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Dianne B. Kuhnell
Senior Paralegal

VIA OVERNIGHT DELIVERY

November 13, 2009

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

RECEIVED

NOV 16 2009

**PUBLIC SERVICE
COMMISSION**

Re: Case No. 2009-00202

Dear Mr. Derouen:

Enclosed please find an original and twelve copies of Duke Energy Kentucky Inc.'s Updated Filing in the above captioned case.

Please date-stamp the two copies of the letter and the filing and return to me in the enclosed envelope.

Sincerely,

Dianne B. Kuhnell
Senior Paralegal

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

NOV 16 2009

PUBLIC SERVICE
COMMISSION

In the Matter of:

AN ADJUSTMENT OF GAS RATES)
OF DUKE ENERGY KENTUCKY, INC.)

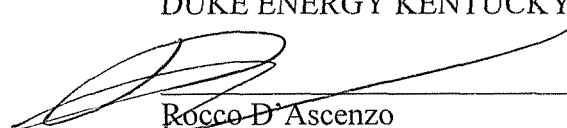
CASE NO. 2009-00202

**DUKE ENERGY KENTUCKY, INC.'S
UPDATED FILING**

Pursuant to KRS 278.192(2)(b) and 807 KAR 5:001 Section 10(8)(d), Duke Energy Kentucky, Inc. (Duke Energy Kentucky) submits the attached updated filing. This updated filing provides Duke Energy Kentucky's actual final financial results for the six months of the base period ending September 30, 2009, for which Duke Energy Kentucky previously submitted estimated data. Additionally, Duke Energy Kentucky submits revised Schedules A-K and supporting workpapers.

Respectfully submitted,

DUKE ENERGY KENTUCKY, INC.



Rocco D'Ascenzo
Senior Counsel
Amy B. Spiller
Associate General Counsel
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Room 2500, Atrium II
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Of Counsel:
Robert M. Watt III
Stoll, Keenon & Park, LLP
201 East Main Street, Suite 1000
Lexington, Kentucky 40507
Phone: (859) 231-3000

CERTIFICATE OF SERVICE

This is to certify that a copy of the foregoing Duke Energy Kentucky Inc.'s Updated Filing has been served by overnight mail, postage prepaid, to the following parties on this 13th day of November, 2009:

Hon. Dennis G. Howard II
Office of Attorney General
Utility Intervention and Rate Division
1024 Capital Center Drive
Frankfort, Kentucky 40601



Rocco D'Ascenzo

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
OVERALL FINANCIAL SUMMARY
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE A
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	DESCRIPTION	SUPPORTING SCHEDULE REFERENCE	JURISDICTIONAL REVENUE REQUIREMENTS	
			BASE PERIOD	FORECAST PERIOD
1	Capitalization Allocated to Gas Operations	WPA-1a, 1c	234,854,315	253,750,235
2	Operating Income	C-2	5,598,675	8,822,559
3	Earned Rate of Return (Line 2 / Line 1)		2.38%	3.48%
4	Rate of Return	J-1	7.782%	7.671%
5	Required Operating Income (Line 1 x Line 4)		18,276,363	19,465,181
6	Operating Income Deficiency (Line 5 - Line 2)		12,677,688	10,642,622
7	Gross Revenue Conversion Factor	H	1.6440390	1.6437800
8	Revenue Deficiency (Line 6 x Line 7)		20,842,614	17,494,129
9	Revenue Increase Requested	C-1	N/A	17,494,336
10	Adjusted Operating Revenues	C-1	N/A	124,681,347
11	Revenue Requirements (Line 9 + Line 10)		N/A	142,175,683

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
JURISDICTIONAL RATE BASE SUMMARY
AS OF SEPTEMBER 30, 2009
AS OF JANUARY 31, 2011

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

SCHEDULE B-1
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	RATE BASE COMPONENT	SUPPORTING SCHEDULE REFERENCE	BASE PERIOD	13 MONTH AVG. FORECASTED PERIOD	
1	Adjusted Jurisdictional Plant in Service	B-2	\$363,193,184	\$388,986,305	
2	Accumulated Depreciation and Amortization	B-3	<u>(100,070,024)</u>	<u>(106,403,989)</u>	(1)
3	Net Plant in Service (Line 1 + Line 2)		263,123,160	282,582,316	
4	Construction Work in Progress	B-4	9,488,367	3,777,154	
5	Cash Working Capital Allowance	B-5	2,751,311	2,371,199	
6	Other Working Capital Allowances	B-5	435,444	260,110	
7	Other Items:				
8	Customers' Advances for Construction	B-6	(1,470,205)	(1,638,646)	
9	Investment Tax Credits	B-6	(11,691)	(8,280)	
10	Deferred Income Taxes	B-6	(34,906,494)	(34,217,886)	(2)
11	Other Rate Base Adjustments	B-6	<u>0</u>	<u>0</u>	
12	Jurisdictional Rate Base (Line 3 through Line 11)		<u>\$239,409,892</u>	<u>\$253,125,967</u>	

(1) Includes adjustment of \$2,061,951 for annualized depreciation, Schedule D-2.23.

(2) Does not include Unrecovered Purchased Gas Cost ADIT per Commission precedent.

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
PLANT IN SERVICE BY MAJOR PROPERTY GROUPING
AS OF SEPTEMBER 30, 2009

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

SCHEDULE B-2
PAGE 1 OF 2
WITNESS RESPONSIBLE:
B. R. MELENDEZ

Line No.	Major Property Groupings	Base Period	Jurisdictional %	Jurisdictional Total	Adjustments	Adjusted Jurisdiction
		\$		\$	\$	\$
1	Production	6,114,145	100.00	6,114,145	(3,974,194)	2,139,951
2	Distribution	357,870,865	100.00	357,870,865	(8,294,454)	349,576,411
3	General	3,449,706	100.00	3,449,706	(172,026)	3,277,680
4	Common (Allocated to Gas)	8,199,142	100.00	8,199,142	0	8,199,142
5	Completed Construction Not Classified (1)					
6	Other (specify)					
7	TOTAL	375,633,858		375,633,858	(12,440,674)	363,193,184

(1) Included in each function on Schedule B-2.1

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
PLANT IN SERVICE BY MAJOR PROPERTY GROUPING
AS OF JANUARY 31, 2011

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

SCHEDULE B-2
PAGE 2 OF 2
WITNESS RESPONSIBLE:
B. R. MELENDEZ

Line No.	Major Property Groupings	13 Month Average Forecasted Period	Jurisdictional %	Jurisdictional Total	13 Month Average Adjustments	13 Month Average Adjusted Jurisdiction
		\$		\$	\$	\$
1	Production	5,985,568	100.00	5,985,568	(3,890,619)	2,094,949
2	Distribution	382,494,836	100.00	382,494,836	(8,294,454)	374,200,382
3	General	3,480,987	100.00	3,480,987	(172,026)	3,308,961
4	Common (Allocated to Gas)	9,382,013	100.00	9,382,013	0	9,382,013
5	Completed Construction Not Classified (1)					
6	Other (specify)					
7	TOTAL	401,343,404		401,343,404	(12,357,099)	388,986,305

(1) Included in each function on Schedule B-2.1

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF SEPTEMBER 30, 2009

MANUFACTURED GAS PRODUCTION PLANT

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): SCHEDULE B-2.2, SCHEDULE B-2.3

SCHEDULE B-2.1
PAGE 1 OF 8
WITNESS RESPONSIBLE:
B. R. MELENDEZ

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	Base Period \$	Jurisdictional %	Jurisdictional Total \$	Adjustments \$	Adjusted Jurisdiction \$
1	304	20400	Land and Land Rights	117,711	100.00%	117,711	(76,512)	41,199
2	304	20401	Rights of Way	28,376	100.00%	28,376	(18,444)	9,932
3	305	20500	Structures & Improvements	1,567,370	100.00%	1,567,370	(1,018,791)	548,579
4	311	21100	Liquefied Petroleum Gas Equipment	4,400,688	100.00%	4,400,688	(2,860,447)	1,540,241
5			Total Manufactured Gas Production Plant	6,114,145		6,114,145	(3,974,194)	2,139,951

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF SEPTEMBER 30, 2009

DISTRIBUTION PLANT

SCHEDULE B-2.1
PAGE 2 OF 8
WITNESS RESPONSIBLE:
B. R. MELENDEZ

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): SCHEDULE B-2.2, SCHEDULE B-2.3

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	Base Period \$	Jurisdictional %	Jurisdictional Total \$	Adjustments \$	Adjusted Jurisdiction \$
1	374	27400	Land and Land Rights	42,229	100.00%	42,229	(5,910)	36,319
2	374	27401	Rights of Way	1,094,967	100.00%	1,094,967	(300,483)	794,484
3	375	27500	Structures & Improvements	158,514	100.00%	158,514	(34,827)	123,687
4	376	27601	Mains - Cast Iron & Copper	1,385,625	100.00%	1,385,625		1,385,625
5	376	27602,27607	Mains - Steel	69,813,246	100.00%	69,813,246		69,813,246
6	376	27603,27608	Mains - Plastic	128,372,659	100.00%	128,372,659		128,372,659
7	376	27605	Mains - Feeder	23,870,759	100.00%	23,870,759	(7,446,120)	16,424,639
8	378	27800	System Meas. & Reg. Station Equipment	3,748,271	100.00%	3,748,271	(359,080)	3,389,191
9	378	27801	System Meas. & Reg. Station Equipment-Elec	642,783	100.00%	642,783	(148,034)	494,749
10	378	27802	District Regulating Equipment	954,112	100.00%	954,112		954,112
11	380	28001	Services- Cast Iron & Copper	544,676	100.00%	544,676		544,676
12	380	28002,28004	Services-Steel	3,515,315	100.00%	3,515,315		3,515,315
13	380	28003,28005-28007	Services-Plastic	91,200,371	100.00%	91,200,371		91,200,371
14	381	28100,28101	Meters	10,867,181	100.00%	10,867,181		10,867,181
15	382	28200,28201	Meter Installations	8,854,572	100.00%	8,854,572		8,854,572
16	383	28300,283001	House Regulators	6,162,015	100.00%	6,162,015		6,162,015
17	384	28400,28401	House Regulator Installations	4,986,560	100.00%	4,986,560		4,986,560
18	385	28500	Large Industrial Meas. & Reg. Equipment	439,685	100.00%	439,685		439,685
19	385	28501	Large Industrial Meas. & Reg. Equipment - Comm	64,791	100.00%	64,791		64,791
20	387	28700	Other Equipment - Other	108,084	100.00%	108,084		108,084
21	387	28701	Street Lighting Equipment	30,411	100.00%	30,411		30,411
22			Asset Retirement Cost for Distribution Plant	1,014,039	100.00%	1,014,039		1,014,039
23			Total Distribution Plant	357,870,865		357,870,865	(8,294,454)	349,576,411

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF SEPTEMBER 30, 2009

GENERAL PLANT

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): SCHEDULE B-2.2, SCHEDULE B-2.3

SCHEDULE B-2.1
PAGE 3 OF 8
WITNESS RESPONSIBLE:
B. R. MELENDEZ

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	Base Period \$	Jurisdictional %	Jurisdictional Total \$	Adjustments \$	Adjusted Jurisdiction \$
1		20300	Miscellaneous Intangible Plant	464,095	100.00%	464,095		464,095
2	391	29100	Office Furniture & Equipment	23,008	100.00%	23,008	(10,499)	12,509
3	392	29200	Transportation Equipment	0	100.00%	0		0
4	392	29201	Trailers	96,158	100.00%	96,158		96,158
5	394	29400	Tools, Shop & Garage Equipment	2,693,663	100.00%	2,693,663	(35,966)	2,657,697
6	396	29600	Power Operated Equipment	47,221	100.00%	47,221		47,221
7	398	29800	Miscellaneous Equipment	125,561	100.00%	125,561	(125,561)	0
8			Total General Plant	3,449,706		3,449,706	(172,026)	3,277,680
9			Total Gas Plant	367,434,716		367,434,716	(12,440,674)	354,994,042

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF SEPTEMBER 30, 2009

COMMON PLANT

SCHEDULE B-2.1
PAGE 4 OF 8
WITNESS RESPONSIBLE:
B. R. MELENDEZ

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): SCHEDULE B-2.2, SCHEDULE B-2.3

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	Base Period \$	Jurisdictional %	Jurisdictional Total \$	Adjustments \$	Adjusted Jurisdiction \$
1		10300	Miscellaneous Intangible Plant	17,408,608	100.00%	17,408,608		17,408,608
2		17001	Leased AMI Meters	601,513	100.00%	601,513		601,513
3		18900	Land and Land Rights	154,248	100.00%	154,248		154,248
4		19000	Structures & Improvements	8,170,071	100.00%	8,170,071		8,170,071
5		19100	Office Furniture & Equipment	402,556	100.00%	402,556		402,556
8		19300	Stores Equipment	5,563	100.00%	5,563		5,563
9		19400	Tools, Shop & Garage Equipment	178,694	100.00%	178,694		178,694
10		19700	Communication Equipment	4,921,074	100.00%	4,921,074		4,921,074
11		19800	Miscellaneous Equipment	11,372	100.00%	11,372		11,372
12			Total Common Plant	31,853,699		31,853,699	0	31,853,699
13			25.74% Common Plant Allocated to Gas	8,199,142		8,199,142	0	8,199,142
14			Total Gas Plant Including Allocated Common	375,633,858		375,633,858	(12,440,674)	363,193,184

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF JANUARY 31, 2011

MANUFACTURED GAS PRODUCTION PLANT

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S):: SCHEDULE B-2.2, SCHEDULE B-2.3

SCHEDULE B-2.1
PAGE 5 OF 8
WITNESS RESPONSIBLE:
B. R. MELENDEZ

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	13 Month Average Forecasted Period \$	Jurisdictional %	Jurisdictional Total \$	13 Month Average Adjustments \$	13 Month Average Adjusted Jurisdiction \$
1	304	20400	Land and Land Rights	117,711	100.00%	117,711	(76,512)	41,199
2	304	20401	Rights of Way	24,439	100.00%	24,439	(15,885)	8,554
3	305	20500	Structures & Improvements	1,567,370	100.00%	1,567,370	(1,018,791)	548,579
4	311	21100	Liquefied Petroleum Gas Equipment	4,276,048	100.00%	4,276,048	(2,779,431)	1,496,617
5			Total Manufactured Gas Production Plant	5,985,568		5,985,568	(3,890,619)	2,094,949

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF JANUARY 31, 2011

DISTRIBUTION PLANT

SCHEDULE B-2.1
PAGE 6 OF 8
WITNESS RESPONSIBLE:
B. R. MELENDEZ

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): SCHEDULE B-2.2, SCHEDULE B-2.3

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	13 Month Average Forecasted Period \$	Jurisdictional %	Jurisdictional Total \$	13 Month Average Adjustments \$	13 Month Average Adjusted Jurisdiction \$
1	374	27400	Land and Land Rights	42,229	100.00%	42,229	(5,910)	36,319
2	374	27401	Rights of Way	1,128,472	100.00%	1,128,472	(300,483)	827,989
3	375	27500	Structures & Improvements	158,514	100.00%	158,514	(34,827)	123,687
4	376	27601	Mains - Cast Iron & Copper	1,123,679	100.00%	1,123,679		1,123,679
5	376	27602,27607	Mains - Steel	71,121,151	100.00%	71,121,151		71,121,151
6	376	27603,27608	Mains - Plastic	139,828,676	100.00%	139,828,676	(7,446,120)	139,828,676
7	376	27605	Mains - Feeder	26,744,903	100.00%	26,744,903	(359,080)	19,298,783
8	378	27800	System Meas. & Reg. Station Equipment	4,077,037	100.00%	4,077,037	(148,034)	3,717,957
9	378	27801	System Meas. & Reg. Station Equipment-Elec	702,990	100.00%	702,990		554,956
10	378	27802	District Regulating Equipment	1,107,447	100.00%	1,107,447		1,107,447
11	380	28001	Services- Cast Iron & Copper	1,426,830	100.00%	1,426,830		1,426,830
12	380	28002,28004	Services-Steel	4,009,714	100.00%	4,009,714		4,009,714
13	380	28003,28005-28007	Services-Plastic	95,825,728	100.00%	95,825,728		95,825,728
14	381	28100,28101	Meters	11,222,089	100.00%	11,222,089		11,222,089
15	382	28200,28201	Meter Installations	9,783,936	100.00%	9,783,936		9,783,936
16	383	28300,283001	House Regulators	6,204,716	100.00%	6,204,716		6,204,716
17	384	28400,28401	House Regulator Installations	6,329,715	100.00%	6,329,715		6,329,715
18	385	28500	Large Industrial Meas. & Reg. Equipment	439,685	100.00%	439,685		439,685
19	385	28501	Large Industrial Meas. & Reg. Equipment - Comm	64,791	100.00%	64,791		64,791
20	387	28700	Other Equipment - Other	108,084	100.00%	108,084		108,084
21	387	28701	Street Lighting Equipment	30,411	100.00%	30,411		30,411
22			Asset Retirement Cost for Distribution Plant	1,014,039	100.00%	1,014,039		1,014,039
23			Total Distribution Plant	382,494,836		382,494,836	(8,294,454)	374,200,382

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF JANUARY 31, 2011

GENERAL PLANT

SCHEDULE B-2.1
PAGE 7 OF 8
WITNESS RESPONSIBLE:
B. R. MELENDEZ

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): SCHEDULE B-2.2, SCHEDULE B-2.3

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	13 Month Average Forecasted Period \$	Jurisdictional %	Jurisdictional Total \$	13 Month Average Adjustments \$	13 Month Average Adjusted Jurisdiction \$
1		20300	Miscellaneous Intangible Plant	497,352	100.00%	497,352		497,352
2	391	29100	Office Furniture & Equipment	23,008	100.00%	23,008	(10,499)	12,509
3	392	29200	Transportation Equipment	0	100.00%	0		0
4	392	29201	Trailers	96,158	100.00%	96,158		96,158
5	394	29400	Tools, Shop & Garage Equipment	2,691,687	100.00%	2,691,687	(35,966)	2,655,721
6	396	29600	Power Operated Equipment	47,221	100.00%	47,221		47,221
7	398	29800	Miscellaneous Equipment	125,561	100.00%	125,561	(125,561)	0
8			Total General Plant	3,480,987		3,480,987	(172,026)	3,308,961
9			Total Gas Plant	391,961,391		391,961,391	(12,357,099)	379,604,292

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF JANUARY 31, 2011

COMMON PLANT

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): SCHEDULE B-2.2, SCHEDULE B-2.3

SCHEDULE B-2.1
PAGE 8 OF 8
WITNESS RESPONSIBLE:
B. R. MELENDEZ

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	13 Month Average Forecasted Period \$	Jurisdictional %	Jurisdictional Total \$	13 Month Average Adjustments \$	13 Month Average Adjusted Jurisdiction \$
1		10300	Miscellaneous Intangible Plant	22,071,145	100.00%	22,071,145		22,071,145
2		17001	Leased AMI Meters	601,513	100.00%	601,513		601,513
3		18900	Land and Land Rights	154,248	100.00%	154,248		154,248
4		19000	Structures & Improvements	8,102,991	100.00%	8,102,991		8,102,991
5		19100	Office Furniture & Equipment	402,556	100.00%	402,556		402,556
8		19300	Stores Equipment	5,563	100.00%	5,563		5,563
9		19400	Tools, Shop & Garage Equipment	178,694	100.00%	178,694		178,694
10		19700	Communication Equipment	4,921,074	100.00%	4,921,074		4,921,074
11		19800	Miscellaneous Equipment	11,372	100.00%	11,372		11,372
12			Total Common Plant	36,449,156		36,449,156	0	36,449,156
13			25.74% Common Plant Allocated to Gas	9,382,013		9,382,013	0	9,382,013
14			Total Gas Plant Including Allocated Common	401,343,404		401,343,404	(12,357,099)	388,986,305

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ADJUSTMENTS TO PLANT IN SERVICE
AS OF SEPTEMBER 30, 2009

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPB-2.2a through WPB-2.2f

SCHEDULE B-2.2
PAGE 1 OF 2
WITNESS RESPONSIBLE:
B. R. MELENDEZ

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	Base Period	Jurisdictional %	Jurisdictional Adjustment	Workpaper Reference No.	Description and Purpose of Adjustment
				\$		\$		
<u>Manufactured Gas Production Plant</u>								
1	304	20400	Land and Land Rights	76,512	100.00	76,512	WPB-2.2f	Exclusion of gas facilities devoted to other than DE-Ky customers.
2	304	20401	Rights of Way	18,444	100.00	18,444	WPB-2.2f	
3	305	20500	Structures & Improvements	1,018,791	100.00	1,018,791	WPB-2.2f	
4	311	21100	Liquefied Petroleum Gas Equipment	2,860,447	100.00	2,860,447	WPB-2.2f	
5			Completed Construction Not Classified					
6	Total Manufactured Gas Production Plant			<u>3,974,194</u>		<u>3,974,194</u>		
<u>Distribution Plant</u>								
7	374	27400	Land	5,910	100.00	5,910	WPB-2.2f	
8	374	27401	Rights of Way	300,483	100.00	300,483	WPB-2.2f	
9	375	27500	Structures & Improvements	34,827	100.00	34,827	WPB-2.2f	
10	376	27605	Mains-Steel Feeder Lines	7,446,120	100.00	7,446,120	WPB-2.2f	
11	378	27800	System M & R Station Equip. - General	359,080	100.00	359,080	WPB-2.2f	
12	378	27801	System M & R Station Equip.	148,034	100.00	148,034	WPB-2.2f	
13	Total Distribution Plant			<u>8,294,454</u>		<u>8,294,454</u>		
<u>General Plant</u>								
14	391	29100	Office Furniture & Equipment #936	10,499	100.00	10,499	WPB-2.2f	
15	394	29400	Tools, Shop & Garage Equipment #936	35,966	100.00	35,966	WPB-2.2f	
16	398	29800	Miscellaneous Equipment	125,561	100.00	125,561	WPB-2.2f	
17	Total General Plant			<u>172,026</u>		<u>172,026</u>		
18	Total Gas Plant			<u><u>12,440,674</u></u>		<u><u>12,440,674</u></u>		

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ADJUSTMENTS TO PLANT IN SERVICE
AS OF JANUARY 31, 2011

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPB-2.2g, WPB-2.2h

SCHEDULE B-2.2
PAGE 2 OF 2
WITNESS RESPONSIBLE:
B. R. MELENDEZ

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	13 Month Average Forecasted Period	Jurisdictional %	Jurisdictional Adjustment	Workpaper Reference No.	Description and Purpose of Adjustment
				\$		\$		
<u>Manufactured Gas Production Plant</u>								
1	304	20400	Land and Land Rights	76,512	100.00	76,512	WPB-2.2g	Exclusion of gas facilities devoted to other DE-Ky customers.
2	304	20401	Rights of Way	15,885	100.00	15,885	WPB-2.2g	
3	305	20500	Structures & Improvements	1,018,791	100.00	1,018,791	WPB-2.2g	
4	311	21100	Liquefied Petroleum Gas Equipment	2,779,431	100.00	2,779,431		
5			Completed Construction Not Classified					
6	Total Manufactured Gas Production Plant			3,890,619		3,890,619	WPB-2.2h	
<u>Distribution Plant</u>								
7	374	27400	Land	5,910	100.00	5,910	WPB-2.2g	
8	374	27401	Rights of Way	300,483	100.00	300,483	WPB-2.2g	
9	375	27500	Structures & Improvements	34,827	100.00	34,827	WPB-2.2g	
10	376	27605	Mains-Steel Feeder Lines	7,446,120	100.00	7,446,120	WPB-2.2g	
11	378	27800	System M & R Station Equip. - General	359,080	100.00	359,080	WPB-2.2g	
12	378	27801	System M & R Station Equip.	148,034	100.00	148,034	WPB-2.2g	
13	Total Distribution Plant			8,294,454		8,294,454		
<u>General Plant</u>								
14	391	29100	Office Furniture & Equipment #936	10,499	100.00	10,499	WPB-2.2g	
15	394	29400	Tools, Shop & Garage Equipment #936	35,966	100.00	35,966	WPB-2.2g	
16	398	29800	Miscellaneous Equipment	125,561	100.00	125,561	WPB-2.2g	
17	Total General Plant			172,026		172,026		
18	Total Gas Plant			12,357,099		12,357,099		

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS
FROM OCTOBER 1, 2008 TO SEPTEMBER 30, 2009

MANUFACTURED GAS PRODUCTION PLANT

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

SCHEDULE B-2.3
PAGE 1 OF 8
WITNESS RESPONSIBLE:
B. R. MELENDEZ

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	Beginning Balance	Additions	Retirements	Transfers/Reclassifications		Ending Balance
							Amount	Explanation of Transfer	
				\$	\$	\$	\$		\$
1	304	20400	Land	117,711					117,711
2	304	20401	Rights of Way	24,439	3,937				28,376
3	305	20500	Structures & Improvements	1,567,370					1,567,370
4	311	21100	Liquefied Petroleum Gas Equipment	4,143,594	257,094				4,400,688
5									
6			Total Manufactured Gas Production Plant	5,853,114	261,031	0	0		6,114,145

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS
FROM OCTOBER 1, 2008 TO SEPTEMBER 30, 2009

DISTRIBUTION PLANT

SCHEDULE B-2.3
PAGE 2 OF 8
WITNESS RESPONSIBLE:
B. R. MELENDEZ

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

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	Beginning Balance	Additions	Retirements	Transfers/Reclassifications		Ending Balance
							Amount	Explanation of Transfer	
				\$	\$	\$	\$		\$
									42,229
				42,229	0	0	0	0	1,094,967
1	374	27400	Land	1,084,354	10,613	0	0	0	158,514
2	374	27401	Rights of Way	158,514	0	0	0	0	1,385,625
3	375	27500	Structures & Improvements	1,560,823	0	175,198	0	0	69,813,246
4	376	27601	Mains - Cast Iron & Copper	68,998,859	1,032,167	217,780	0	0	128,372,659
5	376	27602,27607	Mains - Steel	110,602,046	18,053,482	282,869	0	0	23,870,759
6	376	27603,27608	Mains - Plastic	22,075,655	1,795,104	0	0	0	3,748,271
7	376	27605	Mains - Feeder	3,433,048	315,223	0	0	0	642,783
8	378	27800	System Meas. & Reg. Station Equipment - General	605,448	37,335	0	0	0	954,112
9	378	27801	System Meas. & Reg. Station Equipment - Electric	860,793	93,319	0	0	0	544,676
10	378	27802	District Regulating Equipment	1,763,778	897,709	210,888	(1,905,923)	0	3,515,315
11	380	28001	Services- Cast Iron & Copper	3,496,484	141,503	122,672	0	0	91,200,371
12	380	28002,28004	Services-Steel	81,641,184	9,591,210	1,937,946	1,905,923	0	10,867,181
13	380	28003,28005-28007	Services-Plastic	11,493,585	(48,133)	368,766	(209,505)	0	8,854,572
14	381	28100,28101	Meters	8,719,273	135,299	0	0	0	6,162,015
15	382	28200,28201	Meter Installations	4,926,202	1,235,813	0	0	0	4,986,560
16	383	28300,283001	House Regulators	4,594,669	391,891	0	0	0	439,685
17	384	28400,28401	House Regulator Installations	439,685	0	0	0	0	64,791
18	385	28500	Large Industrial Meas. & Reg. Equipment	64,791	0	0	0	0	108,084
19	385	28501	Large Industrial Meas. & Reg. Equipment - Comm	108,084	0	0	0	0	30,411
20	387	28700	Other Equipment - Other	30,411	0	0	0	0	1,014,039
21	387	28701	Street Lighting Equipment	1,069,070	(55,031)	0	0	0	
22			Asset Retirement Cost Obligation						357,870,865
				327,768,985	33,627,504	3,316,119	(209,505)		
23			Total Distribution Plant						

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS
FROM FEBRUARY 1, 2010 TO JANUARY 31, 2011

MANUFACTURED GAS PRODUCTION PLANT

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

SCHEDULE B-2.3
PAGE 5 OF 8
WITNESS RESPONSIBLE:
B. R. MELENDEZ

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	Beginning Balance	Additions	Retirements	Transfers/Reclassifications		Ending Balance	13 Month Average
							Amount	Explanation of Transfer Other Accts. Involved		
				\$	\$	\$	\$		\$	\$
1	304	20400	Land	117,711					117,711	117,711
2	304	20401	Rights of Way	24,439					24,439	24,439
3	305	20500	Structures & Improvements	1,567,370					1,567,370	1,567,370
4	311	21100	Liquefied Petroleum Gas Equipment	4,282,191		12,302			4,269,889	4,276,048
5										
6			Total Manufactured Gas Production Plant	5,991,711	0	12,302	0		5,979,409	5,985,568

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS
FROM FEBRUARY 1, 2010 TO JANUARY 31, 2011

DISTRIBUTION PLANT

SCHEDULE B-2.3
PAGE 6 OF 8
WITNESS RESPONSIBLE:
B. R. MELENDEZ

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

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	Beginning Balance	Additions	Retirements	Transfers/Reclassifications		Ending Balance	13 Month Average
							Amount	Explanation of Transfer		
				\$	\$	\$	\$		\$	\$
									42,229	42,229
1	374	27400	Land	42,229					1,140,099	1,128,472
2	374	27401	Rights of Way	1,120,834	19,265				158,514	158,514
3	375	27500	Structures & Improvements	158,514					1,020,852	1,123,679
4	376	27601	Mains - Cast Iron & Copper	1,226,240		205,388			71,556,173	71,121,151
5	376	27602,27607	Mains - Steel	70,877,389	925,077	246,293			147,705,449	139,828,676
6	376	27603,27608	Mains - Plastic	134,717,075	13,354,578	366,204			27,738,927	26,744,903
7	376	27605	Mains - Feeder	26,102,856	1,700,003	63,932			4,224,397	4,077,037
8	378	27800	System Meas. & Reg. Station Equipment - General	3,980,239	244,158				723,884	702,990
9	378	27801	System Meas. & Reg. Station Equipment - Electric	689,266	34,618				1,160,280	1,107,447
10	378	27802	District Regulating Equipment	1,072,743	87,537				1,344,218	1,426,830
11	380	28001	Services- Cast Iron & Copper	1,509,229		165,011			4,108,673	4,009,714
12	380	28002,28004	Services-Steel	3,965,151	263,410	119,888			99,822,241	95,825,728
13	380	28003,28005-28007	Services-Plastic	93,469,153	7,928,633	1,575,545			11,358,758	11,222,089
14	381	28100,28101	Meters	11,207,168	590,624	439,034			10,095,682	9,783,936
15	382	28200,28201	Meter Installations	9,579,158	516,524				6,494,482	6,204,716
16	383	28300,283001	House Regulators	6,014,376	480,106				6,785,056	6,329,715
17	384	28400,28401	House Regulator Installations	6,030,614	754,442				439,685	439,685
18	385	28500	Large Industrial Meas. & Reg. Equipment	439,685					64,791	64,791
19	385	28501	Large Industrial Meas. & Reg. Equipment - Comm	64,791					108,084	108,084
20	387	28700	Other Equipment - Other	108,084					30,411	30,411
21	387	28701	Street Lighting Equipment	30,411					1,014,039	1,014,039
22			Asset Retirement Cost for Distribution Plant	1,014,039						
									397,136,924	382,494,836
23			Total Distribution Plant	373,419,244	26,898,975	3,181,295	0			

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS
FROM FEBRUARY 1, 2010 TO JANUARY 31, 2011

GENERAL PLANT

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

SCHEDULE B-2.3
PAGE 7 OF 8
WITNESS RESPONSIBLE:
B. R. MELENDEZ

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	Beginning Balance	Additions	Retirements	Transfers/Reclassifications		Ending Balance	13 Month Average
							Amount	Explanation of Transfer		
				\$	\$	\$	\$		\$	\$
1		20300	Miscellaneous Intangible Plant	497,352					497,352	497,352
2	391	29100	Office Furniture & Equipment	23,008					23,008	23,008
3	392	29200	Transportation	0					0	0
4	392	29201	Trailers	96,158					96,158	96,158
5	394	29400	Tools, Shop & Garage Equipment	2,692,437		1,501			2,690,936	2,691,687
6	396	29600	Power Operated Equipment	47,221					47,221	47,221
7	398	29800	Miscellaneous Equipment	125,561					125,561	125,561
8										
9			Total General Plant	3,481,737	0	1,501	0		3,480,236	3,480,987
10			Total Gas Plant	382,892,692	26,898,975	3,195,098	0		406,596,569	391,961,391

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS
FROM FEBRUARY 1, 2010 TO JANUARY 31, 2011

COMMON PLANT

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

SCHEDULE B-2.3
PAGE 8 OF 8
WITNESS RESPONSIBLE:
B. R. MELENDEZ

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	Beginning Balance	Additions	Retirements	Transfers/Reclassifications		Ending Balance	13 Month Average
							Amount	Other Accts. Involved		
				\$	\$	\$	\$		\$	\$
1		10300	Miscellaneous Intangible Plant	22,071,145					22,071,145	22,071,145
2		17001	Leased AMI Meters	601,513					601,513	601,513
3		18900	Land	154,248					154,248	154,248
4		19000	Structures & Improvements	8,108,872		11,777			8,097,095	8,102,991
5		19100	Office Furniture & Equipment	402,556					402,556	402,556
6		19300	Stores Equipment	5,563					5,563	5,563
7		19400	Tools, Shop & Garage Equipment	178,694					178,694	178,694
8		19700	Communication Equipment	4,921,074					4,921,074	4,921,074
9		19800	Miscellaneous Equipment	11,372					11,372	11,372
10										0
11			Total Common Plant	36,455,037	0	11,777	0		36,443,260	36,449,156
12			25.74% Common Plant Allocated to Gas	9,383,527	0	3,032	0		9,380,494	9,382,013
13			Total Gas Plant Including Allocated Common	392,276,219	26,898,975	3,198,130	0		415,977,063	401,343,404

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
PROPERTY MERGED OR ACQUIRED
FROM JANUARY 1, 2010 TO JANUARY 31, 2011

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

SCHEDULE B-2.4
PAGE 1 OF 1
WITNESS RESPONSIBLE:
B. R. MELENDEZ

Line No.	FERC Acct. No.	Company Acct. No.	Description of Property	Acquisition Cost	Cost Basis	Acquisition Adjustment	Commission Approval Date (Docket No.)	Date of Acquisition	Explanation of Treatment
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The company has not merged or acquired property from other than affiliated companies.

