,000	8.42%	4.50	8.50%			
Nominal Tons	Total Ordered	Tons Shipped	Tons Unloaded	Delta		Tons Unloaded	Btu	Ash	Ash(AR)	Sul	Lbs SO2	Mols	\$/Ton	\$/MMBtu
Jan-06	38,048.52	38,048.52	34,748.03	-4,302.49	MF-WCB	22,381.85	13,084	8.78%	8.27%	1.93%	2.86	5.95%	\$52.315	2.381
Feb-06	18,668.67	18,668.67	20,948.23	4,282.56	3rd party	12,564.18	13,127	8.53%	8.02%	2.08%	3.17	5.92%	\$40.391	1.538
Mar-06	18,668.67	18,668.67	20,686.60	4,019.93		20,686.60	13,088	8.69%	8.16%	2.54%	3.88	6.01%	\$40.271	1.538
Apr-06	18,668.67	18,668.67	29,960.28	13,293.61		29,960.28	13,048	8.73%	8.19%	2.57%	3.94	6.19%	\$40.148	1.538
May-06	16,668.67	16,668.67	0.00	-16,668.67		0.00								
Jun-06	16,668.67	16,668.67	20,570.27	3,903.90		20,570.27	13,038	8.80%	8.26%	2.41%	3.70	6.29%	\$40.117	1.638
Jul-06	16,668.67	16,668.67	20,307.67	3,641.00		20,307.67	13,102	9.00%	8.50%	2.38%	3.60	5.55%	\$40.314	1.538
Aug-06	16,668.67	16,668.67	10,126.26	-6,542.41		10,126.26	13,088	8.75%	8.23%	2.29%	3.50	5.94%	\$40.271	1.538
Sep-06	16,668.67	16,668.67	10,115.00	-6,553.67		10,115.00	13,038	8.95%	8.41%	2.04%	3.13	6.03%	\$40.117	1.538
Oct-06	16,668.67	16,668.67	29,320.31	12,653.64		29,320.31	13,083	8.61%	8.09%	2.89%	4.05	6.01%	\$40.268	1.538
Nov-06	16,668.67	16,668.67	19,605.06	2,936.39		19,605.06	13,055	8.98%	8.46%	2.10%	3.21	5.61%	\$40.232	1.538
Dec-06	16,668.67	16,668.67	6,018.37	-10,648.30		6,018.37	13,105	8.63%	8.33%	2.49%	3.80	5.63%	\$40.335	1.538
	222,381.84	222,381.84	222,405.03	22,281.73		200,023.23	13,075	8.78%	8.26%	2.40%	3.67	5.88%	\$40.230	1.538
Jan-07	100,000.00	100,000.00	92,187.67	-7,832.33	Unscrub	19,127.73	13,119	8.65%	8.36%	2.33%	3.55	5.61%	\$46.511	1.773
Feb-07	100,000.00	100,000.00	79,854.15	-20,045.85	Scrub	73,038.84	13,124	8.70%	8.21%	2.37%	3.61	5.68%	\$40.844	1.548
Mar-07	100,000.00	100,000.00	109,167.48	9,167.48	Unscrub	24,815.25	13,135	8.67%	8.18%	2.53%	3.85	5.89%	\$44.894	1.701
Apr-07	100,000.00	100,000.00	52,014.89	-47,985.01	Scrub	55,338.90	13,122	8.74%	8.24%	2.59%	3.90	5.72%	\$40.636	1.548
May-07	100,000.00	50,000.00	41,823.51	-42,086.49	Unscrub	109,167.48	13,109	8.74%	8.23%	2.40%	3.66	5.81%	\$40.598	1.548
Jun-07	100,000.00	50,000.00	53,904.53	-3,094.53	Scrub	52,014.89	13,141	8.71%	8.22%	2.49%	3.79	5.64%	\$40.697	1.548
Jul-07	100,000.00	50,000.00	47,096.63	-2,903.37	Unscrub	37,078.61	13,077	9.02%	8.50%	2.51%	3.84	5.78%	\$40.498	1.548
Aug-07	100,000.00	120,000.00	114,142.53	-6,857.47	Scrub	0.00								
Sep-07	100,000.00	100,000.00	106,073.60	6,073.60	Unscrub	33,968.33	13,093	8.80%	8.28%	2.47%	3.77	5.82%	\$40.548	1.548
Oct-07	100,000.00	80,000.00	85,657.04	-14,342.96	Scrub	11,212.23	13,125	8.72%	8.21%	2.45%	3.73	5.87%	\$48.129	1.757
Nov-07	100,000.00	85,000.00	67,816.05	-32,183.95	Unscrub	35,894.40	13,079	8.86%	8.33%	2.52%	3.65	5.92%	\$40.455	1.548
Dec-07	100,000.00	80,000.00	85,074.50	-14,925.50	Scrub	25,259.78	13,081	8.74%	8.19%	2.51%	3.64	6.28%	\$44.909	1.710
	1,200,000.00	995,000.00	933,994.68	-266,005.32	Unscrub	68,683.75	13,082	8.58%	8.04%	2.58%	3.92	6.38%	\$40.452	1.548
					Scrub	10,413.25	13,141	8.53%	8.02%	2.37%	3.61	5.96%	\$47.335	1.901
					Unscrub	94,090.35	13,106	8.67%	8.10%	2.39%	3.69	5.97%	\$40.688	1.548
					Scrub	3,954.00	13,005	9.06%	8.50%	2.69%	3.67	6.18%	\$44.037	1.894
					Unscrub	81,893.04	13,043	8.23%	8.69%	2.62%	4.02	5.83%	\$40.365	1.547
					Scrub	67,818.05	13,109	8.85%	8.34%	2.52%	3.84	5.77%	\$40.582	1.548
					Unscrub	85,074.50	13,125	8.54%	8.04%	2.71%	4.13	5.93%	\$40.621	1.547
					Scrub	909,207.78	13,100	8.76%	8.25%	2.50%	3.81	5.89%	\$41.080	1.568

33,000 ton Force Majeure April 2007
 Sold back 50,000 tons/month May and June, 2007
 * See letter agreement dated October 1, 2007 reducing tons in September, October and November by 20,000 tons/month. Total 60,000 tons reduction in deliveries.
 * See letter agreement dated November 8, 2007 reducing tons in November by 35,000 tons

Cumberland		MC10367		R1Contracts Non-Regl/Cumberland 2006-2008.pdf R1Contract Summaries/cumberland.doc		Specifications		13,000	8.42%	4.50	8.50%				
Nominal Tons	Total Ordered	Tons Shipped	Tons Unloaded	Delta		Tons Unloaded	Btu	Ash	Ash(AR)	Sul	Lbs SO2	Mols	\$/Ton	\$/MMBtu	
Jan-08	100,000.00	120,000.00	138,535.10	137,720.80	Jan-08	Unscrub	139,536.10	13,120	8.56%	8.05%	2.70%	4.12	5.97%	\$40.584	1.547
Feb-08	100,000.00	116,000.00	104,518.82	-14,483.18	Feb-08	Unscrub	104,518.82	13,041	8.67%	8.42%	2.77%	4.25	6.11%	\$40.340	1.547
Mar-08	100,000.00	100,000.00	92,636.49	-7,363.51	Mar-08	Unscrub	92,636.49	13,122	8.84%	8.34%	2.84%	4.33	5.89%	\$40.590	1.547
Apr-08	100,000.00	70,000.00	83,315.15	81,804.90	Apr-08	Unscrub	83,315.15	13,081	8.79%	8.26%	2.78%	4.25	5.99%	\$40.464	1.547
May-08	100,000.00	100,000.00	87,554.93	-12,445.07	May-08	Unscrub	87,554.93	13,092	8.69%	8.17%	2.41%	3.68	6.02%	\$40.498	1.547
Jun-08	100,000.00	84,000.00	86,292.58	2,292.58	Jun-08	Unscrub	86,292.58	13,063	8.91%	8.37%	2.44%	3.74	6.02%	\$40.408	1.547
Jul-08	100,000.00	100,000.00	100,217.05	217.05	Jul-08	Unscrub	100,217.05	13,004	9.38%	8.83%	2.74%	4.21	5.89%	\$40.136	1.543
Aug-08	100,000.00	125,000.00	119,533.94	-11,466.06	Aug-08	Unscrub	119,533.94	13,016	8.93%	8.38%	2.58%	3.96	6.34%	\$40.283	1.547
Sep-08	100,000.00	75,000.00	64,215.51	-10,784.49	Sep-08	Unscrub	64,215.51	13,045	8.72%	8.17%	2.83%	4.03	6.29%	\$40.352	1.547
Oct-08	100,000.00	115,000.00	124,769.56	9,769.56	Oct-08	Unscrub	124,769.56	13,136	8.57%	8.07%	2.27%	3.46	6.84%	\$40.634	1.547
Nov-08	100,000.00	100,000.00	106,861.61	103,148.47	Nov-08	Unscrub	106,861.61	13,106	8.66%	8.35%	2.70%	4.12	5.75%	\$40.541	1.547
Dec-08	100,000.00	110,000.00	98,239.89	-13,760.11	Dec-08	Unscrub	98,239.89	13,077	9.08%	8.58%	2.70%	4.13	5.73%	\$40.451	1.547
	1,200,000.00	1,216,000.00	1,204,688.63	1,180,872.88			1,204,780.63	13,078	8.85%	8.32%	2.83%	4.02	5.96%	\$40.445	1.546
Jan-09	0.00	0.00	12,870.91	13,310.30	Jan-09	Unscrub	12,870.91	13,081	9.26%	8.75%	2.86%	4.37	5.50%	\$40.438	1.548

Hopkins County Coal, LLC

HS02214

R:\Contracts Non-Reg\Hopkins County Coal, LLC.pdf
 R:\Contract Summaries\Hopkins County.doc

	Total Tons	Tons Ordered	Payment		Weight of Record	Delta	Specifications		Btu	Ash	Ash(AR)	Sul	Lbs SO2	Mols	\$/Ton	\$/MMBtu
			Tons Shipped	Tons Unloaded			Tons Unloaded									
			4,510.50	4,519.10	4,519.10	4,519.10	Jan-08	0.00								
Jan-08			42,483.40	42,410.40	42,410.40	6,410.40	Feb-08	28,735.20	12,040	8.16%	7.25%	2.97%	4.93	11.15%	\$39.182	1.627
Feb-08	36,000.00	36,000.00	17,550.40	17,550.40	17,550.40	-6,449.60	Mar-08	23,701.80	12,169	7.79%	6.97%	2.96%	4.86	10.42%	\$40.554	1.666
Mar-08	24,000.00	24,000.00	28,405.70	28,279.50	28,405.70	-7,594.30	Apr-08	31,696.10	12,234	7.99%	7.21%	2.96%	4.84	9.76%	\$41.455	1.694
Apr-08	36,000.00	36,000.00	18,557.20	18,493.20	18,557.20	-5,442.80	May-08	17,784.60	12,222	8.08%	7.29%	2.94%	4.81	9.69%	\$41.407	1.694
May-08	24,000.00	24,000.00	17,755.50	17,259.50	17,755.50	-6,244.50	Jun-08	16,707.40	12,199	8.47%	7.67%	3.00%	4.92	9.41%	\$41.287	1.692
Jun-08	24,000.00	24,000.00	26,303.00	26,303.00	26,303.00	-9,697.00	Jul-08	24,265.40	12,170	8.97%	8.16%	3.02%	4.96	9.01%	\$41.163	1.691
Jul-08	36,000.00	36,000.00	27,000.70	26,113.20	27,000.70	3,000.70	Aug-08	23,167.80	12,133	8.65%	7.80%	2.93%	4.83	9.81%	\$41.055	1.692
Aug-08	24,000.00	24,000.00	35,306.50	35,306.50	35,306.50	11,306.50	Sep-08	39,274.20	12,087	9.26%	8.38%	3.06%	5.06	9.46%	\$40.846	1.690
Sep-08	24,000.00	24,000.00	34,774.90	34,210.80	34,774.90	-1,225.10	Oct-08	36,779.40	12,053	9.25%	8.36%	2.94%	4.88	9.66%	\$40.779	1.692
Oct-08	36,000.00	36,000.00	27,082.50	27,142.20	27,082.50	3,082.50	Nov-08	35,818.10	12,040	9.47%	8.56%	2.95%	4.90	9.64%	\$40.730	1.691
Nov-08	24,000.00	24,000.00	34,911.60	34,911.60	34,911.60	7,411.60	Dec-08	20,667.20	12,003	9.63%	8.67%	3.00%	5.00	9.95%	\$40.581	1.690
Dec-08	12,000.00	27,500.00														
2008 Total	300,000.00	315,500.00	314,641.90	311,557.10	314,577.50	-922.50	2008 Total	298,595.20	12,114	8.77%	7.91%	2.98%	4.92	9.81%	\$40.788	1.684

Payment governing party became Seller as of 2/22/2008 when the shipping point was changed to MVTT
 Contract Amended on 12/4 to add 15,500 tons in December

Williamson	HC02069		Payment			Specifications				11,400	10.00%	4.50				10.00%	
	Nominal Tons	Total Ordered	Tons Shipped	Tons Unloaded	Delta	Tons Unloaded	Tons Miami Ft.	Tons Zimmer	Tons 3rd Party	Btu	Ash	Ash(AR)	Sul(AR)	Lbs SO2	Mols	\$/Ton	\$/MMBtu
Jan-07																	
Feb-07																	
Mar-07																	
Apr-07																	
May-07																	
Jun-07	10,000.00					11,358.80		11,358.80		11,752	10.37%	9.27%	2.45%	4.17	10.65%	\$38.96	1.658
Jul-07	10,000.00	11,666.67	11,358.80	11,190.90	-307.87	22,677.78	1,733.00	20,944.78		11,740	10.88%	9.81%	1.98%	3.37	9.83%	\$39.30	1.674
Aug-07	10,000.00	11,666.67	22,677.78	22,440.40	11,011.11	0.00						0.00%		0.00			
Sep-07	10,000.00	11,666.67	0.00	0.00	-11,666.67	11,277.00		11,277.00		11,715	9.88%	8.77%	2.04%	3.48	11.20%	\$39.26	1.676
Oct-07	10,000.00	11,666.67	11,277.00	11,290.80	-389.67	11,523.00	11,523.00			11,799	8.96%	7.93%	2.06%	3.49	11.51%	\$39.10	1.657
Nov-07	10,000.00	11,666.67	11,523.00	11,616.20	-143.67	38,662.00	38,662.00			11,586	9.49%	8.30%	2.22%	3.83	12.55%	\$38.37	1.656
Dec-07	10,000.00	34,666.67	38,662.00	38,209.75	3,995.33												
	70,000.00	93,000.01	95,498.58	94,747.85	2,498.57	95,498.58				11,683	9.91%	8.78%	2.15%	3.88	11.39%	\$38.85	\$1.663

Shipped September train on 8/31
 Amendment to contract schedules 23,000 tons of January 2008 commitment in December of 2007

Month	Nominal Tons	Total Ordered	Tons Shipped	Tons Unloaded	Delta	Month	Tons Unloaded	Tons Miami Ft.	Tons Zimmer	Tons 3rd Party	Btu	Ash	Ash(AR)	Sul(AR)	Lbs SO2	Mols	\$/Ton	\$/MMBtu
Jan-08	41,666.67	0.00				Jan-08	0.00						0.00%			0.00		
Feb-08	41,666.67	0.00				Feb-08	0.00						0.00%			0.00		
Mar-08	41,666.67	0.00				Mar-08	0.00						0.00%			0.00		
Apr-08	41,666.67	14,299.60	14,299.60	14,299.60	0.00	Apr-08	14,299.60			14,299.60	11,754	8.87%	7.78%	1.84%	3.13	12.24%	\$39.29	1.671
May-08	41,666.67	13,667.00	14,509.00	14,525.30	842.00	May-08	14,509.00	3,242.00	11,267.00		11,800	9.06%	8.01%	1.46%	2.47	11.62%	\$39.41	1.670
Jun-08	41,666.67	14,736.00	14,736.00	14,855.10	0.00	Jun-08	14,736.00		14,736.00		11,901	9.09%	8.11%	1.44%	2.42	10.79%	\$39.77	1.671
Jul-08	41,666.67	14,000.00	13,876.35	13,876.35	-123.65	Jul-08	13,876.35			13,876.35	11,755	9.87%	8.77%	2.54%	4.32	11.11%	\$38.74	1.648
Aug-08	41,666.67	28,000.00	29,275.00	29,275.00	1,275.00	Aug-08	29,275.00			29,275.00	11,714	10.90%	9.76%	2.43%	4.15	10.47%	\$38.75	1.654
Sep-08	41,666.67	28,000.00	29,801.00	29,801.00	1,801.00	Sep-08	29,801.00			29,801.00	11,791	10.52%	9.41%	2.46%	4.17	10.52%	\$39.00	1.654
Oct-08	41,666.67	28,000.00	26,753.00	26,753.00	-1,247.00	Oct-08	26,753.00			26,753.00	11,767	10.58%	9.46%	2.30%	3.91	10.59%	\$39.14	1.663
Nov-08	41,666.67	14,000.00	15,005.00	15,005.00	1,005.00	Nov-08	15,005.00			15,005.00	11,858	10.08%	8.88%	1.67%	2.87	11.93%	\$38.87	1.668
Dec-08	41,666.67	14,000.00	13,565.00	13,565.00	-435.00	Dec-08	13,565.00			13,565.00	11,778	9.75%	8.64%	2.57%	4.36	11.36%	\$38.70	1.643
	500,000.00	168,702.60	171,819.95	171,958.35	3,117.35		171,819.95				11,766	10.06%	8.95%	2.15%	3.66	11.02%	\$39.05	\$1.669

* Amendment to contract schedules 23,000 tons of January 2008 commitment in December of 2007 also defers 18,667 tons of January 2008 commitment until January of 2009. Further defers 20,833 of February 2008 commitment until February of 2009.
 * Second Amendment reschedules tons as shown in column E
 * Third Amendment corrects error in Amendment 2 (Sept-09)
 * Fourth Amendment further reduces and reschedules tons.

2008 Sales:	Month	Tons	Contract	Contract No.
	April	14,300	Coal Network	NR02326
	July	14,000	DP&L	NR02623
	Aug	14,000	DP&L	NR02650
	Aug-Dec	98,000	DP&L	NR02666

Month	Total Ordered	Sold 2009 tonnage to DP&L NR02670
Jan-09	14,000.00	
Feb-09	14,000.00	
Mar-09	14,000.00	
Apr-09	14,000.00	
May-09	14,000.00	
Jun-09	14,000.00	
Jul-09	14,000.00	
Aug-09	14,000.00	
Sep-09	14,867.00	
Oct-09	0.00	
Nov-09	0.00	
Dec-09	0.00	

	126,867.00
Total Jan 08 - Dec 09	295,569.60
Tons sold in May	28,000.00
Tons delivered in Dec 07	25,498.58
Sale in April	14,299.60
Tons scheduled	353,367.78
Tons short	136,632.22

Arch Compliance	CC10144	CC10466	CC10174		
	Nominal Tons	Total Ordered	Tons Shipped Seller	Tons Shipped Station	Delta
Jan-05	58,333.33	60,000.00	60,602.98	60,572.73	602.98
Feb-05	58,333.33	60,000.00	51,335.65	51,537.75	-8,664.35
Mar-05	58,333.33	60,000.00	48,077.46	48,347.75	-11,822.54
Apr-05	58,333.33	60,000.00	33,535.89	33,453.60	-26,464.01
May-05	58,333.33	60,000.00	47,503.01	46,658.95	-12,486.99
Jun-05	58,333.33	60,000.00	46,752.73	46,090.90	-13,247.27
Jul-05	58,333.33	60,000.00	98,581.19	96,673.74	38,581.19
Aug-05	58,333.33	60,000.00	64,807.87	66,191.75	4,807.87
Sep-05	58,333.33	60,000.00	50,068.42	50,068.42	-9,933.58
Oct-05	58,333.33	45,000.00	41,699.60	41,699.60	-3,300.40
Nov-05	58,333.33	45,000.00	58,083.37	58,083.37	13,083.37
Dec-05	58,333.33	75,000.00	61,050.67	61,645.47	-13,949.13
	700,000.00	705,000.00	662,097.14	661,022.03	-42,902.86
Jan-06	58,333.33	60,000.00	57,284.71	57,284.71	-2,715.29
Feb-06	58,333.33	60,000.00	61,938.37	61,740.47	1,938.37
Mar-06	58,333.33	60,000.00	70,823.04	70,674.74	10,823.04
Apr-06	58,333.33	60,000.00	55,883.68	55,744.38	-4,116.32
May-06	58,333.33	60,000.00	60,860.68	60,716.48	860.68
Jun-06	58,333.33	60,000.00	59,653.17	59,525.77	-348.83
Jul-06	58,333.33	60,000.00	64,092.45	64,115.05	4,092.45
Aug-06	58,333.33	60,000.00	51,502.48	51,447.78	-8,497.52
Sep-06	58,333.33	60,000.00	74,997.41	75,036.43	14,997.41
Oct-06	58,333.33	60,000.00	59,502.47	59,475.62	-497.53
Nov-06	58,333.33	60,000.00	84,671.37	84,427.53	24,671.37
Dec-06	58,333.33	60,000.00	46,353.75	46,343.65	-13,646.25
	700,000.00	720,000.00	747,563.58	746,532.61	27,563.58
LC00718					
Jan-07	37,500.00	37,500.00	34,263.88	34,187.30	-3,236.12
Feb-07	37,500.00	37,500.00	44,563.69	45,385.10	7,063.69
Mar-07	37,500.00	37,500.00	45,284.89	44,810.20	7,784.89
Apr-07	37,500.00	37,500.00	36,118.57	35,311.20	-1,381.43
May-07	37,500.00	37,500.00	36,956.31	36,255.30	-543.69
Jun-07	37,500.00	37,500.00	40,091.61	39,677.90	2,591.61
Jul-07	37,500.00	37,500.00	38,453.05	37,984.20	953.05
Aug-07	37,500.00	37,500.00	39,170.69	38,584.60	1,670.69
Sep-07	37,500.00	37,500.00	35,496.44	35,230.20	-2,003.56
Oct-07	37,500.00	37,500.00	38,493.46	36,365.79	-1,006.54
Nov-07	37,500.00	37,500.00	30,967.42	30,921.30	-6,532.58
Dec-07	37,500.00	37,500.00	27,186.63	27,236.90	-10,313.37
	450,000.00	450,000.00	445,046.64	441,949.99	-4,953.36
Jan-08	0.00	0.00	3,043.00	3,040.30	-1,910.36
LC00718B					
Jan-07	20,833.33	20,833.33	22,159.80	22,250.00	1,326.47
Feb-07	20,833.33	20,833.33	22,768.00	22,749.30	1,934.67
Mar-07	20,833.33	20,833.33	22,486.80	22,461.30	1,653.47
Apr-07	20,833.33	20,833.33	20,445.60	20,187.40	-367.73
May-07	20,833.33	20,833.33	20,417.60	20,166.80	-415.73
Jun-07	20,833.33	20,833.33	19,761.80	19,717.80	-1,071.53
Jul-07	20,833.33	20,833.33	20,765.40	20,801.90	-67.93
Aug-07	20,833.33	20,833.33	19,766.40	19,673.30	-1,064.93
Sep-07	20,833.33	20,833.33	20,007.87	20,298.10	-825.46
Oct-07	20,833.33	20,833.33	22,024.10	22,022.30	1,190.77
Nov-07	20,833.33	20,833.33	21,942.00	21,888.90	1,108.67
Dec-07	20,833.33	20,833.33	19,341.80	19,385.50	-1,491.53
	250,000.00	250,000.00	251,889.17	251,602.60	1,889.17

Duke Energy Kentucky, Inc.
Case No. 2008-00522
First Set Staff Data Requests
Date Received: January 23, 2009

STAFF-DR-01-016

REQUEST:

Provide a schedule of the present and proposed rates that Duke Kentucky seeks to change pursuant to 807 KAR 5:056, shown in comparative form.

RESPONSE:

See Attachment KyPSC-DR-01-016.

PERSON RESPONSIBLE: William Don Wathen Jr.

Duke Energy Kentucky Revised Tariffs

Tariff		Existing Base Rate	Existing Fuel Component	Existing Base Rate Excluding Fuel Base	Proposed Revised Fuel Component	Revised Base Rates Including Fuel
<u>Sheet No.</u>	<u>Rate Schedule</u>	<u>Energy & Fuel</u>	<u>of Base Rates</u>	<u>Fuel Base</u>	<u>of Base Rates</u>	<u>Including Fuel</u>
30	RS	0.073238	0.021619	0.051619	0.039186	0.090805
40	DS					
	First 6000 kWh	0.079427	0.021619	0.057808	0.039186	0.096994
	Next 300 kWh/kW	0.047901	0.021619	0.026282	0.039186	0.065468
	Add'l kWh	0.038825	0.021619	0.017206	0.039186	0.056392
41	DT					
	Summer On Peak	0.041977	0.021619	0.020358	0.039186	0.059544
	Winter On Peak	0.039977	0.021619	0.018358	0.039186	0.057544
	Off Peak	0.033977	0.021619	0.012358	0.039186	0.051544
42	EH	0.059306	0.021619	0.037687	0.039186	0.076873
43	SP	0.098380	0.021619	0.076761	0.039186	0.115947
44	GS-FL					
	540 to 720 hrs.	0.078505	0.021619	0.056886	0.039186	0.096072
	< 540 hrs.	0.090729	0.021619	0.069110	0.039186	0.108296
45	DP					
	First 300 kWh	0.048850	0.021619	0.027231	0.039186	0.066417
	Add'l kWh	0.040980	0.021619	0.019361	0.039186	0.058547
51	TT	0.040430	0.021619	0.018811	0.039186	0.057997
60	SL		0.021619		0.039186	0.039186
61	TL					
	Energy Only	0.035848	0.021619	0.014229	0.039186	0.053415
	w/Maintenance	0.056927	0.021619	0.035308	0.039186	0.074494
62	UOLS	0.035263	0.021619	0.013644	0.039186	0.052830
65	OL		0.021619		0.039186	0.039186
66	NSU		0.021619		0.039186	0.039186
67	NSP		0.021619		0.039186	0.039186
68	SC		0.021619		0.039186	0.039186
69	SE		0.021619		0.039186	0.039186
80	Rider FAC		0.021619		0.039186	0.039186

Duke Energy Kentucky, Inc.
Case No. 2008-00522
First Set Staff Data Requests
Date Received: January 23, 2009

STAFF-DR-01-017

REQUEST:

Provide a statement showing by cross-outs and italicized inserts all proposed changes in rates. A copy of the current tariff may be used.

RESPONSE:

See Attachment KyPSC-DR-01-017.

PERSON RESPONSIBLE: William Don Wathen, Jr.

Duke Energy Kentucky
1697-A Monmouth Street
Newport, KY 41071

KY P.S.C. Electric No. 2
Second Revised Sheet No. 80
Cancels and Supersedes
First Revised Sheet No. 80
Page 1 of 2

Deleted: First

Deleted: Original

RIDER FAC
FUEL ADJUSTMENT CLAUSE

APPLICABLE

In all territory service.

AVAILABILITY OF SERVICE

This schedule is a mandatory rider to all electric rate schedules

- (1) The monthly amount computed under each of the rate schedules to which this fuel clause is applicable shall be increased or (decreased) at a rate per kilowatt-hour of monthly consumption in accordance with the following formula:

$$\text{Fuel Cost Adjustment} = \frac{F(m)}{S(m)} - \$0.039186 \text{ per kWh}$$

(1)

Where F is the expense of fuel in the second preceding month and S is the sales in the second preceding month, as defined below:

- (2) Fuel costs (F) shall be the cost of:
- (a) Fossil fuel consumed in the Company's plants plus the cost of fuel which would have been used in plants suffering forced generation or transmission outages, but less the cost of fuel related to substitute generation, plus
 - (b) The actual identifiable fossil and nuclear fuel costs associated with energy purchased for reasons other than identified in paragraph (c) of this subsection, but excluding the cost of fuel related to purchases to substitute for the forced outages; plus
 - (c) The net energy cost of energy purchases, exclusive of capacity or demand charges (irrespective of the designation assigned to such transaction) when such energy is purchased on an economic dispatch basis. Included therein are such costs as the charges for economy energy purchases and the charges as a result of scheduled outage, all such kinds of energy being purchased by the Company to substitute for its own higher cost energy, and less
 - (d) The cost of fossil fuel recovered through inter-system sales including the fuel costs related to economy energy sales and other energy sold on an economic dispatch basis.
 - (e) All fuel costs shall be based on a weighted-average inventory costing. The cost of fossil fuel shall include no items other than the invoice price of fuel less any cash or other discounts. The invoice price of fuel includes the cost of fuel itself and necessary charges for transportation of fuel from the point of acquisition to the unloading point, as listed in Account 151 of the FERC Uniform System of Accounts for Public Utilities and Licensees.

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in
Case No. 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky
1697-A Monmouth Street
Newport, KY 41071

KY. P.S.C. Electric No. 2
~~Second Revised Sheet No. 80~~
Cancels and Supersedes
~~First Revised Sheet No. 80~~
Page 2 of 2

Deleted: First

Deleted: Original

AVAILABILITY OF SERVICE (Contd.)

(f) As used herein, the term "forced outages" means all non-scheduled losses of generation or transmission which require substitute power for a continuous period in excess of six (6) hours. Where forced outages are not as a result of faulty equipment, faulty manufacture, faulty design, faulty installations, faulty operation, or faulty maintenance, but are Acts of God, riot, insurrection, or acts of the public enemy, then the Company may, upon proper showing, with the approval of the Commission, include the fuel cost of substitute energy in the adjustment.

(3) Sales (S) shall be determined in kilowatt-hours as follows:

Add:

- (a) net generation
- (b) purchases
- (c) interchange in

Subtract:

- (d) inter-system sales including economy energy and other energy sold on an economic dispatch basis.
- (e) total system losses

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in
Case No. 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc
 1697-A Monmouth Street
 Newport, Kentucky 41071

KY P S C. Electric No. 2
 Twelfth Revised Sheet No. 10
 Cancels and Supersedes
 Eleventh Revised Sheet No. 10
 Page 1 of 5

Deleted: Eleventh

Deleted: Tenth

INDEX TO APPLICABLE ELECTRIC TARIFF SCHEDULES AND COMMUNITIES SERVED

	<u>Sheet No.</u>	<u>Effective Date</u>
SERVICE REGULATIONS		
Service Agreements	20	01/02/07
Supplying and Taking of Service	21	01/02/07
Customer's Installations	22	01/02/07
Company's Installation	23	01/02/07
Metering	24	01/02/07
Billing and Payment	25	01/02/07
Deposits	26	01/02/07
Application of Service Regulations	27	01/02/07
Reserved for Future Use	28-29	
RESIDENTIAL SERVICE		
Rate RS, Residential Service	30	Deleted: 01/02/07
Reserved for Future Use	31-39	
DISTRIBUTION VOLTAGE SERVICE		
Rate DS, Service at Secondary Distribution Voltage:		
Secondary Voltage Less than 12.5 kV		
- Secondary Metered	40	Deleted: 01/02/07
- Primary Metered	40	Deleted: 01/02/07
- Churches	40	Deleted: 01/02/07
Rider LM, Load Management Rider:		
Load Up to 500 kW.		
- Churches	40	Deleted: 01/02/07
- Others	40	Deleted: 01/02/07
Load Greater than 500 kW.		
- Secondary Metered	40	Deleted: 01/02/07
- Primary Metered	40	Deleted: 01/02/07
Rate DT, Time-of-Day Rate For Service at Distribution Voltage:		
Secondary Voltage Less Than 12.5 kV		
- Secondary Metered		
On Peak	41	Deleted: 01/02/07
Off Peak	41	Deleted: 01/02/07
- Primary Metered		
On Peak	41	Deleted: 01/02/07
Off Peak	41	Deleted: 01/02/07
12.5 kV Primary Voltage		
- Secondary Metered		
On Peak	41	Deleted: 01/02/07
Off Peak	41	Deleted: 01/02/07
- Primary Metered		
On Peak	41	Deleted: 01/02/07
Off Peak	41	Deleted: 01/02/07

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc
 1697-A Monmouth Street
 Newport, Kentucky 41071

KY.P.S.C. Electric No 2
 Twelfth Revised Sheet No. 10
 Cancels and Supersedes
 Eleventh Revised Sheet No. 10
 Page 2 of 5

Deleted: Eleventh

Deleted: Tenth

INDEX TO APPLICABLE ELECTRIC TARIFF SCHEDULES AND COMMUNITIES SERVED (Contd.)

	Sheet No.	Effective Date	
DISTRIBUTION VOLTAGE SERVICE (Contd.)			
Rate EH, Optional Rate for Electric Space Heating	42		Deleted: 01/02/07
Rate SP, Seasonal Sports Service	43		Deleted: 01/02/07
Rate GS-FL, General Service Rate for Small Fixed Loads			
- Less Than 540 Hours	44		Deleted: 01/02/07
- 540 Hours Use and Greater	44		Deleted: 01/02/07
Rate DP, Service at Primary Distribution Voltage			
12.5 kV			
- Secondary Metered	45		Deleted: 01/02/07
- Primary Metered	45		Deleted: 01/02/07
34.5 kV			
- Secondary Metered	45		Deleted: 01/02/07
- Primary Metered	45		Deleted: 01/02/07
Rider LM, Load Management Rider: Load Greater than 500 kW:			
12.5 kV			
- Secondary Metered	45		Deleted: 01/02/07
- Primary Metered	45		Deleted: 01/02/07
34.5 kV			
- Secondary Metered	45		Deleted: 01/02/07
- Primary Metered	45		Deleted: 01/02/07
Reserved for Future Use	46-49		
TRANSMISSION VOLTAGE SERVICE			
Reserved for Future Use	50	01/02/07	
Rate TT, Time-of-Day Rate for Service at Transmission Voltage.			
69 kV			
- Secondary Metered			
On Peak	51		Deleted: 01/02/07
Off Peak	51		Deleted: 01/02/07
- Primary Metered			
On Peak	51		Deleted: 01/02/07
Off Peak	51		Deleted: 01/02/07
Reserved for Future Use	52-57	01/02/07	
Rider GSS, Generation Support Service	58	01/02/07	
Rate RTP-M, Real Time Pricing – Market Based Pricing	59	01/02/07	

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
 1697-A Monmouth Street
 Newport, Kentucky 41071

KY P S C Electric No 2
 Twelfth Revised Sheet No. 10
 Cancels and Supersedes
 Eleventh Revised Sheet No. 10
 Page 3 of 5

Deleted: Eleventh

Deleted: Tenth

INDEX TO APPLICABLE ELECTRIC TARIFF SCHEDULES AND COMMUNITIES SERVED (Contd.)

	<u>Sheet No.</u>	<u>Effective Date</u>	
LIGHTING SERVICE			
Rate SL, Street Lighting Service: Energy and Maintenance	60	▼	Deleted: 01/02/07
Rate TL, Traffic Lighting Service: Energy Only	61	▼	Deleted: 01/02/07
Limited Maintenance Only	61	▼	Deleted: 01/02/07
Energy and Limited Maintenance	61	▼	Deleted: 01/02/07
Rate UOLS, Unmetered Outdoor Lighting	62	▼	Deleted: 01/02/07
Rate OL-E, Outdoor Lighting Equipment Installation	63	01/02/07	Deleted: 01/02/07
Reserved for Future Use	64		Deleted: 01/02/07
Rate OL, Outdoor Lighting Service			
Private Outdoor Lighting (POL)	65	▼	Deleted: 01/02/07
POL Additional Contribution	65	▼	Deleted: 01/02/07
Floodlighting Service	65	▼	Deleted: 01/02/07
Underground Service	65	▼	Deleted: 01/02/07
Rate NSU, Street Lighting Service for Non-Standard Units: Energy and Maintenance	66	▼	Deleted: 01/02/07
Energy and Limited Maintenance	66	▼	Deleted: 01/02/07
Rate NSP, Private Outdoor Lighting for Non-Standard Units: Overhead Service	67	▼	Deleted: 01/02/07
Underground Service	67	▼	Deleted: 01/02/07
Floodlighting Service	67	▼	Deleted: 01/02/07
Rate SC, Street Lighting Service – Customer Owned: Energy Only	68	▼	Deleted: 01/02/07
Energy and Limited Maintenance	68	▼	Deleted: 01/02/07
Rate SE, Street Lighting Service – Overhead Equivalent	69	▼	Deleted: 01/02/07
TARIFF RIDERS			
Reserved for Future Use	70		Deleted: 01/02/07
Rider TS, Temporary Service	71	01/02/07	Deleted: 01/02/07
Rider X, Line Extension	72	01/02/07	
Rider LM, Load Management Rider	73	01/02/07	
Reserved for Future Use	74		
Rider DSM, Demand Side Management Cost Recovery Program	75	01/02/07	
Reserved for Future Use	76		
Rider PLM, Peak Load Management Program	77	01/02/07	
Rider DSMR, Demand Side Management Rate	78	10/28/08	
Rider BDP, Backup Delivery Point Capacity Rider	79	01/02/07	
FUEL RIDERS			
Rider FAC, Fuel Adjustment Clause	80		Deleted: 01/02/07
Rider MSR-E, Merger Savings Credit Rider - Electric	81	01/02/07	
Rider PSM, Off-System Sales Profit Sharing Mechanism	82	12/01/08	
Reserved for Future Use	83		
Reserved for Future Use	84		
Rider BR, Brownfield Redevelopment Rider	85	01/02/07	
Rider DIR, Development Incentive Rider	86	01/02/07	
Reserved for Future Use	87		
Rider GP, Green Power Rider	88	01/02/07	
Rider NM, Net Metering Rider	89	01/02/07	

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc
 1697-A Monmouth Street
 Newport, Kentucky 41071

KY P.S.C. Electric No 2
 Twelfth Revised Sheet No 10
 Cancels and Supersedes
 Eleventh Revised Sheet No 10
 Page 4 of 5

Deleted: Eleventh

Deleted: Tenth

INDEX TO APPLICABLE ELECTRIC TARIFF SCHEDULES AND COMMUNITIES SERVED (Contd.)

	<u>Sheet No.</u>	<u>Effective Date</u>
MISCELLANEOUS		
Bad Check Charge.....	90	01/02/07
Charge for Reconnection of Service.....	91	01/02/07
Rate CATV, Rate for Pole Attachments of Cable Television Systems.....	92	01/02/07
Cogeneration and Small Power Production Sale and Purchase - 100 kW or Less.....	93	01/02/07
Cogeneration And Small Power Production Sale and Purchase - Greater Than 100 kW.....	94	01/02/07
Local Franchise Fee.....	95	01/02/07
Rate UDP-R, Underground Residential Distribution Policy.....	96	01/02/07
Rate UDP-G, General Underground Distribution Policy.....	97	01/02/07
Electricity Emergency Procedures for Long Term Fuel Shortages.....	98	01/02/07
Rate RTP, Real Time Pricing Program		
CBL Rate DS		
Secondary Voltage Less than 12.5 kV		
- Secondary Metered.....	99	01/02/09
- Primary Metered.....	99	01/02/09
CBL Rate DP		
Voltage 12.5Kv		
- Secondary Metered.....	99	01/02/09
- Primary Metered.....	99	01/02/09
Voltage 34.5kV		
- Secondary Metered.....	99	01/02/09
- Primary Metered.....	99	01/02/09
CBL Rate DT		
Secondary Voltage Less than 12.5 kV		
- Secondary Metered.....	99	01/02/09
- Primary Metered.....	99	01/02/09
Voltage 12.5 kV		
- Secondary Metered.....	99	01/02/09
- Primary Metered.....	99	01/02/09
CBL Rate TT		
Voltage 69 kV		
- Secondary Metered.....	99	01/02/09
- Primary Metered.....	99	01/02/09
Emergency Electric Procedures.....	100	01/02/07
Rate MDC, Meter Data Charges.....	101	01/02/07

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc
1697-A Monmouth Street
Newport, Kentucky 41071

KY P S C Electric No. 2
~~Twelfth~~ Revised Sheet No. 10
Cancels and Supersedes
~~Eleventh~~ Revised Sheet No. 10
Page 5 of 5

Deleted: Eleventh

Deleted: Tenth

INDEX TO APPLICABLE ELECTRIC TARIFF SCHEDULES AND COMMUNITIES SERVED

COMMUNITIES SERVED:

Alexandria	Highland Heights
Bellevue	Independence
Boone County	Kenton County
Bromley	Kenton Vale
Campbell County	Lakeside Park
Cold Spring	Latonia Lakes
Covington	Ludlow
Crescent Park	Melbourne
Crescent Springs	Newport
Crestview	Park Hills
Crestview Hills	Pendleton County
Crittenden	Ryland Heights
Dayton	Silver Grove
Dry Ridge	Southgate
Edgewood	Taylor Mill
Elsmere	Union
Erlanger	Villa Hills
Fairview	Walton
Florence	Wilder
Fort Mitchell	Woodlawn
Fort Thomas	
Fort Wright	
Grant County	

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case
No. 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
1697-A Monmouth Street
Covington, Kentucky 41071

KY.P.S.C. Electric No. 2
Second Revised Sheet No. 30
Cancels and Supersedes
First Revised Sheet No. 30
Page 1 of 2

Deleted: First

Deleted: Original

RATE RS

RESIDENTIAL SERVICE

APPLICABILITY

Applicable to electric service other than three phase service, for all domestic purposes in private residences, single occupancy apartments and separately metered common use areas of multi-occupancy buildings in the entire territory of the Company where distribution lines are adjacent to the premises to be served.

Residences where not more than two rooms are used for rental purposes will also be included. Where all dwelling units in a multi-occupancy building are served through one meter and the common use area is metered separately, the kilowatt-hour rate will be applied on a "per residence" or "per apartment" basis, however, the customer charge will be based on the number of installed meters.

Where a portion of a residential service is used for purposes of a commercial or public character, Rate DS, Service At Distribution Voltage, is applicable to all service. However, if the wiring is so arranged that the service for residential purposes can be metered separately, this Rate will be applied to the residential service, if the service qualifies hereunder.

TYPE OF SERVICE

Alternating current 60 Hz, single phase at Company's standard secondary voltage.

NET MONTHLY BILL

Computed in accordance with the following charges:

- 1. Base Rate
 - (a) Customer Charge \$4.50 per month
 - (b) Energy Charge
- | | |
|--------------------|--------------------|
| All kilowatt hours | \$0.090805 per kWh |
|--------------------|--------------------|

Deleted: 11

Deleted: \$0.073238

2. Applicable Riders

The following riders are applicable pursuant to the specific terms contained within each rider:
Sheet No. 78, Rider DSMR, Demand Side Management Rider
Sheet No. 80, Rider FAC, Fuel Adjustment Clause
Sheet No. 81, Rider MSR-E, Merger Savings Credit Rider – Electric
Sheet No. 82, Rider PSM, Profit Sharing Mechanism

The minimum charge shall be the Customer Charge as shown above.

Issued by authority of an Order of the Kentucky Public Service Commission dated _____
in Case No. 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
1697-A Monmouth Street
Covington, Kentucky 41071

KY.P.S.C. Electric No. 2
Second Revised Sheet No. 30
Cancels and Supersedes
First Revised Sheet No. 30
Page 2 of 2

Deleted: First

Deleted: Original

LATE PAYMENT CHARGE

Payment of the Net Monthly Bill must be received in the Company's office within twenty-one (21) days from the date the bill is mailed by the Company. When not so paid, the Gross Monthly Bill, which is the Net Monthly Bill plus 5%, is due and payable.

TERMS AND CONDITIONS

This rate is available upon application in accordance with the Company's Service Regulations.

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

Issued by authority of an Order of the Kentucky Public Service Commission dated _____
in Case No. 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
 1697-A Monmouth Street
 Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
Second Revised Sheet No. 40
 Cancels and Supersedes
First Revised Sheet No. 40
 Page 1 of 3

Deleted: First
 Deleted: Original

RATE DS

SERVICE AT SECONDARY DISTRIBUTION VOLTAGE

APPLICABILITY

Applicable to electric service for usual customer load requirements where the Company specifies service at the standard secondary system voltage and the Company determines that facilities of adequate capacity are available adjacent to the premises to be served, and the customer's average monthly demand is determined by the Company to be less than 500 kilowatts. Electric service must be supplied at one point of delivery and is not applicable for resale service.

TYPE OF SERVICE

Alternating current 60 Hz, single phase or three phase at the Company's standard distribution voltage of 34,500 volts or lower.

NET MONTHLY BILL

Computed in accordance with the following charges provided, however, that the maximum monthly rate, excluding the customer charge, and all applicable riders, shall not exceed \$0.229043 per kilowatt-hour (kilowatt of demand is abbreviated as kW and kilowatt-hours are abbreviated as kWh):

1. Base Rate

(a) Customer Charge per month

Single Phase Service	\$ 7.50	per month
Three Phase Service	\$ 15.00	per month

(b) Demand Charge

First 15 kilowatts	\$ 0.00	per kW
Additional kilowatts	\$ 7.75	per kW

(c) Energy Charge

First 6,000 kWh	\$0.096994	per kWh
Next 300 kWh/kW	\$0.065468	per kWh
Additional kWh	\$0.056392	per kWh

(I) Deleted: 0.079427
 (I) Deleted: 0.047901
 (I) Deleted: 0.038825

2. Applicable Riders

The following riders are applicable pursuant to the specific terms contained within each rider:
 Sheet No. 78, Rider DSMR, Demand Side Management Rider
 Sheet No. 80, Rider FAC, Fuel Adjustment Clause
 Sheet No. 81, Rider MSR-E, Merger Savings Credit Rider – Electric
 Sheet No. 82, Rider PSM, Profit Sharing Mechanism

The minimum charge shall be the Customer Charge shown above.

Deleted: <sp>

For customers receiving service under the provisions of former Rate C, Optional Rate for Churches, as of June 25, 1981, the maximum monthly rate per kilowatt-hour shall not exceed \$0.135924 per kilowatt-hour plus all applicable riders.