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
LEASED PROPERTY
(TOTAL COMPANY)
AS OF SEPTEMBER 30, 2009

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

SCHEDULE B-2.5
PAGE 1 OF 2
WITNESS RESPONSIBLE:
B. R. MELENDEZ

Identification or Reference Number	Description of Type and Use of Property	Name of Lessee	Frequency of Payment	Amount of Lease Payment	Dollar Value of Property Involved	Explain Method of Capitalization
	Gas Meters	Bank of America	Monthly	95,726	9,168,023	Per Regulatory and GAAP Guidelines
	Gas Regulators	Bank of America	Monthly	69,769	6,788,043	Per Regulatory and GAAP Guidelines
	Electric Meters	Bank of America	Monthly	56,642	5,429,506	Per Regulatory and GAAP Guidelines
	Erlanger Cox Rd. Facility	Edward Gary Leasing	Monthly	<u>20,418</u>	<u>2,100,000</u>	Per Regulatory and GAAP Guidelines
	Total Capital Leases			<u>242,555</u>	<u>23,485,572</u>	

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
LEASED PROPERTY
(TOTAL COMPANY)
AS OF JANUARY 31, 2011

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

SCHEDULE B-2.5
PAGE 2 OF 2
WITNESS RESPONSIBLE:
B. R. MELENDEZ

Identification or Reference Number	Description of Type and Use of Property	Name of Lessee	Frequency of Payment	Amount of Lease Payment	Dollar Value of Property Involved	Explain Method of Capitalization
	Gas Meters	Bank of America	Monthly	59,111	5,756,906	Per Regulatory and GAAP Guidelines
	Gas Regulators	Bank of America	Monthly	69,769	6,788,043	Per Regulatory and GAAP Guidelines
	Electric Meters	Bank of America	Monthly	36,968	3,596,513	Per Regulatory and GAAP Guidelines
	Erlanger Cox Rd. Facility	Edward Gary Leasing	Monthly	<u>20,418</u>	<u>2,100,000</u>	Per Regulatory and GAAP Guidelines
	Total Capital Leases			<u>186,266</u>	<u>18,241,462</u>	

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
PROPERTY HELD FOR FUTURE USE INCLUDED IN RATE BASE
AS OF SEPTEMBER 30, 2009
AS OF JANUARY 31, 2011

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

SCHEDULE B-2.6
PAGE 1 OF 1
WITNESS RESPONSIBLE:
B. R. MELENDEZ

Line No.	Description and Location of Property	Acquisition Date	Original Cost	Accumulated Depreciation	Net Original Cost	Revenue Realized			Expenses Incurred		
						Amount	Acct. No.	Description	Amount	Acct. No.	Description

The company has no plant held for future use included in rate base.

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
PROPERTY EXCLUDED FROM RATE BASE
(FOR REASONS OTHER THAN JURISDICTIONAL ALLOCATION)
AS OF SEPTEMBER 30, 2009

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

SCHEDULE B-2.7
PAGE 1 OF 2
WITNESS RESPONSIBLE:
B. R. MELENDEZ

Line No.	Company Acct. No.	Description of Excluded Property	In-Service Date	Original Cost	Accum. Depre. and Amort.	Net Original Cost	Base Period Revenue and Expense			Reasons for Exclusion
							Amount	Acct. No.	Description	

No property is excluded from rate base for reasons other than jurisdictional allocation.

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
PROPERTY EXCLUDED FROM RATE BASE
(FOR REASONS OTHER THAN JURISDICTIONAL ALLOCATION)
AS OF JANUARY 31, 2011

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

SCHEDULE B-2.7
PAGE 2 OF 2
WITNESS RESPONSIBLE:
B. R. MELENDEZ

Line No.	Company Acct. No.	Description of Excluded Property	In-Service Date	Original Cost	Accum. Depre. and Amort.	Net Original Cost	Forecast Period Revenue and Expense			Reasons for Exclusion
							Amount	Acct. No.	Description	

No property is excluded from rate base for reasons other than jurisdictional allocation.

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF SEPTEMBER 30, 2009

MANUFACTURED GAS PRODUCTION PLANT

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): , SCHEDULE B-2.1, SCHEDULE B-3.1

SCHEDULE B-3
PAGE 1 OF 8
WITNESS RESPONSIBLE:
B. R. MELENDEZ

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	Base Period Total (1) \$	Base Period Accumulated Balances				
					Total \$	Jurisdictional %	Jurisdictional Total \$	Adjustments \$	Adjusted Jurisdiction \$
1	304	20400	Land and Land Rights	117,711	0	100.00%	0	0	0
2	304	20401	Rights of Way	28,376	24,439	100.00%	24,439	(15,885)	8,554
3	305	20500	Structures & Improvements	1,567,370	1,395,360	100.00%	1,395,360	(907,238)	488,122
4	311	21100	Liquefied Petroleum Gas Equipment	4,400,688	1,989,123	100.00%	1,989,123	(1,292,472)	696,651
5		108	Retirement Work in Progress		(517)	100.00%	(517)	0	(517)
6			Total Manufactured Gas Production Plant	6,114,145	3,408,405		3,408,405	(2,215,595)	1,192,810

(1) Plant Investment Includes Completed Construction Not Classified (Account 106)

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF SEPTEMBER 30, 2009

DISTRIBUTION PLANT

SCHEDULE B-3
PAGE 2 OF 8
WITNESS RESPONSIBLE:
B. R. MELENDEZ

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): , SCHEDULE B-2.1, SCHEDULE B-3.1

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	Base Period Total (1)	Base Period Accumulated Balances				
					Total	Allocation %	Allocated Total	Adjusted Jurisdiction	
				\$		\$	\$	\$	
				42,229	0	100.00%	0	0	
			Land and Land Rights	1,094,967	516,655	100.00%	516,655	(138,534)	378,121
			Rights of Way	158,514	126,149	100.00%	126,149	(34,258)	91,891
1	374	27400	Structures & Improvements	1,385,625	683,987	100.00%	683,987		683,987
2	374	27401	Mains - Cast Iron & Copper	69,813,246	29,862,924	100.00%	29,862,924		29,862,924
3	375	27500	Mains - Steel	128,372,659	18,296,515	100.00%	18,296,515	(4,802,198)	18,296,515
4	376	27601	Mains - Plastic	23,870,759	12,126,261	100.00%	12,126,261	(330,922)	7,324,063
5	376	27602,27607	Mains - Feeder	3,748,271	1,778,024	100.00%	1,778,024	(112,087)	1,447,102
6	376	27603,27608	System Meas. & Reg. Station Equipment	642,783	385,366	100.00%	385,366		273,279
7	378	27800	System Meas. & Reg. Station Equipment-Elec	954,112	527,575	100.00%	527,575		527,575
8	378	27801	District Regulating Equipment	544,676	1,550,290	100.00%	1,550,290		1,550,290
9	378	27802	Services- Cast Iron & Copper	3,515,315	1,846,244	100.00%	1,846,244		1,846,244
10	380	28001	Services-Steel	91,200,371	22,768,758	100.00%	22,768,758		22,768,758
11	380	28002,28004	Services-Plastic	10,867,181	2,597,302	100.00%	2,597,302		2,597,302
12	380	28003,28005-28007	Meters	8,854,572	2,405,936	100.00%	2,405,936		2,405,936
13	381	28100,28101	Meter Installations	6,162,015	1,049,622	100.00%	1,049,622		1,049,622
14	382	28200,28201	House Regulators	4,986,560	975,986	100.00%	975,986		975,986
15	383	28300,283001	House Regulator Installations	439,685	306,365	100.00%	306,365		306,365
16	384	28400,28401	Large Industrial Meas. & Reg. Equipment	64,791	33,298	100.00%	33,298		33,298
17	385	28500	Large Industrial Meas. & Reg. Equipment - Comm	108,084	84,877	100.00%	84,877		84,877
18	385	28501	Other Equipment - Other	30,411	13,471	100.00%	13,471		13,471
19	385	28700	Street Lighting Equipment	1,014,039	443,523	100.00%	443,523		443,523
20	385	28701	Asset Retirement Obligation		(372,432)	100.00%	(372,432)		(372,432)
21	387	28701	Retirement Work in Progress						
22		108							
23									
				357,870,865	98,006,696		98,006,696	(5,417,999)	92,588,697
24			Total Distribution Plant						

(1) Plant Investment Includes Completed Construction Not Classified (Account 106)

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF SEPTEMBER 30, 2009

GENERAL PLANT

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): , SCHEDULE B-2.1, SCHEDULE B-3.1

SCHEDULE B-3
PAGE 3 OF 8
WITNESS RESPONSIBLE:
B. R. MELENDEZ

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	Base Period Total (1)	Base Period Accumulated Balances				
					Total	Allocation %	Allocated Total	Adjusted Jurisdiction	
					\$		\$	\$	\$
1		20300	Miscellaneous Intangible Plant	464,095	417,779	100.00%	417,779		417,779
2	391	29100	Office Furniture & Equipment	23,008	15,416	100.00%	15,416	(5,788)	9,628
3	392	29200	Transportation Equipment	0	0	100.00%	0		0
4	392	29201	Trailers	96,158	86,053	100.00%	86,053		86,053
5	394	29400	Tools, Shop & Garage Equipment	2,693,663	971,347	100.00%	971,347	(22,218)	949,129
6	396	29600	Power Operated Equipment	47,221	47,221	100.00%	47,221		47,221
7	398	29800	Miscellaneous Equipment	125,561	34,550	100.00%	34,550	(34,550)	0
8		108	Retirement Work in Progress		0	100.00%	0		0
9 Total General Plant				3,449,706	1,572,366		1,572,366	(62,556)	1,509,810
10 Total Gas Plant				367,434,716	102,987,467		102,987,467	(7,696,150)	95,291,317

(1) Plant Investment Includes Completed Construction Not Classified (Account 106)

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF SEPTEMBER 30, 2009

COMMON PLANT

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): SCHEDULE B-2.1, SCHEDULE B-3.1

SCHEDULE B-3
PAGE 4 OF 8
WITNESS RESPONSIBLE:
B. R. MELENDEZ

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	Base Period Total (1)	Base Period Accumulated Balances				
					Total	Allocation %	Allocated Total	Adjusted Jurisdiction	
					\$		\$	\$	\$
1		10300	Miscellaneous Intangible Plant	17,408,608	14,364,048	100.00%	14,364,048		14,364,048
2		17001	Leased AMI Meters	601,513	53,429	100.00%	53,429		53,429
3		18900	Land and Land Rights	154,248	0	100.00%	0		0
4		19000	Structures & Improvements	8,170,071	2,400,666	100.00%	2,400,666		2,400,666
5		19100	Office Furniture & Equipment	402,556	313,350	100.00%	313,350		313,350
6		19300	Stores Equipment	5,563	(7,292)	100.00%	(7,292)		(7,292)
7		19400	Tools, Shop & Garage Equipment	178,694	89,380	100.00%	89,380		89,380
8		19700	Communication Equipment	4,921,074	1,534,037	100.00%	1,534,037		1,534,037
9		19800	Miscellaneous Equipment	11,372	2,723	100.00%	2,723		2,723
10		108	Retirement Work in Progress		(185,045)	100.00%	(185,045)		(185,045)
Total Common Plant				31,853,699	18,565,296		18,565,296	0	18,565,296
Common Plant Allocated to Gas									
12		25.74%	Original Cost	8,199,142					
13		25.74%	Reserve for Depreciation		4,778,707		4,778,707	0	4,778,707
Total Gas Plant Including Allocated Common				375,633,858	107,766,174		107,766,174	(7,696,150)	100,070,024

(1) Plant investment Includes Completed Construction Not Classified (Account 106)

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF JANUARY 31, 2011

MANUFACTURED GAS PRODUCTION PLANT

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): SCHEDULE B-2.1, SCHEDULE B-3.1

SCHEDULE B-3
PAGE 5 OF 8
WITNESS RESPONSIBLE:
B. R. MELENDEZ

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	13 Month Average Forecasted Period (1) \$	13 Month Average Forecast Period Accumulated Balances				
					Total \$	Jurisdictional %	Jurisdictional Total \$	Adjustments \$	Adjusted Jurisdiction \$
1	304	20400	Land and Land Rights	117,711	0	100.00%	0	0	0
2	304	20401	Rights of Way	24,439	24,439	100.00%	24,439	(15,885)	8,554
3	305	20500	Structures & Improvements	1,567,370	1,399,929	100.00%	1,399,929	(910,634)	489,295
4	311	21100	Liquefied Petroleum Gas Equipment	4,276,048	2,059,848	100.00%	2,059,848	(1,349,245)	710,603
5		108	Retirement Work in Progress		0	100.00%	0		0
6			Total Manufactured Gas Production Plant	5,985,568	3,484,216		3,484,216	(2,275,764)	1,208,452

(1) Plant Investment Includes Completed Construction Not Classified (Account 106)

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF JANUARY 31, 2011

DISTRIBUTION PLANT

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): SCHEDULE B-2.1, SCHEDULE B-3.1

SCHEDULE B-3
PAGE 6 OF 8
WITNESS RESPONSIBLE:
B. R. MELENDEZ

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	13 Month Average Forecasted Period (1)	13 Month Average Forecast Period Accumulated Balances				
					Total	Allocation %	Allocated Total	Adjustments	Adjusted Jurisdiction
					\$		\$	\$	\$
1	374	27400	Land and Land Rights	42,229	0	100.00%	0		0
2	374	27401	Rights of Way	1,128,472	529,620	100.00%	529,620	(142,015)	387,605
3	375	27500	Structures & Improvements	158,514	127,630	100.00%	127,630	(34,583)	93,047
4	376	27601	Mains - Cast Iron & Copper	1,123,679	426,857	100.00%	426,857		426,857
5	376	27602,27607	Mains - Steel	71,121,151	30,643,186	100.00%	30,643,186		30,643,186
6	376	27603,27608	Mains - Plastic	139,828,676	21,268,933	100.00%	21,268,933		21,268,933
7	376	27605	Mains - Feeder	26,744,903	12,433,668	100.00%	12,433,668	(4,928,782)	7,504,886
8	378	27800	System Meas. & Reg. Station Equipment	4,077,037	1,835,598	100.00%	1,835,598	(337,146)	1,498,452
9	378	27801	System Meas. & Reg. Station Equipment-Elec	702,990	393,330	100.00%	393,330	(113,802)	279,528
10	378	27802	District Regulating Equipment	1,107,447	560,529	100.00%	560,529		560,529
11	380	28001	Services- Cast Iron & Copper	1,426,830	1,663,531	100.00%	1,663,531		1,663,531
12	380	28002,28004	Services-Steel	4,009,714	1,776,372	100.00%	1,776,372		1,776,372
13	380	28003,28005-28007	Services-Plastic	95,825,728	22,949,898	100.00%	22,949,898		22,949,898
14	381	28100,28101	Meters	11,222,089	2,281,068	100.00%	2,281,068		2,281,068
15	382	28200,28201	Meter Installations	9,783,936	2,655,717	100.00%	2,655,717		2,655,717
16	383	28300,283001	House Regulators	6,204,716	1,188,017	100.00%	1,188,017		1,188,017
17	384	28400,28401	House Regulator Installations	6,329,715	1,124,944	100.00%	1,124,944		1,124,944
18	385	28500	Large Industrial Meas. & Reg. Equipment	439,685	318,166	100.00%	318,166		318,166
19	385	28501	Large Industrial Meas. & Reg. Equipment - Comm	64,791	34,686	100.00%	34,686		34,686
20	385	28700	Other Equipment - Other	108,084	94,576	100.00%	94,576		94,576
21	387	28701	Street Lighting Equipment	30,411	14,408	100.00%	14,408		14,408
22			Asset Retirement Obligation	1,014,039	460,509	100.00%	460,509		460,509
23		108	Retirement Work in Progress		(1,211,740)	100.00%	(1,211,740)		(1,211,740)
24			Total Distribution Plant	382,494,836	101,569,503		101,569,503	(5,556,328)	96,013,175

(1) Plant Investment Includes Completed Construction Not Classified (Account 106)

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF JANUARY 31, 2011

GENERAL PLANT

SCHEDULE B-3
PAGE 7 OF 8
WITNESS RESPONSIBLE:
B. R. MELENDEZ

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): SCHEDULE B-2.1, SCHEDULE B-3.1

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	13 Month Average Forecasted Period (1)	13 Month Average Forecast Period Accumulated Balances			
					Total \$	Allocation %	Allocated Total \$	Adjusted Jurisdiction \$
				497,352	414,571	100.00%	414,571	414,571
1		20300	Miscellaneous Intangible Plant	23,008	16,465	100.00%	16,465	10,198
2	391	29100	Office Furniture & Equipment	0	777	100.00%	777	777
3	392	29200	Transportation Equipment	96,158	86,921	100.00%	86,921	86,921
4	392	29201	Trailers	2,691,687	1,058,675	100.00%	1,058,675	1,035,255
5	394	29400	Tools, Shop & Garage Equipment	47,221	47,221	100.00%	47,221	47,221
6	396	29600	Power Operated Equipment	125,561	34,550	100.00%	34,550	0
7	398	29800	Miscellaneous Equipment		0	100.00%	0	0
8		108	Retirement Work in Progress					
Total General Plant				3,480,987	1,659,180		1,659,180	1,594,943
9							(64,237)	
Total Gas Plant				391,961,391	106,712,899		106,712,899	98,816,570
10							(7,896,329)	

(1) Plant Investment Includes Completed Construction Not Classified (Account 106)

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF JANUARY 31, 2011

COMMON PLANT

SCHEDULE B-3
PAGE 8 OF 8
WITNESS RESPONSIBLE:
B. R. MELENDEZ

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): SCHEDULE B-2.1, SCHEDULE B-3.1

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	13 Month Average Forecasted Period (1)	13 Month Average Forecast Period Accumulated Balances				
					Total \$	Allocation %	Allocated Total \$	Adjusted Jurisdiction \$	
1		10300	Miscellaneous Intangible Plant	22,071,145	16,201,255	100.00%	16,201,255		16,201,255
2		17001	Leased Common Meters	601,513	81,549	100.00%	81,549		81,549
3		18900	Land and Land Rights	154,248	0	100.00%	0		0
4		19000	Structures & Improvements	8,102,991	2,817,468	100.00%	2,817,468		2,817,468
5		19100	Office Furniture & Equipment	402,556	354,691	100.00%	354,691		354,691
6		19300	Stores Equipment	5,563	(5,039)	100.00%	(5,039)		(5,039)
7		19400	Tools, Shop & Garage Equipment	178,694	98,723	100.00%	98,723		98,723
8		19700	Communication Equipment	4,921,074	2,092,569	100.00%	2,092,569		2,092,569
9		19800	Miscellaneous Equipment	11,372	3,352	100.00%	3,352		3,352
10		108	Retirement Work in Progress		(178,104)	100.00%	(178,104)		(178,104)
11			Total Common Plant	36,449,156	21,466,464		21,466,464	0	21,466,464
12			Common Plant Allocated to Gas						
13			25.74% Original Cost	9,382,013	5,525,468		5,525,468	0	5,525,468
			25.74% Reserve for Depreciation						
14			Total Gas Plant Including Allocated Common	401,343,404	112,238,367		112,238,367	(7,896,329)	104,342,038

(1) Plant Investment Includes Completed Construction Not Classified (Account 106)

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ADJUSTMENTS TO ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF SEPTEMBER 30, 2009

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NOS.: WPB-3.1a

SCHEDULE B-3.1
PAGE 1 OF 2
WITNESS RESPONSIBLE:
B. R. MELENDEZ

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	Total Adjustment	Jurisdictional %	Jurisdictional Adjustment	Workpaper Reference No.	Description and Purpose of Adjustment
<u>Manufactured Gas Production Plant</u>								
1	304	20401	Rights of Way	15,885	100.00	15,885	WPB-3.1a	Exclusion of gas facilities devoted to other than DE-Ky customers.
2	305	20500	Structures & Improvements	907,238	100.00	907,238	WPB-3.1a	
3	311	21100	Liquefied Petroleum Gas Equipment	1,292,472	100.00	1,292,472	WPB-3.1a	
4		108	Retirement Work in Progress	0	100.00	0		
5	Total Manufactured Gas Production Plant			<u>2,215,595</u>		<u>2,215,595</u>	WPB-3.1a	
<u>Distribution Plant</u>								
6	374	27401	Rights of Way	138,534	100.00	138,534	WPB-3.1a	
7	375	27500	Structures & Improvements	34,258	100.00	34,258	WPB-3.1a	
8	376	27605	Mains-Steel Feeder Lines	4,802,198	100.00	4,802,198	WPB-3.1a	
9	378	27800	System M & R Station Equip. - General	330,922	100.00	330,922	WPB-3.1a	
10	378	27801	System M & R Station Equip.	<u>112,087</u>	100.00	<u>112,087</u>	WPB-3.1a	
11	Total Distribution Plant			<u>5,417,999</u>		<u>5,417,999</u>		
<u>General Plant</u>								
12	391	29100	Office Furniture & Equipment #936	5,788	100.00	5,788	WPB-3.1a	
13	394	29400	Tools, Shop & Garage Equipment #936	22,218	100.00	22,218	WPB-3.1a	
14	398	29800	Miscellaneous Equipment	<u>34,550</u>	100.00	<u>34,550</u>	WPB-3.1a	
15	Total General Plant			<u>62,556</u>		<u>62,556</u>		
16	Total Gas Plant			<u>7,696,150</u>		<u>7,696,150</u>		

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ADJUSTMENTS TO ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF JANUARY 31, 2011

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NOS.: WPB-3.1a, WPB-3.1b

SCHEDULE B-3.1
PAGE 2 OF 2
WITNESS RESPONSIBLE:
B. R. MELENDEZ

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	Total Adjustment	Jurisdictional %	Jurisdictional Adjustment	Workpaper Reference No.	Description and Purpose of Adjustment
<u>Manufactured Gas Production Plant</u>								
1	304	20401	Rights of Way	15,885	100.00	15,885	WPB-3.1a	Exclusion of gas facilities devoted to other than DE-Ky customers.
2	305	20500	Structures & Improvements	910,634	100.00	910,634	WPB-3.1a	
3	311	21100	Liquefied Petroleum Gas Equipment	1,349,245	100.00	1,349,245		
4		108	Retirement Work in Progress	0	100.00	0		
5	Total Manufactured Gas Production Plant			<u>2,275,764</u>		<u>2,275,764</u>	WPB-3.1b	
<u>Distribution Plant</u>								
6	374	27401	Rights of Way	142,015	100.00	142,015	WPB-3.1a	
7	375	27500	Structures & Improvements	34,583	100.00	34,583	WPB-3.1a	
8	376	27605	Mains-Steel Feeder Lines	4,928,782	100.00	4,928,782		
9	378	27800	System M & R Station Equip. - General	337,146	100.00	337,146	WPB-3.1a	
10	378	27801	System M & R Station Equip.	<u>113,802</u>	100.00	<u>113,802</u>	WPB-3.1a	
11	Total Distribution Plant			<u>5,556,328</u>		<u>5,556,328</u>	WPB-3.1b	
<u>General Plant</u>								
12	391	29100	Office Furniture & Equipment #936	6,267	100.00	6,267	WPB-3.1a	
13	394	29400	Tools, Shop & Garage Equipment #936	23,420	100.00	23,420	WPB-3.1a	
14	398	29800	Miscellaneous Equipment	<u>34,550</u>	100.00	<u>34,550</u>		
15	Total General Plant			<u>64,237</u>		<u>64,237</u>	WPB-3.1b	
16	Total Gas Plant			<u><u>7,896,329</u></u>		<u><u>7,896,329</u></u>		

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
DEPRECIATION AND AMORTIZATION ACCRUAL RATES AND
JURISDICTIONAL ACCUMULATED BALANCES BY ACCOUNTS,
FUNCTIONAL CLASS OR MAJOR PROPERTY GROUP
THIRTEEN MONTH AVERAGE AS OF JANUARY 31, 2011

MANUFACTURED GAS PRODUCTION PLANT

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NOS.: SCHEDULE B-2.1, SCHEDULE B-3

SCHEDULE B-3.2
PAGE 1 OF 4
WITNESS RESPONSIBLE:
B. R. MELENDEZ

Line No. (A)	FERC Acct. No. (B-1)	Company Acct. No. (B-2)	Account Title or Major Property Grouping (C)	Adjusted Jurisdiction 13-Month Average		Proposed Accrual Rate (F)	Calculated Depr/Amort Expense (G=DxF) \$	% Net Salvage (H)	Average Service Life (I)	Curve Form (J)
				Plant Investment (1) (D) \$	Accumulated Balance (E) \$					
1	304	20400	Land and Land Rights	41,199	0	0.00%		0 Perpetual Life	50	SQ
2	304	20401	Rights of Way	8,554	8,554	0.00% (2)		0.00%	50	R4
3	305	20500	Structures & Improvements	548,579	489,295	0.44%	2,414	-5.00%	50	R4
4	311	21100	Liquefied Petroleum Gas Equipment	1,496,617	710,603	2.63%	39,361	-5.00%	40	S1.5
5		108	Retirement Work In Progress	0	0					
6			Total Manufactured Gas Production Plant	2,094,949	1,208,452		41,775			

(1) Plant Investment includes Completed Construction Not Classified (Account 106).
(2) This account is fully depreciated.

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
DEPRECIATION AND AMORTIZATION ACCRUAL RATES AND
JURISDICTIONAL ACCUMULATED BALANCES BY ACCOUNTS,
FUNCTIONAL CLASS OR MAJOR PROPERTY GROUP
THIRTEEN MONTH AVERAGE AS OF JANUARY 31, 2011

DISTRIBUTION PLANT

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NOS.: SCHEDULE B-2.1, SCHEDULE B-3

SCHEDULE B-3.2
PAGE 2 OF 4
WITNESS RESPONSIBLE:
B. R. MELENDEZ

Line No. (A)	FERC Acct. No. (B-1)	Company Acct. No. (B-2)	Account Title or Major Property Grouping (C)	Adjusted Jurisdiction 13-Month Average		Proposed Accrual Rate (F)	Calculated Depr/Amort Expense (G=DxF)	% Net Salvage (H)	Average Service Life (I)	Curve Form (J)
				Plant Investment (1) (D)	Accumulated Balance (E)					
				\$	\$					
1	374	27400	Land and Land Rights	36,319	0	0	0	Perpetual Life		
2	374	27401	Rights of Way	827,989	387,605	1.39%	11,509	0.00%	65	R4
3	375	27500	Structures & Improvements	123,687	93,047	0.89%	1,101	-5.00%	50	R2.5
4	376	27601	Mains - Cast Iron & Copper	1,123,679	426,857	6.87%	77,197	-20.00%	41	R2.5
5	376	27602,27607	Mains - Steel	71,121,151	30,643,186	2.44%	1,735,356	-20.00%	55	R2.5
6	376	27603,27608	Mains - Plastic	139,828,676	21,268,933	2.43%	3,397,837	-20.00%	60	R2.5
7	376	27605	Mains - Feeder	19,298,783	7,504,886	2.25%	434,223	-20.00%	55	R2.5
8	378	27800	System Meas. & Reg. Station Equipment	3,717,957	1,498,452	2.79%	103,731	-15.00%	40	R1.5
9	378	27801	System Meas. & Reg. Station Equipment-Elec	554,956	279,528	4.61%	25,583	-15.00%	20	S1.5
10	378	27802	District Regulating Equipment	1,107,447	560,529	1.96%	21,706	-25.00%	53	R2
11	380	28001	Services- Cast Iron & Copper	1,426,830	1,663,531	3.30%	47,085	-25.00%	35	R1.5
12	380	28002,28004	Services-Steel	4,009,714	1,776,372	3.50%	140,340	-25.00%	38	R1.5
13	380	28003,28005-28007	Services-Plastic	95,825,728	22,949,898	3.80%	3,641,378	-25.00%	42	R1.5
14	381	28100,28101	Meters	11,222,089	2,281,068	3.56%	399,506	0.00%	37	R3
15	382	28200,28201	Meter Installations	9,783,936	2,655,717	2.92%	285,691	0.00%	39	S2.5
16	383	28300,283001	House Regulators	6,204,716	1,188,017	2.88%	178,696	0.00%	43	R2.5
17	384	28400,28401	House Regulator Installations	6,329,715	1,124,944	2.55%	161,408	0.00%	48	R2
18	385	28500	Large Industrial Meas. & Reg. Equipment	439,685	318,166	2.22%	9,761	-10.00%	35	R2
19	385	28501	Large Industrial Meas. & Reg. Equipment - Comm	64,791	34,686	6.01%	3,894	-10.00%	20	R2.5
20	387	28700	Other Equipment - Other	108,084	94,576	5.53%	5,977	0.00%	15	L3
21	387	28701	Street Lighting Equipment	30,411	14,408	3.60%	1,095	0.00%	30	S2.5
22			Asset Retirement Obligation	1,014,039	460,509					
23		108	Retirement Work In Progress		(1,211,740)					
24			Total Distribution Plant	374,200,382	96,013,175		10,683,074			

(1) Plant Investment includes Completed Construction Not Classified (Account 106).

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
DEPRECIATION AND AMORTIZATION ACCRUAL RATES AND
JURISDICTIONAL ACCUMULATED BALANCES BY ACCOUNTS,
FUNCTIONAL CLASS OR MAJOR PROPERTY GROUP
THIRTEEN MONTH AVERAGE AS OF JANUARY 31, 2011

GENERAL PLANT

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NOS.: SCHEDULE B-2.1, SCHEDULE B-3

SCHEDULE B-3.2
PAGE 3 OF 4
WITNESS RESPONSIBLE:
B. R. MELENDEZ

Line No. (A)	FERC Acct. No. (B-1)	Company Acct. No. (B-2)	Account Title or Major Property Grouping (C)	Adjusted Jurisdiction 13-Month Average		Proposed Accrual Rate (F)	Calculated Depr/Amort Expense (G=DxF)	% Net Salvage (H)	Average Service Life (I)	Curve Form (J)
				Plant Investment (1) (D)	Accumulated Balance (E)					
				\$	\$					
1		20300	Miscellaneous Intangible Plant	497,352	414,571		47,964	Amortized over 60 months		
2	391	29100	Office Furniture & Equipment	12,509	10,198	3.77%	472	0.00%	20	SQ
3	392	29200	Transportation Equipment	0	777			Depr. Charged to Transp. Expense		
4	392	29201	Trailers	96,158	86,921			Depr. Charged to Transp. Expense		
5	394	29400	Tools, Shop & Garage Equipment	2,655,721	1,035,255	4.14%	109,947	0.00%	25	SQ
6	396	29600	Power Operated Equipment	47,221	47,221	(2)		Depr. Charged to Transp. Expense		
7	398	29800	Miscellaneous Equipment	0	0	4.68%	0	0.00%	20	SQ
8		108	Retirement Work in Progress		0					
9 Total General Plant				3,308,961	1,594,943		158,383			
10 Total Gas Plant				379,604,292	98,816,570		10,883,232			

(1) Plant Investment includes Completed Construction Not Classified (Account 106).
(2) This account is fully depreciated.

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
DEPRECIATION AND AMORTIZATION ACCRUAL RATES AND
JURISDICTIONAL ACCUMULATED BALANCES BY ACCOUNTS,
FUNCTIONAL CLASS OR MAJOR PROPERTY GROUP
THIRTEEN MONTH AVERAGE AS OF JANUARY 31, 2011

COMMON PLANT

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NOS.: SCHEDULE B-2.1, SCHEDULE B-3

SCHEDULE B-3.2
PAGE 4 OF 4
WITNESS RESPONSIBLE:
B. R. MELENDEZ

Line No. (A)	FERC Acct. No. (B-1)	Company Acct. No. (B-2)	Account Title or Major Property Grouping (C)	Adjusted Jurisdiction 13-Month Average		Proposed Accrual Rate (F)	Calculated Depr/Amort Expense (G=DxF)	% Net Salvage (H)	Average Service Life (I)	Curve Form (J)
				Plant Investment (1) (D)	Accumulated Balance (E)					
				\$	\$		\$			
1		10300	Miscellaneous Intangible Plant	22,071,145	16,201,255	Various	2,460,612		20	S0.5
2		17001	Leased AMI Meters	601,513	81,549	7.03%	42,286	0.00%		
3		18900	Land and Land Rights	154,248	0		0	Perpetual Life	100	R1
4		19000	Structures & Improvements	8,102,991	2,817,468	2.00%	162,060	0.00%	20	SQ
5		19100	Office Furniture & Equipment	402,556	354,691	14.37%	57,847	0.00%	20	SQ
6		19300	Stores Equipment	5,563	(5,039)	48.63%	2,705	0.00%	25	SQ
7		19400	Tools, Shop & Garage Equipment	178,694	98,723	4.70%	8,399	0.00%	15	SQ
8		19700	Communication Equipment	4,921,074	2,092,569	5.58%	274,596	0.00%	15	SQ
9		19800	Miscellaneous Equipment	11,372	3,352	7.04%	801	0.00%		
10		108	Retirement Work In Progress		(185,045)					
11			Total Common Plant	36,449,156	21,459,523		3,009,306			
12			Common Plant Allocated to Gas							
13			25.74% Original Cost	9,382,013	5,523,681		774,595			
14			25.74% Reserve							
14			25.74% Annual Provision							
15			Total Gas Plant Including Allocated Common	388,986,305	104,340,251		11,657,827			

(1) Plant Investment includes Completed Construction Not Classified (Account 106).

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
CONSTRUCTION WORK IN PROGRESS
AS OF SEPTEMBER 30, 2009

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

SCHEDULE B-4
PAGE 1 OF 2
WITNESS RESPONSIBLE:
B. R. MELENDEZ

Line No.	Major Property Groupings	Jurisdictional %	Amount Subject to AFUDC		Amount Not Subject to AFUDC		Total	
			Gross \$	Jurisdictional \$	Gross \$	Jurisdictional \$	Gross \$	Jurisdictional \$
1	Manufactured Gas Production	100.00%	0	0	0	0	0	0
2	Less: Gas Facilities Devoted to Other Than Kentucky Customers	100.00%	0	0	0	0	0	0
3	Net Manufactured Gas Production	100.00%	0	0	0	0	0	0
4	Distribution	100.00%	9,488,367	9,488,367	0	0	9,488,367	9,488,367
5	Less: Gas Facilities Devoted to Other Than Kentucky Customers	100.00%	0	0	0	0	0	0
6	Net Distribution	100.00%	9,488,367	9,488,367	0	0	9,488,367	9,488,367
7	General	100.00%	0	0	0	0	0	0
8	Total Common	100.00%	0	0	0	0	0	0
9	25.74% Common Allocated to Gas	100.00%	0	0	0	0	0	0
10	TOTAL GAS INCLUDING COMMON ALLOCATED		9,488,367	9,488,367	0	0	9,488,367	9,488,367

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
CONSTRUCTION WORK IN PROGRESS
THIRTEEN MONTH AVERAGE AS OF JANUARY 31, 2011

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

SCHEDULE B-4
PAGE 2 OF 2
WITNESS RESPONSIBLE:
B. R. MELENDEZ

Line No.	Major Property Groupings	Jurisdictional %	Amount Subject to AFUDC		Amount Not Subject to AFUDC		Total	
			Gross	Jurisdictional	Gross	Jurisdictional	Gross	Jurisdictional
			\$	\$	\$	\$	\$	\$
1	Manufactured Gas Production	100.00%	0	0	0	0	0	0
2	Less: Gas Facilities Devoted to Other Than Kentucky Customers	100.00%	0	0	0	0	0	0
3	Net Manufactured Gas Production	100.00%	0	0	0	0	0	0
4	Distribution	100.00%	3,777,154	3,777,154	0	0	3,777,154	3,777,154
5	Less: Gas Facilities Devoted to Other Than Kentucky Customers	100.00%	0	0	0	0	0	0
6	Net Distribution	100.00%	3,777,154	3,777,154	0	0	3,777,154	3,777,154
7	General	100.00%	0	0	0	0	0	0
8	Total Common	100.00%	0	0	0	0	0	0
9	25.74% Common Allocated to Gas	100.00%	0	0	0	0	0	0
10	TOTAL GAS INCLUDING COMMON ALLOCATED		3,777,154	3,777,154	0	0	3,777,154	3,777,154

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
CONSTRUCTION WORK IN PROGRESS - PERCENT COMPLETE (a)
AS OF JANUARY 31, 2011

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

SCHEDULE B-4.1
PAGE 1 OF 1
WITNESS RESPONSIBLE:
G. J. HEBBELER

Line No. (A)	Project No. (B)	Date Construction Work Began (C)	Estimated Project Completion Date (D)	Percent of Elapsed Time (E)	Original Budget Estimate (F)	Most Recent Budget Estimate (G)	Total Project Expenditures (H)	Percent of Total Expenditures (I)= (H) / (G)
					\$	\$	\$	
1	G7RISER (b)	January-10	December-10	100%	2,000,000	2,000,000	2,000,000	100%
2	KYCIBS10 (b)	January-10	October-10	100%	8,358,924	8,358,924	8,358,924	100%

- (a) Based on expenditures including AFUDC.
(b) 2010 activity for a multi-year program.

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ALLOWANCE FOR WORKING CAPITAL
AS OF SEPTEMBER 30, 2009
AS OF JANUARY 31, 2011

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

SCHEDULE B-5
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	WORKING CAPITAL COMPONENT	DESCRIPTION of METHODOLOGY USED to DETERMINE JURISDICTIONAL REQUIREMENT	WORK PAPER REFERENCE NUMBER	TOTAL		JURISDICTIONAL	
				BASE PERIOD	FORECASTED PERIOD	BASE PERIOD	FORECASTED PERIOD
					\$		\$
1	Cash Element of	Based on 1/8 Oper. & Maint. Expense less purchased gas costs or fuel and purchased power expenses.	WPB-5.1a	<u>15,483,833</u>	<u>17,165,809</u>	<u>2,751,311</u>	<u>2,371,199</u>
2	Working Capital						
3							
4							
5	Other Working Capital:						
6	Fuel Inventory						
7	Coal	(1)	WPB-5.1i	18,492,839	20,788,586	0	0
8	Diesel Fuel	(1)	WPB-5.1i	502,272	547,335	0	0
9	Propane - Woodsdale	(1)	WPB-5.1i	<u>2,448,214</u>	<u>2,448,611</u>	<u>0</u>	<u>0</u>
10	Total Fuel Inventory			<u>21,443,325</u>	<u>23,784,532</u>	<u>0</u>	<u>0</u>
11							
12	Gas Enricher Liquids	(1)	WPB-5.1b	1,597,069	1,016,582	558,974	355,804
13							
14	Gas Stored Underground	(1) (2)	WPB-5.1g	8,084,967	2,308,330	0	0
15							
16	Emission Allowances	(1)	WPB-5.1j	3,195,324	4,252,584	0	0
17							
18	Materials and Supplies	(1)	WPB-5.1c	10,863,571	10,653,895	(123,530)	(95,694)
19							
20	Prepayments	(1)	WPB-5.1e	<u>1,840,932</u>	<u>2,080,109</u>	<u>0</u>	<u>0</u>
21							
22	Total Other Working Capital			<u>47,025,188</u>	<u>44,096,032</u>	<u>435,444</u>	<u>260,110</u>
23							
24	Total Working Capital			<u>62,509,021</u>	<u>61,261,841</u>	<u>3,186,755</u>	<u>2,631,309</u>

N.C - Not calculated

(1) The Base Period is the ending period balance. The Forecasted Period is a 13 month average balance.

(2) Treatment of Gas Stored Underground as a non-jurisdictional item is conditional on the Commission approving the request to recover carrying costs in the GCA rider.

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
WORKING CAPITAL COMPONENTS
AS OF SEPTEMBER 30, 2009

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPB-5.1a through WPB-5.1j

SCHEDULE B-5.1
PAGE 1 OF 2
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	DESCRIPTION	END OF PERIOD BALANCE		
		TOTAL COMPANY (4)	JURISDICTIONAL % (5)	JURISDICTIONAL AMOUNT (6)
1	Cash Working Capital:			
2	1/8 Oper. and Maint. Expense	15,483,833	Computed	<u>2,751,311</u>
3				
4	Other Working Capital:			
5	Fuel Inventory			
6	Coal	18,492,839	0.000	0
7	Diesel Fuel	502,272	0.000	0
8	Propane - Woodsdale	<u>2,448,214</u>	0.000	<u>0</u>
9	Total Fuel Inventory	21,443,325		0
10				
11	Gas Enricher Liquids	1,597,069	35.000	558,974
12				
13	Gas Stored Underground	8,084,967	0.000	0
14				
15	Emission Allowances	3,195,324	0.000	0
16				
17	Materials and Supplies	10,863,571	Computed	(123,530)
18				
19	Prepayments	<u>1,840,932</u>	Computed	<u>0</u>
20				
21	Total Other Working Capital	<u>47,025,188</u>		<u>435,444</u>
22				
23	Total Working Capital	<u>62,509,021</u>		<u>3,186,755</u>

N.C. - Not Calculated

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
WORKING CAPITAL COMPONENTS
AS OF JANUARY 31, 2011

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISIED
WORK PAPER REFERENCE NO(S): WPB-5.1a through WPB-5.1j

SCHEDULE B-5.1
PAGE 2 OF 2
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	DESCRIPTION	13 MONTH AVERAGE FOR PERIOD			END OF PERIOD BALANCE		
		TOTAL COMPANY (1)	JURISDICTIONAL % (2)	JURISDICTIONAL AMOUNT (3)	TOTAL COMPANY (4)	JURISDICTIONAL % (5)	JURISDICTIONAL AMOUNT (6)
1	Cash Working Capital:						
2	1/8 Oper. and Maint. Expense	17,165,809	Computed	<u>2,371,199</u>	17,165,809	Computed	<u>2,371,199</u>
3							
4	Other Working Capital:						
5	Fuel Inventory						
6	Coal	20,788,586	0.000	0	20,788,586	0.000	0
7	Diesel Fuel	547,335	0.000	0	547,335	0.000	0
8	Propane - Woodsdale	<u>2,448,611</u>	0.000	0	<u>2,448,611</u>	0.000	0
9	Total Fuel Inventory	23,784,532		0	23,784,532		0
10							
11	Gas Enricher Liquids	1,016,582	35.000	355,804	1,016,582	35.000	355,804
12							
13	Gas Stored Underground	2,308,330	0.000	0	2,308,330	0.000	0
14							
15	Emission Allowances	4,252,584	0.000	0	4,252,584	0.000	0
16							
17	Materials and Supplies	10,653,895	Computed	(95,694)	10,653,895	Computed	(95,694)
18							
19	Prepayments	<u>2,080,109</u>	Computed	0	<u>2,144,694</u>	Computed	0
20							
21	Total Other Working Capital	<u>44,096,032</u>		<u>260,110</u>	<u>44,160,617</u>		<u>260,110</u>
22							
23	Total Working Capital	<u>61,261,841</u>		<u>2,631,309</u>	<u>61,326,426</u>		<u>2,631,309</u>

N.C. - Not Calculated

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
CERTAIN DEFERRED CREDITS AND ACCUMULATED DEFERRED INCOME TAXES
AS OF SEPTEMBER 30, 2009

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPB-6a, WPB-6c

SCHEDULE B-6
PAGE 1 OF 2
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	ACCOUNT NUMBER	DESCRIPTION	TOTAL COMPANY	JURISDICTIONAL CODE	%	JURIS. AMOUNT	ADJUSTMENT	ADJUSTED JURIS. AMOUNT
			(1)	(2)		(3)	(4)	(5)
1								
2	252	Customers' Advances for Construction	<u>(1,470,205)</u>	DALL	100.000	<u>(1,470,205)</u>		<u>(1,470,205)</u> (A)
3								
4	255	Investment Tax Credits: (B)						
5		3% Credit	(11,874)	DALL	100.000	(11,874)	183 (E)	(11,691)
6		4% Credit	(48,921)	DALL	100.000	(48,921)	48,921 (F)	0
7		10% Credit	<u>(1,091,605)</u>	DALL	100.000	<u>(1,091,605)</u>	1,091,605 (F)	0
8		Total Investment Tax Credits	<u><u>(1,152,400)</u></u>			<u><u>(1,152,400)</u></u>	<u>1,140,709</u>	<u><u>(11,691)</u></u> (C)
9								
10	190,281,	Deferred Income Taxes:						
11	282,283	Total Deferred Income Taxes	<u><u>(35,757,664)</u></u>	DALL	100.000	<u><u>(35,757,664)</u></u>	<u>851,170</u> (G)	<u><u>(34,906,494)</u></u> (D)

Sources:

- (A) Included on Schedule B-1 as Customers' Advances for Construction, Line 8.
- (B) The company elected the ratable flow through option under Section 46(e)(2) in regards to the 1971 election and the rateable flow through option provided under Section 46(f)(2) in regards to the 1975 election.
- (C) Included on Schedule B-1 as Investment Tax Credits, Line 9.
- (D) Included on Schedule B-1 as Deferred Income Taxes, Line 10.
- (E) Elimination of Deferred Tax Balances Related to Facilities Devoted to Other Than DE-Ky Customers. (WPB-6c)
- (F) Excluded from Rate Base.
- (G) Includes elimination of unrecovered purchased gas costs and liberalized depreciation related to facilities devoted to non DE-Kentucky customers.

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
CERTAIN DEFERRED CREDITS AND ACCUMULATED DEFERRED INCOME TAXES
AS OF JANUARY 31, 2011

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPB-6b, WPB-6d

SCHEDULE B-6
PAGE 2 OF 2
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	ACCOUNT NUMBER	DESCRIPTION	13 MONTH AVERAGE FORECASTED PERIOD	JURISDICTIONAL CODE	%	JURIS. AMOUNT	ADJUSTMENT	ADJUSTED JURIS. AMOUNT
			(1)	(2)		(3)	(4)	(5)
1								
2	252	Customers' Advances for Construction	<u>(1,638,646)</u>	DALL	100.000	<u>(1,638,646)</u>		<u>(1,638,646)</u> (A)
3								
4	255	Investment Tax Credits: (B)						
5		3% Credit	(8,410)	DALL	100.000	(8,410)	130 (E)	(8,280)
6		4% Credit	(44,581)	DALL	100.000	(44,581)	44,581 (F)	0
7		10% Credit	<u>(1,038,333)</u>	DALL	100.000	<u>(1,038,333)</u>	<u>1,038,333</u> (F)	<u>0</u>
8		Total Investment Tax Credits	<u><u>(1,091,324)</u></u>			<u><u>(1,091,324)</u></u>	<u><u>1,083,044</u></u>	<u><u>(8,280)</u></u> (C)
9								
10	190,	Deferred Income Taxes:						
11	282,283	Total Deferred Income Taxes	<u><u>(35,178,614)</u></u>	DALL	100.000	<u><u>(35,178,614)</u></u>	<u><u>960,728</u></u> (G)	<u><u>(34,217,886)</u></u> (D)

Sources:

- (A) Included on Schedule B-1 as Customers' Advances for Construction, Line 8.
- (B) The company elected the ratable flow through option under Section 46(e)(2) in regards to the 1971 election and the rateable flow through option provided under Section 46(f)(2) in regards to the 1975 election.
- (C) Included on Schedule B-1 as Investment Tax Credits, Line 9.
- (D) Included on Schedule B-1 as Deferred Income Taxes, Line 10.
- (F) Excluded from Rate Base.
- (G) Includes elimination of unrecovered purchased gas costs and liberalized depreciation related to facilities devoted to non DE-Kentucky customers.

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
JURISDICTIONAL PERCENTAGE
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE B-7
PAGE 1 OF 1
WITNESS RESPONSIBLE:
D. L. STORCK

LINE NO.	ACCOUNT NUMBER	ACCOUNT TITLE	JURISDICTIONAL CODE	%	DESCRIPTION OF FACTORS AND/OR METHOD OF ALLOCATION
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Not Applicable - 100% Jurisdictional

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
JURISDICTIONAL STATISTICS - RATE BASE
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

SCHEDULE B-7.1
PAGE 1 OF 1
WITNESS RESPONSIBLE:
D. L. STORCK

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

LINE NO. (A)	DESCRIPTION BY MAJOR GROUPINGS OR ACCOUNT (B)	STATISTIC TOTAL COMPANY (C)	ADJUSTMENT TO TOTAL COMPANY STATISTIC (D)	ADJUSTED STATISTIC FOR TOTAL COMPANY (E = C+D)	STATISTIC FOR RATE AREA (F)	ALLOCATION FACTOR % (G = F / E)
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Not Applicable - 100% Jurisdictional

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
EXPLANATION OF CHANGES IN JURISDICTIONAL PROCEDURES
RATE BASE
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009

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

SCHEDULE B-7.2
PAGE 1 OF 1
WITNESS RESPONSIBLE:
D. L. STORCK

LINE NO.	ACCOUNT NUMBER	DESCRIPTION	PROCEDURES APPROVED IN PRIOR CASE	RATIONALE FOR CHANGE
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Not Applicable - 100% Jurisdictional

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
COMPARATIVE BALANCE SHEETS
AS OF DECEMBER 31, 2004-2008 AND BASE AND FORECASTED PERIODS

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

SCHEDULE B-8
PAGE 2 OF 2
WITNESS RESPONSIBLE:
B. R. MELENDEZ

LINE NO.	DESCRIPTION	13 MONTH AVG. FORECASTED PERIOD		MOST RECENT FIVE CALENDAR YEARS												
		% Change	BASE PERIOD	% Change	2008	% Change	2007	% Change	2006	% Change	2005	% Change	2004	% Change		
1	LIABILITIES AND NET WORTH															
2	PROPRIETARY CAPITAL															
3	COMMON STOCK ISSUED		8,779,995	-	8,779,995	-	8,779,995	-	8,779,995	-	8,779,995	-	8,779,995	-		
4	PREMIUM ON CAPITAL STOCK		18,838,946	-	18,838,946	-	18,838,946	-	18,838,946	-	18,838,946	-	18,838,946	-		
5	OTHER PAID-IN CAPITAL		145,232,112	(2.30)%	148,655,189	-	148,655,189	2.16%	145,505,189	2856.90%	4,920,874	6.60%	4,616,415	(1.83)%		
6	RETAINED EARNINGS		310,123,737	29.91%	238,725,163	9.63%	217,750,813	3.56%	210,269,761	18.82%	176,965,107	6.45%	166,241,890	2.90%	161,562,306	2.56%
7	ACCUMULATED OTHER COMPREHENSIVE INCOME		-	-	-	100.00%	(998,460)	(34.69)%	(741,286)	68.09%	(2,322,809)	(80.65)%	(1,285,814)	(162.86)%		
8	TOTAL PROPRIETARY CAPITAL		482,974,790	16.38%	414,999,293	5.32%	394,024,943	2.20%	385,545,431	10.36%	349,347,951	77.82%	186,458,896	2.05%	192,511,848	1.67%
9	LONG TERM DEBT		-	-	-	(100.00)%	20,000,000	-	-	-	-	-	-	-		
10	BONDS		-	-	-	-	252,571,494	(7.05)%	271,720,000	186.02%	95,000,000	-	95,000,000	72.73%		
11	OTHER LONG TERM DEBT		306,088,539	(7.96)%	332,571,494	1.99%	326,088,539	29.11%	252,571,494	(7.05)%	271,720,000	186.02%	95,000,000	-	95,000,000	72.73%
12	UNAMORTIZED PREMIUM ON LONG TERM DEBT		-	-	-	-	-	-	-	-	-	-	-	-		
13	LESS: UNAMORTIZED DISCOUNT ON LONG TERM DEBT - DEBIT		571,017	(37.52)%	913,856	56.06%	585,584	(9.64)%	648,090	(10.40)%	723,298	22.48%	590,531	(10.57)%	660,326	109.37%
14	LESS: CURRENT PORTION OF LONG TERM DEBT		-	-	-	-	-	-	-	-	-	-	-	-		
15	TOTAL LONG TERM DEBT		305,517,522	(7.88)%	331,657,639	1.89%	325,502,955	19.70%	271,923,404	0.34%	270,996,702	187.04%	94,409,469	0.07%	94,339,674	72.52%
16	OTHER NONCURRENT LIABILITIES		-	-	-	-	-	-	-	-	-	-	-	-		
17	OBLIGATIONS UNDER CAPITAL LEASES - NONCURRENT		6,393,926	(47.97)%	12,289,521	15.87%	10,606,658	(20.53)%	13,346,763	9.44%	12,195,063	9.93%	11,093,557	33.10%	8,334,846	17.07%
18	ACCUMULATED PROVISION FOR INJURIES AND DAMAGES		-	-	-	-	-	-	(100.00)%	124,898	(72.31)%	450,998	(32.55)%	668,673	(35.89)%	
19	ACCUMULATED PROVISION FOR PENSIONS & BENEFITS		7,640,970	(20.20)%	9,575,138	27.28%	7,523,160	(43.69)%	13,360,436	0.07%	13,350,730	89.04%	7,062,514	9.47%	6,451,794	3.07%
20	ACCUMULATED MISCELLANEOUS OPERATING PROVISIONS		2,019,334	288.33%	520,000	(74.25)%	2,019,334	-	2,019,334	-	2,019,334	(0.01)%	2,019,555	(2.25)%		
21	ACCUMULATED PROVISION FOR RATE REFUNDS		-	(100.00)%	7,517,628	-	7,517,628	-	-	-	(100.00)%	1,245,000	-	-		
22	LONG-TERM PORTION OF DERIVATIVE INSTRUMENT LIABILITIES - HEDGES		6,550,135	40.56%	4,659,909	(41.04)%	7,903,269	386.01%	1,626,157	32.94%	1,223,244	-	-	-		
23	ASSET RETIREMENT OBLIGATIONS		6,471,550	(2.53)%	6,639,672	3.90%	6,390,326	3.42%	5,179,300	(25.25)%	8,266,360	31.09%	6,305,777	-	-	
24	TOTAL OTHER NONCURRENT LIABILITIES		29,075,915	(29.43)%	41,201,868	(1.81)%	41,960,375	14.86%	36,531,990	(1.74)%	37,179,629	31.95%	28,177,180	61.24%	17,474,868	5.98%
25	CURRENT AND ACCRUED LIABILITIES		-	-	-	-	-	-	-	-	-	-	-	-		
26	NOTES PAYABLE		-	-	-	-	-	-	-	-	-	-	-	-		
27	CURRENT PORTION OF LONG TERM DEBT		-	-	-	-	-	-	-	-	-	-	-	-		
28	ACCOUNTS PAYABLE		25,444,888	31.14%	19,402,496	(46.79)%	36,463,667	26.17%	28,900,871	15.05%	25,120,210	(4.14)%	26,205,228	63.51%	16,027,742	19.33%
29	NOTES PAYABLE TO ASSOCIATED COMPANIES		2,646,577	-	-	(100.00)%	3,241,044	(88.20)%	27,470,089	(35.52)%	42,602,971	43.07%	29,777,470	164.79%	11,245,745	(75.14)%
30	ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES		19,025,056	49.07%	12,762,280	(5.31)%	13,477,827	(49.00)%	26,429,344	30.17%	20,303,048	(24.28)%	26,815,087	20.59%	22,236,349	5.23%
31	CUSTOMER DEPOSITS		6,653,180	(7.55)%	7,196,456	13.36%	6,348,465	18.48%	5,358,369	8.22%	4,951,519	23.69%	4,003,247	10.50%	3,622,812	12.66%
32	TAXES ACCRUED		8,128,168	(36.72)%	12,845,170	43.24%	8,967,360	(39.49)%	14,819,013	124.42%	6,603,343	(2.44)%	6,768,547	1286.37%	(570,525)	(291.44)%
33	INTEREST ACCRUED		4,876,537	71.49%	2,843,640	(40.80)%	4,803,361	34.59%	3,568,991	27.12%	2,807,613	104.33%	1,374,046	0.30%	1,369,873	11.37%
34	TAX COLLECTIONS PAYABLE		1,608,520	23.98%	1,297,455	(44.53)%	2,338,990	19.47%	1,957,880	16.41%	1,681,834	(21.89)%	2,153,116	39.75%	1,540,658	7.98%
35	MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES		4,904,914	(54.36)%	10,748,109	46.69%	7,327,220	100.11%	3,661,519	(22.02)%	4,695,195	200.36%	1,563,172	(3.15)%	1,614,094	14.12%
36	OBLIGATIONS UNDER CAPITAL LEASES - CURRENT		2,431,116	22.35%	1,987,075	(21.12)%	2,519,251	44.64%	1,741,738	32.13%	1,318,179	6.91%	1,233,028	53.72%	802,145	5.87%
37	DERIVATIVE INSTRUMENT LIABILITIES		34,758	(47.01)%	65,597	56.55%	41,901	-	-	(100.00)%	429,956	-	-	-		
38	(LESS) LONG-TERM PORTION OF DERIVATIVE INSTRUMENT LIABILITIES		-	-	-	-	-	-	-	-	-	-	-	-		
39	TOTAL CURRENT AND ACCRUED LIABILITIES		75,753,714	9.55%	69,148,278	(19.15)%	85,529,086	(24.91)%	113,907,814	3.07%	110,513,868	10.63%	99,893,941	72.56%	57,888,993	(34.32)%
40	DEFERRED CREDITS		-	-	-	-	-	-	-	-	-	-	-	-		
41	CUSTOMER ADVANCES FOR CONSTRUCTION		1,638,646	11.46%	1,470,204	(12.19)%	1,674,369	(14.05)%	1,948,099	(7.89)%	2,114,998	(10.89)%	2,373,528	(12.77)%	2,721,042	(11.66)%
42	ACCUMULATED DEFERRED INVESTMENT TAX CREDITS		2,955,668	(21.60)%	3,769,796	(16.57)%	4,518,749	(19.03)%	5,581,056	(15.87)%	6,633,678	179.58%	2,372,760	19.64%	2,625,788	(8.79)%
43	OTHER DEFERRED CREDITS		25,809,668	8.33%	23,625,061	(30.64)%	34,349,471	253.61%	9,713,845	(59.31)%	23,874,484	93.07%	12,365,923	4.54%	11,829,298	6.44%
44	OTHER REGULATORY LIABILITIES		1,061,671	6.50%	996,840	(34.92)%	1,531,763	(39.44)%	2,529,146	88.83%	1,339,397	(95.99)%	33,386,966	(1.26)%	33,811,402	10.60%
45	ACCUMULATED DEFERRED INCOME TAXES		181,239,908	(13.65)%	209,890,527	14.53%	183,282,071	9.41%	167,493,856	6.80%	156,834,051	165.62%	59,043,732	(9.76)%	65,427,498	(20.25)%
46	TOTAL DEFERRED CREDITS		212,705,561	(11.36)%	239,952,428	6.49%	225,336,423	20.33%	187,266,002	(1.85)%	190,796,608	74.18%	109,542,909	(5.90)%	116,415,028	(10.23)%
47																
48																
49	TOTAL LIABILITIES		1,106,027,502	0.83%	1,096,959,505	2.29%	1,072,353,782	7.76%	995,174,641	3.79%	958,834,758	81.43%	528,482,395	10.42%	478,630,411	0.06%

DUKE ENERGY KENTUCKY, INC
CASE NO. 2009-00202
JURISDICTIONAL OPERATING INCOME SUMMARY
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISIED
WORK PAPER REFERENCE NO(S): SCHEDULE C-2, WPC-1a

SCHEDULE C-1
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO	DESCRIPTION	FORECASTED RETURN AT CURRENT RATES	PROPOSED INCREASE	FORECASTED RETURN AT PROPOSED RATES
		(\$)	(\$)	(\$)
1	Operating Revenues	<u>124,681,347</u>	<u>17,494,336</u> (1)	<u>142,175,683</u>
2				
3	Operating Expenses			
4	Operation & Maintenance	97,908,955	47,759	97,956,714
5	Depreciation	11,657,827	0	11,657,827
6	Taxes - Other	<u>4,061,181</u>	<u>27,991</u>	<u>4,089,172</u>
7	Operating Expenses before Income Taxes	113,627,963	75,750	113,703,713
8				
9	State Income Taxes	402,697	1,045,115	1,447,812
10	Federal Income Taxes	<u>2,117,873</u>	<u>5,730,715</u>	<u>7,848,588</u>
11				
12	Total Operating Expenses	<u>116,148,533</u>	<u>6,851,580</u>	<u>123,000,113</u>
13				
14	AFUDC Offset	289,745	0	289,745
15				
16	Income Available for Fixed Charges	<u>8,822,559</u>	<u>10,642,756</u>	<u>19,465,315</u>
17				
18	Capitalization Allocated to Jurisdictional Gas Operations	253,750,235		253,750,235
19	Rate of Return on Capitalization	3.48%		7.67%
20				
21	Jurisdictional Rate Base	253,125,967		253,125,967
22	Rate of Return on Rate Base	3.49%		7.69%

(1) Source: Schedule M.