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522

Issued: _____ Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
1697-A Monmouth Street
Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
~~Second Revised Sheet No. 40~~
Cancels and Supersedes
~~First Revised Sheet No. 40~~
Page 2 of 3

Deleted: First
Deleted: Original

NET MONTHLY BILL (Cont'd)

When both single and three phase secondary voltage services are required by a customer, the monthly kilowatt-hour usage and kilowatt demands shall be the respective arithmetical sums of both services.

METERING

The Company may meter at secondary or primary voltage as circumstances warrant. If the Company elects to meter at primary voltage, the kilowatt-hours registered on the Company's meter will be reduced one and one-half percent (1.5%) for billing purposes.

DEMAND

The demand shall be the kilowatts derived from the Company's demand meter for the fifteen-minute period of customer's greatest use during the billing period, as determined by the Company, adjusted for power factor, as provided herein. At its option, the Company may not install a demand meter if the nature of the load clearly indicates the load will have a constant demand, in which case the demand will be the calculated demand.

In no event will the billing demand be taken as less than the higher of the following:

- a) 85% of the highest monthly kilowatt demand established in the summer period and effective for the next succeeding eleven (11) months; or
- b) One (1) kilowatt for single phase secondary voltage service and five (5) kilowatts for three phase secondary voltage service.

If a customer requests reconnection of an account within twelve (12) months of a disconnection order, the customer's demand record for the period of disconnection will be re-established for purposes of billing and administration of the preceding clause.

For purposes of administration of the above clause, the summer period is defined as that period represented by the Company's billing for the four (4) revenue months of June through September. The winter period is defined as that period represented by the Company's billing for the eight (8) revenue months of January through May and October through December.

POWER FACTOR ADJUSTMENT

The power factor to be maintained shall be not less than 90% lagging. If the Company determines customer's power factor to be less than 90%, the billing demand will be the number of kilowatts equal to the kilovolt amperes multiplied by 0.90.

At the Company's option, power factor may be determined by the following methods:

- a. Continuous measurement
 - the power factor, as determined during the interval in which the maximum kW demand is established, will be used for billing purposes; or

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522

Issued: _____ Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
1697-A Monmouth Street
Newport, Kentucky 41071

KY P.S.C. Electric No. 2
Second Revised Sheet No. 40
Cancels and Supersedes
First Revised Sheet No. 40
Page 3 of 3

Deleted: First

Deleted: Original

POWER FACTOR ADJUSTMENT (Cont'd)

b. Testing

- the power factor, as determined during a period in which the customer's measured kW demand is not less than 90% of the measured maximum kW demand of the preceding billing period, will be used for billing purposes until superseded by a power factor determined by a subsequent test made at the direction of Company or request of customer.

LATE PAYMENT CHARGE

Payment of the Net Monthly Bill must be received in the Company's office within twenty-one (21) days from the date the bill is mailed by the Company. When not so paid, the Gross Monthly Bill, which is the Net Monthly Bill plus 5%, is due and payable.

TERMS AND CONDITIONS

The initial term of contract shall be for a minimum period of three (3) years terminable thereafter by a minimum notice of either the customer or the Company as prescribed by the Company's Service Regulations.

The Company is not obligated to extend, expand or rearrange its transmission system voltage if it determines that existing distribution and/or transmission facilities are of adequate capacity to serve the customer's load.

If the Company offers to provide the necessary facilities for transmission service, in accordance with its Service Regulations, an annual facilities charge, applicable to such additional facilities, is established at twenty (20) percent of actual cost. The annual facilities charge shall be billed in twelve monthly installments to be added to the demand charge.

For purposes of administration of this rate, the Company will determine the customer's average monthly demand based upon the twelve months ending December of each year after the applicable term of service has been fulfilled by the customer. If the customer's monthly demand exceeds 500 kilowatts and the Company expects the customer's demand to remain in excess of 500 kilowatts, then the Company will notify the customer prior to May of the succeeding year that the provisions of Rate DT, Time-of-Day Rate for Distribution Service shall be applicable beginning with the June revenue month billing and shall continue until the term of service of that rate has been fulfilled. In the case where a customer's average demand is estimated by the Company to be significantly less than 500 kilowatts, the Company may, at its discretion, waive the twelve month demand history requirement in the determination of the applicability of this rate.

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

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
1697-A Monmouth Street
Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
Second Revised Sheet No. 41
Cancels and Supersedes
First Revised Sheet No. 41
Page 1 of 4

Deleted: First

Deleted: Original

RATE DT

TIME-OF-DAY RATE FOR SERVICE AT DISTRIBUTION VOLTAGE

APPLICABILITY

Applicable to electric service for customers with an average monthly demand of 500 kilowatts or greater where the Company specifies service at a nominal distribution system voltage of 34,500 volts or lower, and the Company determines that facilities of adequate capacity are available and adjacent to the premises to be served. Electric service must be supplied at one point of delivery and is not applicable for resale service.

TYPE OF SERVICE

Alternating current 60 Hz, single phase or three phase at Company's standard distribution voltage of 34,500 volts or lower.

NET MONTHLY BILL

Computed in accordance with the following charges (kilowatt of demand abbreviated as kW and kilowatt-hours are abbreviated as kWh):

1. Base Rate

(a) Customer Charge		
Single Phase	\$ 7.50	per month
Three Phase	\$ 15.00	per month
Primary Voltage Service	\$100.00	per month
(b) Demand Charge		
Summer		
On Peak kW	\$ 12.75	per kW
Off Peak kW	\$ 1.15	per kW
Winter		
On Peak kW	\$ 12.07	per kW
Off Peak kW	\$ 1.15	per kW
(c) Energy Charge		
Summer On Peak kWh	\$0.059544	per kWh
Winter On Peak kWh	\$0.057544	per kWh
Off Peak kWh	\$0.051544	per kWh

(I) Deleted: 0 041977

(I) Deleted: 0 039977

(I) Deleted: 0 033977

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in
Case No. 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
 1697-A Monmouth Street
 Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
 Second Revised Sheet No. 41
 Cancels and Supersedes
 First Revised Sheet No. 41
 Page 2 of 4

Deleted: First

Deleted: Original

Low Load Factor Optional Rate – Pilot Program

Customers with annual load factors of 45% or lower are eligible to receive service at the following rates. Annual load factor is defined as the sum of the kWh during the prior year divided by the sum of the kW during the prior year divided by 730. This pilot program low load factor optional rate will remain in effect through December 31, 2007. The Company may apply to continue this pilot program beyond December 31, 2007, subject to Commission approval

Base Rate

(a) Customer Charge		
Single Phase		\$ 7.50 per month
Three Phase		\$ 15.00 per month
Primary Voltage Service		\$100.00 per month
(b) Demand Charge		
Summer		
On Peak kW		\$ 11.90 per kW
Off Peak kW		\$ 1.15 per kW
Winter		
On Peak kW		\$ 10.54 per kW
Off Peak kW		\$ 1.15 per kW
(c) Energy Charge		
Summer On Peak kWh		<u>\$0.062206</u> per kWh
Winter On Peak kWh		<u>\$0.060206</u> per kWh
Off Peak kWh		<u>\$0.054206</u> per kWh

(I) Deleted: \$0.044639

(I) Deleted: \$0.042639

(I) Deleted: \$0.036639

2. Applicable Riders

The following riders are applicable pursuant to the specific terms contained within each rider:
 Sheet No. 78, Rider DSMR, Demand Side Management Rider
 Sheet No. 80, Rider FAC, Fuel Adjustment Clause
 Sheet No. 81, Rider MSR-E, Merger Savings Credit Rider – Electric
 Sheet No. 82, Rider PSM, Profit Sharing Mechanism

The minimum charge shall be the Customer Charge, as stated above.

When both single and three phase secondary voltage services are required by a customer, the monthly kilowatt-hour usage and kilowatt demands shall be the respective arithmetical sums of both services.

For purposes of administration of the above Base Rate charges, the summer period is defined as that period represented by the Company's billing for the four (4) revenue months of June through September. The winter period is defined as that period represented by the Company's billing for the eight (8) revenue months of January through May and October through December

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522.

Issued: _____ Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
1697-A Monmouth Street
Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
~~Second Revised Sheet No. 41~~
Cancels and Supersedes
~~First Revised Sheet No. 41~~
Page 3 of 4

Deleted: First

Deleted: Original

RATING PERIODS

The rating periods applicable to the demand charge shall be as follows:

- a) On Peak Period
Summer - 11 a.m. to 8 p.m. Monday through Friday, excluding holidays.
Winter - 9 a.m. to 2 p.m. and 5 p.m. to 9 p.m., Monday through Friday, excluding holidays.
- b) Off Peak Period - All hours Monday through Friday not included above plus all day Saturday and Sunday, as well as New Year's Day, President's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day and Christmas Day on the day nationally designated to be celebrated as such.

METERING

The company may meter at secondary or primary voltage as circumstances warrant. If the Company elects to meter at primary voltage, kilowatt hours registered on the Company's meter will be reduced one and one-half percent (1.5%) for billing purposes.

If the customer furnishes primary voltage transformers and appurtenances, in accordance with the Company's specified design and maintenance criteria, the Demand Charge, as stated above, shall be reduced as follows:

First 1,000 kW of On Peak billing demand at \$0.65 per kW.
Additional kW of On Peak billing demand at \$0.50 per kW.

DEMAND

The On Peak billing demand shall be the kilowatts derived from the Company's demand meter for the fifteen minute period of greatest use in the on peak rating period adjusted for power factor as provided herein. The Off Peak billing demand shall be the kilowatts derived from the Company's demand meter for the fifteen minute period of greatest use in the off peak rating period adjusted for power factor minus the On Peak billing demand. In no case shall the Off Peak billing demand be less than zero.

POWER FACTOR ADJUSTMENT

The power factor to be maintained shall be not less than 90% lagging. If the Company determines the customer's power factor to be less than 90%, the on peak and off peak billing demands will be the number of kilowatts equal to the respective on peak and off peak kilovolt amperes multiplied by 0.90.

The power factor, as determined by continuous measurement, will be derived from the intervals in which the maximum on peak and off peak kW demands are established.

LATE PAYMENT CHARGE

Payment of the Net Monthly Bill must be received in the Company's office within twenty-one (21) days from the date the bill is mailed by the Company. When not so paid, the Gross Monthly Bill, which is the Net Monthly Bill plus 5%, is due and payable.

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in
Case No. 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc
1697-A Monmouth Street
Newport, Kentucky 41071

KY P.S.C. Electric No. 2
~~Second Revised Sheet No. 41~~
Cancels and Supersedes
~~First Revised Sheet No. 41~~
Page 4 of 4

Deleted: First

Deleted: Original

TERMS AND CONDITIONS

The initial term of contract shall be for a period of three (3) years for secondary voltage service and five (5) years for primary voltage service terminable thereafter by a minimum notice of either the customer or the Company as follows:

- (1) For secondary voltage service customers, as prescribed by the Company's Service Regulations.
- (2) For primary voltage service customers with a most recent twelve month average demand of less than 10,000 kVA or greater than 10,000 kVA, written notice of thirty (30) days or twelve (12) months respectively, after receipt of the written notice

The Company is not obligated to extend, expand or rearrange its transmission system if it determines that existing distribution and/or transmission facilities are of adequate capacity to serve the customer's load.

If the Company offers to provide the necessary facilities for transmission service, in accordance with its Service Regulations, an annual facilities charge, applicable to such additional facilities, is established at twenty (20) percent of actual cost. The annual facilities charge shall be billed in twelve monthly installments to be added to the demand charge.

For purposes of the administration of this rate, the Company will determine the customer's average monthly demand based upon the twelve months ending December of each year after the applicable term of service has been fulfilled by the customer. If the customer's demand is less than 500 kilowatts and the Company expects the customer's demand to remain below 500 kilowatts, then the Company will notify the customer prior to May of the succeeding year that the provisions of Rate DS, Service at Secondary Distribution Voltage or Rate DP, Service at Primary Distribution Voltage shall be applicable initiating with the June revenue month billing and shall continue until the term of service of that rate is fulfilled. In the case where a customer's average demand is estimated by the Company to be significantly greater than 500 kilowatts, the Company may, at its discretion, waive the twelve month demand history requirement in the determination of the applicability of this rate.

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

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522.

Issued: _____ Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
1697-A Monmouth Street
Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
~~Second Revised Sheet No. 42~~
Cancels and Supersedes
~~First Revised Sheet No. 42~~
Page 1 of 2

Deleted: First

Deleted: Original

RATE EH

OPTIONAL RATE FOR ELECTRIC SPACE HEATING

APPLICABILITY

Applicable to electric service for heating when customer's wiring is so arranged that heating service can be furnished at one point of delivery and can be metered separately from all other types of service or to any public school, parochial school, private school, or church when supplied at one point of delivery, provided permanently connected and regularly used electrical equipment is installed in compliance with the Company specifications as the primary source of heating or heating and cooling the atmosphere to temperatures of human comfort; and provided all other electrical energy requirements are purchased from the Company. No single water heating unit shall be wired that the demand established by it can exceed 5.5 kilowatts unless approved by the Company.

TYPE OF SERVICE

Alternating current 60 Hz, single or three phase at Company's standard secondary voltage.

NET MONTHLY BILL

Computed in accordance with the following charges (kilowatts of demand are abbreviated as kW and kilowatt-hours are abbreviated as kWh):

A. Winter Period

1. Base Rate

- (a) Customer Charge
 - Single Phase Service \$ 7.50 per month
 - Three Phase Service \$ 15.00 per month
 - Primary Voltage Service \$ 100.00 per month

- (b) Energy Charge
 - All kWh \$0.076873 per kWh

Deleted: \$0.059306

2. Applicable Riders

The following riders are applicable pursuant to the specific terms contained within each rider:
Sheet No. 78, Rider DSMR, Demand Side Management Rider
Sheet No. 80, Rider FAC, Fuel Adjustment Clause
Sheet No. 81, Rider MSR-E, Merger Savings Credit Rider – Electric
Sheet No. 82, Rider PSM, Profit Sharing Mechanism

The minimum charge shall be the Customer Charge stated above

B. Summer Billing Period

For energy used during the summer period, the kilowatt demand and kilowatt-hour use shall be billed in accordance with the provisions of the applicable Rate DS or Rate DP.

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

KY.P.S.C. Electric No. 2
Second Revised Sheet No. 42
Cancels and Supersedes
First Revised Sheet No. 42
Page 2 of 2

Deleted: First
Deleted: Original

Duke Energy Kentucky, Inc.
1697-A Monmouth Street
Newport, Kentucky 41071

NET MONTHLY BILL (Contd.)

For purposes of administration of the above charges, the summer period is defined as that period represented by the Company's billing for the four (4) revenue months of June through September. The winter period is defined as that period represented by the Company's billing for the eight (8) revenue months of January through May and October through December.

DEMAND

Customer's Demand will be the kilowatts as determined from Company's meter for the fifteen-minute period of customer's greatest use during the month or as calculated by the Company, but not less than five (5) kilowatts

LATE PAYMENT CHARGE

Payment of the Net Monthly Bill must be received in the Company's office within twenty-one (21) days from the date the bill is mailed by the Company. When not so paid, the Gross Monthly Bill, which is the Net Monthly Bill plus 5%, is due and payable.

TERMS AND CONDITIONS

The term of contract shall be for a minimum period of one (1) year terminable thereafter on thirty (30) days written notice by either the customer or the Company.

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

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
1697-A Monmouth Street
Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
~~Second Revised Sheet No. 43~~
Cancels and Supersedes
~~First Revised Sheet No. 43~~
Page 1 of 2

Deleted: First

Deleted: Original

RATE SP

SEASONAL SPORTS SERVICE

APPLICABILITY

Applicable to electric service required for sports installations, such as football and baseball fields, swimming pools, tennis courts, and recreational areas, promoted, operated and maintained by non-profit organizations, such as schools, churches, civic clubs, service clubs, community groups, and municipalities, where such service is separately metered and supplied at one point of delivery, except, not applicable to private sports installations which are not open to the general public. This rate is available only to customers to whom service was supplied in accordance with its terms on June 25, 1981.

TYPE OF SERVICE

Alternating current 60 Hz, single or three phase at the Company's standard secondary voltage.

NET MONTHLY BILL

Computed in accordance with the following charges (kilowatt hours are abbreviated as kWh):

1. Base Rate

- (a) Customer Charge \$7.50 per month
- (b) Energy Charge \$0.115947 per kWh

Deleted: \$0.098380

2. Applicable Riders

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

- Sheet No. 78, Rider DSMR, Demand Side Management Rider
- Sheet No. 80, Rider FAC, Fuel Adjustment Clause
- Sheet No. 81, Rider MSR-E, Merger Savings Credit Rider – Electric
- Sheet No. 82, Rider PSM, Profit Sharing Mechanism

The minimum charge shall be a sum equal to 1.5% of the Company's installed cost of transformers and metering equipment required to supply and measure service, but not less than the customer charge whether service is on or disconnected.

RECONNECTION CHARGE

A charge of \$25.00 is applicable to each season to cover in part the cost of reconnection of service.

LATE PAYMENT CHARGE

Payment of the Net Monthly Bill must be received in the Company's office within twenty-one (21) days from the date the bill is mailed by the Company. When not so paid, the Gross Monthly Bill, which is the Net Monthly Bill plus 5%, is due and payable.

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
1697-A Monmouth Street
Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
~~Second Revised Sheet No. 43~~
Cancels and Supersedes
~~First Revised Sheet No. 43~~
Page 2 of 2

Deleted: First

Deleted: Original

TERMS AND CONDITIONS

The term of contract shall be for a minimum period of one (1) year terminable thereafter on thirty (30) days written notice by either the customer or the Company.

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

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in
Case No. 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
1697-A Monmouth Street
Newport, Kentucky 41071

KY P.S.C. Electric No. 2
Second Revised Sheet No. 44
Cancels and Supersedes
First Revised Sheet No. 44
Page 1 of 2

Deleted: First

Deleted: Original

RATE GS-FL

OPTIONAL UNMETERED GENERAL SERVICE RATE FOR SMALL FIXED LOADS

APPLICABILITY

Applicable to electric service in the Company's entire territory for small fixed, electric load which can be served by a standard service drop from the Company's existing secondary distribution system where it is considered by the Company to be impractical to meter, such as service locations for bus shelters, telephone booths, navigation lights and beacons, and cable television power supplies.

TYPE OF SERVICE

Alternating current 60 Hz, at nominal voltages of 120, 120/240 or 120/208 volts, single phase, unmetered. Service of other characteristics, where available, may be furnished at the option of the Company.

NET MONTHLY BILL

Computed in accordance with the following charges and based upon calculated energy use determined by the rated capacity of the connected equipment:

1. Base Rate

(a) For loads based on a range of 540 to 720 hours use per month of the rated capacity of the connected equipment

\$0.096072 per kWh

Deleted: \$0.078505

(b) For loads of less than 540 hours use per month of the rated capacity of the connected equipment

\$0.108296 per kWh

Deleted: \$0.090729

2. Applicable Riders

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

- Sheet No. 78, Rider DSMR, Demand Side Management Rider
- Sheet No. 80, Rider FAC, Fuel Adjustment Clause
- Sheet No. 81, Rider MSR-E, Merger Savings Credit Rider – Electric
- Sheet No. 82, Rider PSM, Profit Sharing Mechanism

Minimum: \$3.00 per Fixed Load Location per month.

LATE PAYMENT CHARGE

Payment of the Net Monthly Bill must be received in the Company's office within twenty-one (21) days from the date the bill is mailed by the Company. When not so paid, the Gross Monthly Bill, which is the Net Monthly Bill plus 5%, is due and payable.

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
1697-A Monmouth Street
Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
~~Second Revised Sheet No. 44~~
Cancels and Supersedes
~~First Revised Sheet No. 44~~
Page 2 of 2

Deleted: First

Deleted: Original

SERVICE PROVISIONS

- (1) Each separate point of delivery of service shall be considered a Fixed Load Location.
- (2) Only one supply service will be provided to a customer under this Schedule as one Fixed Load Location.
- (3) The customer shall furnish switching equipment satisfactory to the Company.
- (4) The calculated energy use per month shall be determined by the Company taking into consideration the size and operating characteristics of the load.
- (5) The customer shall notify the Company in advance of every change in connected load or operating characteristics, and the Company reserves the right to inspect the customer's equipment at any time to verify the actual load. In the event of the customer's failure to notify the Company of any such changes, the Company reserves the right to refuse to serve the Fixed Load thereafter under this Schedule, and shall be entitled to bill the customer retroactively on the basis of the changed load and operating characteristics for the full period such load was connected.

TERM OF SERVICE

One (1) year, terminable thereafter on thirty (30) days written notice by either the customer or the Company.

SERVICE REGULATIONS

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

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522.

Issued: _____ Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
1697-A Monmouth Street
Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
Second Revised Sheet No. 45
Cancels and Supersedes
First Revised Sheet No. 45
Page 1 of 3

Deleted: First

Deleted: Original

RATE DP

SERVICE AT PRIMARY DISTRIBUTION VOLTAGE

APPLICABILITY

Applicable to electric service for usual customer load requirements where the Company specifies service at nominal primary distribution system voltages of 12,500 volts or 34,500 volts, and the Company determines that facilities of adequate capacity are available and adjacent to the premises to be served, and the customer's average monthly demand is determined by the Company to be less than 500 kilowatts. Electric service must be supplied at one point of delivery and is not applicable for resale service.

When both single and three phase secondary voltage services are required by a customer, the monthly kilowatt-hour usage and kilowatt demands shall be the respective arithmetical sums of both services.

TYPE OF SERVICE

Alternating current 60 Hz, single phase or three phase at Company's standard distribution voltage of 34,500 volts or lower.

NET MONTHLY BILL

Computed in accordance with the following charges provided, however, that the maximum monthly rate, excluding the customer charge, electric fuel component charges and DSM Charge shall not exceed \$0.229043 per kilowatt-hour (Kilowatt of demand is abbreviated as kW and kilowatt-hours are abbreviated as kWh):

1. Base Rate

(a) Customer Charge			
Primary Voltage Service (12.5 or 34.5 kV)	\$	100.00	per month
(b) Demand Charge			
All kilowatts	\$	7.08	per kW
(c) Energy Charge			
First 300 kWh/kW		<u>\$0.066417</u>	per kWh
Additional kWh		<u>\$0.058547</u>	per kWh

(1) Deleted: \$ 0.048850
Deleted: \$ 0.040980

2. Applicable Riders

The following riders are applicable pursuant to the specific terms contained within each rider:
Sheet No. 78, Rider DSMR, Demand Side Management Rider
Sheet No. 80, Rider FAC, Fuel Adjustment Clause
Sheet No. 81, Rider MSR-E, Merger Savings Credit Rider - Electric
Sheet No. 82, Rider PSM, Profit Sharing Mechanism

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
1697-A Monmouth Street
Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
Second Revised Sheet No. 45
Cancels and Supersedes
First Revised Sheet No. 45
Page 2 of 3

Deleted: First

Deleted: Original

NET MONTHLY BILL (Contd.)

The minimum charge shall be the Customer Charge shown above.

PRIMARY VOLTAGE METERING DISCOUNT

The Company may meter at secondary or primary voltage as circumstances warrant. If the Company elects to meter at primary voltage, the kilowatt-hours registered on the Company's meter will be reduced one and one-half percent (1.5%) for billing purposes.