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
JURISDICTIONAL ADJUSTED OPERATING INCOME STATEMENT
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): SCHEDULE C-2.1, SCHEDULE D-1, WPC-2a through WPC-2e

SCHEDULE C-2
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	MAJOR ACCOUNT OR GROUP CLASSIFICATION	BASE PERIOD	ADJUSTMENTS TO BASE PERIOD		FORECASTED PERIOD	PRO FORMA ADJUSTMENTS TO FORECASTED PERIOD		PRO FORMA FORECASTED PERIOD
			AMOUNT	SCHEDULE REFERENCE		AMOUNT	SCHEDULE REFERENCE	
1	OPERATING REVENUE							
2	Base	45,455,055	(636,662)	D-2.1	44,818,393	223,039	WPC-2e	45,041,432
3	Gas Cost	80,661,027	(875,437)	D-2.1	79,785,590	(846,223)	D-2.24	78,939,367
4	Other Revenue	(6,295,981)	7,510,621	D-2.1	1,214,640	(514,092)	WPC-2e	700,548
5	Total Revenue	119,820,101	5,998,522		125,818,623	(1,137,276)		124,681,347
6								
7	OPERATING EXPENSES							
8	Operation and Maintenance Expenses							
9	Production Expenses							
10	Liquefied Petroleum Gas	122,194	(39,419)	D-2.2	82,775	0		82,775
11	Other	188,832	79,090	D-2.3	267,922	(32,821)	D-2.19	235,101
12	Total Production Expense	311,026	39,671		350,697	(32,821)		317,876
13								
14	Other Gas Supply Expenses							
15	Purchased Gas	80,617,220	(831,630)	D-2.2	79,785,590	(846,223)	D-2.24	78,939,367
16	Other	516,374	73,122	D-2.4	589,496			589,496
17	Total Other Gas Supply Expenses	81,133,594	(758,508)		80,375,086	(846,223)		79,528,863
18	Transmission Expense	0	0	D-2.5	0	0		0
19	Distribution Expense	6,046,031	(103,169)	D-2.6	5,942,862	(240,821)	WPC-2e	5,702,041
20	Customer Accounts Expense	3,701,698	415,957	D-2.7	4,117,655	(1,280,335)	D-2.15	2,837,320
21	Customer Service & Information Expense	607,933	(75,404)	D-2.8	532,529	(855)	D-2.22	531,674
22	Sales Expense	0	0	D-2.9	0	0	D-2.22	0
23	Administrative & General Expense	10,921,932	(1,060,527)	D-2.10	9,861,405	(870,224)	WPC-2e	8,991,181
24	Other	(94,510)	94,510	D-2.11	0	0		0
25	Total Operation and Maintenance Expense	102,627,704	(1,447,470)		101,180,234	(3,271,279)		97,908,955
26								
27	Depreciation Expense	9,197,430	398,446	D-2.12	9,595,876	2,061,951	D-2.23	11,657,827
28								
29	Taxes Other Than Income Taxes							
30	Other Federal Taxes	476,047	161,116	D-2.13	637,163	(4,440)	D-2.19	632,723
31	State and Other Taxes	1,632,110	2,758,530	D-2.13	4,390,640	(962,182)	WPC-2e	3,428,458
32	Total Taxes Other Than Income Taxes	2,108,157	2,919,646		5,027,803	(966,622)		4,061,181
33								
34	State Income Taxes							
35	State Income Tax - Current	103,915	(171,606)	D-1, E-1	(67,691)	138,525	D-1, E-1	70,834
36	Provision for Deferred Income Taxes - Net	104,005	316,763	D-1, E-1	420,768	(88,905)	D-1, E-1	331,863
38	Total State Income Tax Expense	207,920	145,157		353,077	49,620		402,697
39								
40	Federal Income Taxes							
41	Federal Income Tax - Current	(447,894)	601,594	D-1, E-1	153,700	759,581	D-1, E-1	913,281
42	Provision for Deferred Income Taxes - Net	590,110	1,174,632	D-1, E-1	1,764,742	(487,493)	D-1, E-1	1,277,249
43	Amortization of Investment Tax Credit	(62,001)	(10,656)	D-1, E-1	(72,657)	0	D-1, E-1	(72,657)
44	Total Federal Income Tax Expense	80,215	1,765,570		1,845,785	272,088		2,117,873
45								
46	Total Operating Expenses and Taxes	114,221,426	3,781,349		118,002,775	(1,854,242)		116,148,533
47								
48	AFUDC Offset	0	0		0	289,745	D-2.20	289,745
49								
50	Net Operating Income	5,598,675	2,217,173		7,815,848	1,006,711		8,822,559

DUKE ENERGY KENTUCKY, INC
CASE NO. 2009-00202
OPERATING REVENUES AND EXPENSES BY ACCOUNTS
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009

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

SCHEDULE C-2 1
PAGE 1 OF 16
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	ACCOUNT NO.	ACCOUNT TITLE	UNADJUSTED TOTAL GAS (1)	JURISDICTIONAL % (2)	UNADJUSTED JURISDICTION (3)	JURISDICTIONAL METHOD / DESCRIPTION (4)
1		REVENUE				
2						
3		Retail Revenue				
4		Residential				
5	480400	Residential Sales Gas	30,129,070	100.000	30,129,070	DALL
6	480603	Res DSM	(246,825)	100.000	(246,825)	DALL
7	480620	Res Gas Cost Recovery	51,002,590	100.000	51,002,590	DALL
8	480625	Res Merger Savings Credit Rider	(129,939)	100.000	(129,939)	DALL
9	480410	Residential Unbilled Gas	<u>(247,000)</u>	100.000	<u>(247,000)</u>	DALL
10		Total Residential	<u>80,507,896</u>		<u>80,507,896</u>	
11						
12		Commercial				
13	481400	Commercial Sales Gas	9,116,725	100.000	9,116,725	DALL
14	481603	Com DSM	(3,085)	100.000	(3,085)	DALL
15	481620	Com Gas Cost Recovery	24,348,863	100.000	24,348,863	DALL
16	481625	Com Merger Savings Credit Rider	(27,554)	100.000	(27,554)	DALL
17	481410	Commercial Unbilled Gas	<u>182,000</u>	100.000	<u>182,000</u>	DALL
18		Total Commercial	<u>33,616,949</u>		<u>33,616,949</u>	
19						
20		Industrial				
21	481450	Industrial Sales Gas	813,229	100.000	813,229	DALL
22	481660	Ind Gas Cost Recovery	2,530,239	100.000	2,530,239	DALL
23	481665	Ind Merger Savings Credit Rider	(2,591)	100.000	(2,591)	DALL
24	481460	Industrial Unbilled Gas	<u>(45,000)</u>	100.000	<u>(45,000)</u>	DALL
25		Total Industrial	<u>3,295,877</u>		<u>3,295,877</u>	
26						
27		Public Street & Highway Lighting				
28	482400	Public Str/Hgwy Lighting Gas	485	100.000	485	DALL
29	482620	SL Gas Cost Recovery	<u>444</u>	100.000	<u>444</u>	DALL
30		Total Public Street & Highway Lighting	<u>929</u>		<u>929</u>	
31						
32		Other Public Authority				
33	482450	Other Sales To Pub Authority Gas	1,047,274	100.000	1,047,274	DALL
34	482653	OPA DSM	(25)	100.000	(25)	DALL
35	482660	OPA Gas Cost Recovery	3,351,301	100.000	3,351,301	DALL
36	482665	OPA Merger Savings Credit Rider	(3,405)	100.000	(3,405)	DALL
37	482460	Other Sales To Pub Auth Unbill	<u>(73,000)</u>	100.000	<u>(73,000)</u>	DALL
38		Total Other Public Authority	<u>4,322,145</u>		<u>4,322,145</u>	
39						
40	484400	Interdepartmental Sales	<u>46,106</u>	100.000	<u>46,106</u>	DALL
41		Total Retail Revenue	<u>121,789,902</u>		<u>121,789,902</u>	

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
OPERATING REVENUES AND EXPENSES BY ACCOUNTS - JURISDICTIONAL
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009

SCHEDULE C-2.1
PAGE 2 OF 16
WITNESS RESPONSIBLE:
R. M. PARSONS

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

LINE NO.	ACCOUNT NO.	ACCOUNT TITLE	UNADJUSTED TOTAL GAS (1)	JURISDIC- TIONAL % (2)	UNADJUSTED JURISDICTION (3)	JURISDICTIONAL METHOD / DESCRIPTION (4)
1		Other Revenues				
2	487001	Late Payment Charges	0	100.000	0	DALL
3	488010	Miscellaneous Service Revenue	180	100.000	180	DALL
4	488020	Reconnection Charges	37,872	100.000	37,872	DALL
5	488100	Erlanger Gas Plant	514,092	100.000	514,092	DALL
6	488040	Miscellaneous Rev - Customer Diversion Exp	23	100.000	23	DALL
7	488060	Bad Check Charge	11,584	100.000	11,584	DALL
8	488070	Miscellaneous Rev - Field Collection Charges	3,982	100.000	3,982	DALL
9	489000	Rev Transp Gas of Others	1,213,689	100.000	1,213,689	DALL
10	489010	Rev Transp Gas of Others - Inter Co.	601,738	100.000	601,738	DALL
11	489025	Trans Merger Savings Cr Rider	(4,153)	100.000	(4,153)	DALL
12	489110	Rev Firm Transp Agm-Commer Bld	436,449	100.000	436,449	DALL
13	489115	Comm Rev Transp-Unbilled	0	100.000	0	DALL
14	489120	Rev Firm Transp Agreements - Industrial	2,135,537	100.000	2,135,537	DALL
15	489125	Indust Rev Transp-Unbilled	(4,000)	100.000	(4,000)	DALL
16	489130	Rev Firm Transp Agree - Other	550,570	100.000	550,570	DALL
17	489135	Other Rev Transp-Unbilled	13,000	100.000	13,000	DALL
18	489160	Com Transp Gas Cost Recovery	(2,384)	100.000	(2,384)	DALL
19	489165	Com Transp Merger Savings Cr Rider	(1,344)	100.000	(1,344)	DALL
20	489170	Ind Transp Gas Cost Recovery	205	100.000	205	DALL
21	489175	Ind Transp Merger Savings Cr Rider	(7,567)	100.000	(7,567)	DALL
22	489180	OPA Transp Gas Cost Recovery	(2,255)	100.000	(2,255)	DALL
23	489185	OPA Transp Merger Savings Cr Rider	(1,567)	100.000	(1,567)	DALL
24	493040	Rent Land & Buildings - Assoc.	34,176	100.000	34,176	DALL
25	495020	Sales Use Tax Collection Fee	18,000	100.000	18,000	DALL
26	495030	Gas Losses Damaged Lines	0	100.000	0	DALL
27	496017	Provision for Rate Refunds	(7,517,628)	100.000	(7,517,628)	DALL
28		Total Other Revenues	<u>(1,969,801)</u>		<u>(1,969,801)</u>	
29						
30		Total Revenue	<u>119,820,101</u>		<u>119,820,101</u>	

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
OPERATING REVENUES AND EXPENSES BY ACCOUNTS - JURISDICTIONAL
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DATA: "X" BASE PERIOD FORECASTED PERIOD
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WORK PAPER REFERENCE NO(S) :

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WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	ACCOUNT NO.	ACCOUNT TITLE	UNADJUSTED TOTAL GAS (1)	JURISDIC- TIONAL % (2)	UNADJUSTED JURISDICTION (3)	JURISDICTIONAL METHOD / DESCRIPTION (4)
1		OPERATING EXPENSES				
2		Production Expense				
3		Manufactured Gas Expense				
4		Operation				
5	711000	Steam Expenses	10,097	100.000	10,097	DALL
6	712000	Other Power Expenses	6,576	100.000	6,576	DALL
7	717000	Liquefied Petroleum Expense	22,603	100.000	22,603	DALL
8	728000	Liquefied Petroleum Gas	122,194	100.000	122,194	DALL
9	735000	Miscellaneous Production Expense	23,625	100.000	23,625	DALL
10	736000	Rents	66,996	100.000	66,996	DALL
11		Total Operation	<u>252,091</u>		<u>252,091</u>	
12						
13		Maintenance				
14	742000	Maintenance of Production Expense	58,935	100.000	58,935	DALL
15		Total Maintenance	<u>58,935</u>		<u>58,935</u>	
16		Total Production Expense	<u>311,026</u>		<u>311,026</u>	
17						
18		Other Gas Supply Expense				
19		Purchased Gas Expense				
20	801000	Natural Gas Field Line Purchases	86,021,207	100.000	86,021,207	DALL
21	805000	Unrecovered Purchase Gas Cost Adj	(4,799,613)	100.000	(4,799,613)	DALL
22	805200	Purchased Gas Costs - Unbilled	(604,374)	100.000	(604,374)	DALL
24	807000	Gas Purchased Expense	516,458	100.000	516,458	DALL
24	813000	Other Gas Supply Expense	(84)	100.000	(84)	DALL
25		Total Other Gas Supply Expense	<u>81,133,594</u>		<u>81,133,594</u>	

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
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FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009

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WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	ACCOUNT NO.	ACCOUNT TITLE	UNADJUSTED TOTAL GAS (1)	JURISDICTIONAL % (2)	UNADJUSTED JURISDICTION (3)	JURISDICTIONAL METHOD / DESCRIPTION (4)
1		Distribution Expenses				
2						
3		Operation				
4	870000	Supervision and Engineering	74,503	100.000	74,503	DALL
5	871000	Load Dispatching	145,112	100.000	145,112	DALL
6	874000	Mains and Services	1,870,283	100.000	1,870,283	DALL
7	875000	Measuring and Reg Stations - General	22,047	100.000	22,047	DALL
8	876000	Measuring and Reg Stations - Industrial	29,193	100.000	29,193	DALL
9	878000	Meters and House Regulators	644,951	100.000	644,951	DALL
10	879000	Customer Installations	801,695	100.000	801,695	DALL
11	880000	Other Expenses	434,892	100.000	434,892	DALL
12	881000	Rents Interco	387,624	100.000	387,624	DALL
13		Total Operation	<u>4,410,300</u>		<u>4,410,300</u>	
14						
15		Maintenance				
16						
17	885000	Supervision and Engineering	10,408	100.000	10,408	DALL
18	887000	Mains	625,235	100.000	625,235	DALL
19	889000	Measuring and Regulating Stations - General	38,302	100.000	38,302	DALL
20	890000	Measuring and Regulating Stations - Industrial	5,323	100.000	5,323	DALL
21	892000	Services	571,513	100.000	571,513	DALL
22	893000	Meters	337,574	100.000	337,574	DALL
23	894000	Other	47,376	100.000	47,376	DALL
24		Total Maintenance	<u>1,635,731</u>		<u>1,635,731</u>	
25		Total Distribution Expenses	<u>6,046,031</u>		<u>6,046,031</u>	

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
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DATA: "X" BASE PERIOD FORECASTED PERIOD
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WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	ACCOUNT NO.	ACCOUNT TITLE	UNADJUSTED TOTAL GAS (1)	JURISDICTIONAL % (2)	UNADJUSTED JURISDICTION (3)	JURISDICTIONAL METHOD / DESCRIPTION (4)
1		Customer Accounts Expense				
2						
3		Operation				
4	901000	Supervision & Engineering	4,533	100.000	4,533	DALL
5	902000	Meter Reading Expense	725,027	100.000	725,027	DALL
6	903000	Customer Records & Collections	1,948,994	100.000	1,948,994	DALL
7	904000	Uncollectible Accounts	1,023,144	100.000	1,023,144	DALL
8	905000	Cust Reltns Billg & Coll-Gas	0	100.000	0	DALL
9		Total Customer Accounts Expense	<u>3,701,698</u>		<u>3,701,698</u>	
10						
11		Customer Services & Information Expense				
12						
13		Operation				
14	908000	Customer Assistance	131,529	Alloc Sch F-3	131,529	DALL
15	909000	Information and Instructional Advertising	3,574	Alloc Sch F-3	3,574	DALL
16	910000	Misc Cust Serv and Info - Gas	472,830	Alloc Sch F-3	472,830	DALL
17		Total Customer Services & Information Expense	<u>607,933</u>		<u>607,933</u>	
18						
19						
20		Sales Expense				
21						
22		Operation				
23	911000	Supervision	0	Alloc Sch F-3	0	DALL
24	916000	Misc. Sales Expense	0	Alloc Sch F-3	0	DALL
25		Total Sales Expense	<u>0</u>		<u>0</u>	

DUKE ENERGY KENTUCKY, INC.
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DATA: "X" BASE PERIOD FORECASTED PERIOD
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WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	ACCOUNT NO.	ACCOUNT TITLE	UNADJUSTED TOTAL GAS (1)	JURISDICTIONAL % (2)	UNADJUSTED JURISDICTION (3)	JURISDICTIONAL METHOD / DESCRIPTION (4)
1		Administrative & General Expense				
2						
3		Operation				
4	920000	Administrative & General Salaries	2,988,199	100.000	2,988,199	DALL
5	921	Office Supplies & Expenses	1,630,952	100.000	1,630,952	DALL
6	922000	Adm. Expenses Transferred - Credit	122,854	100.000	122,854	DALL
7	923000	Outside Services Employed	1,657,142	100.000	1,657,142	DALL
8	924	Property Insurance	239,101	100.000	239,101	DALL
9	925000	Injuries & Damages	104,150	100.000	104,150	DALL
10	926	Employee Pension & Benefits	2,791,693	100.000	2,791,693	DALL
11	927,000	General and Administration	58	100.000	58	DALL
12	928	State Reg. Commission Expense	549,502	100.000	549,502	DALL
13	929	Duplicate Charges-Credit	(506,400)	100.000	(506,400)	DALL
14	930100	A/G Misc General Expense	129,695	Alloc Sch F-3	129,695	DALL
15	931000	Rents	889,954	100.000	889,954	DALL
16		Total Operation	<u>10,596,900</u>		<u>10,596,900</u>	
17						
18		Maintenance				
19	935000	Maintenance of General Plant	<u>325,032</u>	100.000	<u>325,032</u>	DALL
20		Total Administrative & General	<u>10,921,932</u>		<u>10,921,932</u>	
21		Total Operating Expense	<u>102,722,214</u>		<u>102,722,214</u>	
22						
23		Other Expense				
24		Operation				
25	407907	DSM Amortization	<u>(94,510)</u>	100.000	<u>(94,510)</u>	DALL
26						
27		Depreciation Expense				
28						
29	403000	Total Depreciation Expense	<u>9,197,430</u>	100.000	<u>9,197,430</u>	DALL

DUKE ENERGY KENTUCKY, INC
CASE NO: 2009-00202
OPERATING REVENUES AND EXPENSES BY ACCOUNTS - JURISDICTIONAL
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009

DATA: "X" BASE PERIOD FORECASTED PERIOD
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WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	ACCOUNT NO	ACCOUNT TITLE	UNADJUSTED TOTAL GAS (1)	JURISDICTIONAL % (2)	UNADJUSTED JURISDICTION (3)	JURISDICTIONAL METHOD / DESCRIPTION (4)
1		TAXES OTHER THAN INCOME TAXES				
2						
3		Other Federal Taxes				
4	408152	Insurance Contribution	471,533	100.000	471,533	DALL
5	408151	Unemployment Compensation	4,514	100.000	4,514	DALL
6		Total Other Federal	<u>476,047</u>		<u>476,047</u>	
7						
8		State and Other Taxes				
9	408150	Unemployment Compensation	6,252	100.000	6,252	DALL
10	408121	Property Tax	1,466,518	100.000	1,466,518	DALL
11	408550	Kentucky Highway Use	0	100.000	0	DALL
12	48960	Allocated Payroll Taxes	159,340	100.000	159,340	DALL
13		Total State & Other	<u>1,632,110</u>		<u>1,632,110</u>	
14						
15		Total Taxes Other Than				
16		Income Taxes	<u>2,108,157</u>		<u>2,108,157</u>	

DUKE ENERGY KENTUCKY, INC
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SCHEDULE C-2.1
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WITNESS RESPONSIBLE:
R. M. PARSONS

DATA: "X" BASE PERIOD FORECASTED PERIOD
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LINE NO.	ACCOUNT NO.	ACCOUNT TITLE	UNADJUSTED TOTAL GAS (1)	JURISDICTIONAL % (2)	UNADJUSTED JURISDICTION (3)	JURISDICTIONAL METHOD / DESCRIPTION (4)
1		State Income Tax Expense				
2	409160	Normal and Surtax	39,000	COMPUTED	39,000	
3	409104	State Income Tax - Pr. Yr. Adj	<u>64,915</u>	100.000	<u>64,915</u>	DALL
4		State Income Tax - Current	<u>103,915</u>		<u>103,915</u>	
5						
6	Various	Deferred State Income Taxes - Net	104,005	100.000	104,005	DALL
7						
8		Total State Income Taxes	<u>207,920</u>		<u>207,920</u>	
9						
10						
11		Federal Income Tax Expense				
12	409060	Normal and Surtax	188,713	COMPUTED	188,713	
13	409193	Federal Income Tax - Pr. Yr. Adj	<u>(636,607)</u>	100.000	<u>(636,607)</u>	DALL
14		Federal Income Tax - Current	<u>(447,894)</u>		<u>(447,894)</u>	
15						
16	Various	Deferred Federal Income Taxes - Net	590,110	100.000	590,110	DALL
17	411065	Amortization of Investment Tax Credit	<u>(62,001)</u>	100.000	<u>(62,001)</u>	DALL
18						
19		Total Federal Income Taxes	<u>80,215</u>		<u>80,215</u>	
20		Total Operating Expenses & Taxes	<u>114,221,426</u>		<u>114,221,426</u>	
21		Net Operating Income	<u>5,598,675</u>		<u>5,598,675</u>	

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
OPERATING REVENUES AND EXPENSES BY ACCOUNTS
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: BASE PERIOD "X" FORECASTED PERIOD
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PAGE 9 OF 16
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	ACCOUNT NO.	ACCOUNT TITLE	UNADJUSTED TOTAL GAS (1)	JURISDICTIONAL % (2)	UNADJUSTED JURISDICTION (3)	JURISDICTIONAL METHOD / DESCRIPTION (4)
1		REVENUE				
2						
3		Retail Revenue				
4		Residential				
5	480400	Residential Sales Gas	30,003,253	100.000	30,003,253	DALL
6	480603	Res DSM	0	100.000	0	DALL
7	480620	Res Gas Cost Recovery	47,965,528	100.000	47,965,528	DALL
8	480625	Res Merger Savings Credit Rider	(129,269)	100.000	(129,269)	DALL
9	480410	Residential Unbilled Gas	518,265	100.000	518,265	DALL
10		Total Residential	<u>78,357,777</u>		<u>78,357,777</u>	
11						
12		Commercial				
13	481400	Commercial Sales Gas	9,390,854	100.000	9,390,854	DALL
14	481603	Com DSM	0	100.000	0	DALL
15	481620	Com Gas Cost Recovery	24,249,066	100.000	24,249,066	DALL
16	481625	Com Merger Savings Credit Rider	(24,148)	100.000	(24,148)	DALL
17	481410	Commercial Unbilled Gas	207,539	100.000	207,539	DALL
18		Total Commercial	<u>33,823,311</u>		<u>33,823,311</u>	
19						
20		Industrial				
21	481450	Industrial Sales Gas	870,245	100.000	870,245	DALL
22	481660	Ind Gas Cost Recovery	2,809,071	100.000	2,809,071	DALL
23	481665	Ind Merger Savings Credit Rider	(3,009)	100.000	(3,009)	DALL
24	481460	Industrial Unbilled Gas	33,703	100.000	33,703	DALL
25		Total Industrial	<u>3,710,010</u>		<u>3,710,010</u>	
26						
27		Public Street & Highway Lighting				
28	482400	Public Str/Hgwy Lighting Gas	483	100.000	483	DALL
29	482620	SL Gas Cost Recovery	469	100.000	469	DALL
30		Total Public Street & Highway Lighting	<u>952</u>		<u>952</u>	
31						
32		Other Public Authority				
33	482450	Other Sales To Pub Authority Gas	1,216,249	100.000	1,216,249	DALL
34	482653	OPA DSM	0	100.000	0	DALL
35	482660	OPA Gas Cost Recovery	3,881,385	100.000	3,881,385	DALL
36	482665	OPA Merger Savings Credit Rider	(4,136)	100.000	(4,136)	DALL
37	482460	Other Sales To Pub Auth Unbill	42,079	100.000	42,079	DALL
38		Total Other Public Authority	<u>5,135,577</u>		<u>5,135,577</u>	
39						
40	484400	Interdepartmental Sales	43,376	100.000	43,376	DALL
41		Total Retail Revenue	<u>121,071,003</u>		<u>121,071,003</u>	

DUKE ENERGY KENTUCKY, INC.
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OPERATING REVENUES AND EXPENSES BY ACCOUNTS - JURISDICTIONAL
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: BASE PERIOD "X" FORECASTED PERIOD
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WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	ACCOUNT NO.	ACCOUNT TITLE	UNADJUSTED TOTAL GAS (1)	JURISDICTIONAL % (2)	UNADJUSTED JURISDICTION (3)	JURISDICTIONAL METHOD / DESCRIPTION (4)
1		Other Revenues				
2	487001	Late Payment Charges	0	100.000	0	DALL
3	488010	Miscellaneous Service Revenue	180	100.000	180	DALL
4	488020	Reconnection Charges	21,876	100.000	21,876	DALL
5	488100	Erlanger Gas Plant	514,092	100.000	514,092	DALL
6	488060	Bad Check Charge	10,116	100.000	10,116	DALL
7	488070	Field Collection Charges	3,840	100.000	3,840	DALL
8	489000	Rev Transp Gas of Others	1,059,928	100.000	1,059,928	DALL
9	489010	Rev Transp Gas of Others - Inter Co.	600,696	100.000	600,696	DALL
10	489025	Trans Merger Savings Cr Rider	(3,683)	100.000	(3,683)	DALL
11	489110	Rev Firm Transp Agm-Commer Bld	365,608	100.000	365,608	DALL
12	489115	Comm Rev Transp-Unbilled	17	100.000	17	DALL
13	489120	Rev Firm Transp Agreements - Industrial	1,598,260	100.000	1,598,260	DALL
14	489125	Indust Rev Transp-Unbilled	(5,481)	100.000	(5,481)	DALL
15	489130	Rev Firm Transp Agree - Other	527,024	100.000	527,024	DALL
16	489135	Other Rev Transp-Unbilled	(585)	100.000	(585)	DALL
17	489160	Com Transp Gas Cost Recovery	0	100.000	0	DALL
18	489165	Com Transp Merger Savings Cr Rider	(1,015)	100.000	(1,015)	DALL
19	489170	Ind Transp Gas Cost Recovery	0	100.000	0	DALL
20	489175	Ind Transp Merger Savings Cr Rider	(5,480)	100.000	(5,480)	DALL
21	489180	OPA Transp Gas Cost Recovery	0	100.000	0	DALL
22	489185	OPA Transp Merger Savings Cr Rider	(1,613)	100.000	(1,613)	DALL
23	493040	Rent Land & Buildings - Assoc.	34,176	100.000	34,176	DALL
24	495020	Sales Use Tax Collection Fee	18,000	100.000	18,000	DALL
25	495,030	Gas Losses - Damaged Lines	11,664	100.000	11,664	DALL
26		Total Other Revenues	<u>4,747,620</u>		<u>4,747,620</u>	
27						
28		Total Revenue	<u>125,818,623</u>		<u>125,818,623</u>	

DUKE ENERGY KENTUCKY, INC
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OPERATING REVENUES AND EXPENSES BY ACCOUNTS - JURISDICTIONAL
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: BASE PERIOD "X" FORECASTED PERIOD
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WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO	ACCOUNT NO.	ACCOUNT TITLE	UNADJUSTED TOTAL GAS (1)	JURISDICTIONAL % (2)	UNADJUSTED JURISDICTION (3)	JURISDICTIONAL METHOD / DESCRIPTION (4)
1		OPERATING EXPENSES				
2		Production Expense				
3		Manufactured Gas Expense				
4		Operation				
5	711000	Steam Expenses	23,158	100.000	23,158	DALL
6	712000	Other Power Expenses	16,734	100.000	16,734	DALL
7	717000	Liquefied Petroleum Expense	5,163	100.000	5,163	DALL
8	728000	Liquefied Petroleum Gas	82,775	100.000	82,775	DALL
9	735000	Miscellaneous Production Expense	31,064	100.000	31,064	DALL
10	736000	Rents	65,447	100.000	65,447	DALL
11		Total Operation	<u>224,341</u>		<u>224,341</u>	
12						
13		Maintenance				
14	742000	Maintenance of Production Expense	126,356	100.000	126,356	DALL
15		Total Maintenance	<u>126,356</u>		<u>126,356</u>	
16		Total Production Expense	<u>350,697</u>		<u>350,697</u>	
17						
18		Other Gas Supply Expense				
19		Purchased Gas Expense				
20	801000	Natural Gas Field Line Purchases	78,939,367	100.000	78,939,367	DALL
21	805200	Purchased Gas Costs - Unbilled	846,223	100.000	846,223	DALL
22	807000	Gas Purchased Expense	589,496	100.000	589,496	DALL
23		Total Other Gas Supply Expense	<u>80,375,086</u>		<u>80,375,086</u>	

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
OPERATING REVENUES AND EXPENSES BY ACCOUNTS - JURISDICTIONAL
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE C-2.1
PAGE 12 OF 16
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	ACCOUNT NO.	ACCOUNT TITLE	UNADJUSTED TOTAL GAS (1)	JURISDICTIONAL % (2)	UNADJUSTED JURISDICTION (3)	JURISDICTIONAL METHOD / DESCRIPTION (4)
1		Distribution Expenses				
2						
3		Operation				
4	870000	Supervision and Engineering	100,536	100.000	100,536	DALL
5	871000	Load Dispatching	94,425	100.000	94,425	DALL
6	874000	Mains and Services	1,643,396	100.000	1,643,396	DALL
7	875000	Measuring and Reg. Stations - General	30,483	100.000	30,483	DALL
8	876000	Measuring and Reg. Stations - Industrial	236,847	100.000	236,847	DALL
9	878000	Meters and House Regulators	183,835	100.000	183,835	DALL
10	879000	Customer Installations	945,910	100.000	945,910	DALL
11	880000	Other Expenses	495,039	100.000	495,039	DALL
12	881000	Rents Interco	400,250	100.000	400,250	DALL
13		Total Operation	<u>4,130,721</u>		<u>4,130,721</u>	
14						
15						
16		Maintenance				
17	885000	Supervision and Engineering	28,864	100.000	28,864	DALL
18	887000	Mains	985,106	100.000	985,106	DALL
19	889000	Measuring and Regulating Stations - General	56,787	100.000	56,787	DALL
20	890000	Measuring and Regulating Stations - Industrial	0	100.000	0	DALL
21	892000	Services	708,338	100.000	708,338	DALL
22	893000	Meters	8,806	100.000	8,806	DALL
23	894000	Other	24,240	100.000	24,240	DALL
24		Total Maintenance	<u>1,812,141</u>		<u>1,812,141</u>	
25		Total Distribution Expenses	<u>5,942,862</u>		<u>5,942,862</u>	

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
OPERATING REVENUES AND EXPENSES BY ACCOUNTS - JURISDICTIONAL
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE C-2.1
PAGE 13 OF 16
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	ACCOUNT NO.	ACCOUNT TITLE	UNADJUSTED TOTAL GAS (1)	JURISDICTIONAL % (2)	UNADJUSTED JURISDICTION (3)	JURISDICTIONAL METHOD / DESCRIPTION (4)
1		Customer Accounts Expense				
2						
3		Operation				
4	901000	Supervision & Engineering	0	100.000	0	DALL
5	902000	Meter Reading Expense	777,488	100.000	777,488	DALL
6	903000	Customer Records & Collections	1,936,912	100.000	1,936,912	DALL
7	904000	Uncollectible Accounts	1,403,255	100.000	1,403,255	DALL
8	905000	Cust Reltns Billg & Coll-Gas	0	100.000	0	DALL
9		Total Customer Accounts Expense	<u>4,117,655</u>		<u>4,117,655</u>	
10						
11		Customer Services & Information Expense				
12						
13		Operation				
15	908000	Customer Assistance	159,070	Alloc Sch F-3	159,070	DALL
16	909000	Information and Instructional Advertising	0	Alloc Sch F-3	0	DALL
17	910000	Misc Cust Serv and Info - Gas	373,459	Alloc Sch F-3	373,459	DALL
18		Total Customer Services & Information Expense	<u>532,529</u>		<u>532,529</u>	
19						
20						
21		Sales Expense				
22						
23		Operation				
24	911000	Supervision	0	Alloc Sch F-3	0	DALL
27	916000	Misc. Sales Expense	0	Alloc Sch F-3	0	DALL
28		Total Sales Expense	<u>0</u>		<u>0</u>	

DUKE ENERGY KENTUCKY, INC
CASE NO. 2009-00202
OPERATING REVENUES AND EXPENSES BY ACCOUNTS - JURISDICTIONAL
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPC-2 1a

SCHEDULE C-2.1
PAGE 14 OF 16
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO	ACCOUNT NO	ACCOUNT TITLE	UNADJUSTED TOTAL GAS (1)	JURISDICTIONAL % (2)	UNADJUSTED JURISDICTION (3)	JURISDICTIONAL METHOD / DESCRIPTION (4)
1		Administrative & General Expense				
2						
3		Operation				
4	920000	Administrative & General Salaries	2,607,552	100.000	2,607,552	DALL
5	921	Office Supplies & Expenses	1,353,416	100.000	1,353,416	DALL
6	923000	Outside Services Employed	1,904,139	100.000	1,904,139	DALL
7	924000	Property Insurance	131,418	100.000	131,418	DALL
8	925000	Injuries & Damages	103,662	100.000	103,662	DALL
9	926	Employee Pension & Benefits	1,243,304	100.000	1,243,304	DALL
10	928000	State Reg. Commission Expense	590,384	100.000	590,384	DALL
11	929010	Duplicate Charges-Credit	(6,043)	100.000	(6,043)	DALL
12	930000	General Advertising Expenses	116,979	Alloc Sch F-3	116,979	DALL
13	931000	Rents	1,205,621	100.000	1,205,621	DALL
14		Total Operation	<u>9,250,432</u>		<u>9,250,432</u>	
15						
16		Maintenance				
17	935000	Maintenance of General Plant	610,973	100.000	610,973	DALL
18		Total Administrative & General	<u>9,861,405</u>		<u>9,861,405</u>	
19		Total Operating Expense	<u>101,180,234</u>		<u>101,180,234</u>	
20						
21		Depreciation Expense				
22						
23	403000	Total Depreciation Expense	<u>9,595,876</u>	100.000	<u>9,595,876</u>	DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
OPERATING REVENUES AND EXPENSES BY ACCOUNTS - JURISDICTIONAL
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISIONS
WORK PAPER REFERENCE NO(S) : WPC-2.1a

SCHEDULE C-2.1
PAGE 15 OF 16
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	ACCOUNT NO.	ACCOUNT TITLE	UNADJUSTED TOTAL GAS (1)	JURISDICTIONAL % (2)	UNADJUSTED JURISDICTION (3)	JURISDICTIONAL METHOD / DESCRIPTION (4)
1		TAXES OTHER THAN INCOME TAXES				
2						
3		Other Federal Taxes				
4	408152	Insurance Contribution	637,163	100.000	637,163	DALL
5	408151	Unemployment Compensation	<u>0</u>	100.000	<u>0</u>	DALL
6		Total Other Federal	<u>637,163</u>		<u>637,163</u>	
7						
8		State and Other Taxes				
9	408150	Unemployment Compensation	0	100.000	0	DALL
10	408121	Property Tax	4,388,684	100.000	4,388,684	DALL
11	408550	Kentucky Highway Use	1,956	100.000	1,956	DALL
12	48960	Allocated Payroll Taxes	<u>0</u>	100.000	<u>0</u>	DALL
13		Total State & Other	<u>4,390,640</u>		<u>4,390,640</u>	
14						
15		Total Taxes Other Than				
16		Income Taxes	<u>5,027,803</u>		<u>5,027,803</u>	

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
OPERATING REVENUES AND EXPENSES BY ACCOUNTS - JURISDICTIONAL
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE C-2 1
PAGE 16 OF 16
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	ACCOUNT NO.	ACCOUNT TITLE	UNADJUSTED TOTAL GAS (1)	JURISDICTIONAL % (2)	UNADJUSTED JURISDICTION (3)	JURISDICTIONAL METHOD / DESCRIPTION (4)
1		State Income Taxes				
2	409160	Normal and Surtax	(67,691)	COMPUTED	(67,691)	
3	409104	State Income Tax - Pr. Yr. Adj.	0	100.000	0	DALL
4		State Income Tax - Current	(67,691)		(67,691)	
5						
6	410160, 411107	Deferred State Income Taxes - Net	420,768	100.000	420,768	DALL
7						
8		Total State Income Taxes	353,077		353,077	
9						
10						
11		Federal Income Tax Expense				
12	409060	Normal and Surtax	153,700	COMPUTED	153,700	
13	409193	Federal Income Tax - Pr. Yr. Adj.	0	100.000	0	DALL
14	409980	Allocated from the Service Company	0	100.000	0	DALL
15		Federal Income Tax - Current	153,700		153,700	
16						
17	410060	Deferred Federal Income Taxes - Net	1,764,742	100.000	1,764,742	DALL
18	411065	Amortization of Investment Tax Credit	(72,657)	100.000	(72,657)	DALL
19						
20		Total Federal Income Taxes	1,845,785		1,845,785	
21		Total Operating Expenses & Taxes	118,002,775		118,002,775	
22		Net Operating Income	7,815,848		7,815,848	

DUKE ENERGY KENTUCKY, INC
CASE NO 2008-XXX
COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2009
AND THE TWELVE MONTHS ENDED AUGUST 31, 2008

SCHEDULE C-2 2
PAGE 1 OF 14
WITNESS RESPONSIBLE:
R M PARSONS

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

Account	Description	Total			
		Base	Prior	Variance	% Change
403	Depreciation Expenses	8,549,129	7,474,217	1,074,912	14.38%
404	Amort Exp - Limited Term	648,301	613,822	34,479	5.62%
407	Amortization Expenses	(94,510)	(3,383,173)	3,288,663	97.21%
408	Taxes Other Than Income Taxes	2,108,157	3,069,879	(961,722)	(31.33)%
409	Current Income Taxes	(343,979)	5,859,806	(6,203,785)	(105.87)%
410	Deferred Income Taxes - Deferrals	2,588,596	8,782,003	(6,193,407)	(70.52)%
411	Deferred Income Taxes - Writebacks	(1,956,482)	(13,792,338)	11,835,856	85.81%
480	Residential Sales	80,507,896	91,344,700	(10,836,804)	(11.86)%
481	Commercial and Industrial Sales	36,912,826	45,416,518	(8,503,692)	(18.72)%
482	Public Street and Highway Lighting \ OPA	4,323,074	6,175,658	(1,852,584)	(30.00)%
484	Interdepartmental Sales	46,106	51,603	(5,497)	(10.65)%
487	Forfeited Discounts	0	0	0	-
488	Miscellaneous Service Revenues	567,733	509,529	58,204	11.42%
489	Transportation	4,927,918	4,940,559	(12,641)	(0.26)%
493	Rent Land & Buildings - Assoc	34,176	34,176	0	-
495	Sales Use Tax Collection Fee	18,000	16,711	1,289	7.71%
496	Provision for Rate Refunds	(7,517,628)	0	(7,517,628)	-
711	Gas Boiler Labor	10,097	7,060	3,037	43.02%
712	Gas Production - Other Expense	6,576	5,194	1,382	26.61%
717	Liquid Petroleum Gas Expense	22,603	6,720	15,883	236.35%
728	Liquid Petroleum Gas	122,194	552,358	(430,164)	(77.88)%
735	Miscellaneous Prod Expense	23,625	21,536	2,089	9.70%
736	Rents	66,996	66,996	0	-
742	Production Equipment	58,935	90,912	(31,977)	(35.17)%
801	Natural Gas Field Line Purchase	86,021,207	98,567,124	(12,545,917)	(12.73)%
805	Unrecovered Purch Gas Adjustment	(5,403,987)	6,355,870	(11,759,857)	(185.02)%
807	Gas Purchased Expenses	516,458	436,833	79,625	18.23%
813	Other Gas Supply Expenses	(84)	133	(217)	(163.16)%
856	Mains Expense	0	571	(571)	(100.00)%
859	Other Expenses	0	881	(881)	(100.00)%
870	Dist Supervision & Engineering	74,503	118,997	(44,494)	(37.39)%
871	Distribution Load Dispatching	145,112	119,560	25,552	21.37%
874	Mains And Services	1,870,283	1,687,787	182,496	10.81%
875	Measuring & Reg Stations - Gen	22,047	18,841	3,206	17.02%
876	Measuring & Reg Stations - Ind	29,193	20,549	8,644	42.07%
878	Meter And House Regulators	644,951	(562)	645,513	114859.96%
879	Customer Installations	801,695	869,279	(67,584)	(7.77)%
880	Gas Distribution Other Expense	434,892	559,262	(124,370)	(22.24)%
881	Rents Interco	387,624	387,624	0	-
885	Maint- Supervision & Engineeri	10,408	38,190	(27,782)	(72.75)%
887	Maintenance Of Mains	625,235	592,435	32,800	5.54%
889	Maint- Measuring & Reg Stat -	38,302	45,807	(7,505)	(16.38)%
890	Maint- Measuring & Reg Stat -	5,323	425	4,898	1152.47%
892	Maintenance Of Services	571,513	752,423	(180,910)	(24.04)%
893	Maintenance Of Meters & House	337,574	326,398	11,176	3.42%
894	Maint - Other Distribution Equipment	47,376	39,083	8,293	21.22%
901	Supervision	4,533	13,883	(9,350)	(67.35)%
902	Meter Reading Expenses	725,027	627,461	97,566	15.55%
903	Customer Record and Collection Expenses	1,948,994	2,002,388	(53,394)	(2.67)%
904	Uncollectible Accounts	1,023,144	1,185,106	(161,962)	(13.67)%
905	Miscellaneous Customer Accounts Expense	0	52,556	(52,556)	(100.00)%
908	Customer Assistance Expense	131,529	177,576	(46,047)	(25.93)%
909	Informational and Instructional Expenses	3,574	22,945	(19,371)	(84.42)%
910	Misc. Customer Service and Information Exp.	472,830	457,375	15,455	3.38%
911	Supervision	0	35	(35)	(100.00)%
916	Miscellaneous Sales Expenses	0	0	0	-
920	Administrative and General Salaries	2,988,199	3,855,305	(867,106)	(22.49)%
921	Office Supplies and Expenses	1,630,952	1,726,515	(95,563)	(5.54)%
922	Administrative Expenses Transferred - Credit	122,854	(121,136)	243,990	201.42%
923	Outside Services Employed	1,657,142	1,920,855	(263,713)	(13.73)%
924	Property Insurance	239,101	110,049	129,052	117.27%
925	Injuries and Damages	104,150	66,111	38,039	57.54%
926	Employee Pension and Benefits	2,791,693	1,809,282	982,411	54.30%
927	General & Administration	58	104	(46)	(44.23)%

DUKE ENERGY KENTUCKY, INC
CASE NO. 2008-XXX
COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2009
AND THE TWELVE MONTHS ENDED AUGUST 31, 2008

SCHEDULE C-2.2
PAGE 2 OF 14
WITNESS RESPONSIBLE:
R. M. PARSONS

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

Account	Description	Total			
		Base	Prior	Variance	% Change
403	Depreciation Expenses	8,549,129	7,474,217	1,074,912	14.38%
404	Amort Exp - Limited Term	648,301	613,822	34,479	5.62%
928	Regulatory Commission Expenses	549,502	322,737	226,765	70.26%
929	Duplicate Charges - Credit	(506,400)	(32,582)	(473,818)	(1454.23)%
930	Miscellaneous General Expenses	129,695	283,563	(153,868)	(54.26)%
931	Rents	889,954	1,217,221	(327,267)	(26.89)%
935	Maintenance of General Plant	325,032	127,641	197,391	154.65%

DUKE ENERGY KENTUCKY, INC
CASE NO 2008-XXX
COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2009
AND THE TWELVE MONTHS ENDED AUGUST 31, 2008

SCHEDULE C-2
PAGE 3 OF 14
WITNESS RESPONSIBLE:
R M PARSONS

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

Account	Description	October 2008			November 2008		
		Base	Prior	Variance	Base	Prior	Variance
403	Depreciation Expenses	664,777	598,350	66,427	673,669	613,045	60,624
404	Amort Exp - Limited Term	50,958	48,348	2,610	61,744	48,349	13,395
407	Amortization Expenses	(7,897)	(72,197)	64,300	(26,562)	(209,165)	182,603
408	Taxes Other Than Income Taxes	471,347	(468,396)	939,743	335,765	298,782	36,983
409	Current Income Taxes	125,670	(910,239)	1,035,909	18,976	(1,395,781)	1,414,757
410	Deferred Income Taxes - Deferrals	1,415	2,905,357	(2,903,942)	1,406	(3,545,877)	3,547,283
411	Deferred Income Taxes - Writebacks	6,504	(1,520,496)	1,527,000	(6,277)	3,612,731	(3,619,008)
480	Residential Sales	4,943,898	3,892,919	1,050,979	7,309,197	6,950,526	358,671
481	Commercial and Industrial Sales	1,875,852	1,881,637	(5,785)	3,577,566	3,226,948	350,618
482	Public Street and Highway Lighting \ OPA	299,097	155,036	144,061	460,529	573,665	(113,136)
484	Interdepartmental Sales	710	100	610	4,045	4,034	11
487	Forfeited Discounts	0	0	0	0	0	0
488	Miscellaneous Service Revenues	48,871	46,307	2,564	48,201	47,924	277
489	Transportation	491,192	418,510	72,682	561,544	458,112	103,432
493	Rent Land & Buildings - Assoc.	2,848	2,848	0	2,848	2,848	0
495	Sales Use Tax Collection Fee	1,500	601	899	1,500	601	899
496	Provision for Rate Refunds	0	0	0	0	0	0
711	Gas Boiler Labor	62	0	62	0	582	(582)
712	Gas Production - Other Expense	115	8	107	450	336	114
717	Liquid Petroleum Gas Expense	634	2,720	(2,086)	70	596	(526)
728	Liquid Petroleum Gas	0	477,517	(477,517)	0	0	0
735	Miscellaneous Prod Expense	1,347	2,662	(1,315)	794	1,270	(476)
736	Rents	5,583	5,583	0	5,583	5,583	0
742	Production Equipment	6,474	8,349	(1,875)	10,414	14,291	(3,877)
801	Natural Gas Field Line Purchase	4,393,212	4,123,669	269,543	10,931,258	9,225,817	1,705,441
805	Unrecovered Purch Gas Adjustment	(623,276)	(1,437,736)	814,460	(2,524,590)	(1,233,519)	(1,291,071)
807	Gas Purchased Expenses	37,845	31,378	6,467	26,779	31,583	(4,804)
813	Other Gas Supply Expenses	(93)	0	(93)	67	0	67
856	Mains Expense	0	0	0	0	0	0
859	Other Expenses	0	881	(881)	0	0	0
870	Dist Supervision & Engineering	10,220	9,452	768	5,551	9,080	(3,529)
871	Distribution Load Dispatching	13,444	9,188	4,256	11,197	7,596	3,601
874	Mains And Services	194,101	109,588	84,513	150,694	290,376	(139,682)
875	Measuring & Reg Stations - Gen	7,588	1,723	5,865	3,279	281	2,998
876	Measuring & Reg Stations - Ind	1,082	3,617	(2,535)	4,197	3,260	937
878	Meter And House Regulators	127,554	19,995	107,559	243,574	(7,218)	250,792
879	Customer Installations	87,099	54,188	32,911	69,043	51,197	17,846
880	Gas Distribution Other Expense	39,160	69,354	(30,194)	45,672	69,639	(23,967)
881	Rents Interco	32,302	32,302	0	32,302	32,302	0
885	Maint- Supervision & Engineeri	913	4,210	(3,297)	1,049	2,822	(1,773)
887	Maintenance Of Mains	112,579	73,745	38,834	61,371	52,440	8,931
889	Maint- Measuring & Reg Stat -	5,786	4,239	1,547	1,035	3,656	(2,621)
890	Maint- Measuring & Reg Stat -	0	0	0	9	0	9
892	Maintenance Of Services	39,733	38,772	961	44,904	60,557	(15,653)
893	Maintenance Of Meters & House	53,064	23,649	29,415	46,671	8,333	38,338
894	Maint - Other Distribution Equipment	7,436	(2,565)	10,001	9,785	697	9,088
901	Supervision	501	2,628	(2,127)	223	841	(618)
902	Meter Reading Expenses	61,908	55,533	6,375	47,307	48,527	(1,220)
903	Customer Record and Collection Expenses	162,224	171,786	(9,562)	166,607	178,698	(12,091)
904	Uncollectible Accounts	99,231	79,913	19,318	92,211	86,789	5,422
905	Miscellaneous Customer Accounts Expense	0	0	0	0	12	(12)
908	Customer Assistance Expense	9,911	20,622	(10,711)	10,249	25,447	(15,198)
909	Informational and Instructional Expenses	0	1	(1)	0	1	(1)
910	Misc. Customer Service and Information Exp.	56,557	62,991	(6,434)	5,975	23,159	(17,184)
911	Supervision	0	5	(5)	0	5	(5)
916	Miscellaneous Sales Expenses	0	0	0	0	0	0
920	Administrative and General Salaries	223,573	393,182	(169,609)	173,903	1,118,052	(944,149)
921	Office Supplies and Expenses	179,279	115,638	63,641	145,950	154,591	(8,641)
922	Administrative Expenses Transferred - Credit	9	(25)	34	13	(6)	19
923	Outside Services Employed	126,318	154,531	(28,213)	126,180	195,032	(68,852)
924	Property Insurance	9,006	14,750	(5,744)	11,548	25,714	(14,166)
925	Injuries and Damages	2,120	(1,661)	3,781	1,890	1,211	679
926	Employee Pension and Benefits	397,500	302,367	95,133	291,484	277,990	13,494
927	General & Administration	37	0	37	20	0	20

DUKE ENERGY KENTUCKY, INC
CASE NO 2008-XXX
COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2009
AND THE TWELVE MONTHS ENDED AUGUST 31, 2008

SCHEDULE C-2.2
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WITNESS RESPONSIBLE:
R M PARSONS

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

Account	Description	October 2008			November 2008		
		Base	Prior	Variance	Base	Prior	Variance
403	Depreciation Expenses	664,777	598,350	66,427	673,669	613,045	60,624
404	Amort Exp - Limited Term	50,958	48,348	2,610	61,744	48,349	13,395
928	Regulatory Commission Expenses	48,327	115,724	(67,397)	45,609	(359,557)	405,166
929	Duplicate Charges - Credit	(37,940)	0	(37,940)	(38,023)	(39)	(37,984)
930	Miscellaneous General Expenses	9,026	16,942	(7,916)	7,821	33,955	(26,134)
931	Rents	53,352	104,773	(51,421)	52,919	109,141	(56,222)
935	Maintenance of General Plant	8,397	13,213	(4,816)	7,127	11,588	(4,461)

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2008-XXX
COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2009
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SCHEDULE C-2.2
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WITNESS RESPONSIBLE:
R. M. PARSONS

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

Account	Description	December 2008			January 2009		
		Base	Prior	Variance	Base	Prior	Variance
403	Depreciation Expenses	662,890	619,894	42,996	665,511	621,883	43,628
404	Amort Exp - Limited Term	52,276	48,355	3,921	51,287	52,919	(1,632)
407	Amortization Expenses	(22,363)	(791,564)	769,201	(92,490)	(711,921)	619,431
408	Taxes Other Than Income Taxes	(1,964,756)	237,806	(2,202,562)	380,270	345,710	34,560
409	Current Income Taxes	18,976	3,379,871	(3,360,895)	18,976	1,445,703	(1,426,727)
410	Deferred Income Taxes - Deferrals	1,251	3,104,238	(3,102,987)	1,406	(271,807)	273,213
411	Deferred Income Taxes - Writebacks	(5,392)	(6,870,556)	6,865,164	(6,220)	191,028	(197,248)
480	Residential Sales	15,095,599	14,056,366	1,039,233	17,238,058	16,271,040	967,018
481	Commercial and Industrial Sales	7,553,773	7,091,864	461,909	7,964,034	8,039,491	(75,457)
482	Public Street and Highway Lighting \ OPA	775,431	817,717	(42,286)	952,964	1,234,043	(281,079)
484	Interdepartmental Sales	10,330	8,710	1,620	11,721	10,756	965
487	Forfeited Discounts	0	0	0	0	0	0
488	Miscellaneous Service Revenues	46,243	3,285	42,958	45,388	45,635	(247)
489	Transportation	429,424	585,811	(156,387)	609,483	563,176	46,307
493	Rent Land & Buildings - Assoc.	2,848	2,848	0	2,848	2,848	0
495	Sales Use Tax Collection Fee	1,500	601	899	1,500	7,403	(5,903)
496	Provision for Rate Refunds	(7,517,628)	0	(7,517,628)	0	0	0
711	Gas Boiler Labor	2,504	1,194	1,310	0	1,562	(1,562)
712	Gas Production - Other Expense	1,058	798	260	2,458	955	1,503
717	Liquid Petroleum Gas Expense	71	1,498	(1,427)	418	351	67
728	Liquid Petroleum Gas	14,353	11,153	3,200	86,442	29,623	56,819
735	Miscellaneous Prod Expense	1,959	1,320	639	7,152	2,634	4,518
736	Rents	5,583	5,583	0	5,583	5,583	0
742	Production Equipment	7,873	7,909	(36)	15,762	4,135	11,627
801	Natural Gas Field Line Purchase	17,121,558	14,560,564	2,560,994	20,073,123	19,464,914	608,209
805	Unrecovered Purch Gas Adjustment	600,673	2,669,981	(2,069,308)	(866,410)	537,511	(1,403,921)
807	Gas Purchased Expenses	59,171	47,143	12,028	42,239	29,765	12,474
813	Other Gas Supply Expenses	(83)	0	(83)	(23)	0	(23)
856	Mains Expense	0	0	0	0	0	0
859	Other Expenses	0	0	0	0	0	0
870	Dist Supervision & Engineering	10,525	5,909	4,616	10,953	11,889	(936)
871	Distribution Load Dispatching	12,786	10,187	2,599	12,979	9,125	3,854
874	Mains And Services	174,745	175,681	(936)	150,026	121,132	28,894
875	Measuring & Reg Stations - Gen	1,634	252	1,382	156	208	(52)
876	Measuring & Reg Stations - Ind	2,231	2,175	56	1,666	1,046	620
878	Meter And House Regulators	(333,645)	2,423	(336,068)	47,711	(9,396)	57,107
879	Customer Installations	93,248	80,237	13,011	81,901	71,724	10,177
880	Gas Distribution Other Expense	31,652	115,769	(84,117)	43,053	52,594	(9,541)
881	Rents Interco	32,302	32,302	0	32,302	32,302	0
885	Maint- Supervision & Engineeri	(120)	2,360	(2,480)	910	3,800	(2,890)
887	Maintenance Of Mains	41,558	62,306	(20,748)	44,377	43,733	644
889	Maint- Measuring & Reg Stat -	3,293	5,331	(2,038)	1,835	2,513	(678)
890	Maint- Measuring & Reg Stat -	373	0	373	325	80	245
892	Maintenance Of Services	19,314	28,373	(9,059)	16,108	18,209	(2,101)
893	Maintenance Of Meters & House	14,842	5,279	9,563	49,160	9,848	39,312
894	Maint - Other Distribution Equipment	(12,521)	21,181	(33,702)	4,399	6,533	(2,134)
901	Supervision	(362)	706	(1,068)	494	1,222	(728)
902	Meter Reading Expenses	55,755	29,825	25,930	74,963	47,674	27,289
903	Customer Record and Collection Expenses	164,374	164,273	101	154,074	135,049	19,025
904	Uncollectible Accounts	159,471	156,092	3,379	107,703	149,396	(41,693)
905	Miscellaneous Customer Accounts Expense	0	67,532	(67,532)	0	4	(4)
908	Customer Assistance Expense	16,298	27,744	(11,446)	6,556	15,874	(9,318)
909	Informational and Instructional Expenses	0	22,943	(22,943)	0	0	0
910	Misc. Customer Service and Information Exp.	51,664	62,294	(10,630)	35,396	23,171	12,225
911	Supervision	0	5	(5)	0	5	(5)
916	Miscellaneous Sales Expenses	0	0	0	0	0	0
920	Administrative and General Salaries	523,648	325,455	198,193	321,324	265,933	55,391
921	Office Supplies and Expenses	198,104	158,235	39,869	174,428	134,403	40,025
922	Administrative Expenses Transferred - Credit	122,639	1,220	121,419	36	0	36
923	Outside Services Employed	238,317	326,437	(88,120)	148,261	41,482	106,779
924	Property Insurance	10,190	(11,977)	22,167	13,785	5,733	8,052
925	Injuries and Damages	2,074	630	1,444	4,942	1,001	3,941
926	Employee Pension and Benefits	480,650	293,801	186,849	231,403	183,822	47,581
927	General & Administration	1	0	1	2	0	2

DUKE ENERGY KENTUCKY, INC
CASE NO 2008-XXX
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FOR THE TWELVE MONTHS ENDED AUGUST 31, 2009
AND THE TWELVE MONTHS ENDED AUGUST 31, 2008

SCHEDULE C-2.2
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WITNESS RESPONSIBLE:
R M PARSONS

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

Account	Description	December 2008			January 2009		
		Base	Prior	Variance	Base	Prior	Variance
403	Depreciation Expenses	662,890	619,894	42,996	665,511	621,883	43,628
404	Amort Exp - Limited Term	52,276	48,355	3,921	51,287	52,919	(1,632)
928	Regulatory Commission Expenses	45,615	69,273	(23,658)	45,615	69,273	(23,658)
929	Duplicate Charges - Credit	(233,362)	(21)	(233,341)	(40,897)	(85)	(40,812)
930	Miscellaneous General Expenses	15,330	42,950	(27,620)	40,462	55,377	(14,915)
931	Rents	81,255	192,158	(110,903)	98,702	98,232	470
935	Maintenance of General Plant	11,837	14,107	(2,270)	19,945	11,673	8,272

DUKE ENERGY KENTUCKY, INC
CASE NO 2008-XXX
COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2009
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WITNESS RESPONSIBLE:
R M PARSONS

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

Account	Description	February 2009			March 2009		
		Base	Prior	Variance	Base	Prior	Variance
403	Depreciation Expenses	674,754	623,640	51,114	791,221	622,856	168,365
404	Amort Exp - Limited Term	52,554	52,958	(404)	56,020	52,962	3,058
407	Amortization Expenses	(87,134)	(721,837)	634,703	(58,792)	(539,854)	481,062
408	Taxes Other Than Income Taxes	352,774	364,644	(11,870)	440,450	340,449	100,001
409	Current Income Taxes	18,976	1,553,339	(1,534,363)	18,976	3,065,485	(3,046,509)
410	Deferred Income Taxes - Deferrals	1,406	(773,072)	774,478	1,406	(758,908)	760,314
411	Deferred Income Taxes - Writebacks	(6,219)	350,196	(356,415)	(6,220)	(1,925,471)	1,919,251
480	Residential Sales	12,156,396	16,010,684	(3,854,288)	7,343,707	12,908,132	(5,564,425)
481	Commercial and Industrial Sales	5,825,209	8,085,805	(2,260,596)	3,348,040	6,530,862	(3,182,822)
482	Public Street and Highway Lighting \ OPA	855,523	1,082,789	(227,266)	411,360	915,902	(504,542)
484	Interdepartmental Sales	10,640	10,795	(155)	5,102	9,390	(4,288)
487	Forfeited Discounts	0	0	0	0	0	0
488	Miscellaneous Service Revenues	46,008	44,767	1,241	46,253	45,890	363
489	Transportation	437,412	535,582	(98,170)	365,153	392,870	(27,717)
493	Rent Land & Buildings - Assoc.	2,848	2,848	0	2,848	2,848	0
495	Sales Use Tax Collection Fee	1,500	601	899	1,500	601	899
496	Provision for Rate Refunds	0	0	0	0	0	0
711	Gas Boiler Labor	4,045	1,661	2,384	0	0	0
712	Gas Production - Other Expense	820	1,790	(970)	511	489	22
717	Liquid Petroleum Gas Expense	292	179	113	238	64	174
728	Liquid Petroleum Gas	7,777	34,065	(26,288)	7,852	0	7,852
735	Miscellaneous Prod Expense	5,286	5,280	6	1,276	1,506	(230)
736	Rents	5,583	5,583	0	5,583	5,583	0
742	Production Equipment	5,962	12,601	(6,639)	3,233	9,581	(6,348)
801	Natural Gas Field Line Purchase	13,164,270	17,937,486	(4,773,216)	9,502,708	14,085,334	(4,582,626)
805	Unrecovered Purch Gas Adjustment	586,657	1,815,130	(1,228,473)	(2,228,311)	2,075,482	(4,303,793)
807	Gas Purchased Expenses	46,099	37,951	8,148	42,855	37,938	4,917
813	Other Gas Supply Expenses	116	0	116	0	0	0
856	Mains Expense	0	0	0	0	0	0
859	Other Expenses	0	0	0	0	0	0
870	Dist Supervision & Engineering	7,942	22,600	(14,658)	11,254	15,930	(4,676)
871	Distribution Load Dispatching	12,773	10,414	2,359	12,826	9,165	3,661
874	Mains And Services	63,172	77,964	(14,792)	95,530	113,728	(18,198)
875	Measuring & Reg Stations - Gen	674	380	294	3,359	283	3,076
876	Measuring & Reg Stations - Ind	674	1,047	(373)	5,039	1,879	3,160
878	Meter And House Regulators	27,207	106,111	(78,904)	75,175	(63,683)	138,858
879	Customer Installations	64,192	40,962	23,230	67,907	81,472	(13,565)
880	Gas Distribution Other Expense	21,900	95,744	(73,844)	35,351	42,563	(7,212)
881	Rents Interco	32,302	32,302	0	32,302	32,302	0
885	Maint- Supervision & Engineeri	1,024	6,389	(5,365)	1,070	4,167	(3,097)
887	Maintenance Of Mains	42,081	65,591	(23,510)	(12,241)	45,911	(58,152)
889	Maint- Measuring & Reg Stat -	4,319	1,479	2,840	4,283	2,880	1,403
890	Maint- Measuring & Reg Stat -	0	0	0	1,330	0	1,330
892	Maintenance Of Services	26,957	89,549	(62,592)	69,296	59,703	9,593
893	Maintenance Of Meters & House	28,315	37,664	(9,349)	18,419	25,865	(7,446)
894	Maint - Other Distribution Equipment	1,335	1,711	(376)	3,139	(3,277)	6,416
901	Supervision	219	955	(736)	804	1,012	(208)
902	Meter Reading Expenses	75,509	70,241	5,268	59,924	50,769	9,155
903	Customer Record and Collection Expenses	145,918	194,326	(48,408)	168,096	177,422	(9,326)
904	Uncollectible Accounts	96,127	115,659	(19,532)	81,037	102,356	(21,319)
905	Miscellaneous Customer Accounts Expense	0	0	0	0	2	(2)
908	Customer Assistance Expense	11,399	14,371	(2,972)	11,883	12,475	(592)
909	Informational and Instructional Expenses	0	0	0	0	0	0
910	Misc Customer Service and Information Exp.	26,012	21,776	4,236	42,889	22,948	19,941
911	Supervision	0	5	(5)	0	1	(1)
916	Miscellaneous Sales Expenses	0	0	0	0	0	0
920	Administrative and General Salaries	137,137	300,053	(162,916)	205,098	577,908	(372,810)
921	Office Supplies and Expenses	69,162	102,426	(33,264)	115,762	106,492	9,270
922	Administrative Expenses Transferred - Credit	(19)	0	(19)	(5)	(31,150)	31,145
923	Outside Services Employed	89,418	128,748	(39,330)	148,643	240,671	(92,028)
924	Property Insurance	32,299	11,904	20,395	23,088	8,819	14,269
925	Injuries and Damages	17,169	2,946	14,223	9,734	1,847	7,887
926	Employee Pension and Benefits	89,570	242,621	(153,051)	219,887	223,762	(3,875)
927	General & Administration	19	0	19	13	0	13

DUKE ENERGY KENTUCKY, INC
CASE NO. 2008-XXX
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FOR THE TWELVE MONTHS ENDED AUGUST 31, 2009
AND THE TWELVE MONTHS ENDED AUGUST 31, 2008

SCHEDULE C-2.2
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WITNESS RESPONSIBLE:
R M PARSONS

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

Account	Description	February 2009			March 2009		
		Base	Prior	Variance	Base	Prior	Variance
403	Depreciation Expenses	674,754	623,640	51,114	791,221	622,856	168,365
404	Amort Exp - Limited Term	52,554	52,958	(404)	56,020	52,962	3,058
928	Regulatory Commission Expenses	45,615	69,273	(23,658)	45,969	69,273	(23,304)
929	Duplicate Charges - Credit	(19,094)	0	(19,094)	(16,584)	0	(16,584)
930	Miscellaneous General Expenses	3,691	13,156	(9,465)	13,363	13,887	(524)
931	Rents	56,958	93,037	(36,079)	77,267	100,042	(22,775)
935	Maintenance of General Plant	34,965	13,922	21,043	32,713	6,661	26,052

DUKE ENERGY KENTUCKY, INC
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COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2009
AND THE TWELVE MONTHS ENDED AUGUST 31, 2008

SCHEDULE C-2
PAGE 9 OF 14
WITNESS RESPONSIBLE:
R M PARSONS

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

Account	Description	April 2009			May 2009		
		Base	Prior	Variance	Base	Prior	Variance
403	Depreciation Expenses	697,646	624,323	73,323	840,043	637,877	202,166
404	Amort Exp - Limited Term	49,829	52,962	(3,133)	54,217	52,964	1,253
407	Amortization Expenses	(34,649)	(218,075)	183,426	34,112	(86,657)	120,769
408	Taxes Other Than Income Taxes	346,620	319,533	27,087	348,155	325,787	22,368
409	Current Income Taxes	18,976	662,963	(643,987)	18,976	(106,131)	125,107
410	Deferred Income Taxes - Deferrals	1,406	(798,816)	800,222	1,406	(60,692)	62,098
411	Deferred Income Taxes - Writebacks	(6,220)	58,029	(64,249)	(6,219)	(311,432)	305,213
480	Residential Sales	4,318,390	6,859,866	(2,541,476)	2,787,748	3,570,278	(782,530)
481	Commercial and Industrial Sales	2,151,650	3,566,703	(1,415,053)	1,072,241	1,804,960	(732,719)
482	Public Street and Highway Lighting \ OPA	220,240	442,376	(222,136)	111,127	291,731	(180,604)
484	Interdepartmental Sales	2,485	3,501	(1,016)	2,537	2,888	(351)
487	Forfeited Discounts	0	0	0	0	0	0
488	Miscellaneous Service Revenues	47,299	45,417	1,882	48,274	46,136	2,138
489	Transportation	322,012	409,133	(87,121)	414,693	312,519	102,174
493	Rent Land & Buildings - Assoc.	2,848	2,848	0	2,848	2,848	0
495	Sales Use Tax Collection Fee	1,500	601	899	1,500	601	899
496	Provision for Rate Refunds	0	0	0	0	0	0
711	Gas Boiler Labor	0	1,657	(1,657)	0	157	(157)
712	Gas Production - Other Expense	218	184	34	215	94	121
717	Liquid Petroleum Gas Expense	906	84	822	2,744	253	2,491
728	Liquid Petroleum Gas	0	0	0	1,513	0	1,513
735	Miscellaneous Prod Expense	282	1,773	(1,491)	89	763	(674)
736	Rents	5,583	5,583	0	5,583	5,583	0
742	Production Equipment	3,588	5,662	(2,074)	569	7,744	(7,175)
801	Natural Gas Field Line Purchase	3,438,903	5,869,332	(2,430,429)	1,594,645	3,522,605	(1,927,960)
805	Unrecovered Purch Gas Adjustment	105,838	2,313,523	(2,207,685)	204,947	34,365	170,582
807	Gas Purchased Expenses	39,712	30,447	9,265	38,949	38,674	275
813	Other Gas Supply Expenses	(23)	0	(23)	47	0	47
856	Mains Expense	0	571	(571)	0	0	0
859	Other Expenses	0	0	0	0	0	0
870	Dist Supervision & Engineering	11,549	8,318	3,231	1,751	10,208	(8,457)
871	Distribution Load Dispatching	10,526	7,410	3,116	13,333	6,820	6,513
874	Mains And Services	154,584	162,842	(8,258)	172,404	155,367	17,037
875	Measuring & Reg Stations - Gen	108	210	(102)	67	377	(310)
876	Measuring & Reg Stations - Ind	3,527	383	3,144	868	2,576	(1,708)
878	Meter And House Regulators	15,312	(91,064)	106,376	9,279	(41,095)	50,374
879	Customer Installations	54,846	67,742	(12,896)	47,134	86,555	(39,421)
880	Gas Distribution Other Expense	29,492	38,319	(8,827)	32,937	40,933	(7,996)
881	Rents Interco	32,302	32,302	0	32,302	32,302	0
885	Maint- Supervision & Engineeri	1,080	3,924	(2,844)	963	4,075	(3,112)
887	Maintenance Of Mains	39,376	38,847	529	39,800	37,340	2,460
889	Maint- Measuring & Reg Stat -	4,586	3,324	1,262	3,686	6,544	(2,858)
890	Maint- Measuring & Reg Stat -	701	0	701	1	0	1
892	Maintenance Of Services	41,062	68,367	(27,305)	38,826	60,923	(22,097)
893	Maintenance Of Meters & House	21,207	21,559	(352)	25,405	22,323	3,082
894	Maint - Other Distribution Equipment	4,136	2,747	1,389	(12,382)	464	(12,846)
901	Supervision	505	1,141	(636)	286	1,888	(1,602)
902	Meter Reading Expenses	58,378	52,163	6,215	54,924	47,735	7,189
903	Customer Record and Collection Expenses	162,018	168,246	(6,228)	155,824	167,371	(11,547)
904	Uncollectible Accounts	66,502	70,757	(4,255)	60,683	74,138	(13,455)
905	Miscellaneous Customer Accounts Expense	0	2	(2)	0	4	(4)
908	Customer Assistance Expense	10,231	11,158	(927)	11,519	14,593	(3,074)
909	Informational and Instructional Expenses	0	0	0	3,574	0	3,574
910	Misc. Customer Service and Information Exp.	35,702	25,311	10,391	45,910	55,225	(9,315)
911	Supervision	0	6	(6)	0	3	(3)
916	Miscellaneous Sales Expenses	0	0	0	0	0	0
920	Administrative and General Salaries	212,247	57,288	154,959	238,865	193,078	45,787
921	Office Supplies and Expenses	143,773	156,506	(12,733)	101,636	158,159	(56,523)
922	Administrative Expenses Transferred - Credit	0	19	(19)	1	4	(3)
923	Outside Services Employed	181,443	103,550	77,893	67,040	189,022	(121,982)
924	Property Insurance	23,614	6,534	17,080	23,099	13,179	9,920
925	Injuries and Damages	11,080	2,264	8,816	11,065	2,259	8,806
926	Employee Pension and Benefits	199,483	268,334	(68,851)	161,281	252,150	(90,869)
927	General & Administration	10	0	10	16	0	16