DEMAND

The demand shall be the kilowatts derived from the Company's demand meter for the fifteen-minute period of customer's greatest use during the billing period, as determined by the Company, adjusted for power factor, as provided herein. At its option, the Company may not install a demand meter if the nature of the load clearly indicates the load will have a constant demand, in which case the demand will be the calculated demand.

In no event will the billing demand be taken as less than 85% of the highest monthly kilowatt demand established in the summer period and effective for the next succeeding eleven (11) months.

If a customer requests reconnection of an account within twelve (12) months of a disconnection order, the customer's demand record for the period of disconnection will be re-established for purposes of billing and administration of the preceding clause.

For purposes of administration of the above clause, the summer period is defined as that period represented by the Company's billing for the four (4) revenue months of June through September. The winter period is defined as that period represented by the Company's billing for the eight (8) revenue months of January through May and October through December.

POWER FACTOR ADJUSTMENT

The power factor to be maintained shall be not less than 90% lagging. If the Company determines customer's power factor to be less than 90%, the billing demand will be the number of kilowatts equal to the kilovolt amperes multiplied by 0.90.

At the Company's option, power factor may be determined by the following methods:

a. Continuous measurement

- the power factor, as determined during the interval in which the maximum kW demand is established, will be used for billing purposes; or

b. Testing

- the power factor, as determined during a period in which the customer's measured kW demand is not less than 90% of the measured maximum kW demand of the preceding billing period, will be used for billing purposes until superseded by a power factor determined by a subsequent test made at the direction of Company or request of customer.

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522.

Issued: _____

Issued by Julie Janson, President

Effective: _____

Duke Energy Kentucky, Inc.
1697-A Monmouth Street
Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
~~Second Revised Sheet No. 45~~
Cancels and Supersedes
~~First Revised Sheet No. 45~~
Page 3 of 3

Deleted: First

Deleted: Original

LATE PAYMENT CHARGE

Payment of the Net Monthly Bill must be received in the Company's office within twenty-one (21) days from the date the bill is mailed by the Company. When not so paid, the Gross Monthly Bill, which is the Net Monthly Bill plus 5%, is due and payable.

TERMS AND CONDITIONS

The initial term of contract shall be for a minimum period of five (5) years terminable thereafter as prescribed by the Company's Service Regulations.

- (1) For customers with a most recent twelve month average demand of less than 10,000 kVA, thirty days written notice.
- (2) For customers with a most recent twelve month average demand of 10,000 kVA or greater, written notice twelve months in advance of the desired termination date.

The Company is not obligated to extend, expand or rearrange its transmission system voltage if it determines that existing distribution and/or transmission facilities are of adequate capacity to serve the customer's load.

If the Company offers to provide the necessary facilities for transmission service, in accordance with its Service Regulations, an annual facilities charge, applicable to such additional facilities, is established at twenty (20) percent of actual cost. The annual facilities charge shall be billed in twelve monthly installments to be added to the demand charge.

For purposes of administration of this rate, the Company will determine the customer's average monthly demand based upon the twelve months ending December of each year after the applicable term of service has been fulfilled by the customer. If the customer's monthly demand exceeds 500 kilowatts and the Company expects the customer's demand to remain in excess of 500 kilowatts, then the Company will notify the customer prior to May of the succeeding year that the provisions of Rate DT, Time-of-Day Rate for Distribution Service shall be applicable beginning with the June revenue month billing and shall continue until the term of service of that rate has been fulfilled. In the case where a customer's average demand is estimated by the Company to be significantly less than 500 kilowatts, the Company may, at its discretion, waive the twelve month demand history requirement in the determination of the applicability of this rate.

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

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522.

Issued: _____

Issued by Julie Janson, President

Effective: _____

Duke Energy Kentucky, Inc.
1697-A Monmouth Street
Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
Second Revised Sheet No. 51
Cancels and Supersedes
First Revised Sheet No. 51
Page 1 of 3

Deleted: First

Deleted: Original

RATE TT

TIME-OF-DAY RATE FOR SERVICE AT TRANSMISSION VOLTAGE

APPLICABILITY

Applicable to electric service for usual customer load requirements where the Company specifies service at a nominal transmission system voltage of 69,000 volts or higher, and the Company determines that facilities of adequate capacity are available and adjacent to the premises to be served. Electric service must be supplied at one point of delivery and the customer furnishes and maintains all transformation equipment and appurtenances necessary to utilize the service.

Service is applicable for ultimate use by the customer and is not applicable for standby, supplemental, emergency or resale service.

TYPE OF SERVICE

Alternating current 60 Hz, three phase at Company's standard transmission voltage of 69,000 volts or higher.

NET MONTHLY BILL

Computed in accordance with the following charges (kilowatts of demand are abbreviated as kW and kilowatt-hours are abbreviated as kWh):

- 1. Base Rate
 - (a) Customer Charge \$ 500.00 per month
 - (b) Demand Charge
 - Summer
 - On Peak kW \$ 7.60 per kW
 - Off Peak kW \$ 1.15 per kW
 - Winter
 - On Peak kW \$ 6.24 per kW
 - Off Peak kW \$ 1.15 per kW
 - (c) Energy Charge
 - All kWh \$0.057997 per kWh

Deleted: \$0.04043

2. Applicable Riders

The following riders are applicable pursuant to the specific terms contained within each rider:
Sheet No. 78, Rider DSMR, Demand Side Management Rider
Sheet No. 80, Rider FAC, Fuel Adjustment Clause
Sheet No. 81, Rider MSR-E, Merger Savings Credit Rider – Electric
Sheet No. 82, Rider PSM, Profit Sharing Mechanism

The minimum charge shall be not less than fifty percent (50%) of the highest demand charge established during the preceding eleven (11) months.

Issued by authority of an Order of the Kentucky Public Service Commission dated _____
in Case No. 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
1697-A Monmouth Street
Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
Second Revised Sheet No. 51
Cancels and Supersedes
First Revised Sheet No. 51
Page 2 of 3

Deleted: First

Deleted: Original

NET MONTHLY BILL (Contd.)

For purposes of administration of the above charges, the summer is defined as that period represented by the Company's billing for the four (4) revenue months of June through September. The winter period is defined as that period represented by the Company's billing for the eight (8) revenue months of January through May and October through December.

RATING PERIODS

The rating periods applicable to the demand charge shall be as follows:

- a) **On Peak Period**
Summer - 11 a.m. to 8 p.m. Monday through Friday, excluding holidays.
Winter - 9 a.m. to 2 p.m. and 5 p.m. to 9 p.m., Monday through Friday, excluding holidays.
- b) **Off Peak Period** - all hours Monday through Friday not included above plus all day Saturday and Sunday as well as New Year's Day, President's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day, and Christmas Day on the day nationally designated to be celebrated as such.

METERING

The Company may meter at secondary or primary voltage as circumstances warrant. If the Company elects to meter at secondary voltage, the kilowatt-hours registered on the Company's meter will be increased one and one-half percent (1.5%) for billing purposes.

DEMAND

The On Peak billing demand shall be the kilowatts derived from the Company's demand meter for the fifteen minute period of greatest use in the on peak rating period adjusted for power factor as provided herein. The Off Peak billing demand shall be the kilowatts derived from the Company's demand meter for the fifteen minute period of greatest use in the off peak rating period adjusted for power factor minus the On Peak billing demand. In no case shall the Off Peak billing demand be less than zero.

POWER FACTOR ADJUSTMENT

The power factor to be maintained shall be not less than 90% lagging. If the Company determines the customer's power factor to be less than 90%, the on peak and off peak billing demands will be the number of kilowatts equal to the respective on peak and off peak kilovolt amperes multiplied by 0.90.

The power factor, as determined by continuous measurement, will be derived from the intervals in which the maximum on peak and off peak kW demands are established.

LATE PAYMENT CHARGE

Payment of the Net Monthly Bill must be received in the Company's office within twenty-one (21) days from the date the bill is mailed by the Company. When not so paid, the Gross Monthly Bill, which is the Net Monthly Bill plus 5%, is due and payable.

Issued by authority of an Order of the Kentucky Public Service Commission dated _____
in Case No. 2008-00522.

Issued: _____

Issued by Julie Janson, President

Effective: _____

Duke Energy Kentucky, Inc.
1697-A Monmouth Street
Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
Second Revised Sheet No. 51
Cancels and Supersedes
First Revised Sheet No. 51
Page 3 of 3

Deleted: First

Deleted: Original

TERMS AND CONDITIONS

The initial term of contract shall be for a minimum period of five (5) years terminable thereafter by either the customer or the Company as follows.

- (1) Thirty (30) days after receipt of written notice for customers with a most recent twelve (12) months average on peak demand of less than 10,000 kW.
- (2) Twelve (12) months after receipt of written notice for customers with a most recent twelve (12) months average on peak demand of greater than 10,000 kW.

The Company is not obligated to extend, expand or rearrange its transmission system if it determines that existing distribution and/or transmission facilities are of adequate capacity to serve the customer's load.

If the Company offers to provide the necessary facilities for transmission voltage, in accordance with its Service Regulations, an annual facilities charge, applicable to such additional facilities, is established at twenty (20) percent of actual cost. The annual facilities charge shall be billed in twelve monthly installments to be added to the demand charge.

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

Issued by authority of an Order of the Kentucky Public Service Commission dated _____
in Case No. 2008-00522.

Issued: _____

Issued by Julie Janson, President

Effective: _____

Duke Energy Kentucky, Inc.
1697-A Monmouth Street
Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
Second Revised Sheet No. 60
Cancels and Supersedes
First Revised Sheet No. 60
Page 1 of 6

Deleted: First

Deleted: Original

RATE SL

STREET LIGHTING SERVICE

APPLICABILITY

Applicable to municipal, county, state and Federal governments, including divisions thereof, and incorporated homeowners associations, for the lighting of public streets and roads with Company-owned lighting fixtures.

Mercury Vapor lighting fixtures will not be installed by the Company after June 1, 2003. As currently installed Mercury Vapor fixtures are retired and/or replaced, they may be replaced with either Metal Halide or Sodium Vapor fixtures as the customer chooses.

This rate schedule is no longer available after December 31, 2006. Potential lighting customers wanting a lighting system installed and maintained by Company can do so via the Outdoor Lighting Equipment agreement (OLE). Potential customers should contact a Company account representative for further information concerning OLE options. This rate schedule terminates December 31, 2026. Customers currently being provided service under this rate schedule can continue being provided service under this rate schedule for the remaining useful life of the facilities, or this rate schedule terminates, whichever occurs first.

TYPE OF SERVICE

All equipment owned by the Company will be installed and maintained by the Company. All lamps will burn from dusk to dawn, approximately 4,160 hours per annum. The Company will endeavor to replace burned-out lamps within 48 hours after notification by the customer. The Company does not guarantee continuous lighting or electric service and shall not be liable to the customer or anyone else for any damage, loss or injury due to any cause.

NET MONTHLY BILL

The following monthly charge for each unit with lamp and luminaire, controlled automatically, will be assessed:

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
 1697-A Monmouth Street
 Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
 Second Revised Sheet No. 60
 Cancels and Supersedes
 First Revised Sheet No. 60
 Page 2 of 6

Deleted: First

Deleted: Original

NET MONTHLY BILL (Contd.)

1. Base Rate

<u>OVERHEAD DISTRIBUTION AREA</u> Fixture Description	<u>Lamp</u> <u>Watt</u>	<u>kW/Unit</u>	<u>Annual</u> <u>kWh</u>	<u>Rate/Unit</u>
Standard Fixture (Cobra Head)				
Mercury Vapor				
7,000 lumen	175	0.193	803	\$ 6.96
7,000 lumen (Open Refractor)	175	0.205	853	\$ 5.79
10,000 lumen	250	0.275	1,144	\$ 8.00
21,000 lumen	400	0.430	1,789	\$10.66
Metal Halide				
14,000 lumen	175	0.193	803	\$ 6.96
20,500 lumen	250	0.275	1,144	\$ 8.00
36,000 lumen	400	0.430	1,789	\$10.66
Sodium Vapor				
9,500 lumen	100	0.117	487	\$ 7.78
9,500 lumen (Open Refractor)	100	0.117	487	\$ 5.82
16,000 lumen	150	0.171	711	\$ 8.45
22,000 lumen	200	0.228	948	\$10.95
27,500 lumen	250	0.275	948	\$10.95
50,000 lumen	400	0.471	1,959	\$14.59
Decorative Fixtures				
Sodium Vapor				
9,500 lumen (Rectilinear)	100	0.117	487	\$ 9.69
22,000 lumen (Rectilinear)	200	0.246	1,023	\$11.90
50,000 lumen (Rectilinear)	400	0.471	1,959	\$15.64
50,000 lumen (Setback)	400	0.471	1,959	\$23.43

Where a street lighting fixture served overhead is to be installed on another utility's pole on which the Company does not have a contact, a monthly pole charge will be assessed.

Spans of Secondary Wiring:

For each increment of 50 feet of secondary wiring beyond the first 150 feet from the pole, the following price per month shall be added to the price per month per street lighting unit. \$0.52.

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
 1697-A Monmouth Street
 Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
 Second Revised Sheet No. 60
 Cancels and Supersedes
 First Revised Sheet No. 60
 Page 3 of 6

Deleted: First

Deleted: Original

NET MONTHLY BILL (Contd.)

UNDERGROUND DISTRIBUTION AREA	Lamp Watt	kW/Unit	Annual kWh	Rate/Unit
Fixture Description				
Standard Fixture (Cobra Head)				
Mercury Vapor				
7,000 lumen	175	0.210	874	\$ 7.08
7,000 lumen (Open Refractor)	175	0.205	853	\$ 5.79
10,000 lumen	250	0.292	1,215	\$ 8.13
21,000 lumen	400	0.460	1,914	\$10.89
Metal Halide				
14,000 lumen	175	0.210	874	\$ 7.08
20,500 lumen	250	0.292	1,215	\$ 8.13
36,000 lumen	400	0.460	1,914	\$10.89
Sodium Vapor				
9,500 lumen	100	0.117	487	\$ 7.78
9,500 lumen (Open Refractor)	100	0.117	487	\$ 5.90
16,000 lumen	150	0.171	711	\$ 8.42
22,000 lumen	200	0.228	948	\$10.95
50,000 lumen	400	0.471	1,959	\$14.59
Decorative Fixtures				
Mercury Vapor				
7,000 lumen (Town & Country)	175	0.205	853	\$ 7.33
7,000 lumen (Holophane)	175	0.210	874	\$ 9.24
7,000 lumen (Gas Replica)	175	0.210	874	\$21.32
7,000 lumen (Granville)	175	0.205	853	\$ 7.41
7,000 lumen (Aspen)	175	0.210	874	\$13.45
Metal Halide				
14,000 lumen (Traditionaire)	175	0.205	853	\$ 7.33
14,000 lumen (Granville Acorn)	175	0.210	874	\$13.45
14,000 lumen (Gas Replica)	175	0.210	874	\$21.41
Sodium Vapor				
9,500 lumen (Town & Country)	100	0.117	487	\$10.84
9,500 lumen (Holophane)	100	0.128	532	\$11.74
9,500 lumen (Rectilinear)	100	0.117	487	\$ 8.74
9,500 lumen (Gas Replica)	100	0.128	532	\$22.16
9,500 lumen (Aspen)	100	0.128	532	\$13.69
9,500 lumen (Traditionaire)	100	0.117	487	\$10.84
9,500 lumen (Granville Acorn)	100	0.128	532	\$13.69
22,000 lumen (Rectilinear)	200	0.246	1,023	\$11.96
50,000 lumen (Rectilinear)	400	0.471	1,959	\$15.70
50,000 lumen (Setback)	400	0.471	1,959	\$23.43

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
 1697-A Monmouth Street
 Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
 Second Revised Sheet No. 60
 Cancels and Supersedes
 First Revised Sheet No. 60
 Page 4 of 6

Deleted: First

Deleted: Original

NET MONTHLY BILL (Contd.)

<u>POLE CHARGES</u>	<u>Pole Type</u>	<u>Rate/Pole</u>
Pole Description		
Wood		
17 foot (Wood Laminated) (a)	W17	\$ 4.40
30 foot	W30	\$ 4.34
35 foot	W35	\$ 4.40
40 foot	W40	\$ 5.27
Aluminum		
12 foot (decorative)	A12	\$11.97
28 foot	A28	\$ 6.94
28 foot (heavy duty)	A28H	\$ 7.01
30 foot (anchor base)	A30	\$13.86
Fiberglass		
17 foot	F17	\$ 4.40
12 foot (decorative)	F12	\$12.87
30 foot (bronze)	F30	\$ 8.38
35 foot (bronze)	F35	\$ 8.60
Steel		
27 foot (11 gauge)	S27	\$11.31
27 foot (3 gauge)	S27H	\$17.05

Spans of Secondary Wiring:

For each increment of 25 feet of secondary wiring beyond the first 25 feet from the pole, the following price per month shall be added to the price per month per street lighting unit: \$0.75.

Additional facilities, other than specified above, if required, will be billed at the time of installation.

(a) Note: New or replacement poles no longer available.

2. Base Fuel Cost

All kilowatt-hours shall be subject to a charge of ~~\$\$0.039186~~ per kilowatt-hour reflecting the base cost of fuel.

Deleted: 0 021619

3. Applicable Riders . The following riders are applicable pursuant to the specific terms contained within each rider:

- Sheet No. 80, Rider FAC, Fuel Adjustment Clause
- Sheet No. 81, Rider MSR-E, Merger Savings Credit Rider – Electric
- Sheet No. 82, Rider PSM, Profit Sharing Mechanism

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
1697-A Monmouth Street
Newport, Kentucky 41071

KY P.S.C. Electric No. 2
Second Revised Sheet No. 60
Cancels and Supersedes
First Revised Sheet No. 60
Page 5 of 6

Deleted: First

Deleted: Original

LATE PAYMENT CHARGE

Payment of the Net Monthly Bill must be received in the Company's office within twenty-one (21) days from the date the bill is mailed by the Company. When not so paid, the Gross Monthly Bill, which is the Net Monthly Bill plus 5%, is due and payable.

TERM OF SERVICE

The street lighting units are installed for the life of the unit, and then its terminable on one hundred twenty (120) days written notice by either customer or Company subject to Paragraph 4 or 6 under General Conditions.

GENERAL CONDITIONS

- (1) If the customer requires the installation of a unit at a location which requires the extension, relocation, or rearrangement of the Company's distribution system, the customer shall, in addition to the monthly charge, pay the Company on a time and material basis, plus overhead charges, the cost of such extension, relocation, or rearrangement, unless in the judgment of the Company no charge should be made. An estimate of the cost will be submitted for approval before work is carried out.
- (2) Installation of street lighting units will be predicated on the ability of the Company to obtain, without cost to itself or the payment or other consideration, all easements and rights-of-way which, in the opinion of the Company, are necessary for the construction, maintenance and operation of the street lights, standards, anchors and/or service wires. If such easements and rights-of-way cannot be so obtained, the Company shall have no obligation hereunder to install such units.
- (3) The time within which the Company will be able to commence or to complete the services to be performed is dependent on the Company's ability to secure the materials required, and the Company shall not be responsible for failure to install these street light units for such reason.
- (4) If an installed street lighting unit is required to be relocated, removed, or replaced with another unit of the same or less rated lamp wattage, the ordering Authority shall pay the Company the sacrifice value of the unit, plus labor and overhead charges, unless in the judgment of the Company no charge should be made. An estimate of the cost will be submitted for approval before work is carried out.
- (5) Lamps and refractors which are maintained by the Company shall be kept in good operating condition by and at the expense of the Company.

In cases of vandalism, the Company will repair the damaged property and the customer shall pay for such repair on a time and material basis, plus overhead charges, unless in the judgment of the Company no charge should be made. An estimate of the cost will be submitted for approval before work is carried out.

- (6) When a street lighting unit reaches end of life or becomes obsolete and parts cannot be reasonably obtained, the Company can remove the unit at no expense to the customer after notifying the customer. The customer shall be given the opportunity to arrange for another type lighting unit provided by the Company.

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
1697-A Monmouth Street
Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
Second Revised Sheet No. 60
Cancels and Supersedes
First Revised Sheet No. 60
Page 6 of 6

Deleted: First

Deleted: Original

SERVICE REGULATIONS

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

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
1697-A Monmouth Street
Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
Second Revised Sheet No. 61
Cancels and Supersedes
First Revised Sheet No. 61
Page 1 of 2

Deleted: First

Deleted: Original

RATE TL

TRAFFIC LIGHTING SERVICE

APPLICABILITY

Applicable to the supplying of energy for traffic signals or other traffic control lighting on public streets and roads. After April 2, 1990, this tariff schedule shall only be applicable to municipal, county, state and local governments. In the application of this tariff, each point of delivery shall be considered as a separate customer.

TYPE OF SERVICE

Alternating current 60 Hz, single phase at the Company's standard secondary voltage.

NET MONTHLY BILL

Computed in accordance with the following charges:

1. Base Rate

- (a) Where the Company supplies energy only, all kilowatt-hours shall be billed at ~~\$0.053415~~ per kilowatt-hour;
- (b) Where the Company supplies energy from a separately metered source and the Company has agreed to provide limited maintenance for traffic signal equipment, all kilowatt-hours shall be billed at \$0.021078 per kilowatt-hour.
- (c) Where the Company supplies energy and has agreed to provide limited maintenance for traffic signal equipment, all kilowatt-hours shall be billed at ~~\$0.074494~~ per kilowatt-hour.

Deleted: \$0.035848

Deleted: \$0.056927

2. Applicable Riders

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

- Sheet No. 80, Rider FAC, Fuel Adjustment Clause
- Sheet No. 81, Rider MSR-E, Merger Savings Credit Rider – Electric
- Sheet No. 82, Rider PSM, Profit Sharing Mechanism

LATE PAYMENT CHARGE

Payment of the Net Monthly Bill must be received in the Company's office within twenty-one (21) days from the date the bill is mailed by the Company. When not so paid, the Gross Monthly Bill, which is the Net Monthly Bill plus 5%, is due and payable.

TERM OF SERVICE

One year, terminable thereafter on thirty (30) days written notice by either customer or Company.

Issued by authority of an Order of the Kentucky Public Service Commission dated _____
in Case No 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
1697-A Monmouth Street
Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
Second Revised Sheet No. 61
Cancels and Supersedes
First Revised Sheet No. 61
Page 2 of 2

Deleted: First

Deleted: Original

GENERAL CONDITIONS

- (1) Billing will be based on the calculated kilowatt-hour consumption taking into consideration the size and characteristics of the load.
- (2) Where the average monthly usage is less than 110 kWh per point of delivery, the customer shall pay the Company, in addition to the monthly charge, the cost of providing the electric service on the basis of time and material plus overhead charges. An estimate of the cost will be submitted for approval before the work is carried out.
- (3) The location of each point of delivery shall be mutually agreed upon by the Company and the customer. In overhead distribution areas, the point of delivery shall be within 150 feet of existing secondary wiring. In underground distribution areas, the point of delivery shall be at an existing secondary wiring service point.
- (4) If the customer requires a point of delivery which requires the extension, relocation, or rearrangement of Company's distribution system, the customer shall pay the Company, in addition to the monthly charge, the cost of such extension, relocation, or rearrangement on the basis of time and material plus overhead charges unless, in the judgment of the Company, no payment shall be made. An estimate of the cost will be submitted for approval before work is carried out.