DUKE ENERGY KENTUCKY, INC
CASE NO 2008-XXX
COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2009
AND THE TWELVE MONTHS ENDED AUGUST 31, 2008

SCHEDULE C-2.2
PAGE 10 OF 14
WITNESS RESPONSIBLE:
R M PARSONS

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

Account	Description	April 2009			May 2009		
		Base	Prior	Variance	Base	Prior	Variance
403	Depreciation Expenses	697,646	624,323	73,323	840,043	637,877	202,166
404	Amort Exp - Limited Term	49,829	52,962	(3,133)	54,217	52,964	1,253
928	Regulatory Commission Expenses	46,035	51,611	(5,576)	45,733	51,611	(5,878)
929	Duplicate Charges - Credit	(19,596)	(42)	(19,554)	(26,735)	0	(26,735)
930	Miscellaneous General Expenses	10,225	38,918	(28,693)	5,826	13,448	(7,622)
931	Rents	75,225	107,861	(32,636)	75,145	130,853	(55,708)
935	Maintenance of General Plant	33,452	13,724	19,728	34,823	8,129	26,694

DUKE ENERGY KENTUCKY, INC
CASE NO 2008-XXX
COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2009
AND THE TWELVE MONTHS ENDED AUGUST 31, 2008

SCHEDULE C-2 2
PAGE 11 OF 14
WITNESS RESPONSIBLE:
R M PARSONS

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

Account	Description	June 2009			July 2009		
		Base	Prior	Variance	Base	Prior	Variance
403	Depreciation Expenses	707,629	635,773	71,856	716,729	628,537	88,192
404	Amort Exp - Limited Term	54,261	50,936	3,325	55,047	50,939	4,108
407	Amortization Expenses	59,633	(9,679)	69,312	48,905	(8,294)	57,199
408	Taxes Other Than Income Taxes	336,583	327,991	8,592	361,262	50,116	311,146
409	Current Income Taxes	18,976	(2,517,633)	2,536,609	18,976	(1,200,703)	1,219,679
410	Deferred Income Taxes - Deferrals	1,406	16,872	(15,466)	1,406	8,441,883	(8,440,477)
411	Deferred Income Taxes - Writebacks	(6,220)	1,178,167	(1,184,387)	(6,220)	(5,856,338)	5,850,118
480	Residential Sales	2,347,581	2,409,391	(61,810)	2,335,619	3,322,605	(986,986)
481	Commercial and Industrial Sales	871,894	1,080,409	(208,515)	811,960	1,481,573	(669,613)
482	Public Street and Highway Lighting \ OPA	67,839	113,695	(45,856)	90,301	257,083	(166,782)
484	Interdepartmental Sales	(1,704)	14	(1,718)	63	1,006	(943)
487	Forfeited Discounts	0	0	0	0	0	0
488	Miscellaneous Service Revenues	49,131	46,725	2,406	47,483	46,324	1,159
489	Transportation	283,029	311,496	(28,467)	313,569	287,491	26,078
493	Rent Land & Buildings - Assoc	2,848	2,848	0	2,848	2,848	0
495	Sales Use Tax Collection Fee	1,500	601	899	1,500	1,500	0
496	Provision for Rate Refunds	0	0	0	0	0	0
711	Gas Boiler Labor	3,486	29	3,457	0	19	(19)
712	Gas Production - Other Expense	(4)	0	(4)	123	209	(86)
717	Liquid Petroleum Gas Expense	2,876	510	2,366	3,867	137	3,730
728	Liquid Petroleum Gas	624	0	624	2,447	0	2,447
735	Miscellaneous Prod Expense	127	1,330	(1,203)	340	805	(465)
736	Rents	5,583	5,583	0	5,583	5,583	0
742	Production Equipment	1,707	3,904	(2,197)	1,375	4,705	(3,330)
801	Natural Gas Field Line Purchase	1,303,756	2,783,730	(1,479,974)	1,458,950	2,564,785	(1,105,835)
805	Unrecovered Purch Gas Adjustment	7,351	(779,032)	786,383	(227,510)	410,802	(638,312)
807	Gas Purchased Expenses	43,316	25,369	17,947	60,071	69,817	(9,746)
813	Other Gas Supply Expenses	(23)	0	(23)	(93)	111	(204)
856	Mains Expense	0	0	0	0	0	0
859	Other Expenses	0	0	0	0	0	0
870	Dist Supervision & Engineering	(367)	8,361	(8,728)	3,027	2,546	481
871	Distribution Load Dispatching	12,675	7,824	4,851	11,779	25,466	(13,687)
874	Mains And Services	369,674	118,308	251,366	152,705	147,412	5,293
875	Measuring & Reg Stations - Gen	186	365	(179)	396	472	(76)
876	Measuring & Reg Stations - Ind	3,940	1,908	2,032	2,302	1,073	1,229
878	Meter And House Regulators	(41,734)	65,847	(107,581)	29,757	78,104	(48,347)
879	Customer Installations	73,125	71,145	1,980	48,654	87,486	(38,832)
880	Gas Distribution Other Expense	36,682	(50,941)	87,623	33,287	26,409	6,878
881	Rents Interco	32,302	32,302	0	32,302	32,302	0
885	Maint- Supervision & Engineeri	669	3,600	(2,931)	842	906	(64)
887	Maintenance Of Mains	76,156	40,198	35,958	66,397	52,193	14,204
889	Maint- Measuring & Reg Stat -	1,912	3,796	(1,884)	3,075	4,173	(1,098)
890	Maint- Measuring & Reg Stat -	522	0	522	0	0	0
892	Maintenance Of Services	75,911	30,031	45,880	93,257	171,667	(78,410)
893	Maintenance Of Meters & House	20,304	15,595	4,709	31,136	42,795	(11,659)
894	Maint - Other Distribution Equipment	8,035	(863)	8,898	6,996	5,247	1,749
901	Supervision	394	1,748	(1,354)	512	577	(65)
902	Meter Reading Expenses	56,015	45,769	10,246	72,503	53,803	18,700
903	Customer Record and Collection Expenses	151,118	162,773	(11,655)	185,949	159,533	26,416
904	Uncollectible Accounts	29,605	71,932	(42,327)	82,933	95,881	(12,948)
905	Miscellaneous Customer Accounts Expense	0	(15,003)	15,003	0	0	0
908	Customer Assistance Expense	9,680	9,945	(265)	13,469	21,078	(7,609)
909	Informational and Instructional Expenses	0	0	0	0	0	0
910	Misc. Customer Service and Information Exp.	26,216	32,505	(6,289)	61,787	45,337	16,450
911	Supervision	0	0	0	0	0	0
916	Miscellaneous Sales Expenses	0	0	0	0	0	0
920	Administrative and General Salaries	212,738	534,403	(321,665)	232,136	248,082	(15,946)
921	Office Supplies and Expenses	131,677	122,437	9,240	124,088	149,020	(24,932)
922	Administrative Expenses Transferred - Credit	28	(19,332)	19,360	0	(37,146)	37,146
923	Outside Services Employed	149,877	190,999	(41,122)	146,751	104,878	41,873
924	Property Insurance	23,442	8,819	14,623	23,585	8,855	14,730
925	Injuries and Damages	11,076	49,373	(38,297)	11,000	2,086	8,914
926	Employee Pension and Benefits	222,740	215,981	6,759	126,404	40,669	85,735
927	General & Administration	6	0	6	(66)	65	(131)

DUKE ENERGY KENTUCKY, INC
CASE NO 2008-XXX
COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2009
AND THE TWELVE MONTHS ENDED AUGUST 31, 2008

SCHEDULE C-2.2
PAGE 12 OF 14
WITNESS RESPONSIBLE:
R M PARSONS

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

Account	Description	June 2009			July 2009		
		Base	Prior	Variance	Base	Prior	Variance
403	Depreciation Expenses	707,629	635,773	71,856	716,729	628,537	88,192
404	Amort Exp - Limited Term	54,261	50,936	3,325	55,047	50,939	4,108
928	Regulatory Commission Expenses	45,044	51,611	(6,567)	45,303	32,581	12,722
929	Duplicate Charges - Credit	(22,208)	0	(22,208)	(16,096)	0	(16,096)
930	Miscellaneous General Expenses	3,133	20,422	(17,289)	7,358	14,285	(6,927)
931	Rents	75,746	106,453	(30,707)	77,495	49,684	27,811
935	Maintenance of General Plant	34,254	7,446	26,808	38,237	4,800	33,437

DUKE ENERGY KENTUCKY, INC
CASE NO. 2008-XXX
COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2009
AND THE TWELVE MONTHS ENDED AUGUST 31, 2008

SCHEDULE C-2 2
PAGE 13 OF 14
WITNESS RESPONSIBLE:
R M PARSONS

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

Account	Description	August 2009			September 2009		
		Base	Prior	Variance	Base	Prior	Variance
403	Depreciation Expenses	722,212	633,992	88,220	732,048	614,047	118,001
404	Amort Exp - Limited Term	55,054	50,881	4,173	55,054	51,249	3,805
407	Amortization Expenses	45,527	(6,583)	52,110	47,200	(7,347)	54,547
408	Taxes Other Than Income Taxes	358,716	620,865	(262,149)	340,971	306,592	34,379
409	Current Income Taxes	(659,410)	(69,249)	(590,161)	18,977	1,952,181	(1,933,204)
410	Deferred Income Taxes - Deferrals	2,573,278	224,658	2,348,620	1,404	298,167	(296,763)
411	Deferred Income Taxes - Writebacks	(1,901,559)	(599,738)	(1,301,821)	(6,220)	(2,098,458)	2,092,238
480	Residential Sales	2,350,209	2,536,896	(186,687)	2,281,494	2,555,997	(274,503)
481	Commercial and Industrial Sales	911,033	1,283,595	(372,562)	949,574	1,342,671	(393,097)
482	Public Street and Highway Lighting \ OPA	65,462	105,961	(40,499)	13,201	185,660	(172,459)
484	Interdepartmental Sales	63	181	(118)	114	228	(114)
487	Forfeited Discounts	0	0	0	0	0	0
488	Miscellaneous Service Revenues	46,903	46,084	819	47,679	45,035	2,644
489	Transportation	356,057	322,604	33,453	344,350	343,255	1,095
493	Rent Land & Buildings - Assoc.	2,848	2,848	0	2,848	2,848	0
495	Sales Use Tax Collection Fee	1,500	1,500	0	1,500	1,500	0
496	Provision for Rate Refunds	0	0	0	0	0	0
711	Gas Boiler Labor	0	0	0	0	199	(199)
712	Gas Production - Other Expense	612	215	397	0	116	(116)
717	Liquid Petroleum Gas Expense	6,055	195	5,860	4,432	133	4,299
728	Liquid Petroleum Gas	147	0	147	1,039	0	1,039
735	Miscellaneous Prod Expense	4,638	935	3,703	335	1,258	(923)
736	Rents	5,583	5,583	0	5,583	5,583	0
742	Production Equipment	1,010	8,789	(7,779)	968	3,242	(2,274)
801	Natural Gas Field Line Purchase	1,482,294	2,113,581	(631,287)	1,556,530	2,315,307	(758,777)
805	Unrecovered Purch Gas Adjustment	(152,700)	15,926	(168,626)	(286,656)	(66,563)	(220,093)
807	Gas Purchased Expenses	38,814	69,823	(31,009)	40,608	(13,055)	53,663
813	Other Gas Supply Expenses	47	45	2	(23)	(23)	0
856	Mains Expense	0	0	0	0	0	0
859	Other Expenses	0	0	0	0	0	0
870	Dist Supervision & Engineering	891	5,905	(5,014)	1,207	8,799	(7,592)
871	Distribution Load Dispatching	10,714	25,492	(14,778)	10,080	(9,127)	19,207
874	Mains And Services	114,967	113,644	1,323	77,681	101,745	(24,064)
875	Measuring & Reg Stations - Gen	2,143	5,633	(3,490)	2,457	8,657	(6,200)
876	Measuring & Reg Stations - Ind	2,735	1,452	1,283	932	133	799
878	Meter And House Regulators	290,624	81,846	208,778	154,137	(142,432)	296,569
879	Customer Installations	66,695	64,650	2,045	47,851	111,921	(64,070)
880	Gas Distribution Other Expense	38,116	37,844	272	47,590	21,035	26,555
881	Rents Interco	32,302	32,302	0	32,302	32,302	0
885	Maint- Supervision & Engineeri	1,044	1,012	32	964	925	39
887	Maintenance Of Mains	55,039	35,209	19,830	58,742	44,922	13,820
889	Maint- Measuring & Reg Stat -	1,746	5,147	(3,401)	2,746	2,725	21
890	Maint- Measuring & Reg Stat -	369	644	(275)	1,693	(299)	1,992
892	Maintenance Of Services	47,298	68,798	(21,500)	58,847	57,474	1,373
893	Maintenance Of Meters & House	15,393	65,683	(50,290)	13,658	47,805	(34,147)
894	Maint - Other Distribution Equipment	28,301	3,255	25,046	(1,283)	3,953	(5,236)
901	Supervision	467	682	(215)	490	483	7
902	Meter Reading Expenses	59,317	79,190	(19,873)	48,524	46,232	2,292
903	Customer Record and Collection Expenses	162,393	172,494	(10,101)	170,399	150,417	19,982
904	Uncollectible Accounts	89,809	95,732	(5,923)	57,832	86,461	(28,629)
905	Miscellaneous Customer Accounts Expense	0	0	0	0	3	(3)
908	Customer Assistance Expense	9,823	11,448	(1,625)	10,511	(7,179)	17,690
909	Informational and Instructional Expenses	0	0	0	0	0	0
910	Misc. Customer Service and Information Exp	30,743	29,987	756	53,979	52,671	1,308
911	Supervision	0	0	0	0	0	0
916	Miscellaneous Sales Expenses	0	0	0	0	0	0
920	Administrative and General Salaries	209,745	247,658	(37,913)	297,785	(405,787)	703,572
921	Office Supplies and Expenses	95,556	177,141	(81,585)	151,537	191,467	(39,930)
922	Administrative Expenses Transferred - Credit	0	(34,771)	34,771	152	51	101
923	Outside Services Employed	108,623	124,467	(15,844)	126,271	121,038	5,233
924	Property Insurance	22,900	8,862	14,038	22,545	8,857	13,688
925	Injuries and Damages	11,004	2,066	8,938	10,996	2,089	8,907
926	Employee Pension and Benefits	193,144	(172)	193,316	178,147	(492,043)	670,190
927	General & Administration	0	7	(7)	0	32	(32)

DUKE ENERGY KENTUCKY, INC
CASE NO. 2008-XXX
COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2009
AND THE TWELVE MONTHS ENDED AUGUST 31, 2008

SCHEDULE C-2.2
PAGE 14 OF 14
WITNESS RESPONSIBLE:
R M PARSONS

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

Account	Description	August 2009			September 2009		
		Base	Prior	Variance	Base	Prior	Variance
403	Depreciation Expenses	722,212	633,992	88,220	732,048	614,047	118,001
404	Amort Exp - Limited Term	55,054	50,881	4,173	55,054	51,249	3,805
928	Regulatory Commission Expenses	45,318	51,032	(5,714)	45,319	51,032	(5,713)
929	Duplicate Charges - Credit	(21,672)	0	(21,672)	(14,193)	(32,395)	18,202
930	Miscellaneous General Expenses	9,241	5,778	3,463	4,219	14,445	(10,226)
931	Rents	77,377	63,533	13,844	88,513	61,454	27,059
935	Maintenance of General Plant	35,832	12,739	23,093	33,450	9,639	23,811

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
SUMMARY OF UTILITY JURISDICTIONAL ADJUSTMENTS TO
OPERATING INCOME BY MAJOR ACCOUNTS
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE D-1
PAGE 1 OF 7
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	ELEMENT of OPERATING INCOME SCHEDULE REFERENCE	TOTAL SCHEDULE D-1	TOTAL ADJ. TO BASE PERIOD SCH D-1, PG. 2	TOTAL PRO FORMA ADJ. TO FORECASTED PERIOD SCH D-1, PG. 5
1	Operating Revenue			
2	Base	(413,623)	(636,662)	223,039
3	Gas Cost	(1,721,660)	(875,437)	(846,223)
4	Other Revenue	6,996,529	7,510,621	(514,092)
5	Total Revenue	<u>4,861,246</u>	<u>5,998,522</u>	<u>(1,137,276)</u>
6				
7	Operating Expenses			
8	Operation and Maint. Expenses			
9	Production Expenses			
10	Liquefied Petroleum Gas	(39,419)	(39,419)	0
11	Other	46,269	79,090	(32,821)
12	Total Production Expense	<u>6,850</u>	<u>39,671</u>	<u>(32,821)</u>
13				
14	Other Gas Supply Expenses			
15	Purchased Gas	(1,677,853)	(831,630)	(846,223)
16	Other	73,122	73,122	0
17	Total Other Gas Supply Expenses	<u>(1,604,731)</u>	<u>(758,508)</u>	<u>(846,223)</u>
18	Transmission Expense	0	0	0
19	Distribution Expense	(343,990)	(103,169)	(240,821)
20	Customer Accounts Expense	(864,378)	415,957	(1,280,335)
21	Customer Serv & Info Expense	(76,259)	(75,404)	(855)
22	Sales Expense	0	0	0
23	Admin & General Expense	(1,930,751)	(1,060,527)	(870,224)
24	Other	94,510	94,510	0
25	Total Oper and Maint Expenses	<u>(4,718,749)</u>	<u>(1,447,470)</u>	<u>(3,271,279)</u>
26				
27	Depreciation Expense	2,460,397	398,446	2,061,951
28				
29	Taxes Other Than Income Taxes			
30	Other Federal Taxes	156,676	161,116	(4,440)
31	State and Other Taxes	1,796,348	2,758,530	(962,182)
32	Total Taxes Other Than Income Tax	<u>1,953,024</u>	<u>2,919,646</u>	<u>(966,622)</u>
33				
34	State Income Taxes			
35	Normal and Surtax	(33,081)	(171,606)	138,525
36	Deferred Inc Tax - Net	227,858	316,763	(88,905)
37	Total State Income Tax Expense	<u>194,777</u>	<u>145,157</u>	<u>49,620</u>
38				
39	Federal Income Taxes			
40	Normal and Surtax	1,361,175	601,594	759,581
41	Deferred Inc Tax - Net	687,139	1,174,632	(487,493)
42	Amortization of Investment Tax Credit	(10,656)	(10,656)	0
43	Total Federal Income Tax Expense	<u>2,037,658</u>	<u>1,765,570</u>	<u>272,088</u>
44				
45	Total Oper. Expenses and Tax	<u>1,927,107</u>	<u>3,781,349</u>	<u>(1,854,242)</u>
46				
47	AFUDC Offset	289,745	0	289,745
48				
49	Net Operating Income	<u>3,223,884</u>	<u>2,217,173</u>	<u>1,006,711</u>

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
SUMMARY OF UTILITY JURISDICTIONAL ADJUSTMENTS TO
OPERATING INCOME BY MAJOR ACCOUNTS
ADJUSTMENTS TO THE BASE PERIOD
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009

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

SCHEDULE D-1
PAGE 2 OF 7
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	ELEMENT of OPERATING INCOME SCHEDULE REFERENCE	TOTAL ADJ. TO	ADJUST	ADJUST	ADJUST	ADJUST	ADJUST
		BASE PERIOD D-2.1 thru D-2.14	REVENUE D-2.1	PURCHASED GAS COST D-2.2	OTHER PROD. EXP. D-2.3	OTHER GAS SUPPLY EXP. D-2.4	TRANSMISSION EXPENSE D-2.5
1	Operating Revenue						
2	Base	(636,662)	(636,662)				
3	Gas Cost	(875,437)	(875,437)				
4	Other Revenue	7,510,621	7,510,621				
5	Total Revenue	5,998,522	5,998,522	0	0	0	0
6							
7	Operating Expenses						
8	Operation and Maint. Expenses						
9	Production Expenses						
10	Liquefied Petroleum Gas	(39,419)		(39,419)			
11	Other	79,090			79,090		
12	Total Production Expense	39,671	0	(39,419)	79,090	0	0
13							
14	Other Gas Supply Expenses						
15	Purchased Gas	(831,630)		(831,630)			
16	Other	73,122				73,122	
17	Total Other Gas Supply Expenses	(758,508)	0	(831,630)	0	73,122	0
18	Transmission Expense	0					0
19	Distribution Expense	(103,169)					
20	Customer Accounts Expense	415,957					
21	Customer Serv & Info Expense	(75,404)					
22	Sales Expense	0					
23	Admin. & General Expense	(1,060,527)					
24	Other	94,510					
25	Total Oper and Maint Expenses	(1,447,470)	0	(871,049)	79,090	73,122	0
26							
27	Depreciation Expense	398,446	0	0	0	0	0
28							
29	Taxes Other Than Income Taxes						
30	Other Federal Taxes	161,116					
31	State and Other Taxes	2,758,530					
32	Total Taxes Other Than Income Tax	2,919,646	0	0	0	0	0
33							
34	State Income Taxes						
35	Normal and Surtax	(171,606)	359,911	52,263	(4,745)	(4,387)	0
36	Deferred Inc Tax - Net	316,763					
37	Total State Income Tax Expense	145,157	359,911	52,263	(4,745)	(4,387)	0
38							
39	Federal Income Taxes						
40	Normal and Surtax	601,594	1,973,514	286,575	(26,021)	(24,057)	0
41	Deferred Inc Tax - Net	1,174,632					
42	Amortization of Investment Tax Credit	(10,656)					
43	Total Federal Income Tax Expense	1,765,570	1,973,514	286,575	(26,021)	(24,057)	0
44							
45	Total Oper. Expenses and Tax	3,781,349	2,333,425	(532,211)	48,324	44,678	0
46							
47	AFUDC Offset	0	0	0	0	0	0
48							
49	Net Operating Income	2,217,173	3,665,097	532,211	(48,324)	(44,678)	0

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
SUMMARY OF UTILITY JURISDICTIONAL ADJUSTMENTS TO
OPERATING INCOME BY MAJOR ACCOUNTS
ADJUSTMENTS TO THE BASE PERIOD
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009

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

SCHEDULE D-1
PAGE 3 OF 7
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	ELEMENT of OPERATING INCOME	ADJUST DISTRIBUTION EXPENSE	ADJUST CUSTOMER ACCOUNTS EXP.	ADJUST CUST. SERV. & INFO. EXP.	ADJUST SALES EXPENSE	ADJUST A&G EXPENSE	ADJUST OTHER OPER. EXPENSE
	SCHEDULE REFERENCE	D-2.6	D-2.7	D-2.8	D-2.9	D-2.10	D-2.11
1	Operating Revenue						
2	Base						
3	Gas Cost						
4	Other Revenue						
5	Total Revenue	0	0	0	0	0	0
6							
7	Operating Expenses						
8	Operation and Maint. Expenses						
9	Production Expenses						
10	Liquefied Petroleum Gas						
11	Other						
12	Total Production Expense	0	0	0	0	0	0
13							
14	Other Gas Supply Expenses						
15	Purchased Gas						
16	Other						
17	Total Other Gas Supply Expenses	0	0	0	0	0	0
18	Transmission Expense						
19	Distribution Expense	(103,169)					
20	Customer Accounts Expense		415,957				
21	Customer Serv & Info Expense			(75,404)			
22	Sales Expense				0		
23	Admin & General Expense					(1,060,527)	
24	Other						94,510
25	Total Oper and Maint Expenses	(103,169)	415,957	(75,404)	0	(1,060,527)	94,510
26							
27	Depreciation Expense						
28							
29	Taxes Other Than Income Taxes						
30	Other Federal Taxes						
31	State and Other Taxes						
32	Total Taxes Other Than Income Tax	0	0	0	0	0	0
33							
34	State Income Taxes						
35	Normal and Surtax	6,190	(24,957)	4,524	0	63,632	(5,671)
36	Deferred Inc Tax - Net						
37	Total State Income Tax Expense	6,190	(24,957)	4,524	0	63,632	(5,671)
38							
39	Federal Income Taxes						
40	Normal and Surtax	33,943	(136,850)	24,808	0	348,913	(31,094)
41	Deferred Inc Tax - Net						
42	Amortization of Investment Tax Credit						
43	Total Federal Income Tax Expense	33,943	(136,850)	24,808	0	348,913	(31,094)
44							
45	Total Oper. Expenses and Tax	(63,036)	254,150	(46,072)	0	(647,982)	57,745
46							
47	AFUDC Offset	0	0	0	0	0	0
48							
49	Net Operating Income	63,036	(254,150)	46,072	0	647,982	(57,745)

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
SUMMARY OF UTILITY JURISDICTIONAL ADJUSTMENTS TO
OPERATING INCOME BY MAJOR ACCOUNTS
ADJUSTMENTS TO THE BASE PERIOD
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009

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

SCHEDULE D-1
PAGE 4 OF 7
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	ELEMENT of OPERATING INCOME SCHEDULE REFERENCE	ADJUST DEPRECIATION EXPENSE D-2.12	ADJUST OTHER TAX EXP. D-2.13	ADJUST INCOME TAXES D-2.14
1	Operating Revenue			
2	Base			
3	Gas Cost			
4	Other Revenue			
5	Total Revenue	0	0	0
6				
7	Operating Expenses			
8	Operation and Maint Expenses			
9	Production Expenses			
10	Liquefied Petroleum Gas			
11	Other			
12	Total Production Expense	0	0	0
13				
14	Other Gas Supply Expenses			
15	Purchased Gas			
16	Other			
17	Total Other Gas Supply Expenses	0	0	0
18	Transmission Expense			
19	Distribution Expense			
20	Customer Accounts Expense			
21	Customer Serv & Info Expense			
22	Sales Expense			
23	Admin & General Expense			
24	Other			
25	Total Oper and Maint Expenses	0	0	0
26				
27	Depreciation Expense	398,446	0	0
28				
29	Taxes Other Than Income Taxes			
30	Other Federal Taxes		161,116	
31	State and Other Taxes		2,758,530	
32	Total Taxes Other Than Income Tax	0	2,919,646	0
33				
34	State Income Taxes			
35	Normal and Surtax	(23,907)	(175,179)	(419,280)
36	Deferred Inc Tax - Net			316,763
37	Total State Income Tax Expense	(23,907)	(175,179)	(102,517)
38				
39	Federal Income Taxes			
40	Normal and Surtax	(131,089)	(960,563)	(756,485)
41	Deferred Inc Tax - Net			1,174,632
42	Amortization of Investment Tax Credit			(10,656)
43	Total Federal Income Tax Expense	(131,089)	(960,563)	407,491
44				
45	Total Oper. Expenses and Tax	243,450	1,783,904	304,974
46				
47	AFUDC Offset	0	0	0
48				
49	Net Operating Income	(243,450)	(1,783,904)	(304,974)

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
SUMMARY OF UTILITY JURISDICTIONAL ADJUSTMENTS TO
OPERATING INCOME BY MAJOR ACCOUNTS
PRO FORMA ADJUSTMENTS TO THE FORECASTED PERIOD
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE D-1
PAGE 5 OF 7
WITNESS RESPONSIBLE:
R M PARSONS

LINE NO.	ELEMENT of OPERATING INCOME	SCHEDULE REFERENCE	TOTAL	ADJUST	RATE	RESERVED	INTEREST	ELIM NON-
			PRO FORMA	UNCOLLECTIBLE	CASE		EXPENSE	KY CUST
			ADJUSTMENTS	EXPENSE	EXPENSE			PORTION
			D-2.15 thru D-2.28	D-2.15	D-2.16	D-2.17	D-2.18	D-2.19
1	Operating Revenue							
2	Base		223,039					
3	Gas Cost		(846,223)					
4	Other Revenue		(514,092)					(514,092)
5	Total Revenue		<u>(1,137,276)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(514,092)</u>
6								
7	Operating Expenses							
8	Operation and Maint Expenses							
9	Production Expenses							
10	Liquefied Petroleum Gas		0					
11	Other		(32,821)					(32,821)
12	Total Production Expense		<u>(32,821)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(32,821)</u>
13								
14	Other Gas Supply Expenses							
15	Purchased Gas		(846,223)					
16	Other		0					
17	Total Other Gas Supply Expenses		<u>(846,223)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
18	Transmission Expense		0					
19	Distribution Expense		(240,821)					(239,604)
20	Customer Accounts Expense		(1,280,335)	(1,280,335)				
21	Customer Serv & Info Expense		(855)					
22	Sales Expense		0					
23	Admin & General Expense		(870,224)		86,667			
24	Other		0					
25	Total Oper and Maint Expenses		<u>(3,271,279)</u>	<u>(1,280,335)</u>	<u>86,667</u>	<u>0</u>	<u>0</u>	<u>(272,425)</u>
26								
27	Depreciation Expense		2,061,951	0	0	0	0	0
28								
29	Taxes Other Than Income Taxes							
30	Other Federal Taxes		(4,440)					(4,440)
31	State and Other Taxes		(962,182)					(67,616)
32	Total Taxes Other Than Income Tax		<u>(966,622)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(72,056)</u>
33								
34	State Income Taxes							
35	Normal and Surtax		138,525	76,820	(5,200)	0	(12,700)	5,784
36	Deferred Inc Tax - Net		(88,905)					(15,961)
37	Total State Income Tax Expense		<u>49,620</u>	<u>76,820</u>	<u>(5,200)</u>	<u>0</u>	<u>(12,700)</u>	<u>(10,177)</u>
38								
39	Federal Income Taxes							
40	Normal and Surtax		759,581	421,230	(28,513)	0	(69,636)	31,717
41	Deferred Inc Tax - Net		(487,493)					(87,519)
42	Amortization of Investment Tax Credit		0					
43	Total Federal Income Tax Expense		<u>272,088</u>	<u>421,230</u>	<u>(28,513)</u>	<u>0</u>	<u>(69,636)</u>	<u>(55,802)</u>
44								
45	Total Oper Expenses and Tax		<u>(1,854,242)</u>	<u>(782,285)</u>	<u>52,954</u>	<u>0</u>	<u>(82,336)</u>	<u>(410,460)</u>
46								
47	AFUDC Offset		289,745	0	0	0	0	0
48								
49	Net Operating Income		<u>1,006,711</u>	<u>782,285</u>	<u>(52,954)</u>	<u>0</u>	<u>82,336</u>	<u>(103,632)</u>

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
SUMMARY OF UTILITY JURISDICTIONAL ADJUSTMENTS TO
OPERATING INCOME BY MAJOR ACCOUNTS
PRO FORMA ADJUSTMENTS TO THE FORECASTED PERIOD
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE D-1
PAGE 6 OF 7
WITNESS RESPONSIBLE:
R M PARSONS