LIMITED MAINTENANCE

Limited maintenance for traffic signals is defined as cleaning and replacing lamps, and repairing connections in wiring which are of a minor nature. Limited maintenance for traffic controllers is defined as cleaning, oiling, adjusting and replacing contacts which are provided by customer, time-setting when requested, and minor repairs to defective wiring.

SERVICE REGULATIONS

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

Issued by authority of an Order of the Kentucky Public Service Commission dated _____
in Case No 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
1697-A Monmouth Street
Newport, Kentucky 41071

KY. P.S.C. Electric No. 2
Second Revised Sheet No. 62
Cancels and Supersedes
First Revised Sheet No. 62
Page 1 of 2

Deleted: First

Deleted: Original

RATE UOLS
UNMETERED OUTDOOR LIGHTING ELECTRIC SERVICE

APPLICABILITY

Applicable for electric energy usage only for any street or outdoor area lighting system (System), operating during the dusk to dawn time period, on private or public property and owned by the customer or the Company. The customer must be adjacent to an electric power line of the Company that is adequate and suitable for supplying the necessary electric service.

Service under this tariff schedule shall require a written agreement between the customer and the Company specifying the calculated lighting kilowatt-hours. The System shall comply with the connection requirements in the Company's Electric Service Regulations, Section III, Customer's and Company's Installations.

CONTRACT FOR SERVICE

The customer will enter into an Agreement for Electric Service for Outdoor Lighting for a minimum of one year and renewable annually, automatically, thereafter.

The Company will provide unmetered electric service based on the calculated annual energy usage for each luminaire's lamp wattage plus ballast usage (impact wattage). The System kilowatt-hour usage shall be determined by the number of lamps and other System particulars as defined in the written agreement between the customer and Company. The monthly kilowatt-hour amount will be billed at the rate contained in the NET MONTHLY BILL section below.

LIGHTING HOURS

The unmetered lighting System will be operated automatically by either individual photoelectric controllers or System controller(s) set to operate on either dusk-to-dawn lighting levels or on pre-set timers for any hours between dusk-to-dawn. The hours of operation will be agreed upon between the customer and the Company and set out in the Agreement. Dusk-to-dawn lighting typically turns on and off approximately one-half (1/2) hour after sunset and one-half (1/2) hour before sunrise which is approximately 4160 hours annually.

NET MONTHLY BILL

Computed in accordance with the following charge:

1. Base Rate
All kWh \$0.052830 per kWh
2. Applicable Riders
The following riders are applicable pursuant to the specific terms contained within each rider:
Sheet No. 80, Rider FAC, Fuel Adjustment Clause
Sheet No. 81, Rider MSR-E, Merger Savings Credit Rider – Electric
Sheet No. 82, Rider PSM, Profit Sharing Mechanism

Deleted: \$0.035263

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
1697-A Monmouth Street
Newport, Kentucky 41071

KY P.S.C. Electric No. 2
Second Revised Sheet No. 62
Cancels and Supersedes
First Revised Sheet No. 62
Page 2 of 2

Deleted: First

Deleted: Original

LATE PAYMENT CHARGE

Payment of the Net Monthly Bill must be received in the Company's office within twenty-one (21) days from the date the bill is mailed by the Company. When not so paid, the Gross Monthly Bill which is the Net Monthly Bill plus 5%, is due and payable.

OWNERSHIP OF SERVICE LINES

Company will provide, install, own, operate and maintain the necessary facilities for furnishing electric service to the System defined in the agreement. If the customer requires the installation of a System at a location which requires the extension, relocation, or rearrangement of the Company's distribution system, the customer shall, in addition to the monthly charge, pay the Company on a time and material basis, plus overhead charges, the cost of such extension, relocation, or rearrangement, unless in the judgment of the Company no charge should be made. An estimate of the cost will be submitted for approval before work is carried out.

The Company shall erect the service lines necessary to supply electric energy to the System within the limits of the public streets and highways or on private property as mutually agreed upon by the Company and the customer. The customer shall assist the Company, if necessary, in obtaining adequate written easements covering permission to install and maintain any service lines required to serve the System.

The Company shall not be required to pay for obtaining permission to trim or re-trim trees where such trees interfere with lighting output or with service lines or wires of the Company used for supplying electric energy to the System. The customer shall assist the Company, if necessary, in obtaining permission to trim trees where the Company is unable to obtain such permission through its own best efforts.

SERVICE REGULATIONS

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

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
1697-A Monmouth Street
Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
Second Revised Sheet No. 65
Cancels and Supersedes
First Revised Sheet No. 65
Page 1 of 4

Deleted: First

Deleted: Original

RATE OL

OUTDOOR LIGHTING SERVICE

APPLICABILITY

Applicable for outdoor lighting services on private property with Company owned fixtures in the Company's entire service area where secondary distribution lines are adjacent to the premises to be served. Not applicable for lighting public roadways which are dedicated, or anticipated to be dedicated, except to meet the occasional singular need of a customer who has obtained written approval from the proper governmental authority.

Mercury Vapor lighting fixtures will not be installed by the Company after June 1, 2003. As currently installed Mercury Vapor fixtures are retired and/or replaced, they may be replaced with either Metal Halide or Sodium Vapor fixtures as the customer chooses.

This rate schedule is no longer available after December 31, 2006. Potential lighting customers wanting a lighting system installed and maintained by Company can do so via the Outdoor Lighting Equipment agreement (OLE). Potential customers should contact a Company account representative for further information concerning OLE options. This rate schedule terminates December 31, 2016. Customers currently being provided service under this rate schedule can continue being provided service under this rate schedule for the remaining useful life of the facilities or this rate schedule terminates, whichever occurs first.

TYPE OF SERVICE

All equipment will be installed, owned and maintained by the Company on rights-of-ways provided by the customer. The Company will perform maintenance only during regularly scheduled working hours and will endeavor to replace burned-out lamps within 48 hours after notification by the customer. The Company does not guarantee continuous lighting and shall not be liable to the customer or anyone else for damage, loss or injury resulting from any interruption in such lighting due to any cause. All lamps will burn from dusk to dawn, approximately 4,160 hours per annum.

NET MONTHLY BILL

1. Base Rate

A. Private outdoor lighting units:

The following monthly charge for each fixture, which includes lamp and luminaire, controlled automatically, mounted on a utility pole, as specified by the Company, with a maximum mast arm of 10 feet for overhead units will be assessed:

Issued by authority of an Order of the Kentucky Public Service Commission dated _____
in Case No 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
 1697-A Monmouth Street
 Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
 Second Revised Sheet No. 65
 Cancels and Supersedes
 First Revised Sheet No. 65
 Page 2 of 4

Deleted: First

Deleted: Original

NET MONTHLY BILL (Contd.)

	<u>Lamp Watts</u>	<u>kW/ Luminaire</u>	<u>Annual kWh</u>	<u>Rate/Unit</u>
Standard Fixtures (Cobra Head)				
Mercury Vapor				
7,000 lumen (Open Refractor)	175	0.205	853	\$ 8.58
7,000 lumen	175	0.210	874	\$11.01
10,000 lumen	250	0.292	1,215	\$12.81
21,000 lumen	400	0.460	1,914	\$16.39
Metal Halide				
14,000 lumen	175	0.210	874	\$11.01
20,500 lumen	250	0.307	1,215	\$12.83
36,000 lumen	400	0.460	1,914	\$16.39
Sodium Vapor				
9,500 lumen (Open Refractor)	100	0.117	487	\$ 7.59
9,500 lumen	100	0.117	487	\$ 9.90
16,000 lumen	150	0.171	711	\$11.14
22,000 lumen	200	0.228	948	\$12.29
27,500 lumen	250	0.228	948	\$12.29
50,000 lumen	400	0.471	1,959	\$14.17
Decorative Fixtures (a)				
Mercury Vapor				
7,000 lumen (Town & Country)	175	0.205	853	\$13.23
7,000 lumen (Holophane)	175	0.210	874	\$17.08
7,000 lumen (Gas Replica)	175	0.210	874	\$41.50
7,000 lumen (Aspen)	175	0.210	874	\$25.61
Sodium Vapor				
9,500 lumen (Town & Country)	100	0.117	487	\$21.01
9,500 lumen (Holophane)	100	0.128	532	\$22.76
9,500 lumen (Rectilinear)	100	0.117	487	\$18.70
9,500 lumen (Gas Replica)	100	0.128	532	\$43.84
9,500 lumen (Aspen)	100	0.128	532	\$26.53
9,500 lumen (Traditionaire)	100	0.117	487	\$21.01
9,500 lumen (Granville Acorn)	100	0.128	532	\$26.53
22,000 lumen (Rectilinear)	200	0.246	1,023	\$22.18
50,000 lumen (Rectilinear)	400	0.471	1,959	\$28.02
50,000 lumen (Setback)	400	0.471	1,959	\$43.79

(a) When requesting installation of a decorative unit, the customer may elect to make an additional contribution to obtain the monthly rate per unit charge for the same size standard (cobra head) outdoor lighting fixture.

Issued by authority of an Order of the Kentucky Public Service Commission dated _____
 in Case No 2008-00522.

Issued: _____ Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
 1697-A Monmouth Street
 Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
~~Second Revised Sheet No. 65~~
 Cancels and Supersedes
~~First Revised Sheet No. 65~~
 Page 3 of 4

Deleted: First

Deleted: Original

NET MONTHLY BILL (Contd.)

B. Flood lighting units served in overhead distribution areas (FL):

The following monthly charge for each fixture, which includes lamp and luminaire, controlled automatically, mounted on a utility pole, as specified by the Company, will be assessed:

	Lamp <u>Watts</u>	kW/ <u>Luminaire</u>	Annual <u>kWh</u>	<u>Rate/Unit</u>
Mercury Vapor 21,000 lumen	400	0.460	1,914	\$16.40
Metal Halide 20,500 lumen	250	0.307	1,215	\$12.81
36,000 lumen	400	0.460	1,914	\$16.40
Sodium Vapor 22,000 lumen	200	0.246	1,023	\$12.19
30,000 lumen	250	0.312	1,023	\$12.19
50,000 lumen	400	0.480	1,997	\$14.98

Additional facilities, if needed will be billed at the time of installation.

2. Base Fuel Cost

All kilowatt-hour shall be subject to a charge of \$0.039186 per kilowatt-hour reflecting the base cost of fuel.

Deleted: 0.021619

3. Applicable Riders

The following riders are applicable pursuant to the specific terms contained within each rider:
 Sheet No. 80, Rider FAC, Fuel Adjustment Clause
 Sheet No. 81, Rider MSR-E, Merger Savings Credit Rider -- Electric
 Sheet No. 82, Rider PSM, Profit Sharing Mechanism

LATE PAYMENT CHARGE

Payment of the Net Monthly Bill must be received in the Company's office within twenty-one (21) days from the date the bill is mailed by the Company. When not so paid, the Gross Monthly Bill, which is the Net Monthly Bill plus 5%, is due and payable.

GENERAL CONDITIONS

- In cases of repeated vandalism, the Company at its option will repair or remove its damaged equipment and the customer shall pay for repairs on a time and material basis, plus overhead charges. If the equipment is removed the customer will be billed for the unexpired term of the contract.
- If the customer requires the extension, relocation or rearrangement of the Company's system, the customer will pay, in addition to the monthly charge, the Company on a time and materials basis, plus overhead charges, for such extension, relocation or rearrangement unless in the judgment of the Company no charge should be made. An estimate of the cost will be submitted for customer approval before work is carried out.

Issued by authority of an Order of the Kentucky Public Service Commission dated _____
 in Case No 2008-00522.

Issued: _____ Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
1697-A Monmouth Street
Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
Second Revised Sheet No. 65
Cancels and Supersedes
First Revised Sheet No. 65
Page 4 of 4

Deleted: First

Deleted: Original

GENERAL CONDITIONS (Contd.)

3. If any Company owned lighting unit is required to be relocated, removed or replaced with another unit of the same or lower lamp wattage, the customer ordering this shall pay the Company the sacrifice value of the unit, plus labor and overhead charges, unless in the judgment of the Company no charges should be made. An estimate of the cost will be submitted for customer approval before work is carried out.
4. Installation of lighting units will be predicated on the ability of the Company to obtain, without cost to itself or the payment or consideration, all easements and rights-of-way which, in the opinion of the Company, are necessary for the construction, maintenance and operation of the lights, standards, anchors and/or service wires. If such easements and rights-of-way cannot be so obtained, the Company shall have no obligation hereunder to install such units.
5. The time within which the Company will be able to commence or to complete the services to be performed is dependent on the Company's ability to secure the materials required, and the Company shall not be responsible for failure to install these light units for such reason.
6. When a lighting unit reaches end of life or becomes obsolete and parts cannot be reasonably obtained, the Company can remove the unit at no expense to the customer after notifying the customer. The customer shall be given the opportunity to arrange for another type lighting unit provided by the Company.

TERM OF SERVICE

Three (3) years for a new and/or succeeding customer until the initial period is fulfilled. The service is terminable thereafter on ten (10) days written notice by the customer or the Company.

At the Company's option, a longer contract may be required for large installations.

SERVICE REGULATIONS

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

Issued by authority of an Order of the Kentucky Public Service Commission dated _____
in Case No 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
 1697-A Monmouth Street
 Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
 Second Revised Sheet No. 66
 Cancels and Supersedes
 First Revised Sheet No. 66
 Page 1 of 3

Deleted: First

Deleted: Original

RATE NSU

**STREET LIGHTING SERVICE
 NON-STANDARD UNITS**

APPLICABILITY

Applicable to municipal, county, state and Federal governments, including divisions thereof, hereinafter referred to as customer for the lighting of public streets and roads with existing Company and Customer owned lighting fixtures. This service is not available for units installed after January 1, 1985.

Mercury Vapor lighting fixtures will not be installed by the Company after June 1, 2003. As currently installed Mercury Vapor fixtures are retired and/or replaced, they may be replaced with either Metal Halide or Sodium Vapor fixtures as the customer chooses.

This rate schedule is no longer available after December 31, 2006. Potential lighting customers wanting a lighting system installed and maintained by Company can do so via the Outdoor Lighting Equipment agreement (OLE). Potential customers should contact a Company account representative for further information concerning OLE options. This rate schedule terminates December 31, 2026. Customers currently being provided service under this rate schedule can continue being provided service under this rate schedule for the remaining useful life of the facilities or this rate schedule terminates, whichever occurs first.

TYPE OF SERVICE

All equipment owned by the Company will be maintained by the Company. All lamps will burn from dusk to dawn, approximately 4,160 hours per annum. The Company will endeavor to replace burned-out lamps maintained by the Company within 48 hours after notification by the customer. The Company does not guarantee continuous lighting or electric service and shall not be liable to the customer or anyone else for any damage, loss or injury due to any cause.

NET MONTHLY BILL

The following monthly charge for each unit with lamp and luminaire, controlled automatically, will be assessed.

1. Base Rate

A. Company owned

	<u>Lamp Watt</u>	<u>kW/Unit</u>	<u>Annual kWh</u>	<u>Rate/Unit</u>
1. Boulevard units served underground				
a. 2,500 lumen Incandescent - Series	148	0.148	616	\$ 9.11
b. 2,500 lumen Incandescent - Multiple	189	0.189	786	\$ 7.01
2. Holophane Decorative fixture on 17 foot fiberglass pole served underground with direct buried cable				
a. 10,000 lumen Mercury Vapor	250	0.292	1,215	\$16.56

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No 2008-00522.

Issued: _____

Issued by Julie Janson, President

Effective: _____

Duke Energy Kentucky, Inc.
1697-A Monmouth Street
Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
Second Revised Sheet No. 66
Cancels and Supersedes
First Revised Sheet No. 66
Page 2 of 3

Deleted: First

Deleted: Original

NET MONTHLY BILL (Contd.)

The cable span charge of \$0.75 per each increment of 25 feet of secondary wiring shall be added to the Rate/unit charge for each increment of secondary wiring beyond the first 25 feet from the pole base.

	Lamp Watt	kW/Unit	Annual kWh	Rate/Unit
3. Street light units served overhead distribution				
a. 2,500 lumen Incandescent	189	0.189	786	\$ 6.95
b. 2,500 lumen Mercury Vapor	100	0.109	453	\$ 6.63
c. 21,000 lumen Mercury Vapor	400	0.460	1,914	\$10.30

B. Customer owned

	Lamp Watt	kW/Unit	Annual kWh	Rate/Unit
1. Steel boulevard units served underground with limited maintenance by Company				
a. 2,500 lumen Incandescent – Series	148	0.148	616	\$ 5.33
b. 2,500 lumen Incandescent – Multiple	189	0.189	786	\$ 6.77

2. Base Fuel Cost

All kilowatt-hours shall be subject to a charge of \$0.039186 per kilowatt-hour reflecting the base cost of fuel.

Deleted: \$0.021619

3. Applicable Riders

The following riders are applicable pursuant to the specific terms contained within each rider:
Sheet No. 80, Rider FAC, Fuel Adjustment Clause
Sheet No. 81, Rider MSR-E, Merger Savings Credit Rider – Electric
Sheet No. 82, Rider PSM, Profit Sharing Mechanism

LATE PAYMENT CHARGE

Payment of the Net Monthly Bill must be received in the Company's office within twenty-one (21) days from the date the bill is mailed by the Company. When not so paid, the Gross Monthly Bill, which is the Net Monthly Bill plus 5%, is due and payable.

TERM OF SERVICE

The street lighting units are installed for the life of the unit, terminable on one hundred twenty (120) days written notice by either customer or Company subject to Paragraph 1 or 3 under General Conditions.

GENERAL CONDITIONS

(1) If an installed street lighting unit is required to be relocated, removed, or replaced with another unit of the same or less rated lamp wattage, the ordering Authority shall pay the Company the sacrifice value of the unit, plus labor and overhead charges, unless in the judgment of the Company no charge should be made. An estimate of the cost will be submitted for approval before work is carried out.

(2) Lamps and refractors which are maintained by the Company shall be kept in good operating condition by, and at the expense of, the Company.

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522.

Issued: _____

Issued by Julie Janson, President

Effective: _____

Duke Energy Kentucky, Inc.
1697-A Monmouth Street
Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
~~Second Revised Sheet No. 66~~
Cancels and Supersedes
~~First Revised Sheet No. 66~~
Page 3 of 3

Deleted: First

Deleted: Original

GENERAL CONDITIONS (Contd.)

In case of vandalism, the Company will repair the damaged property and the customer shall pay for such repair on a time and material basis, plus overhead charges, unless in the judgment of the Company no charge should be made. An estimate of the cost will be submitted for approval before work is carried out.

- (3) When a Company owned street lighting unit reaches end of life or becomes obsolete and parts cannot be reasonably obtained, the Company can remove the unit at no expense to the customer after notifying the customer. The customer shall be given the opportunity to arrange for another type lighting unit provided by the Company.
- (4) When a customer owned lighting unit becomes inoperative, the cost of repair or replacement of the unit will be at the customer's expense. The replacement unit shall be an approved Company fixture.
- (5) Limited maintenance by the Company includes only fixture cleaning, relamping, and glassware and photo cell replacement.

SERVICE REGULATIONS

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

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522.

Issued: _____

Issued by Julie Janson, President

Effective: _____

KY.P.S.C. Electric No. 2
~~Second Revised Sheet No. 67~~
 Cancels and Supersedes
~~First Revised Sheet No. 67~~
 Page 1 of 3

Deleted: First
 Deleted: Original

Duke Energy Kentucky, Inc.
 1697-A Monmouth Street
 Newport, Kentucky 41071

RATE NSP

PRIVATE OUTDOOR LIGHTING FOR NON-STANDARD UNITS

APPLICABILITY

Applicable to service for outdoor lighting on private property with Company-owned lighting fixtures in the Company's entire territory where secondary distribution lines are adjacent to the premise to be served. Not applicable to service for lighting of dedicated or undedicated public thoroughfares.

Mercury Vapor lighting fixtures will not be installed by the Company after June 1, 2003. As currently installed Mercury Vapor fixtures are retired and/or replaced, they may be replaced with either Metal Halide or Sodium Vapor fixtures as the customer chooses.

This rate schedule is no longer available after December 31, 2006. Potential lighting customers wanting a lighting system installed and maintained by Company can do so via the Outdoor Lighting Equipment agreement (OLE). Potential customers should contact a Company account representative for further information concerning OLE options. This rate schedule terminates December 31, 2016. Customers currently being provided service under this rate schedule can continue being provided service under this rate schedule for the remaining useful life of the facilities or this rate schedule terminates, whichever occurs first.

TYPE OF SERVICE

All equipment will be installed, owned and maintained by the Company on rights-of-way provided by the customer. The Company will perform maintenance only during regularly scheduled working hours and will endeavor to replace burned-out lamps within 48 hours after notification by the customer. The Company does not guarantee continuous lighting and shall not be liable to the customer or anyone else for damage, loss or injury resulting from any interruption in such lighting due to any cause. All lamps will burn from dusk to dawn, approximately 4,160 hours per annum.

NET MONTHLY BILL

- 1. Base Rate
 - A. Private outdoor lighting units:

The following monthly charge will be assessed for existing facilities, but this unit will not be available to any new customers after May 15, 1973:

	<u>Lamp Watt</u>	<u>kW/Unit</u>	<u>Annual kWh</u>	<u>Rate/Unit</u>
2,500 lumen Mercury, Open Refractor.....	100	0.115	478	\$ 7.71
2,500 lumen Mercury, Enclosed Refractor.....	100	0.115	478	\$10.58

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
 1697-A Monmouth Street
 Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
 Second Revised Sheet No. 67
 Cancels and Supersedes
 First Revised Sheet No. 67
 Page 2 of 3

Deleted: First

Deleted: Original

NET MONTHLY BILL (Contd.)

B. Outdoor lighting units served in underground residential distribution areas:

The following monthly charge will be assessed for existing fixtures which include lamp and luminaire, controlled automatically, with an underground service wire not to exceed 35 feet from the service point, but these units will not be available to new customers after May 5, 1992:

	Lamp Watt	kW/Unit	Annual kWh	Rate/Unit
7,000 lumens Mercury, Mounted on a 17-foot Fiberglass Pole	175	0.205	853	\$14.39
7,000 lumen Mercury, Mounted on a 17-foot Wood Laminated Pole (a)	175	0.205	853	\$14.39
7,000 lumen Mercury, Mounted on a 30-foot Wood Pole	175	0.205	853	\$13.29
9,500 lumen Sodium Vapor, TC 100 R.	100	0.117	487	\$11.13

(a) Note: New or replacement poles are not available.

C. Flood lighting units served in overhead distribution areas:

The following monthly charge will be assessed for each existing fixture, which includes lamp and luminaire, controlled automatically, mounted on a utility pole, as specified by the Company, with a span of wire not to exceed 120 feet, but these units will not be available after May 5, 1992:

	Lamp Watt	kW/Fixture	Annual kWh	Rate/Unit
52,000 lumen Mercury (35-foot Wood Pole)	1,000	1.102	4,584	\$27.70
52,000 lumen Mercury (50-foot Wood Pole)	1,000	1.102	4,584	\$31.31
50,000 lumen Sodium Vapor	400	0.471	1,959	\$19.43

2. Base Fuel Cost

All kilowatt-hours shall be subject to a charge of \$0.039186 per kilowatt-hour reflecting the base cost of fuel.