LINE NO.	ELEMENT of OPERATING INCOME	AFUDC OFFSET	ADJUST PROPERTY TAX	ELIMINATE MISCELLANEOUS EXPENSES	ANNUALIZE DEPRECIATION	ELIMINATE UNBILLED REVENUE & GAS COSTS	RESERVED
	SCHEDULE REFERENCE	D-2.20	D-2.21	D-2.22	D-2.23	D-2.24	D-2.25
1	Operating Revenue						
2	Base					50,686	
3	Gas Cost					(846,223)	
4	Other Revenue						
5	Total Revenue	0	0	0	0	(795,537)	0
6							
7	Operating Expenses						
8	Operation and Maint Expenses						
9	Production Expenses						
10	Liquefied Petroleum Gas						
11	Other						
12	Total Production Expense	0	0	0	0	0	0
13							
14	Other Gas Supply Expenses						
15	Purchased Gas					(846,223)	
16	Other						
17	Total Other Gas Supply Expenses	0	0	0	0	(846,223)	0
18	Transmission Expense						
19	Distribution Expense			(1,217)			
20	Customer Accounts Expense			(855)			
21	Customer Serv & Info Expense			(2,139)			
22	Sales Expense						
23	Admin & General Expense						
24	Other						
25	Total Oper and Maint Expenses	0	0	(4,211)	0	(846,223)	0
26							
27	Depreciation Expense				2,061,951		
28							
29	Taxes Other Than Income Taxes						
30	Other Federal Taxes						
31	State and Other Taxes		(894,566)				
32	Total Taxes Other Than Income Tax	0	(894,566)	0	0	0	0
33							
34	State Income Taxes						
35	Normal and Surtax	0	53,674	253	0	(47,732)	0
36	Deferred Inc Tax - Net				(123,717)	50,773	
37	Total State Income Tax Expense	0	53,674	253	(123,717)	3,041	0
38							
39	Federal Income Taxes						
40	Normal and Surtax	0	294,312	1,385	0	(261,732)	0
41	Deferred Inc Tax - Net				(678,382)	278,408	
42	Amortization of Investment Tax Credit						
43	Total Federal Income Tax Expense	0	294,312	1,385	(678,382)	16,676	0
44							
45	Total Oper Expenses and Tax	0	(546,580)	(2,573)	1,259,852	(826,506)	0
46							
47	AFUDC Offset	289,745	0	0	0	0	0
48							
49	Net Operating Income	289,745	546,580	2,573	(1,259,852)	30,969	0

DUKE ENERGY KENTUCKY, INC
CASE NO 2009-00202
SUMMARY OF UTILITY JURISDICTIONAL ADJUSTMENTS TO
OPERATING INCOME BY MAJOR ACCOUNTS
PRO FORMA ADJUSTMENTS TO THE FORECASTED PERIOD
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE D-1
PAGE 7 OF 7
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	ELEMENT of OPERATING INCOME	INCENTIVE COMPENSATION	ANNUALIZE KYPSC MAINT. TAX	ELIMINATE MERGER CREDIT & COSTS	RESERVED	RESERVED	RESERVED
	SCHEDULE REFERENCE	D-2.26	D-2.27	D-2.28	D-2.29	D-2.30	D-2.31
1	Operating Revenue						
2	Base			172,353			
3	Gas Cost						
4	Other Revenue						
5	Total Revenue	<u>0</u>	<u>0</u>	<u>172,353</u>	<u>0</u>	<u>0</u>	<u>0</u>
6							
7	Operating Expenses						
8	Operation and Maint Expenses						
9	Production Expenses						
10	Liquefied Petroleum Gas						
11	Other						
12	Total Production Expense	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
13							
14	Other Gas Supply Expenses						
15	Purchased Gas						
16	Other						
17	Total Other Gas Supply Expenses	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
18	Transmission Expense						
19	Distribution Expense						
20	Customer Accounts Expense						
21	Customer Serv & Info Expense						
22	Sales Expense						
23	Admin & General Expense	(616,501)	(48,067)	(290,184)			
24	Other						
25	Total Oper and Maint Expenses	<u>(616,501)</u>	<u>(48,067)</u>	<u>(290,184)</u>	<u>0</u>	<u>0</u>	<u>0</u>
26							
27	Depreciation Expense	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
28							
29	Taxes Other Than Income Taxes						
30	Other Federal Taxes						
31	State and Other Taxes	<u>0</u>					
32	Total Taxes Other Than Income Tax	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
33							
34	State Income Taxes						
35	Normal and Surtax	36,990	2,884	27,752	0	0	0
36	Deferred Inc Tax - Net						
37	Total State Income Tax Expense	<u>36,990</u>	<u>2,884</u>	<u>27,752</u>	<u>0</u>	<u>0</u>	<u>0</u>
38							
39	Federal Income Taxes						
40	Normal and Surtax	202,829	15,814	152,175	0	0	0
41	Deferred Inc Tax - Net						
42	Amortization of Investment Tax Credit						
43	Total Federal Income Tax Expense	<u>202,829</u>	<u>15,814</u>	<u>152,175</u>	<u>0</u>	<u>0</u>	<u>0</u>
44							
45	Total Oper Expenses and Tax	<u>(376,682)</u>	<u>(29,369)</u>	<u>(110,257)</u>	<u>0</u>	<u>0</u>	<u>0</u>
46							
47	AFUDC Offset	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
48							
49	Net Operating Income	<u>376,682</u>	<u>29,369</u>	<u>282,610</u>	<u>0</u>	<u>0</u>	<u>0</u>

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ADJUST BASE PERIOD REVENUE TO FORECASTED PERIOD
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE D-2.1
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION	AMOUNT
PURPOSE AND DESCRIPTION: To adjust base period revenue to the level of revenue in the forecasted period.	
Base Revenue	To Sch D-1 Summary <-- \$ (636,662)
Gas Cost Revenue	To Sch D-1 Summary <-- (875,437)
Other Revenue	To Sch D-1 Summary <-- <u>7,510,621</u>
Total Revenue Adjustment	\$ 5,998,522
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	<u>\$ 5,998,522</u>

(A) Allocation Code - DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ADJUST BASE PERIOD PURCHASED GAS COST TO FORECASTED PERIOD
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPD-2.2a

SCHEDULE D-2.2
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION	AMOUNT
PURPOSE AND DESCRIPTION: To adjust base period liquefied petroleum gas and purchase gas costs to the level of costs in the forecasted period.	
Liquefied Petroleum Gas	\$ (39,419)
Purchased Gas	<u>(831,630)</u>
Total Purchased Gas Cost Expenses	\$ (871,049)
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <--- <u>\$ (871,049)</u>

(A) Allocation Code - DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ADJUST BASE PERIOD OTHER PRODUCTION EXPENSES TO FORECASTED PERIOD
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPD-2.3a

SCHEDULE D-2.3
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION	AMOUNT
-------------------------	--------

PURPOSE AND DESCRIPTION: To adjust base period other production expenses to the level of expenses in the forecasted period.

Other Production Expenses	\$ 79,090
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <--- <u>\$ 79,090</u>

(A) Allocation Code - DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ADJUST BASE PERIOD OTHER GAS SUPPLY EXPENSES TO FORECASTED PERIOD
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPD-2.4a

SCHEDULE D-2.4
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION	AMOUNT
PURPOSE AND DESCRIPTION: To adjust base period other gas supply expenses to the level of expenses in the forecasted period.	
Other Gas Supply Expenses	\$ 73,122
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <--- <u>\$ 73,122</u>

(A) Allocation Code - DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ADJUST BASE PERIOD TRANSMISSION EXPENSES TO FORECASTED PERIOD
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPD-2.5a

SCHEDULE D-2.5
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION	AMOUNT
PURPOSE AND DESCRIPTION: To adjust base period transmission expenses to the level of expenses in the forecasted period.	
Transmission Expenses	\$ -
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <--- <u>\$ 0</u>

(A) Allocation Code - DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ADJUST BASE PERIOD DISTRIBUTION EXPENSES TO FORECASTED PERIOD
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPD-2.6a

SCHEDULE D-2.6
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION	AMOUNT
PURPOSE AND DESCRIPTION: To adjust base period distribution expenses to the level of expenses in the forecasted period.	
Distribution Expenses	\$ (103,169)
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <--- <u>\$ (103,169)</u>

(A) Allocation Code - DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ADJUST BASE PERIOD CUSTOMER ACCOUNTS EXPENSES TO FORECASTED PERIOD
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPD-2.7a

SCHEDULE D-2.7
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION	AMOUNT
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PURPOSE AND DESCRIPTION: To adjust base period customer accounts expenses to the level of expenses in the forecasted period.

Customer Accounts Expenses	\$	415,957
Jurisdictional allocation percentage (A)		<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <---	\$ <u>415,957</u>

(A) Allocation Code - DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ADJUST BASE PERIOD CUSTOMER SERVICE & INFORMATION EXPENSES TO FORECASTED PERIOD
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPD-2.8a

SCHEDULE D-2.8
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION	AMOUNT
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PURPOSE AND DESCRIPTION: To adjust base period customer service & information expense to the level of expenses in the forecasted period.

Customer Service & Information Expenses	\$	(75,404)
Jurisdictional allocation percentage (A)		<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <---	\$ <u>(75,404)</u>

(A) Allocation Code - DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ADJUST BASE PERIOD SALES EXPENSES TO FORECASTED PERIOD
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPD-2.9a

SCHEDULE D-2.9
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION	AMOUNT
-------------------------	--------

PURPOSE AND DESCRIPTION: To adjust base period sales
expense to the level of expenses in the forecasted period.

Sales Expenses		\$ -
Jurisdictional allocation percentage (A)		<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <---	<u>\$ 0</u>

(A) Allocation Code - DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ADJUST BASE PERIOD A&G EXPENSES TO FORECASTED PERIOD
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPD-2.10a

SCHEDULE D-2.10
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION	AMOUNT
-------------------------	--------

PURPOSE AND DESCRIPTION: To adjust base period A&G expense to the level of expenses in the forecasted period.

A&G Expenses	\$ (1,060,527)
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <--- <u>\$ (1,060,527)</u>

(A) Allocation Code - DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ADJUST OTHER OPERATING EXPENSE TO FORECASTED PERIOD
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPD-2.11a

SCHEDULE D-2.11
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION	AMOUNT
-------------------------	--------

PURPOSE AND DESCRIPTION: To adjust base period other operating expense to the level in the forecasted period.

Jobbing Expense	\$	94,510
Jurisdictional allocation percentage (A)		<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <---	<u>\$ 94,510</u>

(A) Allocation Code - DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ADJUST BASE PERIOD DEPRECIATION EXPENSE TO FORECASTED PERIOD
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPD-2.12a

SCHEDULE D-2.12
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION	AMOUNT
-------------------------	--------

PURPOSE AND DESCRIPTION: To adjust base period depreciation expense to the level of expenses in the forecasted period.

Depreciation Expense	\$	398,446
Jurisdictional allocation percentage (A)		<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <---	\$ <u>398,446</u>

(A) Allocation Code - DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ADJUST BASE PERIOD OTHER TAX EXPENSE TO FORECASTED PERIOD
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPD-2.13a

SCHEDULE D-2.13
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION	AMOUNT
PURPOSE AND DESCRIPTION: To adjust base period other tax expense to the level of the forecasted period.	
Other Federal Taxes	\$ 161,116
State and Other Taxes	<u>2,758,530</u>
Total Taxes Other than Income Taxes	\$ 2,919,646
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <--- <u>\$ 2,919,646</u>

(A) Allocation Code - DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ADJUST BASE PERIOD INCOME TAX EXPENSE TO FORECASTED PERIOD
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPD-2.14a

SCHEDULE D-2.14
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION	AMOUNT
PURPOSE AND DESCRIPTION: To adjust base period income tax expense to the level of the forecasted period.	
State Income Taxes	
Current	\$ (419,280)
Deferrals	316,763
Federal Income Taxes	
Current	\$ (756,485)
Deferrals	1,174,632
Amortization of ITC	<u>(10,656)</u>
Total Income Taxes	\$ 304,974
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <--- <u>\$ 304,974</u>

(A) Allocation Code - DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ADJUST UNCOLLECTIBLE EXPENSE
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPD-2.15a

SCHEDULE D-2.15
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION	AMOUNT
PURPOSE AND DESCRIPTION: To reflect the reclassification of the "time value of money" portion of the total discount expense from uncollectible expense to interest expense and to annualize uncollectible expense based on adjusted forecasted period revenue.	
Time Value of Money Reclassification	\$ (951,828)
Uncollectible Expense Annualization	<u>(328,507)</u>
Total Uncollectible Expense Adjustment	\$ (1,280,335)
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <--- \$ <u>(1,280,335)</u>

(A) Allocation Code - DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
RATE CASE EXPENSE
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): SCHEDULE F-6, WPD-2.16a.

SCHEDULE D-2.16
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION

AMOUNT

PURPOSE AND DESCRIPTION: To reflect the estimated cost of presenting this case as reflected on Schedule F-6, amortized over a three year period.

Total		\$	86,667
Jurisdictional allocation percentage (A)			<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <---	\$	<u>86,667</u>

(A) Allocation Code - DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
RESERVED FO FUTURE USE
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE D-2.17
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION

AMOUNT

PURPOSE and DESCRIPTION: Reserved for future use.

Total

\$ 0

Jurisdictional allocation percentage (A)

100.000%

Jurisdictional amount

To Sch D-1 Summary <---

\$ 0

(A) Allocation Code - DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
INTEREST EXPENSE DEDUCTIBLE
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPD-2.18a, WPD-2.18b

SCHEDULE D-2.18
PAGE 1 OF 2
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION	AMOUNT
<hr/>	
PURPOSE AND DESCRIPTION: To reflect federal income taxes at 35% due to interest deductible for tax purposes being based on allocated interest costs based on Proforma interest charges as contained on Schedule J-1.	
Total	\$ (69,636)
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <--- \$ <u>(69,636)</u>
(A) Allocation Code -	DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
INTEREST EXPENSE DEDUCTIBLE
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPD-2.18a, WPD-2.18b

SCHEDULE D-2.18
PAGE 2 OF 2
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION	AMOUNT
<hr/>	
PURPOSE AND DESCRIPTION: To reflect state income taxes at 6.00% due to interest deductible for tax purposes being based on allocated interest costs based on Proforma interest charges as contained on Schedule J-1.	
Total	\$ (12,700)
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <--- \$ <u>(12,700)</u>
(A) Allocation Code -	DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ELIMINATE REVENUES RELATED TO FACILITIES DEVOTED
TO OTHER THAN DUKE ENERGY KENTUCKY CUSTOMERS
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPD-2.19a through WPD-2.19g

SCHEDULE D-2.19
PAGE 1 OF 5
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION	AMOUNT
PURPOSE AND DESCRIPTION: To reflect the elimination of revenues related to facilities devoted to other than Duke Energy Kentucky customers.	
Other Revenue	\$ (514,092)
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <---- <u><u>\$ (514,092)</u></u>

(A) Allocation Code - DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ELIMINATE O&M RELATED TO FACILITIES DEVOTED
TO OTHER THAN DUKE ENERGY KENTUCKY CUSTOMERS
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPD-2.19a through WPD-2.19g

SCHEDULE D-2.19
PAGE 2 OF 5
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION	AMOUNT
PURPOSE AND DESCRIPTION: To reflect the elimination of O&M expenses and associated payroll overheads related to facilities devoted to other than Duke Energy Kentucky customers.	
Production Expenses	To Sch D-1 Summary <---- \$ (32,821)
Distribution Expenses	To Sch D-1 Summary <---- (239,604)
Total	<u>\$ (272,425)</u>
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	<u><u>\$ (272,425)</u></u>

(A) Allocation Code - DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ELIMINATE SOCIAL SECURITY TAXES RELATED TO FACILITIES DEVOTED
TO OTHER THAN DUKE ENERGY KENTUCKY CUSTOMERS
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPD-2.19a through WPD-2.19g

SCHEDULE D-2.19
PAGE 3 OF 5
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION	AMOUNT
PURPOSE AND DESCRIPTION: To reflect the elimination of Social Security Taxes on labor expenses related to facilities devoted to other than Duke Energy Kentucky customers.	
Other Federal Taxes	\$ (4,440)
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <---- <u>\$ (4,440)</u>

(A) Allocation Code - DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ELIMINATE PROPERTY TAX RELATED TO FACILITIES DEVOTED
TO OTHER THAN DUKE ENERGY KENTUCKY CUSTOMERS
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPD-2.19a through WPD-2.19g

SCHEDULE D-2.19
PAGE 4 OF 5
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION	AMOUNT
PURPOSE AND DESCRIPTION: <i>To reflect the elimination of Property Tax related to facilities devoted to other than Duke Energy Kentucky customers.</i>	
State and Other Taxes	\$ (67,616)
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <---- <u>\$ (67,616)</u>

(A) Allocation Code - DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ELIMINATE DEFERRED TAXES RELATED TO FACILITIES DEVOTED
TO OTHER THAN DUKE ENERGY KENTUCKY CUSTOMERS
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPD-2.19a through WPD-2.19g

SCHEDULE D-2.19
PAGE 5 OF 5
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION	AMOUNT
PURPOSE AND DESCRIPTION: <i>To reflect the elimination of state and federal deferred taxes which are related to facilities devoted to other than Duke Energy Kentucky customers.</i>	
State	
Deferrals:	
Lib. Depreciation	15,961
To Sch D-1 Summary <----	<u>15,961</u>
Federal	
Deferrals:	
Lib. Depreciation	87,519
To Sch D-1 Summary <----	<u>87,519</u>
Total Deferred Taxes	103,480
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	<u><u>103,480</u></u>

(A) Allocation Code - DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ANNUALIZATION OF AFUDC ASSOCIATED WITH CWIP
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPD-2.20a

SCHEDULE D-2.20
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION	AMOUNT
PURPOSE AND DESCRIPTION: To reflect annualization of AFUDC related to \$3,777,154 CWIP subject to AFUDC for the 13-month average as of January 31, 2011 as shown on Schedule B-4 times the rate of return of 7.671% as shown on Schedule J-1, page 2. Per Commission precedent this adjustment is made to after tax operating income.	
Total	\$ 289,745
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary ← <u>\$ 289,745</u>

(A) Allocation Code - DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ADJUST PROPERTY TAX
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPD-2.21a through WPD-2.21c

SCHEDULE D-2.21
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION	AMOUNT
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PURPOSE AND DESCRIPTION: To adjust property taxes to reflect the application of the past three year average valuation percentage and average tax rates to the 13 month average net jurisdictional plant balance.

Total	\$ (894,566)
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <--- <u>\$ (894,566)</u>

(A) Allocation Code - DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ELIMINATE MISCELLANEOUS EXPENSES
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S):: WPD-2.22a

SCHEDULE D-2.22
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION	AMOUNT
PURPOSE AND DESCRIPTION: To eliminate miscellaneous expenses from the forecasted test period based on past Commission precedent.	
Distribution Expense	\$ (1,217)
Customer Service & Information Expense	(855)
Sales Expense	0
A&G Expense	<u>(2,139)</u>
Total Miscellaneous Expense Adjustment	To Sch D-1 Summary <-- \$ (4,211)
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	<u>\$ (4,211)</u>

(A) Allocation Code - DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ANNUALIZE DEPRECIATION EXPENSE
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPD-2.23a

SCHEDULE D-2.23
PAGE 1 OF 3
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION	AMOUNT
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PURPOSE AND DESCRIPTION: To reflect the adjustment to
annualized depreciation expense as calculated on
Schedule B-3.2 based on 13 month average plant at January 31, 2011.

Total		\$ 2,061,951
Jurisdictional allocation percentage (A)		<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary ←	\$ <u>2,061,951</u>

(A) Allocation Code - DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ANNUALIZE DEPRECIATION EXPENSE
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPD-2.23b

SCHEDULE D-2.23
PAGE 2 OF 3
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION	AMOUNT
<hr/>	
PURPOSE AND DESCRIPTION: To reflect the adjustment to state deferred taxes as a result of the annualization adjustment for depreciation from Schedule B-3.2 based on plant at January 31, 2011.	
State Deferred Tax	\$ (123,717)
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <--- <u>\$ (123,717)</u>

(A) Allocation Code - DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ANNUALIZE DEPRECIATION EXPENSE
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPD-2.23b

SCHEDULE D-2.23
PAGE 3 OF 3
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION	AMOUNT
<hr/>	
PURPOSE AND DESCRIPTION: To reflect the adjustment to federal deferred taxes as a result of the annualization adjustment for depreciation from Schedule B-3.2 based on plant at January 31, 2011.	
Federal Deferred Tax	\$ (678,382)
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <--- <u>\$ (678,382)</u>

(A) Allocation Code - DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ELIMINATE UNBILLED REVENUE AND GAS COSTS
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPC-2b, WPD-2.24a

SCHEDULE D-2.24
PAGE 1 OF 3
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION	AMOUNT
-------------------------	--------

PURPOSE AND DESCRIPTION: To eliminate unbilled revenue and gas costs.

Unbilled Base Revenue		\$ 50,686
Unbilled GCR Revenue		<u>(846,223)</u>
Total Unbilled Revenue		\$ (795,537)
Jurisdictional allocation percentage (A)		<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <---	\$ <u>(795,537)</u>
Unbilled Gas Costs		\$ (846,223)
Jurisdictional allocation percentage (A)		<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <---	\$ <u>(846,223)</u>

(A) Allocation Code - DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ELIMINATE UNBILLED REVENUE AND GAS COSTS
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPD-2.24b

SCHEDULE D-2.24
PAGE 2 OF 3
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION	AMOUNT
-------------------------	--------

PURPOSE AND DESCRIPTION: To reflect the adjustment to state deferred taxes as a result of the elimination of unbilled gas costs.

Deferred State Income Tax	\$	50,773
Jurisdictional allocation percentage (A)		<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <---	\$ <u>50,773</u>
(A) Allocation Code -	DALL	

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ELIMINATE UNBILLED REVENUE AND GAS COSTS
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPD-2.24b

SCHEDULE D-2.24
PAGE 3 OF 3
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION	AMOUNT
PURPOSE AND DESCRIPTION: To reflect the adjustment to federal deferred taxes as a result of the elimination of unbilled gas costs.	
Deferred Federal Income Tax	\$ 278,408
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <--- <u>\$ 278,408</u>
(A) Allocation Code -	DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
RESERVED FOR FUTURE USE
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE D-2.25
PAGE 1 OF 1
WITNESS RESPONSIBLE:

PURPOSE AND DESCRIPTION

AMOUNT

PURPOSE and DESCRIPTION: Reserved for future use.

Total		\$	-
Jurisdictional allocation percentage (A)			<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <---	\$	<u>0</u>

(A) Allocation Code -

DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
INCENTIVE COMPENSATION
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPD-2.26a

SCHEDULE D-2.26
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION	AMOUNT
PURPOSE AND DESCRIPTION: To adjust incentive compensation to reflect a sharing of costs between customers and shareholders.	
Total	\$ (616,501)
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary ← <u>\$ (616,501)</u>

(A) Allocation Code - DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ANNUALIZE KYPSC MAINTENANCE FEES
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPD-2.27a

SCHEDULE D-2.27
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION	AMOUNT
<hr/>	
PURPOSE AND DESCRIPTION: To annualize the KYPSC Maintenance Fees based on adjusted forecasted period revenue.	
Total	\$ (48,067)
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <--- \$ <u>(48,067)</u>

(A) Allocation Code - DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ELIMINATE MERGER CREDIT AND COSTS
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPC-2d, WPD-2.28a

SCHEDULE D-2.28
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

PURPOSE AND DESCRIPTION	AMOUNT
PURPOSE AND DESCRIPTION: To eliminate the merger credits being collected and amortization of merger costs pursuant to agreement in Case No. 2005-00228.	
Merger Credits	\$ 172,353
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <--- \$ <u>172,353</u>
Amortization of Merger Costs	\$ (290,184)
Jurisdictional allocation percentage (A)	<u>100.000%</u>
Jurisdictional amount	To Sch D-1 Summary <--- \$ <u>(290,184)</u>

(A) Allocation Code - DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
SUMMARY OF JURISDICTIONAL FACTORS
OPERATING INCOME
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE D-3
PAGE 1 OF 1
WITNESS RESPONSIBLE:
D. L. STORCK

LINE NO.	ACCOUNT NUMBER	ACCOUNT TITLE	ALLOCATION CODE	JURISDICTIONAL FACTOR %	DESCRIPTION OF FACTORS AND/OR METHOD OF ALLOCATION
Not Applicable - 100% Jurisdictional					

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
JURISDICTIONAL STATISTICS
OPERATING INCOME
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE D-4
PAGE 1 OF 1
WITNESS RESPONSIBLE:
D. L. STORCK

LINE NO.	ALLOCATION FACTOR	STATISTIC TOTAL COMPANY	STATISTIC FOR RATE AREA	ALLOCATION FACTOR %	WORK PAPER REFERENCE
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Not Applicable - 100% Jurisdictional

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
EXPLANATION OF CHANGES IN JURISDICTIONAL PROCEDURES
OPERATING INCOME
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE D-5
PAGE 1 OF 1
WITNESS RESPONSIBLE:
D. L. STORCK

LINE NO.	ACCOUNT NUMBER	DESCRIPTION	PROCEDURE APPROVED IN PRIOR CASE	RATIONALE FOR CHANGE
-------------	-------------------	-------------	-------------------------------------	----------------------

The procedures used are the same as those used in the Company's prior proceeding, Case No. 2005-00042.

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ADJUSTED JURISDICTIONAL FEDERAL AND STATE INCOME TAXES
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

SCHEDULE E-1
PAGE 1 OF 3
WITNESS RESPONSIBLE:
R. M. PARSONS

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISIONS
WORK PAPER REFERENCE NO(S): WPE-1a, WPE-1b

LINE NO.	DESCRIPTION	AT CURRENT RATES				AT PROPOSED RATES		
		BASE PERIOD	ADJUSTMENTS	FORECASTED PERIOD	PRO FORMA ADJ. TO FORECASTED	PRO FORMA FORECASTED PERIOD	ADJUSTMENTS	ADJUSTED
		(1)	(2)	(3)			(4)	(5)
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	
1	Operating Income before Federal and State Income Taxes	5,886,810	4,127,900	10,014,710	1,038,674	11,053,384	17,418,586	28,471,970
2								
3								
4	Reconciling Items:							
5	Interest Charges	(5,118,347)	941,167	(4,177,180)	(211,660)	(4,388,840)	0	(4,388,840)
6	Net Interest Charges	(5,118,347)	941,167	(4,177,180)	(211,660)	(4,388,840)	0	(4,388,840)
7								
8	Permanent Differences	(125,286)	56,734	(68,552)		(68,552)		(68,552)
9								
10	Tax Depreciation	(15,849,757)	(1,423,989)	(17,273,746)	266,016	(17,007,730)	0	(17,007,730)
11	Book Depreciation	9,197,430	398,446	9,595,876	2,061,951	11,657,827	0	11,657,827
12	Excess of Tax over Book Depreciation	(6,652,327)	(1,025,543)	(7,677,870)	2,327,967	(5,349,903)	0	(5,349,903)
13								
14	Other Reconciling Items:							
15	Amortization of Loss on Recquired Debt	76,329	46,261	122,590	0	122,590	0	122,590
16	Deferred Fuel Cost - PGA	(6,057,218)	6,057,218	0	0	0	0	0
17	Unbilled Revenue - Fuel	(1,268,820)	2,115,043	846,223	(846,223)	0	0	0
18	Other	13,837,038	(12,525,508)	1,311,530	0	1,311,530	0	1,311,530
19	Total Other Reconciling Items	6,587,329	(4,306,986)	2,280,343	(846,223)	1,434,120	0	1,434,120
20	Total Reconciling Items	(5,308,631)	(4,334,628)	(9,643,259)	1,270,084	(8,373,175)	0	(8,373,175)

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ADJUSTED JURISDICTIONAL FEDERAL AND STATE INCOME TAXES
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPE-1a, WPE-1b

SCHEDULE E-1
PAGE 2 OF 3
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	DESCRIPTION	AT CURRENT RATES				AT PROPOSED RATES		
		BASE PERIOD (1) (\$)	ADJUSTMENTS (2) (\$)	FORECASTED PERIOD (3) (\$)	PRO FORMA ADJ. TO FORECASTED	PRO FORMA FORECASTED PERIOD	ADJUSTMENTS (4) (\$)	ADJUSTED (5) (\$)
1	Operating Income before Federal and State Income Tax from Page 1	5,886,810	4,127,900	10,014,710	1,038,674	11,053,384	17,418,586	28,471,970
3	Total Reconciling Items from Page 1	(5,308,631)	(4,334,628)	(9,643,259)	1,270,084	(8,373,175)	0	(8,373,175)
6	Federal Taxable Income before State Income Tax to Page 3	578,179	(206,728)	371,451	2,308,758	2,680,209	17,418,586	20,098,795
9	Kentucky Income Tax Adjustments:							
10	Kentucky Tax Inc. Adjustment - Misc	71,822	(1,571,449)	(1,499,627)	0	(1,499,627)	0	(1,499,627)
11	Total Kentucky Income Tax Adjustments	71,822	(1,571,449)	(1,499,627)	0	(1,499,627)	0	(1,499,627)
12	Kentucky Taxable Income - Gas	650,001	(1,778,177)	(1,128,176)	2,308,758	1,180,582	17,418,586	18,599,168
14	Kentucky Taxable Income - Other	0	0	0	0	0	0	0
15	Total Kentucky Taxable Income	650,001	(1,778,177)	(1,128,176)	2,308,758	1,180,582	17,418,586	18,599,168
17	Kentucky Income Tax @ 6.000% (A)	39,000	(106,691)	(67,691)	138,525	70,834	1,045,115	1,115,949
18	Prior Year Adjustments	64,915	(64,915)	0		0		0
19	State Income Tax - Current to Page 3	103,915	(171,606)	(67,691)	138,525	70,834	1,045,115	1,115,949

(A) Calculation may be different due to rounding.

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ADJUSTED JURISDICTIONAL FEDERAL AND STATE INCOME TAXES
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

SCHEDULE E-1
PAGE 3 OF 3
WITNESS RESPONSIBLE:
R. M. PARSONS

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPE-1a, WPE-1b

LINE NO.	DESCRIPTION	AT CURRENT RATES				AT PROPOSED RATES		
		BASE PERIOD (1) (\$)	ADJUSTMENTS (2) (\$)	FORECASTED PERIOD (3) (\$)	PRO FORMA ADJ. TO FORECASTED	PRO FORMA FORECASTED PERIOD	ADJUSTMENTS (4) (\$)	ADJUSTED (5) (\$)
1	State Income Tax - Current from Page 2	103,915	(171,606)	(67,691)	138,525	70,834	1,045,115	1,115,949
2		(409)	414,238	413,829	(88,905)	324,924	0	324,924
3	Deferred State Income Taxes - Current	(6,938)		(6,938)		(6,938)		(6,938)
4	Deferred State Income Tax Adjustment - ARAM	13,877		13,877		13,877		13,877
5	Deferred State Income Tax Adjustment - Flow-Through	97,475	(97,475)	0		0		0
6	Deferred State Income Taxes - Prior Year	104,005	316,763	420,768	(88,905)	331,863	0	331,863
7	Deferred State Income Taxes - Net							
8		207,920	145,157	353,077	49,620	402,697	1,045,115	1,447,812
9	Total State Income Tax Expense							
10								
11								
12	Federal Taxable Income	578,179	(206,728)	371,451	2,308,758	2,680,209	17,418,586	20,098,795
13	before State Income Tax from Page 2							
14		39,000	(106,691)	(67,691)	138,525	70,834	1,045,115	1,115,949
15	State Income Tax Deductible from Page 2	539,179	(100,037)	439,142	2,170,233	2,609,375	16,373,471	18,982,846
16	Federal Taxable Income							
17		188,713	(35,013)	153,700	759,581	913,281	5,730,715	6,643,996
18	Federal Income Tax @ 35% (A)	(636,607)	636,607	0		0		0
19	Prior Year Adjustments	(447,894)	601,594	153,700	759,581	913,281	5,730,715	6,643,996
20	Federal Income Tax - Current							
21		21,384	1,754,402	1,775,786	(487,493)	1,288,293	0	1,288,293
22	Deferred Federal Income Taxes - Current	(94,556)		(94,556)		(94,556)		(94,556)
23	Deferred Federal Income Tax Adjustment - ARAM	83,512		83,512		83,512		83,512
24	Deferred Federal Income Tax Adjustment - Flow-Through	579,770	(579,770)	0		0		0
25	Deferred Federal Income Taxes - Prior Year	590,110	1,174,632	1,764,742	(487,493)	1,277,249	0	1,277,249
26	Deferred Federal Income Taxes - Net							
27		(62,001)	(10,656)	(72,657)	0	(72,657)	0	(72,657)
28	Amortization of Investment Tax Credit							
29		80,215	1,765,570	1,845,785	272,088	2,117,873	5,730,715	7,848,588
30	Total Federal Income Tax Expense							

(A) Calculation may be different due to rounding.