Deleted: \$

Deleted: 0.021619

3. Applicable Riders

The following riders are applicable to the specific terms contained within each rider:
 Sheet No. 80, Rider FAC, Fuel Adjustment Clause
 Sheet No. 81, Rider MSR-E, Merger Savings Credit Rider -- Electric
 Sheet No. 82, Rider PSM, Profit Sharing Mechanism

LATE PAYMENT CHARGE

Payment of the Net Monthly Bill must be received in the Company's office within twenty-one (21) days from the date the bill is mailed by the Company. When not so paid, the Gross Monthly Bill, which is the Net Monthly Bill plus 5%, is due and payable.

TERM OF SERVICE

Three (3) years, terminable thereafter on ten (10) days written notice by either customer or Company.

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
1697-A Monmouth Street
Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
~~Second Revised Sheet No. 67~~
Cancels and Supersedes
~~First Revised Sheet No. 67~~
Page 3 of 3

Deleted: First

Deleted: Original

GENERAL CONDITIONS

1. In cases of repeated vandalism, the Company at its option will repair or remove its damaged equipment and the customer shall pay for repairs on a time and material basis, plus overhead charges. If the equipment is removed the customer will be billed for the unexpired term of the contract.
2. If any Company owned lighting unit is required to be relocated, removed or replaced with another unit of the same or lower lamp wattage, the customer ordering this shall pay the Company the sacrifice value of the unit, plus labor and overhead charges, unless in the judgment of the Company no charges should be made. An estimate of the cost will be submitted for customer approval before work is carried out.
3. When a lighting unit reaches end of life or becomes obsolete and parts cannot be reasonably obtained, the Company can remove the unit at no expense to the customer after notifying the customer. The customer shall be given the opportunity to arrange for another type lighting unit provided by the Company.

SERVICE REGULATIONS

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

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in
Case No. 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
 1697-A Monmouth Street
 Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
 Second Revised Sheet No. 68
 Cancels and Supersedes
 First Revised Sheet No. 68
 Page 1 of 4

Deleted: First

Deleted: Original

RATE SC

STREET LIGHTING SERVICE - CUSTOMER OWNED

APPLICABILITY

Applicable to municipal, county, state and Federal governments, including divisions thereof, and incorporated homeowner's associations for the lighting of public streets and roads when the total investment and installation costs of the fixtures are borne by the customer. The fixture shall be a Company approved unit used in overhead and underground distribution areas.

Mercury Vapor lighting fixtures will not be installed by the Company after June 1, 2003. As currently installed Mercury Vapor fixtures are retired and/or replaced, they may be replaced with either Metal Halide or Sodium Vapor fixtures as the customer chooses.

This rate schedule is no longer available after December 31, 2006. Potential lighting customers wanting a lighting system installed and maintained by Company can do so via the Outdoor Lighting Equipment agreement (OLE). Potential customers should contact a Company account representative for further information concerning OLE options. This rate schedule terminates December 31, 2026. Customers currently being provided service under this rate schedule can continue being provided service under this rate schedule for the remaining useful life of the facilities or this rate schedule terminates, whichever occurs first.

TYPE OF SERVICE

All equipment will be owned by the customer but may be installed by customer or Company with limited maintenance performed by the Company. Limited maintenance includes only fixture cleaning, relamping, and glassware and photo cell replacement. All lamps will burn from dusk to dawn, approximately 4,160 hours per annum. The Company will endeavor to replace burned-out lamps within 48 hours after notification by the customer. The Company does not guarantee continuous lighting and shall not be liable to the customer or anyone else for any damage, loss or injury due to any cause.

NET MONTHLY BILL

The following monthly charge for each lamp with luminaire, controlled automatically, will be assessed:

1. Base Rate	Lamp Watts	kW/Unit	Annual kWh	Rate/Unit
Fixture Description				
Standard Fixture (Cobra Head)				
Mercury Vapor				
7,000 lumen	175	0.193	803	\$4.04
10,000 lumen	250	0.275	1,144	\$5.12
21,000 lumen	400	0.430	1,789	\$7.07
Metal Halide				
14,000 lumen	175	0.193	803	\$4.04
20,500 lumen	250	0.275	1,144	\$5.12
36,000 lumen	400	0.430	1,789	\$7.07

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
 1697-A Monmouth Street
 Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
 Second Revised Sheet No. 68
 Cancels and Supersedes
 First Revised Sheet No. 68
 Page 2 of 4

Deleted: First

Deleted: Original

NET MONTHLY BILL (Contd.)

	<u>Lamp Watt</u>	<u>kW/Unit</u>	<u>Annual kWh</u>	<u>Rate/Unit</u>
Sodium Vapor				
9,500 lumen	100	0.117	487	\$4.95
16,000 lumen	150	0.171	711	\$5.49
22,000 lumen	200	0.228	948	\$5.99
27,500 lumen	250	0.228	948	\$5.99
50,000 lumen	400	0.471	1,959	\$8.00
Decorative Fixture				
Mercury Vapor				
7,000 lumen (Holophane)	175	0.210	874	\$5.16
7,000 lumen (Town & Country)	175	0.205	853	\$5.12
7,000 lumen (Gas Replica)	175	0.210	874	\$5.16
7,000 lumen (Aspen)	175	0.210	874	\$5.16
Metal Halide				
14,000 lumen (Traditionaire)	175	0.205	853	\$5.12
14,000 lumen (Granville Acorn)	175	0.210	874	\$5.16
14,000 lumen (Gas Replica)	175	0.210	874	\$5.16
Sodium Vapor				
9,500 lumen (Town & Country)	100	0.117	487	\$4.87
9,500 lumen (Traditionaire)	100	0.117	487	\$4.87
9,500 lumen (Granville Acorn)	100	0.128	532	\$5.08
9,500 lumen (Rectilinear)	100	0.117	487	\$4.87
9,500 lumen (Aspen)	100	0.128	532	\$5.08
9,500 lumen (Holophane)	100	0.128	532	\$5.08
9,500 lumen (Gas Replica)	100	0.128	532	\$5.08
22,000 lumen (Rectilinear)	200	0.246	1,023	\$6.35
50,000 lumen (Rectilinear)	400	0.471	1,959	\$8.29

Where a street lighting fixture served overhead is to be installed on another utility's pole on which the Company does not have a contact, a monthly pole charge will be assessed.

<u>Pole Description</u>	<u>Pole Type</u>	<u>Rate/Pole</u>
Wood		
30 foot	W30	\$4.34
35 foot	W35	\$4.40
40 foot	W40	\$5.27

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
1697-A Monmouth Street
Newport, Kentucky 41071

KY P.S.C. Electric No. 2
Second Revised Sheet No. 68
Cancels and Supersedes
First Revised Sheet No. 68
Page 3 of 4

Deleted: First

Deleted: Original

NET MONTHLY BILL (Contd.)

Customer Owned and Maintained Units

The rate for energy used for this type street lighting will be \$0.035263 per kilowatt-hour which includes the base fuel cost rate stated below. The monthly kilowatt-hour usage will be mutually agreed upon between the Company and the customer. Where the average monthly usage is less than 150 kWh per point of delivery, the customer shall pay the Company, in addition to the monthly charge, the cost of providing electric service on the basis of time and material plus overhead charges. An estimate of the cost will be submitted for approval before work is carried out.

2. Base Fuel Cost

All kilowatt-hours shall be subject to a charge of ~~\$\$0.039186~~ per kilowatt-hour reflecting the base cost of fuel.

Deleted: 0.021619

3. Applicable Riders

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

- Sheet No. 80, Rider FAC, Fuel Adjustment Clause
- Sheet No. 81, Rider MSR-E, Merger Savings Credit Rider – Electric
- Sheet No. 82, Rider PSM, Profit Sharing Mechanism

LATE PAYMENT CHARGE

Payment of the Net Monthly Bill must be received in the Company's office within twenty-one (21) days from the date the bill is mailed by the Company. When not so paid, the Gross Monthly Bill, which is the Net Monthly Bill plus 5%, is due and payable.

TERM OF SERVICE

The street lighting units are installed for the life of the unit, terminable on one hundred twenty (120) days written notice by either customer or Company subject to Paragraph 4 or 6 under General Conditions.

GENERAL CONDITIONS

- (1) If the customer requires the installation of a unit at a location which requires the extension, relocation, or rearrangement of the Company's distribution system, the customer shall, in addition to the monthly charge, pay the Company on a time and material basis, plus overhead charges, the cost of such extension, relocation, or rearrangement, unless in the judgment of the Company no charge should be made. An estimate of the cost will be submitted for approval before work is carried out.
- (2) Installation of street lighting units will be predicated on the ability of the Company to obtain, without cost to itself or the payment or other consideration, all easements and rights-of-way which, in the opinion of the Company, are necessary for the construction, maintenance and operation of the street lights, standards, anchors and/or service wires. If such easements and rights-of-way cannot be so obtained, the Company shall have no obligation hereunder to install such units.

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc.
1697-A Monmouth Street
Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
Second Revised Sheet No. 68
Cancels and Supersedes
First Revised Sheet No. 68
Page 4 of 4

Deleted: First

Deleted: Original

GENERAL CONDITIONS (Contd.)

- (3) The time within which the Company will be able to commence or to complete the services to be performed is dependent on the Company's ability to secure the materials required, and the Company shall not be responsible for failure to install these street light units for such reason.
- (4) If an installed street lighting unit is required to be relocated, removed, or replaced by the Company, the ordering Authority shall pay the Company the cost agreed upon under a separate contract.
- (5) Lamps and refractors which are maintained by the Company shall be kept in good operating condition by and at the expense of the Company.

In cases of vandalism, the Company will repair the damaged property and the customer shall pay for such repair on a time and material basis, plus overhead charges, unless in the judgment of the Company no charge should be made. An estimate of the cost will be submitted for approval before work is carried out.

- (6) When a customer owned lighting unit becomes inoperative the cost of repair, replacement or removal of the unit will be at the customer's expense.
- (7) All lights installed on an overhead distribution system will be installed by Company under a separate contract with customer.

SERVICE REGULATIONS

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

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522.

Issued: _____

Effective: _____

Issued by Julie Janson, President

Duke Energy Kentucky, Inc
1697-A Monmouth Street
Newport, Kentucky 4107

KY.P.S.C. Electric No. 2
~~Second Revised Sheet No. 69~~
Cancels and Supersedes
~~First Revised Sheet No. 69~~
Page 1 of 3

Deleted: First

Deleted: Original

RATE SE

STREET LIGHTING SERVICE - OVERHEAD EQUIVALENT

APPLICABILITY

Applicable to municipal, county, state and Federal governments, including divisions thereof and incorporated homeowners associations for the lighting of public streets and roads with Company lighting fixtures in underground distribution areas, where the customer elects to make a contribution for the installation of the fixture, mounting, pole and secondary wiring to obtain the rate/unit for the same size standard fixture (cobra head) in an overhead distribution area.

Mercury Vapor lighting fixtures will not be installed by the Company after June 1, 2003. As currently installed Mercury Vapor fixtures are retired and/or replaced, they may be replaced with either Metal Halide or Sodium Vapor fixtures as the customer chooses.

This rate schedule is no longer available after December 31, 2006. Potential lighting customers wanting a lighting system installed and maintained by Company can do so via the Outdoor Lighting Equipment agreement (OLE). Potential customers should contact a Company account representative for further information concerning OLE options. This rate schedule terminates December 31, 2026. Customers currently being provided service under this rate schedule can continue being provided service under this rate schedule for the remaining useful life of the facilities or this rate schedule terminates, whichever occurs first.

TYPE OF SERVICE

All equipment will be installed, owned and maintained by the Company. All lamps will burn from dusk to dawn, approximately 4,160 hours per annum. The Company will endeavor to replace burned-out lamps within 48 hours after notification by the customer. The Company does not guarantee continuous lighting and shall not be liable to the customer or anyone else for any damage, loss or injury due to any cause.

NET MONTHLY BILL

The following monthly charge for each lamp with luminaire, controlled automatically, will be assessed:

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522.

Issued: _____

Issued by Julie Janson, President

Effective: _____

Duke Energy Kentucky, Inc
 1697-A Monmouth Street
 Newport, Kentucky 4107

KY P S C Electric No. 2
 Second Revised Sheet No. 69
 Cancels and Supersedes
 First Revised Sheet No. 69
 Page 2 of 3

Deleted: First

Deleted: Original

NET MONTHLY BILL (Contd.)

1. Base Rate

Fixture Description	Lamp Watt	kW/Unit	Annual kWh	Rate/Unit
Decorative Fixtures				
<u>Mercury Vapor</u>				
7,000 lumen (Town & Country)	175	0.205	853	\$ 7.13
7,000 lumen (Holophane)	175	0.210	874	\$ 7.16
7,000 lumen (Gas Replica)	175	0.210	874	\$ 7.16
7,000 lumen (Aspen)	175	0.210	874	\$ 7.16
<u>Metal Halide</u>				
14,000 lumen (Traditionaire)	175	0.205	853	\$ 7.13
14,000 lumen (Granville Acorn)	175	0.210	874	\$ 7.16
14,000 lumen (Gas Replica)	175	0.210	874	\$ 7.16
<u>Sodium Vapor</u>				
9,500 lumen (Town & Country)	100	0.117	487	\$ 7.86
9,500 lumen (Holophane)	100	0.128	532	\$ 7.95
9,500 lumen (Rectilinear)	100	0.117	487	\$ 7.86
9,500 lumen (Gas Replica)	100	0.128	532	\$ 7.94
9,500 lumen (Aspen)	100	0.128	532	\$ 7.94
9,500 lumen (Traditionaire)	100	0.117	487	\$ 7.86
9,500 lumen (Granville Acorn)	100	0.128	532	\$ 7.94
22,000 lumen (Rectilinear)	200	0.246	1,023	\$11.23
50,000 lumen (Rectilinear)	400	0.471	1,959	\$14.75
50,000 lumen (Setback)	400	0.471	1,959	\$14.75

Additional facilities, other than specified above, if required, will be billed at the time of installation.

2. Base Fuel Cost

All kilowatt-hours shall be subject to a charge of \$0.039186 per kilowatt-hour reflecting the base cost of fuel.

Deleted: 0.021619

3. Applicable Riders

The following riders are applicable pursuant to the specific terms contained within each rider:
 Sheet No. 80, Rider FAC, Fuel Adjustment Clause
 Sheet No. 81, Rider MSR-E, Merger Savings Credit Rider – Electric
 Sheet No. 82, Rider PSM, Profit Sharing Mechanism

LATE PAYMENT CHARGE

Payment of the Net Monthly Bill must be received in the Company's office within twenty-one (21) days from the date the bill is mailed by the Company. When not so paid, the Gross Monthly Bill, which is the Net Monthly Bill plus 5%, is due and payable.

TERM OF SERVICE

The street lighting units are installed for the life of the unit, terminable on one hundred twenty (120) days written notice by either customer or Company subject to Paragraph 4 or 6 under General Conditions.

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522.

Issued: _____

Issued by Julie Janson, President

Effective: _____

Duke Energy Kentucky, Inc
1697-A Monmouth Street
Newport, Kentucky 4107

KY P S C Electric No. 2
Second Revised Sheet No. 69
Cancels and Supersedes
First Revised Sheet No. 69
Page 3 of 3

Deleted: First

Deleted: Original

GENERAL CONDITIONS

- (1) If the customer requires the installation of a unit at a location which requires the extension, relocation, or rearrangement of the Company's distribution system, the customer shall, in addition to the monthly charge, pay the Company on a time and material basis, plus overhead charges, the cost of such extension, relocation, or rearrangement, unless in the judgment of the Company no charge should be made. An estimate of the cost will be submitted for approval before work is carried out.
- (2) Installation of street lighting units will be predicated on the ability of the Company to obtain, without cost to itself or the payment or other consideration, all easements and rights-of-way which, in the opinion of the Company, are necessary for the construction, maintenance and operation of the street lights, standards, anchors and/or service wires. If such easements and rights-of-way cannot be so obtained, the Company shall have no obligation hereunder to install such units.
- (3) The time within which the Company will be able to commence or to complete the services to be performed is dependent on the Company's ability to secure the materials required, and the Company shall not be responsible for failure to install these street light units for such reason.
- (4) If an installed street lighting unit is required to be relocated, removed, or replaced with another unit of the same or less rated lamp wattage, the ordering Authority shall pay the Company the sacrifice value of the unit, plus labor and overhead charges, unless in the judgment of the Company no charge should be made. An estimate of the cost will be submitted for approval before work is carried out.
- (5) Lamps and refractors which are maintained by the Company shall be kept in good operating condition by and at the expense of the Company.

In cases of vandalism, the Company will repair the damaged property and the customer shall pay for such repair on a time and material basis, plus overhead charges, unless in the judgment of the Company no charge should be made. An estimate of the cost will be submitted for approval before work is carried out.

- (6) When a street lighting unit reaches end of life or becomes obsolete and parts cannot be reasonably obtained, the Company can remove the unit at no expense to the customer after notifying the customer. The customer shall be given the opportunity to arrange for another type lighting unit provided by the Company.
- (7) The contribution only provides for replacement of these facilities due to occasional damage or premature malfunction. It does not cover replacement at end of life.

SERVICE REGULATIONS

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

Issued by authority of an Order of the Kentucky Public Service Commission dated _____ in Case No. 2008-00522.

Issued: _____

Issued by Julie Janson, President

Effective _____

STAFF-DR-01-018

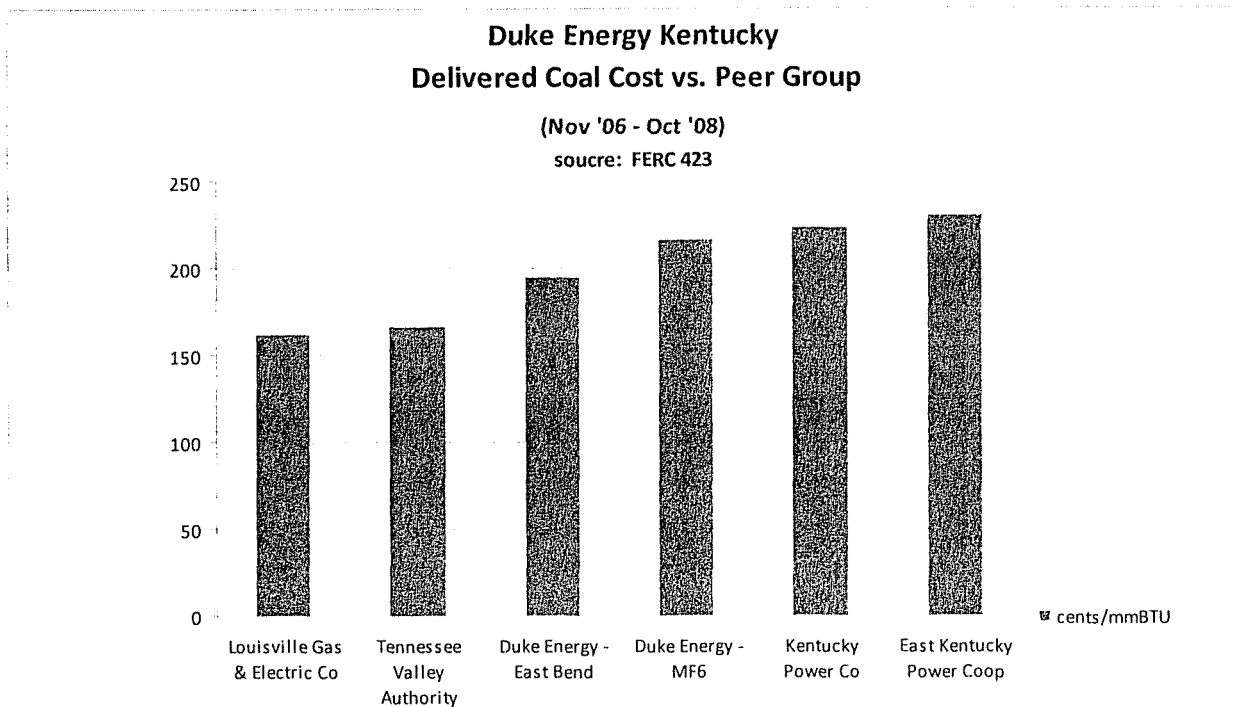
REQUEST:

- a. State whether Duke Kentucky regularly compares the price of its coal purchases with those paid by other electric utilities.
- b. If yes, state:
 - (1) The utilities that are included in this comparison and their location; and
 - (2) How Duke Kentucky's prices compare with those of the other utilities for the review period. Include all prices used in the comparison.

RESPONSE:

a. Yes.

b.



PERSON RESPONSIBLE: Vincent E. Stroud (East Bend)
Ryan D. Gentil (Miami Fort 6)

Duke Energy Kentucky, Inc.
Case No. 2008-00522
First Set Staff Data Requests
Date Received: January 23, 2009

STAFF-DR-01-019

REQUEST:

List the percentage of Duke Kentucky's coal, as of the date of this Order, that is delivered by:

- a. Rail;
- b. Truck; or
- c. Barge.

RESPONSE:

MIAMI FORT 6:

- a. 0%
- b. 0%
- c. 100%

EAST BEND:

- a. 0% rail
- b. 0% truck
- c. 100% barge.

WOODSDALE:

N/A

PERSON RESPONSIBLE:

Ryan D. Gentil (Miami Fort 6)
Vincent E. Stroud (East Bend)
John Swez (Woodsdale)

Duke Energy Kentucky, Inc.
Case No. 2008-00522
First Set Staff Data Requests
Date Received: January 23, 2009

STAFF-DR-01-020

REQUEST:

- a. State Duke Kentucky's coal inventory level in tons and in number of days' supply as of November 1, 2008. Provide this information by plant and in the aggregate.
- b. Describe the criteria used to determine the number of days' supply.
- c. Compare Duke Kentucky's coal inventory as of November 1, 2008 to its inventory target for that date for each plant and for total inventory.
- d. If actual coal inventory exceeds inventory target by 10 days' supply, state the reasons for the additional inventory.
- e. (1) Does Duke Kentucky expect any significant changes in its current coal inventory target within the next 12 months?

(2) If yes, state the expected change and the reasons for this change.

RESPONSE:

MIAMI FORT 6:

- a. As of November 1, 2008, MF Unit 6 inventory level was 51,230 tons. The MF Unit 6 maximum daily burn is reported from the operator to be 1968.7 tons/day. Based on this number, the number of days burn would be recorded as 26 days.
- b. Station management has evaluated past historical events that prevented coal from being delivered to the station by the river. Those events include lock outages, river conditions (ice, river levels, etc.), and coal mine issues. The Station management has also evaluated the economics for creating and maintaining a specific quantity for inventory including the affect of taxes. From the past history and the economics, the Station has determined that a 21-day supply based on a 1,986.7 Tons/day Full load burn is the most economical with low risk for Unit 6's coal inventory.

- c. There is no set target inventory. Instead, we manage the inventory to be within a 20 to 30-day supply. Based on the maximum daily burn, this would put the 20-30 day range at 39,374 tons (20 day) to 59,061 tons (30 day).
- d. N/A
- e. No.

EAST BEND:

- a. As of November 1, 2008, total inventory at East Bend was 208,382 tons or 32 days.
- b. The number of days supply is computed by dividing an ending daily coal inventory figure stated in tons by the Full Load Burn per day figure of 6,500 tons.
- c. Inventory target = 40 days
- d. Did not exceed
- e. 1. No
2. N/A

PERSON RESPONSIBLE:

Ryan D. Gentil (Miami Fort 6)
Vincent E. Stroud (East Bend)

Duke Energy Kentucky, Inc.
Case No. 2008-00522
First Set Staff Data Requests
Date Received: January 23, 2009

STAFF-DR-01-021

REQUEST:

- a. Has Duke Kentucky audited any of its coal contracts during the period from May 1, 2008 to October 31, 2008?
- b. If yes, for each audited contract:
 - (1) Identify the contract;
 - (2) Identify the auditor;
 - (3) State the results of the audit; and
 - (4) Describe the actions that Duke Kentucky took as a result of the audit.

RESPONSE:

MIAMI FORT 6:

- a. No.
- b. N/A

EAST BEND:

- a. No.
- b. N/A

WOODSDALE:

- a. N/A
- b. N/A

PERSON RESPONSIBLE:

Ryan D. Gentil (Miami Fort 6)
Vincent E. Stroud (East Bend)
John Swez (Woodsdale)

Duke Energy Kentucky, Inc.
Case No. 2008-00522
First Set Staff Data Requests
Date Received: January 23, 2009

STAFF-DR-01-022

REQUEST:

- a. Has Duke Kentucky received any complaints regarding its fuel adjustment clause during the period from May 1, 2008 to October 31, 2008?
- b. If yes, for each complaint, state:
 - (1) The nature of the complaint; and
 - (2) Duke Kentucky's response.

RESPONSE:

- a. Yes.
- b.
 - (1) Customer requested an explanation of why his March 2008 electric charge was \$65.65 when his usage was 868 kwh and his July 2008 bill was \$68.12 when he only used 804 kwh.
 - (2) It was explained that the reason for the increased charge for lower usage was an increase in the electric fuel adjustment on the July 2008 bill as compared to the April bill reflecting the March usage. Duplicate bills were provided to the customer showing the detailed billing for each month.

PERSON RESPONSIBLE: William Don Wathen, Jr.

STAFF-DR-01-023

REQUEST:

- a. Is Duke Kentucky currently involved in any litigation with its current or former coal suppliers?
- b. If yes, for each litigation:
 - (1) Identify the coal supplier;
 - (2) Identify the coal contract involved;
 - (3) State the potential liability or recovery to Duke Kentucky;
 - (4) List the issues presented; and
 - (5) Provide a copy of the complaint or other legal pleading that initiated the litigation and Duke Kentucky's response, if not previously filed with the Commission.
- c. State the current status of all litigation with coal suppliers.

RESPONSE:

MIAMI FORT:

- a. No.
- b. N/A
- c. N/A

EAST BEND:

- a. No.
- b. N/A
- c. N/A

WOODSDALE:

- a. N/A
- b. N/A
- c. N/A

PERSON RESPONSIBLE:

Ryan D. Gentil (Miami Fort 6)
Vincent E. Stroud (East Bend)
John Swez (Woodsdale)

Duke Energy Kentucky, Inc.
Case No. 2008-00522
First Set Staff Data Requests
Date Received: January 23, 2009

STAFF-DR-01-024

REQUEST:

List each written coal supply solicitation issued during the period May 1, 2008 to October 31, 2008.

- a. For each solicitation, provide the date of the solicitation (contract or spot), the quantities solicited, a general description of the quality of coal solicited, the time period over which deliveries were requested, and the generating units(s) for which the coal was intended.
- b. For each solicitation, state the number of vendors to whom the solicitation was sent, the number of vendors who responded, and the selected vendor. Provide the bid tabulation sheet or corresponding document that ranks the proposals. (This document shall identify all vendors who made offers.) State the reasons for each selection.

RESPONSE:

1. MIAMI FORT 6:

- a. No solicitations.
- b. N/A

2. EAST BEND:

- a. No written coal supply solicitation was issued by Duke Kentucky during the period from May 1, 2008 to October 31, 2008.
- b. N/A

3. WOODSDALE:

- a. N/A
- b. N/A

PERSON RESPONSIBLE:

Ryan D. Gentil (Miami Fort 6)
Vincent E. Stroud (East Bend)
John Swez (Woodsdale)

Duke Energy Kentucky, Inc.
Case No. 2008-00522
First Set Staff Data Requests
Date Received: January 23, 2009

STAFF-DR-01-025PUBLIC
EAST BEND (b)

REQUEST:

List each oral coal supply solicitation issued during the period May 1, 2008 to October 31, 2008.

- a. For each solicitation, state why the solicitation was not written, the date(s) of the solicitation, the quantities solicited, a general description of the quality of coal solicited, the time period over which deliveries were requested, and the generating unit(s) for which the coal was intended.
- b. For each solicitation, identify all vendors solicited and the vendor selected. Provide the bid tabulation sheet or other document that ranks the proposals. (This document shall identify all vendors who made offers.) State the reasons for each selection.

RESPONSE:

MIAMI FORT 6:

- a. None.
- b. N/A

EAST BEND:

- a. As a result of inconsistent contract deliveries, we were forced to make some purchases on very short notice. Duke's Coal Originator received eleven (11) verbal coal supply solicitations by telephone. Dates of the solicitations were: April 14, 2008 (Arch, LS10070), May 30, 2008 (Coal Network, HS10072), June 20, 2008 (Patriot, HS10076), July 31, 2008 (Patriot, HS10076, Addendum 1 for additional coal), July 7, 2008 (Rhino, HS10079), June 3, 2008 (Coal Network HS10073), June 19, 2008 (Coal Network HS10077), June 20, 2008 (Coal Network HS10078), July 3, 2008 (Coal Network HS10084), August 21, 2008 (Coal Network HS10085) and September 26, 2008 (Knight Hawk HS10086). Coal deliveries were for months offered by the vendor and for consumption in the East Bend Unit.

CONFIDENTIAL AND PROPRIETARY TRADE SECRET

- b. This information requested is being provided pursuant to a Petition for Confidential Treatment.

WOODSDALE:

N/A

PERSON RESPONSIBLE:

Ryan D. Gentil (Miami Fort 6)
Vincent E. Stroud (East Bend)
John Swez (Woodsdale)

Duke Energy Kentucky, Inc.
Case No. 2008-00522
First Set Staff Data Requests
Date Received: January 23, 2009

STAFF-DR-01-026

REQUEST:

For the period from May 1, 2008 to October 31, 2008, list each vendor from whom coal was purchased and the quantity and nature of each purchase (e.g., spot or contract).

RESPONSE:

See Attachment STAFF-DR-01-026.

PERSON RESPONSIBLE: William Don Wathen Jr.

Duke Energy Kentucky

<u>VENDOR</u>	<u>PURCHASE TONNAGE</u>	<u>PURCHASE TYPE</u>
American Coal Co.	69,864	Contract
American Coal Co.	73,565	Spot
Arch Coal	19,947	Spot
Charolais coal Sales, LLC	155,495	Contract
Coal Network	991	Contract
Coal Network	215,638	Spot
Coal Sales	5,758	Contract
Coal Sales	(15)	Spot
Cumberland	86,652	Contract
DEK Mol Dock Federal	41,204	Spot
DTE	1,078	Spot
Hopkins County Coal	5,860	Contract
Law River Terminal	1,280	Contract
Oxford Mining	240,166	Contract
Patriot Coal Sales	179,731	Contract
Patriot Coal Sales	27,989	Spot
Peabody CoalSales	154,907	Contract
Reliant Energy Services	858	Spot
Rhino Energy	12,991	Spot
Tyrone Synfuel, LLC	62,333	Spot
Williamson Energy	2,647	Contract
TOTAL	<u>1,358,939</u>	

Duke Energy Kentucky, Inc.
Case No. 2008-00522
First Set Staff Data Requests
Date Received: January 23, 2009

STAFF-DR-01-027

REQUEST:

For each generating station or unit for which a separate coal pile is maintained, state for the period from May 1, 2008 to October 31, 2008 the actual amount of coal burned in tons, actual amount of coal deliveries in tons, total kWh generated, and actual capacity factor at which the plant operated.

RESPONSE:

Plant	Coal Burn (Tons)	Coal Receipts (Tons)	Net MWH	Capacity Factor (Net MWH) / period hrs x MW rating)
East Bend	700,227	1,059,433	1,578,149	87.3%
Miami Fort 6	232,548	299,505	520,994	73.2%

PERSON RESPONSIBLE: William Don Wathen Jr.

STAFF-DR-01-028

REQUEST:

- a. During the period from May 1, 2008 to October 31, 2008, have there been any changes to Duke Kentucky's written policies and procedures regarding its fuel procurement?
- b. If yes,
 - (1) What were these changes?
 - (2) When were these changes made?
 - (3) Why were they made?
 - (4) Provide these written policies and procedures as changed.
- c. If no, provide the date when Duke Kentucky's current fuel procurement policies and procedures were last changed and when they were last provided to the commission.

RESPONSE:

MIAMI FORT 6:

- a. No.
- b. N/A

EAST BEND:

- a. No.
- b. N/A

WOODSDALE:

- a. N/A
- b. N/A

PERSON RESPONSIBLE:

Ryan D. Gentil (Miami Fort 6)
Vincent E. Stroud (East Bend)
John Swez (Woodsdale)

STAFF-DR-01-029

REQUEST:

- a. Is Duke Kentucky aware of any violation of its policies and procedures regarding fuel procurement that occurred prior to or during the period from May 1, 2008 to October 31, 2008?
- b. If yes, for each violation:
 - (1) Describe the violation;
 - (2) Describe the actions(s) that Duke Kentucky took upon discovery the violation.
 - (3) Identify the person(s) who committed the violation.

RESPONSE:

MIAMI FORT 6:

- a. No.
- b. N/A

EAST BEND:

- a. No
- b. N/A

WOODSDALE:

- a. No.
- b. N/A

PERSON RESPONSIBLE:

Ryan D. Gentil (Miami Fort 6)
Vincent E. Stroud (East Bend)
John Swez (Woodsdale)

Duke Energy Kentucky, Inc.
Case No. 2008-00522
First Set Staff Data Requests
Date Received: January 23, 2009

STAFF-DR-01-030

REQUEST:

Identify all changes in the organizational structure and personnel of the departments or divisions that are responsible for Duke Kentucky's fuel procurement activities that occurred during the period from May 1, 2008 to October 31, 2008.

RESPONSE:

MIAMI FORT 6:

No changes occurred.

EAST BEND:

No changes occurred.

WOODSDALE:

No changes occurred.

PERSON RESPONSIBLE:

Ryan D. Gentil (Miami Fort 6)
Vincent E. Stroud (East Bend)
John Swez (Woodsdale)

STAFF-DR-01-031

REQUEST:

- a. Identify all changes that Duke Kentucky made during the period from May 1, 2008 to October 31, 2008 to its maintenance and operation practices that affect fuel usage at Duke Kentucky's generation facilities.
- b. Describe the effect of these changes on Duke Kentucky's fuel usage.

RESPONSE:

MIAMI FORT 6:

- a. None.
- b. N/A

EAST BEND:

- a. None
- b. N/A

WOODSDALE:

- a. None
- b. N/A

PERSON RESPONSIBLE:

Ryan D. Gentil (Miami Fort 6)
Vincent E. Stroud (East Bend)
John Swez (Woodsdale)

Duke Energy Kentucky, Inc.
Case No. 2008-00522
First Set Staff Data Requests
Date Received: January 23, 2009

STAFF-DR-01-032

REQUEST:

- a. List all intersystem sales during the period from May 1, 2008 to October 31, 2008 in which Duke Kentucky used a third party's transmission system.
- b. For each sale listed above:
 - (1) Describe how Duke Kentucky addressed, for fuel adjustment clause reporting purposes, the cost of fuel expended to cover any line losses incurred to transmit its power across the third party's transmission system; and
 - (2) State the line loss factor used for each transaction and describe how such line loss factor was determined.

RESPONSE:

- a. Duke Energy Kentucky sells 100% of its generation to the Midwest Independent System Operator, Inc. ("MISO"). These sales are made at the generating station; consequently, no third party transmission was used.
- b. Not applicable.

PERSON RESPONSIBLE: William Don Wathen Jr.

Duke Energy Kentucky, Inc.
Case No. 2008-00522
First Set Staff Data Requests
Date Received: January 23, 2009

STAFF-DR-01-033

REQUEST:

Describe any changes that occurred during the period from May 1, 2008 to October 31, 2008 that affected Duke Kentucky's determination of intersystem sales line losses.

RESPONSE:

Not applicable. See response to STAFF-DR-01-032.

PERSON RESPONSIBLE: William Don Wathen Jr.

Duke Energy Kentucky, Inc.
Case No. 2008-00522
First Set Staff Data Requests
Date Received: January 23, 2009

STAFF-DR-01-034

REQUEST:

- a. If its 2-year case results in a roll-in of fuel costs into Duke Kentucky's base rates, does Duke Kentucky prefer using a "flash cut" approach, which results in an immediate change from its existing base fuel cost to its new base fuel cost, or a "transitional approach" in which the first month's fuel cost is an average of the old and new base fuel cost? Explain.
- b. If its 2-year case results in a roll-in of fuel costs into Duke Kentucky's base rates, does Duke Kentucky prefer changing its rates on a "bills rendered" basis or a "service rendered" basis? Explain.

RESPONSE:

- a. Duke Energy Kentucky prefers using a "flash cut" approach. The "flash cut" approach to implementing a new base fuel cost simplifies the logistics of implementation by allowing the base rates to be revised only once. To the extent some transitional approach is used, the Company would adjust the FAC rate for the month so that the sum of the transitional F(b) and the FAC rate equaled the recoverable fuel, F(m), for the then current month.
- b. Duke Energy Kentucky prefers changing its rates on a "bills rendered" basis. Using a "bills rendered" basis simplifies the implementation of the new base fuel rate in the billing system.

PERSON RESPONSIBLE: William Don Wathen Jr.

RECEIVED

FEB 11 2009

PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY

BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION

In the Matter of the Application of the Fuel)
Adjustment Clause of Duke Energy Kentucky)
From November 1, 2006 Through October 31, 2008)

Case No. 2008-00522

PETITION OF DUKE ENERGY KENTUCKY, INC.
FOR CONFIDENTIAL TREATMENT OF INFORMATION
CONTAINED IN ITS RESPONSES TO COMMISSION'S
SET OF DATA REQUESTS

Duke Energy Kentucky, Inc. ("Duke Energy Kentucky" or "Company"), pursuant to 807 KAR 5:001, Section 7, respectfully requests the Commission to classify and protect certain information provided by Duke Energy Kentucky in response to data requests No. 5, No. 6, No. 9 and No. 25 (b) in the Commission's requests for information in Appendix B, as contained in the Commission's Order dated January 23, 2009. The information Duke Energy Kentucky seeks confidential treatment ("Confidential Information") includes projected fuel requirements for 2009 and 2010 (No. 5), forecasted sales revenue (No. 6), planned maintenance schedules (No. 9) and bid analysis information (No. 25(b)). The response in No. 5 and No. 6 and No. 25 (b) contains sensitive information, the disclosure of which would injure Duke Energy Kentucky and its competitive position and business interests. The public disclosure of the information described above would place Duke Energy Kentucky at a commercial disadvantage as it negotiates contracts with various suppliers and vendors and potentially harm Duke Energy Kentucky's competitive position in the marketplace, to the detriment of Duke Energy Kentucky and its customers. The response in No. 9 would provide a list of projected demand which could provide power marketing competitors with

knowledge that will allow them potentially to manipulate the marketplace so as to unnecessarily cause consumers to pay more for electricity than they otherwise would. A list of projected outages costs will grant competitors a distinct advantage in that they would be able to anticipate Petitioners' generation costs.

In support of this Motion, Duke Energy Kentucky notes that the Commission has treated this same information as confidential in other utilities' responses to the same data requests such as Louisville Gas and Electric Company Case No. 2006-510 and Kentucky Utilities Case 2006-509.

In support of this Petition, Duke Energy Kentucky states:

1. The Kentucky Open Records Act exempts from disclosure certain commercial information. KRS 61.878 (1)(c). To qualify for this exemption and, therefore, maintain the confidentiality of the information, a party must establish that disclosure of the commercial information would permit an unfair advantage to competitors of that party. Public disclosure of the information identified herein would, in fact, prompt such a result for the reasons set forth below.

2. Public disclosure of projected fuel requirements (No. 5) would afford Duke Energy Kentucky's competitors and potential vendors a distinct competitive advantage in any contractual negotiations. Vendors and competitors would know Duke Energy Kentucky's projected monthly fuel requirements for the next two years. This information could be used against Duke Energy Kentucky as it negotiates to satisfy its projected requirements.

3. Similarly, Public disclosure of projected forecasted sales revenue (No. 6) would afford Duke Energy Kentucky's competitors a distinct competitive advantage in bidding for and securing new bulk power loads and afford an obvious advantage to Duke Energy

Kentucky's wholesale power purchasers and sellers in any contractual negotiations. As noted before, the Commission has treated this same information as confidential in other utilities' responses to the same data requests such as Louisville Gas and Electric Company Case No. 2006-510 and Kentucky Utilities Case 2006-509.

4. Likewise, public disclosure of information regarding Duke Energy Kentucky's plant maintenance schedules (No. 9) would provide critical "down time" information which would necessarily impair Duke Energy Kentucky's ability to negotiate with prospective contractors and vendors.

5. Disclosure of the factors underlying Duke Energy Kentucky's bid analysis/selection process (No. 25(b)) would also damage Duke Energy Kentucky's competitive position and business interests. If the Commission grants public access to the information requested in No. 25 (b), potential bidders could manipulate the bid solicitation process to the detriment of Duke Energy Kentucky and its ratepayers by tailoring bids to correspond to and comport with Duke Energy Kentucky's bidding criteria and process.

6. The information in No. 5, No. 6, No. 9 and No. 25 (b) was developed internally by Duke Energy Kentucky personnel, is not on file with any public agency, and is not available from any commercial or other source outside Duke Energy Kentucky. The aforementioned information in all four responses is distributed within Duke Energy Kentucky only to those employees who must have access for business reasons, and is generally recognized as confidential and proprietary in the energy industry.

7. The information for which Duke Energy Kentucky is seeking confidential treatment is not known outside of Duke Energy Kentucky.

8. Duke Energy Kentucky does not object to limited disclosure of the confidential information described herein, pursuant to an acceptable protective agreement, to the Attorney General or other intervenors with a legitimate interest in reviewing the same for the purpose of participating in this case.

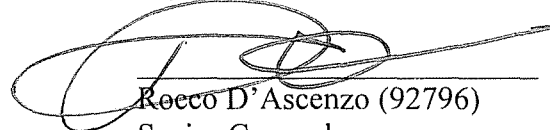
9. As noted before, the Commission has treated the same information described herein as confidential in other utilities' responses to the same data requests such as Louisville Gas and Electric Company Case No. 2006-510 and Kentucky Utilities Case 2006-509.

10. In accordance with the provisions of 807 KAR 5:001 Section 7, the Company is filing with the Commission one copy of the Confidential Material highlighted and five (5) copies without the confidential information. Duke Energy Kentucky has taken steps to only seek confidential treatment of the sensitive information contained in the responses, and in the interest of disclosure is only seeking confidential treatment of specifically identified information.

WHEREFORE, Duke Energy Kentucky, Inc. respectfully requests that the Commission classify and protect as confidential the specific information described herein.

Respectfully submitted,

DUKE ENERGY KENTUCKY



Rocco D'Ascenzo (92796)

Senior Counsel

Amy B. Spiller (853009)

139 E. Fourth Street, 25 AT II

P.O. Box 960

Cincinnati, OH 4520

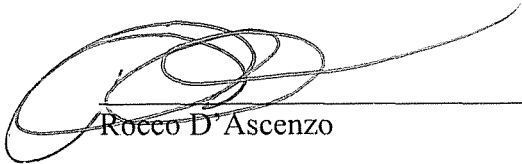
(513) 419-1852 (telephone)

(513) 419-1846 (facsimile)

e-mail: rocco.d'ascenzo@duke-energy.com

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of Duke Energy Kentucky, Inc.'s Petition for Confidential Treatment of Information Contained in Its Responses to Data Request of Commission Staff was served on the following by overnight mail, this 11th day of February 2009.



Rocco D'Ascenzo

Honorable Dennis G. Howard, II
Honorable David E. Spenard
Assistant Attorneys General
1024 Capital Center Drive, Suite 200
Frankfort, Kentucky 40601

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of an Investigation Of The)
Application Of The Fuel Adjustment Clause) Case No. 2008-00522
Of Duke Energy Kentucky From November)
1, 2006 Through October 31, 2008)

DIRECT TESTIMONY OF
WILLIAM DON WATHEN JR.
ON BEHALF OF
DUKE ENERGY KENTUCKY

RECEIVED
FEB 11 2009
PUBLIC SERVICE
COMMISSION

February 11, 2009

TABLE OF CONTENTS

	<u>PAGE</u>
I. Introduction And Purpose	1
II. Discussion	2
III. Conclusion	4

I. INTRODUCTION AND PURPOSE

1 **Q. STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A. My name is William Don Wathen Jr. and my business address is 139 East Fourth Street,
3 Cincinnati, Ohio 45202.

4 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

5 A. I am employed as Director, Revenue Requirements by Duke Energy Business Services,
6 LLC, a service company subsidiary of Duke Energy Corporation and a non-utility
7 affiliate of Duke Energy Kentucky, Inc. (“Duke Energy Kentucky,” or “Company”).

8 **Q. PLEASE BRIEFLY DESCRIBE YOUR EDUCATIONAL BACKGROUND AND**
9 **BUSINESS EXPERIENCE.**

10 A. I received Bachelor Degrees in Business and Chemical Engineering, and a Master of
11 Business Administration Degree, all from the University of Kentucky. After completing
12 graduate studies, I was employed by Kentucky Utilities Company as a planning analyst.
13 In 1989, I began employment with the Indiana Utility Regulatory Commission as a
14 senior engineer. From 1992 until mid-1998, I was employed by SVBK Consulting
15 Group, where I held several positions as a consultant focusing principally on utility rate
16 matters. I was hired by Cinergy Services, Inc. in 1998, as an Economic and Financial
17 Specialist in the Budgets and Forecasts Department. In 1999, I was promoted to the
18 position of Manager, Financial Forecasts. In August 2003, I was named to my current
19 position as Director of Revenue Requirements in the Rates Department.

20 **Q. PLEASE BRIEFLY DESCRIBE YOUR DUTIES AND RESPONSIBILITIES AS**
21 **DIRECTOR REVENUE REQUIREMENTS.**

1 A. As Director Revenue Requirements, I am responsible for the preparation of financial
2 and accounting data used in the Company's wholesale and retail rate filings, petitions
3 for changes in fuel and gas cost adjustment factors, and various other rates and recovery
4 mechanisms.

5 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

6 A. The purpose of my testimony is to sponsor the calculation of Duke Energy Kentucky's
7 Fuel Adjustment Clause ("FAC") including the adjustments during the review period of
8 November 1, 2006, through October 31, 2008. I also support the calculation of the
9 Company's proposed base FAC rate to be set in this proceeding. Finally, I sponsor
10 several of Duke Energy Kentucky's responses to the Commission's Data Requests
11 Contained in Appendix B of its January 23, 2009, Order.

12 **II. DISCUSSION**

13 **Q. PLEASE COMMENT GENERALLY ON THE REASONABLENESS OF DUKE**
14 **ENERGY KENTUCKY'S CALCULATION OF ITS FAC RATE DURING THE**
15 **REVIEW PERIOD.**

16 A. Duke Energy Kentucky's last electric base rate case, Case No. 2006-172, established a
17 base rate of recovery of 2.1619 ¢/kWh. Because Duke Energy Kentucky's fuel rate was
18 frozen through December 31, 2006, the FAC that went into effect on January 1, 2007,
19 was set at \$0. Beginning in February 2007, the Company began filing monthly
20 adjustments to the FAC rate based upon its actual costs of fuel and power procurement.
21 The monthly adjustments were prepared by me or under my direction and control and, to
22 the best of my knowledge, information, and belief, accurately reflected the Company's
23 actual fuel and economy power costs.

1 **Q. IN YOUR OPINION WAS THE COMPANY'S BASE FUEL RATE DURING**
2 **THE REVIEW PERIOD ACCURATE AND REASONABLE?**

3 A. Yes.

4 **Q. PLEASE DESCRIBE HOW THE BASE FUEL RATE WAS DETERMINED.**

5 A. The base fuel rate, or F(b), in the FAC calculation, was established in the most recent
6 rate proceeding, Case No. 2006-00172. The test period in that case was the forecasted
7 twelve months ending December 31, 2007. Included in this forecasted test period was a
8 projection of fuel costs to serve our native load. At the time the forecast was developed,
9 and when the Commission ultimately approved the new base rates, the projection of fuel
10 and economy purchased power costs for 2007 was reasonable. Therefore, the average
11 rate of 2.1619 ¢/kWh that was projected in the test year for fuel and economy purchased
12 power was set as the base fuel rate, F(b).

13 **Q. IN YOUR OPINION, WAS THAT A REASONABLE METHOD FOR**
14 **ESTABLISHING THE BASE FUEL RATE?**

15 A. Yes. Insofar as the forecasted 2007 test year data was our best available estimate of
16 costs for that twelve month period, it was reasonable to set the base fuel rate at the
17 estimated average rate for the year.

18 **Q. WHAT RATE DOES THE COMPANY PROPOSE FOR THE BASE FUEL**
19 **COST IN THE UPCOMING TWO-YEAR PERIOD FOR THE FAC?**

20 A. The Company proposes to set its FAC at 3.9186 ¢/kWh. The calculation is contained in
21 Attachment DR-01-01 prepared in response to the Commission Data Requests set forth
22 in Appendix B of its January 23, 2009, Order.

1 **Q. WHAT IS YOUR RATIONALE FOR DEEMING THIS TO BE A**
2 **REASONABLE LEVEL FOR THE BASE FUEL AMOUNT?**

3 A. The rate I am proposing for the base fuel rate is the closest actual fuel rate in the prior
4 six months to the projected fuel rate over the next two years. This judgment is based
5 upon a comparison of the average forecast fuel rate for the calendar year 2009 and 2010
6 with the actual fuel rates for the prior six months

7 **Q. IN YOUR OPINION IS THE COMPANY'S PROPOSED BASE FUEL COST**
8 **REASONABLE?**

9 A. Yes.

10 **Q. PLEASE IDENTIFY THE RESPONSES TO COMMISSION DATA REQUESTS**
11 **YOU ARE SPONSORING?**

12 A. I sponsor the Company's responses to Data Request Numbers_1, 2, 3, 4, 6, 7, 8, 12, 13,
13 16, 17, 22, 26, 27, 32, 33, and 34. These responses were prepared by me and under my
14 direction and control and are true and accurate.

15 **Q. PLEASE IDENTIFY ATTACHMENT WDW-1.**

16 A. WDW-1 is a copy of Duke Energy Kentucky's proposed Fuel Adjustment Clause tariff
17 reflecting the change in Base Fuel Rate I described in my testimony.

18

19

III. CONCLUSION


20 **Q. DOES THIS CONCLUDE YOUR PREPARED TESTIMONY?**

21 A. Yes, it does.

VERIFICATION

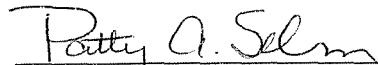
STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

The undersigned, William Don Wathen Jr., being duly sworn, deposes and says that he has personal knowledge of the matters set forth in the foregoing testimony, and that the answers contained therein are true and correct to the best of his knowledge, information and belief.



William Don Wathen Jr., Affiant

Subscribed and sworn to before me by William Don Wathen Jr. on this 10th day of Feb. 2009.



NOTARY PUBLIC

My Commission Expires: **PATTY A. SELM**
NOTARY PUBLIC, STATE OF OHIO
My Commission Expires 09-15-2009

RECEIVED

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

FEB 11 2009
PUBLIC SERVICE
COMMISSION

In the Matter of an Investigation Of The)
Application Of The Fuel Adjustment Clause) Case No. 2008-00522
Of Duke Energy Kentucky From November)
1, 2006 Through October 31, 2008)

DIRECT TESTIMONY OF
JOHN D. SWEZ
ON BEHALF OF
DUKE ENERGY KENTUCKY

February 11, 2009

TABLE OF CONTENTS

PAGE

I. Introduction And Purpose.....	2
II. Discussion.....	2
III. Conclusion.....	5

I. INTRODUCTION AND PURPOSE

1 **Q. STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A. My name is John D. Swez, and my business address is 221 E. Fourth Street
3 Cincinnati, OH 45202.

4 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

5 A. I am employed as Director, Bulk Power Marketing and Trading, by Duke Energy
6 Business Services, LLC, a service company subsidiary of Duke Energy
7 Corporation and a non-utility affiliate of Duke Energy Kentucky, Inc. (“Duke
8 Energy Kentucky,” or “Company”).

9 **Q. PLEASE BRIEFLY DESCRIBE YOUR EDUCATIONAL BACKGROUND**
10 **AND BUSINESS EXPERIENCE.**

11 A. I received a Bachelor of Science degree in Mechanical Engineering from Purdue
12 University in 1992. I received a Masters of Business Administration degree from
13 the University of Indianapolis in 1995. I joined PSI Energy, Inc. in 1992 and have
14 held various engineering positions with the Company or its affiliates in the Power
15 Services and Power Trading departments. In 2003, I assumed the position of
16 Manager, Real-Time Operations. Though my title has changed on several
17 occasions, I assumed my current role on January 1, 2006.

18 **Q. PLEASE BRIEFLY DESCRIBE YOUR DUTIES AS DIRECTOR, BULK**
19 **POWER MARKETING AND TRADING.**

20 A. I am responsible for the Company’s: (i) generating dispatch; (ii) unit
21 commitment; (iii) 24-hour real-time operations; (iv) plant communications related

1 to short-term generating maintenance planning; and (v) gas procurement. I am
2 also responsible for the submission of the Company's supply offers to the
3 Midwest Independent Transmission System Operator, Inc. ("Midwest ISO") for
4 the Midwest ISO's Day-Ahead and Real-Time electric energy markets in the
5 Midwest ISO region ("Day 2 Markets"), as well as managing the Company's short
6 term supply position to ensure that the Company has adequate resources
7 committed to serve its retail customers' electricity needs.

8 **Q. WHAT IS THE PURPOSE OF YOUR PREFILED TESTIMONY?**

9 A. The purpose of my testimony is to respond to the Commission's January 23, 2009
10 Order and address the changes in the wholesale electric power market and how
11 those changes have impacted or will impact Duke Energy Kentucky's power
12 procurement. I also sponsor certain of the Company's responses to the
13 Commission's Data Requests.

14 **II. DISCUSSION**

15 **Q. PLEASE GENERALLY DESCRIBE DUKE ENERGY KENTUCKY'S**
16 **POWER PROCUREMENT PRACTICES.**

17 A. Duke Energy Kentucky is a market participant of the Midwest Independent
18 System Operator ("Midwest ISO"). Through the day-ahead market, market
19 participants can mitigate their exposure to price risk in the real-time markets.
20 Demand bids and supply offers are submitted to the Midwest ISO by market
21 participants, including both generator owners (as sellers) and load serving entities
22 (as buyers). Thus, the Company functions as both a seller and buyer in the Day 2
23 Markets to serve its retail electric customers. Duke Energy Kentucky has the

1 ability to self-schedule certain resources to ensure that those resources are
2 committed and dispatched. Additionally, Duke Energy Kentucky operates under a
3 back-up power supply plan consisting of capacity purchases through bilateral
4 contracts and energy purchases through the Midwest ISO daily energy markets
5 with forward contracts purchased through Intercontinental Exchange (“ICE”) and
6 Over The Counter (OTC) brokers for scheduled outages. Duke Energy Kentucky
7 may purchase capacity during times when Duke Kentucky does not have adequate
8 capacity to meet the Midwest ISO module E reserve margin requirement. Duke
9 Energy Kentucky’s current back-up supply plan, approved in Case No. 2007-44,
10 expires at the end of 2009. The Company is evaluating options for a new back-up
11 power supply plan beginning 2010.

12 **Q. PLEASE DESCRIBE ANY CHANGES THAT OCCURRED IN THE**
13 **WHOLESALE ELECTRIC POWER MARKET BETWEEN NOVEMBER**
14 **1, 2006 THROUGH OCTOBER 31, 2008, AND THAT SIGNIFICANTLY**
15 **AFFECTED DUKE ENERGY KENTUCKY’S ELECTRIC POWER**
16 **PROCUREMENT PRACTICES.**

17 A. Duke Energy Kentucky witnessed volatility in the wholesale power market prices
18 during the audit period. This was due primarily to fluctuating commodity prices
19 for fuel, including both natural gas and coal, and emission allowances. The
20 volatility, however, did not significantly impact Duke Energy Kentucky’s power
21 procurement practices. The Company continued to make economic power
22 purchases for both planned and forced outages during the audit period to mitigate
23 exposure to market price volatility. In addition, Duke Energy Kentucky makes

1 economic purchases from the Midwest ISO when the purchases are more
2 economic than dispatching its own generation for the benefit of the Company's
3 native load.

4 **Q. WHAT CHANGES DOES DUKE ENERGY KENTUCKY EXPECT TO**
5 **OCCUR IN THE WHOLESALE POWER MARKET WITHIN THE NEXT**
6 **TWO YEARS THAT MAY SIGNIFICANTLY AFFECT DUKE ENERGY**
7 **KENTUCKY'S ELECTRIC POWER PROCUREMENT PRACTICES?**

8 A. Duke Energy Kentucky does not expect any changes to the wholesale power
9 market in the next two years that will cause any significant impact to the
10 Company's power procurement practices. The Midwest ISO launched its
11 Ancillary Services Market ("ASM") on January 6, 2009. Duke Energy Kentucky
12 expects the ASM to continue to function smoothly, as it has generally functioned
13 without any major issues to date. Duke Energy Kentucky's generators have been
14 able to follow real-time signals from the Midwest ISO with minimal issues. Day-
15 ahead and real-time Market Clearing Prices ("MCP") for Regulating, Spinning,
16 and Supplemental Reserves appear to be at reasonable price levels consistent with
17 market conditions. In addition, Duke Energy Kentucky's generating units appear
18 to be appropriately receiving day-ahead and real-time awards for Regulating,
19 Spinning, and Supplemental Reserves.

20 **Q. PLEASE IDENTIFY THE RESPONSES TO COMMISSION DATA**
21 **REQUESTS YOU ARE SPONSORING?**

1 A. I sponsor the Company's responses to Data Request Numbers_5, 9, 10, 11, 14, 15,
2 19, 21, 23, 24, 25, 28, 29, 30, and 31. These responses were prepared by me and
3 under my direction and control and are true and accurate.

4 **III. CONCLUSION**

5 **Q. IN YOUR OPINION, WERE DUKE ENERGY KENTUCKY'S POWER**
6 **PROCUREMENT PRACTICES REASONABLE DURING THE AUDIT**
7 **PERIOD?**

8 A. Yes.

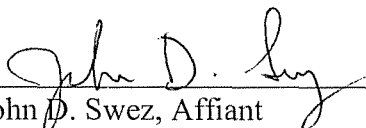
9 **Q. DOES THIS CONCLUDE YOUR PREPARED TESTIMONY?**

10 A. Yes, it does.

VERIFICATION


State of Ohio)
) SS:
County of Hamilton)

The undersigned, John D. Swez, being duly sworn, deposes and says that I am employed by the Duke Energy Corporation affiliated companies as Director, Bulk Power Marketing and Trading, that on behalf of Duke Energy Kentucky, Inc. says that I have personal knowledge of the matters set forth in the foregoing testimony, and that the answers contained therein are true and correct to the best of my knowledge, information and belief.



John D. Swez, Affiant

Subscribed and sworn to before me by John D. Swez on this 3RD day of February, 2009.



NOTARY PUBLIC

My Commission Expires:



ANITA M. SCHAFER
Notary Public, State of Ohio
My Commission Expires
November 4, 2009

RECEIVED

FEB 11 2009

PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of an Investigation Of The)
Application Of The Fuel Adjustment Clause) Case No. 2008-00522
Of Duke Energy Kentucky From November)
1, 2006 Through October 31, 2008)

DIRECT TESTIMONY OF

VINCENT E. STROUD

ON BEHALF OF

DUKE ENERGY KENTUCKY

February 11, 2009

TABLE OF CONTENTS

PAGE

I. Introduction And Purpose 1

II. Discussion 2

III. Conclusion 6

I. INTRODUCTION AND PURPOSE

1 **Q. STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A. My name is Vincent E. Stroud, and my business address is 526 Church Street, Charlotte,
3 North Carolina 28202.

4 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

5 A. I am employed as Vice President, Regulated Fuels, by Duke Energy Business Services,
6 LLC, a service company subsidiary of Duke Energy Corporation and a non-utility
7 affiliate of Duke Energy Kentucky, Inc. (“Duke Energy Kentucky,” or “Company”).

8 **Q. PLEASE BRIEFLY DESCRIBE YOUR EDUCATIONAL BACKGROUND AND**
9 **BUSINESS EXPERIENCE.**

10 A. I am a graduate of the University of Houston, graduating in 1978 with a Bachelor of
11 Science Degree in Civil Engineering Technology. I received a Master of Arts Degree in
12 Business Administration from Tulane University in 1987. I also attended executive
13 training courses at Wharton School of Business in 2001 and Xavier University in 2005.
14 From 1982 to 1996, I worked for Mobil Oil Corporation in various energy related
15 engineering, production and marketing positions. From 1997 to August 2002, I served
16 as the Vice President of Coal and Emissions Marketing for Aquila Energy Marketing,
17 Inc. in Kansas City, Missouri. From September of 2002 to March of 2004, I was
18 employed as Vice President of Coal Sales for Alliance Resources Partners, LLC in
19 Tulsa, Oklahoma. In April of 2004, I joined Cinergy Services, Inc. (which was renamed
20 Duke Energy Shared Services, Inc. and subsequently merged with Duke Energy
21 Business Services, LLC) as Vice President, Commercial Fuels and moved into the

1 position of Vice President, Regulated Fuels in January 2006. As a result of the merger
2 of Cinergy Corp. (“Cinergy”) and Duke Energy Corporation, I assumed my current
3 position on April 3, 2006.

4 **Q. PLEASE BRIEFLY DESCRIBE YOUR DUTIES AND RESPONSIBILITIES AS**
5 **VICE PRESIDENT, REGULATED FUELS.**

6 A. As Vice President, Regulated Fuels, I participate in all aspects of the purchase and
7 delivery of fuel that the Duke Energy regulated utilities use for the generation of
8 electricity. Prior to April 3, 2006, I performed these duties for Cinergy’s regulated
9 companies, including the Company. As part of this activity, I monitor and participate in
10 the development of forecasts of various fuels of current or potential interest, including
11 forecasts of supply and demand, price, quality, availability, economics and
12 deliverability. These fuel forecasts cover both existing supply sources and potential
13 supply sources that may be economically developed. I also supervise the Company’s
14 fuel procurement activity, including the negotiation and administration fuel purchase
15 contracts.

16 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

17 A. The purpose of my testimony is to respond to the Commission’s January 23, 2009 Order
18 and discuss Duke Energy Kentucky’s fuel procurement practices from November 1,
19 2006 through October 31, 2008. I also sponsor certain of the Company’s responses to
20 the Commission Data Requests.

21 **II. DISCUSSION**

1 **Q. PLEASE COMMENT GENERALLY ON THE REASONABLENESS OF DUKE**
2 **ENERGY KENTUCKY’S FUEL PROCUREMENT PRACTICES DURING THE**
3 **REVIEW PERIOD.**

4 A. Duke Energy Kentucky’s coal procurement policy is designed to assure a dependable
5 supply of consistent and appropriate quality at a competitive price. Coal is generally
6 purchased under long-term contracts of one year or more. Contract coal supply
7 proposals are secured from producers and evaluated thoroughly, taking into account coal
8 quality, quantity, transportation alternatives and price, among other factors. The
9 producer (or producers) whose coal offers the best value, particularly with regard to
10 overall utilization costs, is selected for further negotiations to produce a long-term
11 contract or contracts. It is important to note that many of our long-term contracts either
12 contain provisions for periodic price reopener negotiations, some type of price
13 escalations, or a mechanism to adjust prices based upon a published market price index.
14 Fuel transportation contracts also have mechanisms which adjust the price for
15 fluctuations in the index diesel fuel price.

16 Duke Energy’s Fuel Department stays informed on a continuing basis regarding
17 general changes in the coal market and specific opportunities to purchase coal. Needs
18 are determined by an ongoing review of generating station stockpiles, consumption
19 projections, and current coal supply quantities already committed. In addition, Fuel
20 Department personnel visit each of the Company’s contract producers regularly and visit
21 the mining operations of current and potential producers as well, gathering information
22 which assists in analyzing coal purchase opportunities. This information, coupled with
23 the daily contacts with others within the Company and throughout the industry, provides

1 a thorough understanding of the various spot coal (and long-term) alternatives.
2 Accordingly, when a coal requirement occurs, proposals are sought from potential
3 suppliers, and the resulting commitment or commitments are based on the suppliers
4 having the lowest delivered cost and best overall utilization characteristics for the
5 generating station. Usually, spot coal commitments are made for small quantities of
6 coal, over short durations, as compared to long-term contracts of more than one year.

7 Duke Energy Kentucky vigilantly monitors and enforces the provisions of our
8 coal contracts with respect to quantities of coal due the Company and coal quality. In
9 addition, the coal quality provisions of the Company's coal supply agreements typically
10 include penalties for non-conforming coal deliveries.

11 **Q. PLEASE DESCRIBE THE COAL SUPPLIER'S ADHERENCE TO CONTRACT**
12 **DELIVERY SCHEDULES DURING THE REVIEW PERIOD?**

13 A. During 2006 and 2007, the Company experienced reasonable performance by our
14 suppliers in adhering to contract delivery schedules. However, during 2008 the
15 Company received very poor service by two key suppliers who under-delivered by
16 between 33% and 40% of the contract commitments. As a result Duke Energy
17 Kentucky was forced to purchase a substantial portion of our annual requirement on the
18 spot market.

19 **Q. PLEASE DESCRIBE DUKE ENERGY KENTUCKY'S EFFORTS TO ENSURE**
20 **COAL SUPPLIERS ADHERENCE TO CONTRACT DELIVERY SCHEDULES**
21 **DURING THE REVIEW PERIOD.**

22 A. We regularly monitor supplier performance and determine the causes of any supplier
23 under-performance. If our investigation determines that the shortages were not the result

1 of a Force Majeure event as claimed by one supplier, we will either seek damages or an
2 alternate deliver schedule. In both cases we will exercise our rights under the contracts
3 to preserve as much of the market value as possible.
4

5 **Q. WERE THERE ANY CHANGES IN COAL MARKET CONDITIONS THAT**
6 **OCCURRED DURING THE REVIEW PERIOD OR THAT DUKE ENERGY**
7 **KENTUCKY EXPECTS TO OCCUR IN THE NEXT TWO YEARS THAT**
8 **SIGNIFICANTLY AFFECTED OR WILL SIGNIFICANTLY AFFECT DUKE**
9 **ENERGY KENTUCKY'S COAL PROCUREMENT PRACTICES?**

10 A. Coal prices remained relatively stable from late 2006 through the third quarter of 2007,
11 with prices for barge-served high sulfur coal ranging from the mid \$30/ton to mid
12 \$40/ton, depending on location and quality. During mid-2007, international coal prices
13 rapidly increased due to supply disruptions at some key exporting countries and increase
14 coal demand, primarily in Asia. Beginning late in 2007, domestic coal prices began a
15 rapid and dramatic increase that finally peaked during the third quarter of 2008 in the
16 mid \$80/ton to as high as \$140/ton, once again depending on location and coal quality.
17 The index for diesel fuel also rose dramatically over the period from 135.3 in December,
18 2006 to a peak of 431.9 in July, 2009, which resulted in a marked increase in
19 transportation fuel surcharges.

20 Since that time, coal prices, along with most other commodities, have fallen very
21 steeply, though coal prices remain significantly above their 2007 price levels. The
22 Company is anticipating continued coal price volatility in the next two years, as
23 deteriorating economic conditions are reducing demand for coal, while increased

1 production costs and surface mine permitting issues are limiting supply. Experience has
2 shown that only a relatively minor imbalance between supply and demand, particularly a
3 supply deficit, will yield very large changes in market prices.

4 **Q. PLEASE IDENTIFY THE RESPONSES TO COMMISSION DATA REQUESTS**
5 **YOU ARE SPONSORING?**

6 A. I sponsor the Company's responses to Data Request Numbers_15, 18 19, 20, 21, 23, 24,
7 25, 28, 29, 30, and 31. These responses were prepared by me and under my direction
8 and control and are true and accurate.

9 **III. CONCLUSION**

10 **Q. IN YOUR OPINION, WERE DUKE ENERGY KENTUCKY'S FUEL COSTS**
11 **AND PROCUREMENTS DURING THE REVIEW PERIOD REASONABLE?**

12 A. Yes they were.

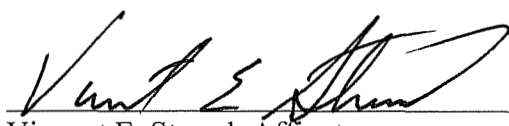
13 **Q. DOES THIS CONCLUDE YOUR PREPARED TESTIMONY?**

14 A. Yes, it does.

VERIFICATION

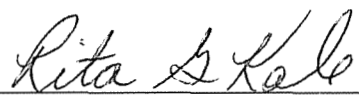
State of North Carolina)
) SS:
County of Mecklenburg)

The undersigned, Vincent E. Stroud, being duly sworn, deposes and says that I am employed by the Duke Energy Corporation affiliated companies as Vice President, Regulated Fuels, that on behalf of Duke Energy Kentucky, Inc. says that I have personal knowledge of the matters set forth in the foregoing testimony, and that the answers contained therein are true and correct to the best of my knowledge, information and belief.



Vincent E. Stroud, Affiant

Subscribed and sworn to before me by Vincent E. Stroud on this 3 day of February, 2009.



NOTARY PUBLIC

My Commission Expires: 6/17/12