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
DEVELOPMENT OF JURISDICTIONAL FEDERAL AND STATE INCOME TAXES
BEFORE ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE E-2
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	ACCOUNT TITLE	TOTAL UTILITY (1)	JURISDIC- TIONAL % (2)	JURISDICTION (3)	JURISDICTIONAL CODE/EXPLANATION (4)
		(\$)		(\$)	

Not Applicable - 100% Jurisdictional

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
SOCIAL AND SERVICE CLUB DUES
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE F-1
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	ACCOUNT NO.	SOCIAL ORGANIZATION/ SERVICE CLUB	BASE PERIOD			FORECASTED PERIOD		
			TOTAL	JURISDICTIONAL PERCENT	JURISDICTIONAL AMOUNT	TOTAL	JURISDICTIONAL PERCENT	JURISDICTIONAL AMOUNT
			(\$)	%	(\$)	(\$)	%	(\$)
1	<u>Allocated to DE-Kentucky</u>							
2	910000	Metropolitan Club	1,302	100.00	1,302	0	100.00	0
3	921100	Rotary Club	8	100.00	8	0	100.00	0
4			<u>1,310</u>		<u>1,310</u>	<u>0</u>		<u>0</u>

(A) Allocation Code DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
CHARITABLE CONTRIBUTIONS
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE F-2.1
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	ACCOUNT NO.	CHARITABLE ORGANIZATION	BASE PERIOD			FORECASTED PERIOD		
			TOTAL	JURISDICTIONAL		TOTAL	JURISDICTIONAL	
				(A)	AMOUNT		(A)	AMOUNT
			(\$)	%	(\$)	(\$)	%	(\$)
1	<u>Allocated to Duke Energy Kentucky</u>							
2	0426512	Northern Kentucky Community Action	18,998	100.00	18,998	20,740	100.00	20,740

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
INITIATION FEES/COUNTRY CLUB EXP.
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

SCHEDULE F-2.2
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

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

LINE NO.	ACCOUNT NO.	PAYEE ORGANIZATION	BASE PERIOD			FORECASTED PERIOD		
			TOTAL	JURISDICTIONAL		TOTAL	JURISDICTIONAL	
				PERCENT (A)	AMOUNT (\$)		PERCENT (A)	AMOUNT (\$)
			(\$)	%	(\$)	(\$)	%	(\$)
1	<u>Allocated to DE-Kentucky</u>		389	100.00	389	0	100.00	0
2	921100	Frankfort Country Club	0	100.00	0	0	100.00	0
3	426590	Budgeted Items	389		389	0		0

(A) Allocation Code DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
EMPLOYEE PARTY, OUTING, & GIFT EXPENSE
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE F-2.3
PAGE 1 OF 1
WITNESS RESPONSIBLE
R. M. PARSONS

LINE NO.	ACCOUNT NO.	EMPLOYEE EXPENDITURES	BASE PERIOD			FORECASTED PERIOD		
			TOTAL	JURISDICTIONAL		TOTAL	JURISDICTIONAL	
				PERCENT (A)	AMOUNT (\$)		PERCENT (A)	AMOUNT (\$)
			(\$)	%	(\$)	(\$)	%	(\$)

No Employee Party, Outing and Gift Expenses are included in the base or forecasted period.

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
CUSTOMER SERVICE AND INFORMATIONAL SALES AND GENERAL ADVERTISING EXPENSE
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE F-3
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	ACCOUNT NO.	DESCRIPTION OF EXPENSES	BASE PERIOD			FORECASTED PERIOD		
			TOTAL	JURISDICTIONAL		TOTAL	JURISDICTIONAL	
				PERCENT (A)	AMOUNT		PERCENT (A)	AMOUNT
			(\$)	%	(\$)	(\$)	%	(\$)
1		Customer Service And Informational Expenses						
2	908000	Customer Assistance Expense	131,529	100.000	131,529	159,070	100.000	159,070
3	909000	Informational and Instructional Expenses	3,574	100.000	3,574	0	100.000	0
4	910000	Misc. Customer Service and Information Exp.	472,830	100.000	472,830	373,459	100.000	373,459
5		Total Customer Service and Informational Expenses	<u>607,933</u>		<u>607,933</u>	<u>532,529</u>		<u>532,529</u>
6								
7		Sales Expense						
8	911000	Supervision	0	100.000	0	0	100.000	0
9	916000	Miscellaneous Sales Expenses	0	100.000	0	0	100.000	0
10		Total Sales Expense	<u>0</u>		<u>0</u>	<u>0</u>		<u>0</u>
11								
12		Miscellaneous General Expenses						
13	930000	Miscellaneous General Expenses	129,695	100.000	129,695	116,979	100.000	116,979
14		Total General Advertising Expense	<u>129,695</u>		<u>129,695</u>	<u>116,979</u>		<u>116,979</u>

(A) Alloc Code DALL

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ADVERTISING
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009

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

SCHEDULE F-4
PAGE 1 OF 2
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	ITEM (A)	SALES OR PROMOTIONAL ADVERTISING (B)	INSTITUTIONAL ADVERTISING (C)	CONSERVATION ADVERTISING (D)	RATE CASE (E)	OTHER (F)	TOTAL (G)
1	<u>Newspaper</u>					0	0
2							
3	<u>Magazines and Other</u>					0	0
4							
5	<u>Television</u>					0	0
6							
7	<u>Radio - Safety Advertising</u>					7,812	7,812
8							
9	<u>Direct Mail</u>					0	0
10							
11	<u>Sales Aids</u>					0	0
12							
13	<u>Undetermined</u>					0	0
14							
15	Total	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>7,812</u>	<u>7,812</u>
16							
17	Amount Assigned to						
18	KY Retail	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>7,812</u>	<u>7,812</u>

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ADVERTISING
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

SCHEDULE F-4
PAGE 2 OF 2
WITNESS RESPONSIBLE:
R. M. PARSONS

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

LINE NO.	ITEM (A)	SALES OR PROMOTIONAL ADVERTISING (B)	INSTITUTIONAL ADVERTISING (C)	CONSERVATION ADVERTISING (D)	RATE CASE (E)	OTHER (F)	TOTAL (G)
1	<u>Newspaper</u>					0	0
2						0	0
3	<u>Magazines and Other</u>					0	0
4						0	0
5	<u>Television</u>					3,150	3,150
6						0	0
7	<u>Radio - Safety Advertising</u>					0	0
8						0	0
9	<u>Direct Mail</u>					0	0
10						0	0
11	<u>Sales Aids</u>					0	0
12						0	0
13	<u>Undetermined</u>					0	0
14		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,150</u>	<u>3,150</u>
15	Total					<u>3,150</u>	<u>3,150</u>
16						<u>3,150</u>	<u>3,150</u>
17	Amount Assigned to	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,150</u>	<u>3,150</u>
18	KY Retail					<u>3,150</u>	<u>3,150</u>

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
PROFESSIONAL SERVICES EXPENSES
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009

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

SCHEDULE F-5
PAGE 1 OF 2
WITNESS RESPONSIBLE:
R. M. PARSONS

Line No.	Description	Expense Breakdown			Total Unadjusted	Juris. Allocation %	Jurisdictional Unadjusted	Adjustments	Jurisdictional Adjusted	Allocation Code
		Rate Case	Annual Audit	Other						
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)		
1										
2	Legal	0	0	0	0	100.000	0	0	0	DALL
3										
4	Engineering	0	0	0	0	100.000	0	0	0	DALL
5										
6	Accounting	0	0	0	0	100.000	0	0	0	DALL
7										
8	Other	<u>0</u>	<u>0</u>	<u>1,651,225</u>	<u>1,651,225</u>	100.000	<u>1,651,225</u>	<u>0</u>	<u>1,651,225</u>	DALL
9										
10	Total	<u>0</u>	<u>0</u>	<u>1,651,225</u>	<u>1,651,225</u>		<u>1,651,225</u>	<u>0</u>	<u>1,651,225</u>	

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
PROFESSIONAL SERVICES EXPENSES
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE F-5
PAGE 2 OF 2
WITNESS RESPONSIBLE:
R. M. PARSONS

Line No.	Description	Expense Breakdown			Total Unadjusted	Juris. Allocation %	Jurisdictional Unadjusted	Adjustments	Jurisdictional Adjusted	Allocation Code
		Rate Case	Annual Audit	Other						
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)		
1										
2	Legal	0	0	0	0	100.000	0	0	0	DALL
3										
4	Engineering	0	0	0	0	100.000	0	0	0	DALL
5										
6	Accounting	0	0	0	0	100.000	0	0	0	DALL
7										
8	Other	<u>0</u>	<u>0</u>	<u>1,904,139</u>	<u>1,904,139</u>	100.000	<u>1,904,139</u>	<u>0</u>	<u>1,904,139</u>	DALL
9										
10	Total	<u>0</u>	<u>0</u>	<u>1,904,139</u>	<u>1,904,139</u>		<u>1,904,139</u>	<u>0</u>	<u>1,904,139</u>	

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
RATE CASE EXPENSE
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE F-6
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

COMPARISON OF PROJECTED EXPENSES ASSOCIATED WITH THE CURRENT CASE TO PRIOR RATE CASES							
LINE NO.	ITEM OF EXPENSE	CASE NO.	CASE NO.		CASE NO.		JUSTIFICATION OF SIGNIFICANT CHANGE
		2009-00202	2006-00172 (ELEC)	2005-00042 (GAS)	ESTIMATE	ACTUAL	
		ESTIMATE	ACTUAL	ESTIMATE	ACTUAL	ESTIMATE	
1	Legal	15,000	11,268	35,000	8,444	25,000	
2	Accounting (Depreciation Study)	50,000	77,138	40,000	40,855	15,000	
3	Consultants	25,000	78,391	25,000	26,026	60,000	
4	Rate of Return Studies	60,000	45,478	70,000	71,376	40,000	
5	Cost of Service Studies	0	0	0	0	0	
6	Publish Legal Notice	80,000	81,463	16,000	15,544	5,000	
7	Transportation, Lodging, Meals	20,000	7,990	40,000	14,379	10,000	
8	Miscellaneous	10,000	(99,731)	9,000	5,146	40,000	
9	Total	<u>260,000</u>	<u>201,997</u>	<u>235,000</u>	<u>181,770</u>	<u>195,000</u>	

10
11

SCHEDULE OF RATE CASE EXPENSE AMORTIZATION

RATE CASE	TOTAL TO BE AMORTIZED	OPINION / ORDER DATE	AMORTIZATION PERIOD	AMOUNT AMORTIZED TO DATE	AMORT. DURING FORECASTED PERIOD
CURRENT CASE	260,000	-	3 YEAR	0	86,667
CASE NO. 2005-00042 (D)	195,000	2/26/2006	3 YEAR	195,000	0
CASE NO. 2001-0092					
AMRP Study Costs (A)	320,428	3/13/2002	10 YEAR	285,690	32,040
Other (B)	259,345	3/13/2002	3 YEAR	259,345	0
State Fuel Hearings and Other					0
Total per Books			To WPD-2.16a <-----		<u>118,707</u> (C)

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(A) Amortization of AMRP study costs will end in January 2012.
(B) Amortization of other rate case expenses ended in January 2005.
(C) Represents rate case expense included on Schedule C-2, as adjusted.
(D) Amortization of rate case expense ended in December 2008.

DUKE ENERGY KENTUCKY, INC
CASE NO. 2009-00202
CIVIC, POLITICAL AND RELATED ACTIVITIES
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE F-7
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	ACCOUNT NO.	ORGANIZATION	BASE PERIOD			FORECASTED PERIOD (B)		
			TOTAL	JURISDICTIONAL		TOTAL	JURISDICTIONAL	
				(A)	AMOUNT		(A)	AMOUNT
			(\$)	%	(\$)	(\$)	%	(\$)
1	<u>Allocated to DE-Kentucky</u>							
2	910000	Covington Business Council	4,940	100.00	4,940	0	100.00	0
3	910000	Pendleton County	240	100.00	240	0	100.00	0
4	910000	Hamilton County	252	100.00	252	0	100.00	0
5	426415	Various Budgeted Items	0	100.00	0	25,391	100.00	25,391
			<u>5,432</u>		<u>5,432</u>	<u>25,391</u>		<u>25,391</u>

(A) Allocation Code DALL

DUKE ENERGY KENTUCKY, INC
CASE NO. 2009-00202
PAYROLL COSTS
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE G-1
PAGE 1 OF 1
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	DESCRIPTION	OPERATION AND MAINTENANCE EXPENSES			
		TOTAL UNADJUSTED	JURISDICTIONAL % (A)	JURISDICTIONAL UNADJUSTED	JURISDICTIONAL ADJUSTED
1	Base Period:				
2	Payroll Costs				
3	Labor (B)	6,177,102	100.000	6,177,102	0
3					6,177,102
4	Employee Benefits				
5	Pension	499,728	100.000	499,728	0
6	Injuries and Damages	0	100.000	0	0
9	401-K Plan	210,639	100.000	210,639	
11	Group Insurance	706,043	100.000	706,043	
12	Other	29,032	100.000	29,032	
13	Total Benefits	<u>1,445,442</u>		<u>1,445,442</u>	<u>0</u>
14					<u>1,445,442</u>
15	Payroll Taxes				
16	F. I. C. A.	471,533	100.000	471,533	
17	Federal Unemployment	4,514	100.000	4,514	0
18	State Unemployment	6,252	100.000	6,252	0
19	Other Payroll Taxes	0	100.000	0	0
20	Total Payroll Taxes	<u>482,299</u>		<u>482,299</u>	<u>0</u>
21	Total Payroll Costs	<u>8,104,843</u>		<u>8,104,843</u>	<u>0</u>
22					<u>8,104,843</u>
23	Forecast Period:				
24	Payroll Costs				
25	Labor (B)	7,735,785	100.000	7,735,785	0
26					7,735,785
27	Employee Benefits				
28	Pension	625,825	100.000	625,825	(4,789)
29	Injuries and Damages	0	100.000	0	0
30	401-K Plan	263,790	100.000	263,790	(2,019)
31	Group Insurance	884,200	100.000	884,200	(6,767)
32	Other	36,358	100.000	36,358	(278)
33	Total Benefits	<u>1,810,173</u>		<u>1,810,173</u>	<u>(13,853)</u>
34					<u>1,796,320</u>
35	Payroll Taxes				
36	F. I. C. A.	637,163	100.000	637,163	0
37	Federal Unemployment	0	100.000	0	0
38	State Unemployment	0	100.000	0	0
39	Other Payroll Taxes	0	100.000	0	0
40	Total Payroll Taxes	<u>637,163</u>		<u>637,163</u>	<u>0</u>
41	Total Payroll Costs	<u>10,183,121</u>		<u>10,183,121</u>	<u>(13,853)</u>
					<u>10,169,268</u>

(A) Allocation Code: DALL
(B) Includes labor allocated from Duke Energy Business Services

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
TOTAL COMPANY PAYROLL ANALYSIS
BY EMPLOYEE CLASSIFICATIONS/PAYROLL DISTRIBUTION
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

SCHEDULE G-2
PAGE 1 OF 8
WITNESS RESPONSIBLE:
R. M. PARSONS

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

LINE NO.	DESCRIPTION	MOST RECENT FIVE CALENDAR YEARS										Base Period	% Change	Forecasted Period	
		2004	% Change	2005	% Change	2006	% Change	2007	% Change	2008	% Change				
1	MANHOURS														
2	STRAIGHT TIME HOURS	501,829	1.31%	492,574	(1.84)%	473,674	(3.84)%	448,263	(5.36)%	631,803	40.94%	586,208	(7.22)%	634,869	
3	OVERTIME HOURS	50,321	(6.69)%	65,407	29.98%	50,723	(22.45)%	55,833	10.07%	98,763	76.89%	86,497	(12.42)%	93,686	
4	TOTAL MANHOURS	<u>552,150</u>	0.53%	<u>557,981</u>	1.06%	<u>524,397</u>	(6.02)%	<u>504,096</u>	(3.87)%	<u>730,566</u>	44.93%	<u>672,705</u>	(7.92)%	<u>728,555</u>	
5															
6	RATIO OF OVERTIME HOURS TO														
7	STRAIGHT TIME HOURS	10.03		13.28		10.71		12.46		15.63		14.76		14.76	
8															
9	LABOR DOLLARS														
10	OTHER EARNINGS	533,022	3.74%	545,543	2.35%	629,386	15.37%	608,597	(3.30)%	682,648	12.17%	586,803	(14.04)%	986,928	
11	STRAIGHT TIME DOLLARS	12,160,351	3.55%	12,259,978	0.82%	12,318,120	0.47%	12,043,112	(2.23)%	16,905,758	40.38%	15,612,738	(7.65)%	16,770,395	
12	OVERTIME DOLLARS	1,952,703	(2.67)%	2,605,559	33.43%	1,962,614	(24.68)%	2,222,200	13.23%	3,937,096	77.17%	3,461,101	(12.09)%	3,722,903	
13	TOTAL LABOR DOLLARS	<u>14,646,076</u>	2.68%	<u>15,411,080</u>	5.22%	<u>14,910,120</u>	(3.25)%	<u>14,873,909</u>	(0.24)%	<u>21,525,502</u>	44.72%	<u>19,660,642</u>	(8.66)%	<u>21,480,226</u>	
14															
15	RATIO OF OVERTIME DOLLARS TO														
16	STRAIGHT TIME DOLLARS	16.06		21.25		15.93		18.45		23.29		22.17		22.20	
17															
18	O & M LABOR DOLLARS - GAS	2,766,992	1.97%	3,038,590	9.82%	3,088,108	1.63%	2,992,954	(3.08)%	3,285,744	9.78%	3,159,164	(3.85)%	3,842,198	
19	RATIO OF O & M LABOR DOLLARS TO														
20	TOTAL LABOR DOLLARS	<u>18.89</u>		<u>19.72</u>		<u>20.71</u>		<u>20.12</u>		<u>15.26</u>		<u>16.07</u>		<u>17.89</u>	

Note: Represents labor of Duke Energy Kentucky, Inc. direct employees.

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
TOTAL COMPANY PAYROLL ANALYSIS
BY EMPLOYEE CLASSIFICATIONS/PAYROLL DISTRIBUTION
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE G-2
PAGE 2 OF 8
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	DESCRIPTION	MOST RECENT FIVE CALENDAR YEARS										Base Period	% Change	Forecasted Period
		2004	% Change	2005	% Change	2006	% Change	2007	% Change	2008	% Change			
20	TOTAL EMPLOYEE BENEFITS	1,079,127	4.65%	1,215,436	12.63%	1,325,416	9.05%	1,212,146	(8.55)%	1,133,581	(6.48)%	739,244	(34.79)%	899,075
21	EMPLOYEE BENEFITS EXPENSE - GAS	1,079,127	4.65%	1,215,436	12.63%	1,325,416	9.05%	1,212,146	(8.55)%	1,133,581	(6.48)%	739,244	(34.79)%	899,075
22	RATIO OF EMPLOYEE BENEFITS EXP													
23	TO TOTAL EMPLOYEE BENEFITS	<u>100.00</u>		<u>100.00</u>		<u>100.00</u>		<u>100.00</u>		<u>100.00</u>		<u>100.00</u>		<u>100.00</u>
24														
25	TOTAL PAYROLL TAXES	1,098,456	2.68%	1,155,830	5.22%	1,118,259	(3.25)%	1,115,543	(0.24)%	1,614,413	44.72%	1,474,549	(8.66)%	1,611,017
26	PAYROLL TAXES EXPENSED - GAS	207,525	1.97%	227,895	9.82%	231,608	1.63%	224,472	(3.08)%	246,431	9.78%	236,937	(3.85)%	288,165
27	RATIO OF PAYROLL TAXES EXP													
28	TO TOTAL PAYROLL TAXES	<u>18.89</u>		<u>19.72</u>		<u>20.71</u>		<u>20.12</u>		<u>15.26</u>		<u>16.07</u>		<u>17.89</u>
29														
30	AVERAGE EMPLOYEE LEVELS							206		266		239		243
31	YEAR END EMPLOYEE LEVELS							285		245		237		243
32														
33	EMPLOYEE LEVELS BY MONTHS													
34	(TEST YEAR AND TWO MOST													
35	RECENT CALENDAR YEARS)													
36														
37														
38														
39														
40														
41														
42														
43														
44														

Note: Represents labor of Duke Energy Kentucky, Inc. direct employees.

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
UNION PAYROLL ANALYSIS
BY EMPLOYEE CLASSIFICATIONS/PAYROLL DISTRIBUTION
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE G-2
PAGE 3 OF 8
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	DESCRIPTION	MOST RECENT FIVE CALENDAR YEARS										Base Period	% Change	Forecasted Period	
		2004	% Change	2005	% Change	2006	% Change	2007	% Change	2008	% Change				
1	MANHOURS														
2	STRAIGHT TIME HOURS	443,120	2.54%	443,238	0.03%	429,968	(2.99)%	411,810	(4.22)%	608,441	47.75%	560,648	(7.85)%	610,161	
3	OVERTIME HOURS	47,265	(6.95)%	61,700	30.54%	49,603	(19.61)%	54,886	10.65%	98,758	79.93%	86,497	(12.42)%	93,686	
4	TOTAL MANHOURS	<u>490,385</u>	1.54%	<u>504,938</u>	2.97%	<u>479,571</u>	(5.02)%	<u>466,696</u>	(2.68)%	<u>707,199</u>	51.53%	<u>647,145</u>	(8.49)%	<u>703,847</u>	
5															
6	RATIO OF OVERTIME HOURS TO														
7	STRAIGHT TIME HOURS	10.67		13.92		11.54		13.33		16.23		15.43		15.35	
8															
9	LABOR DOLLARS														
10	OTHER EARNINGS	446,445	24.71%	460,470	3.14%	450,961	(2.07)%	493,275	9.38%	440,577	(10.68)%	416,383	(5.49)%	655,455	
11	STRAIGHT TIME DOLLARS	10,320,732	4.61%	10,700,829	3.68%	10,824,656	1.16%	10,664,098	(1.48)%	15,893,824	49.04%	14,564,538	(8.36)%	15,749,175	
12	OVERTIME DOLLARS	1,840,348	(3.01)%	2,425,187	31.78%	1,920,723	(20.80)%	2,180,990	13.55%	3,936,873	80.51%	3,461,101	(12.09)%	3,722,903	
13	TOTAL LABOR DOLLARS	<u>12,607,525</u>	4.01%	<u>13,586,486</u>	7.76%	<u>13,196,340</u>	(2.87)%	<u>13,338,363</u>	1.08%	<u>20,271,274</u>	51.98%	<u>18,442,022</u>	(9.02)%	<u>20,127,533</u>	
14															
15	RATIO OF OVERTIME DOLLARS TO														
16	STRAIGHT TIME DOLLARS	17.83		22.66		17.74		20.45		24.77		23.76		23.64	
17															
18	O & M LABOR DOLLARS - GAS	2,381,862	3.29%	2,678,836	12.47%	2,733,159	2.03%	2,683,969	(1.80)%	2,929,450	9.15%	2,452,164	(16.29)%	2,392,234	
19	RATIO OF O & M LABOR DOLLARS TO														
20	TOTAL LABOR DOLLARS	<u>18.89</u>		<u>19.72</u>		<u>20.71</u>		<u>20.12</u>		<u>14.45</u>		<u>13.30</u>		<u>11.89</u>	

Note: Represents labor of Duke Energy Kentucky, Inc. direct employees.

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
UNION PAYROLL ANALYSIS
BY EMPLOYEE CLASSIFICATIONS/PAYROLL DISTRIBUTION
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE G-2
PAGE 4 OF 8
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	DESCRIPTION	MOST RECENT FIVE CALENDAR YEARS										Base Period	% Change	Forecasted Period
		2004	% Change	2005	% Change	2006	% Change	2007	% Change	2008	% Change			
20	TOTAL EMPLOYEE BENEFITS	928,926	6.01%	1,071,534	15.35%	1,173,072	9.48%	1,087,007	(7.34)%	1,010,660	(7.02)%	573,806	(43.22)%	559,783
21	EMPLOYEE BENEFITS EXPENSE - GAS	928,926	6.01%	1,071,534	15.35%	1,173,072	9.48%	1,087,007	(7.34)%	1,010,660	(7.02)%	573,806	(43.22)%	559,783
22	RATIO OF EMPLOYEE BENEFITS EXP													
23	TO TOTAL EMPLOYEE BENEFITS	<u>100.00</u>		<u>100.00</u>		<u>100.00</u>		<u>100.00</u>		<u>100.00</u>		<u>100.00</u>		<u>100.00</u>
24														
25	TOTAL PAYROLL TAXES	945,564	4.01%	1,018,986	7.76%	989,726	(2.87)%	1,000,377	1.08%	1,520,346	51.98%	1,383,152	(9.02)%	1,509,565
26	PAYROLL TAXES EXPENSED - GAS	178,640	3.29%	200,913	12.47%	204,987	2.03%	201,298	(1.80)%	219,709	9.15%	183,912	(16.29)%	179,418
27	RATIO OF PAYROLL TAXES EXP													
28	TO TOTAL PAYROLL TAXES	<u>18.89</u>		<u>19.72</u>		<u>20.71</u>		<u>20.12</u>		<u>14.45</u>		<u>13.30</u>		<u>11.89</u>
29														
30	AVERAGE EMPLOYEE LEVELS						193			256		226		230
31	YEAR END EMPLOYEE LEVELS						272			235		223		230
32		<u>2007-2008</u>	Base Period	Forecasted Period										
33	EMPLOYEE LEVELS BY MONTHS	JAN.	OCT. 2008	FEB. 2010			187			268		231		230
34	(TEST YEAR AND TWO MOST	FEB.	NOV.	MAR.			185			263		228		230
35	RECENT CALENDAR YEARS)	MAR.	DEC.	APR.			186			256		226		230
36		APR.	JAN. 2009	MAY			188			255		226		230
37		MAY	FEB.	JUN.			187			255		225		230
38		JUN.	MAR.	JUL.			186			257		227		230
39		JUL.	APR.	AUG.			185			257		226		230
40		AUG.	MAY	SEP.			186			257		225		230
41		SEP.	JUN.	OCT.			185			258		227		230
42		OCT.	JUL.	NOV.			187			256		226		230
43		NOV.	AUG.	DEC.			183			251		225		230
44		DEC.	SEP.	JAN. 2011			272			235		223		230

Note: Represents labor of Duke Energy Kentucky, Inc. direct employees.

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
EXEMPT GROUP
BY EMPLOYEE CLASSIFICATIONS/PAYROLL DISTRIBUTION
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE G-2
PAGE 5 OF 8
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	DESCRIPTION	MOST RECENT FIVE CALENDAR YEARS										Base Period	% Change	Forecasted Period
		2004	% Change	2005	% Change	2006	% Change	2007	% Change	2008	% Change			
1	MANHOURS													
2	STRAIGHT TIME HOURS	52,719	(7.52)%	42,355	(19.66)%	37,363	(11.79)%	31,808	(14.87)%	23,362	(26.55)%	25,560	9.41%	24,708
3	OVERTIME HOURS	2,897	(7.53)%	3,213	10.91%	950	901.00%	901	(5.16)%	5	(99.45)%	0	(100.00)%	0
4	TOTAL MANHOURS	<u>55,616</u>	(7.52)%	<u>45,568</u>	(18.07)%	<u>38,313</u>	(15.92)%	<u>32,709</u>	(14.63)%	<u>23,367</u>	(28.56)%	<u>25,560</u>	9.39%	<u>24,708</u>
5														
6	RATIO OF OVERTIME HOURS TO													
7	STRAIGHT TIME HOURS	5.50		7.59		2.54		2.83		0.02		0.00		0.00
8														
9	LABOR DOLLARS													
10	OTHER EARNINGS	77,063	(28.65)%	73,507	(4.61)%	161,122	119.19%	104,271	(35.28)%	242,071	132.16%	170,420	(29.60)%	331,473
11	STRAIGHT TIME DOLLARS	1,766,657	(1.86)%	1,460,942	(17.30)%	1,407,935	(3.63)%	1,354,400	(3.80)%	1,011,934	(25.29)%	1,048,200	3.58%	1,021,220
12	OVERTIME DOLLARS	107,302	(1.47)%	161,277	50.30%	35,917	(77.73)%	40,288	12.17%	223	(99.45)%	0	(100.00)%	0
13	TOTAL LABOR DOLLARS	<u>1,951,022</u>	(3.28)%	<u>1,695,726</u>	(13.09)%	<u>1,604,974</u>	(5.35)%	<u>1,498,959</u>	(6.61)%	<u>1,254,228</u>	(16.33)%	<u>1,218,620</u>	(2.84)%	<u>1,352,693</u>
14														
15	RATIO OF OVERTIME DOLLARS TO													
16	STRAIGHT TIME DOLLARS	6.07		11.04		2.55		2.97		0.02		0.00		0.00
17														
18	O & M LABOR DOLLARS - GAS	368,594	(3.95)%	334,345	(9.29)%	332,414	(0.58)%	301,623	(9.26)%	356,294	18.13%	707,000	98.43%	1,449,964
19	RATIO OF O & M LABOR DOLLARS TO													
20	TOTAL LABOR DOLLARS	<u>18.89</u>		<u>19.72</u>		<u>20.71</u>		<u>20.12</u>		<u>28.41</u>		<u>58.02</u>		<u>107.19</u>

Note: Represents labor of Duke Energy Kentucky, Inc. direct employees.

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
EXEMPT GROUP
BY EMPLOYEE CLASSIFICATIONS/PAYROLL DISTRIBUTION
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

SCHEDULE G-2
PAGE 6 OF 8
WITNESS RESPONSIBLE:
R. M. PARSONS

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

LINE NO.	DESCRIPTION	MOST RECENT FIVE CALENDAR YEARS										Base Period	% Change	Forecasted Period
		2004	% Change	2005	% Change	2006	% Change	2007	% Change	2008	% Change			
20	TOTAL EMPLOYEE BENEFITS	143,752	(1.42)%	133,738	(6.97)%	142,672	6.68%	122,157	(14.38)%	122,921	0.63%	165,438	34.59%	339,292
21	EMPLOYEE BENEFITS EXPENSE - GAS	143,752	(1.42)%	133,738	(6.97)%	142,672	6.68%	122,157	(14.38)%	122,921	0.63%	165,438	34.59%	339,292
22	RATIO OF EMPLOYEE BENEFITS EXP													
23	TO TOTAL EMPLOYEE BENEFITS	<u>100.00</u>		<u>100.00</u>		<u>100.00</u>		<u>100.00</u>		<u>100.00</u>		<u>100.00</u>		<u>100.00</u>
24														
25	TOTAL PAYROLL TAXES	146,327	(3.28)%	127,179	(13.09)%	120,373	(5.35)%	112,422	(6.61)%	94,067	(16.33)%	91,397	(2.84)%	101,452
26	PAYROLL TAXES EXPENSED - GAS	27,645	(3.95)%	25,076	(9.29)%	24,931	(0.58)%	22,622	(9.26)%	26,722	18.12%	53,025	98.43%	108,747
27	RATIO OF PAYROLL TAXES EXP													
28	TO TOTAL PAYROLL TAXES	<u>18.89</u>		<u>19.72</u>		<u>20.71</u>		<u>20.12</u>		<u>28.41</u>		<u>58.02</u>		<u>107.19</u>
29														
30	AVERAGE EMPLOYEE LEVELS							13		10		13		13
31	YEAR END EMPLOYEE LEVELS							11		10		14		13
32		<u>2007-2008</u>	Base Period	Forecasted Period										
33	EMPLOYEE LEVELS BY MONTHS	JAN.	OCT. 2008	FEB. 2010				13		11		13		13
34	(TEST YEAR AND TWO MOST	FEB.	NOV.	MAR.				14		11		13		13
35	RECENT CALENDAR YEARS)	MAR.	DEC.	APR.				14		11		13		13
36		APR.	JAN. 2009	MAY				14		10		13		13
37		MAY	FEB.	JUN.				14		10		13		13
38		JUN.	MAR.	JUL.				13		10		13		13
39		JUL.	APR.	AUG.				13		10		13		13
40		AUG.	MAY	SEP.				13		10		13		13
41		SEP.	JUN.	OCT.				13		10		13		13
42		OCT.	JUL.	NOV.				13		10		13		13
43		NOV.	AUG.	DEC.				13		10		13		13
44		DEC.	SEP.	JAN. 2011				11		10		14		13

Note: Represents labor of Duke Energy Kentucky, Inc. direct employees.

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
NONEXEMPT
BY EMPLOYEE CLASSIFICATIONS/PAYROLL DISTRIBUTION
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
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SCHEDULE G-2
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WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	DESCRIPTION	MOST RECENT FIVE CALENDAR YEARS										Base Period	% Change	Forecasted Period		
		2004	% Change	2005	% Change	2006	% Change	2007	% Change	2008	% Change					
1	MANHOURS															
2	STRAIGHT TIME HOURS	5,990	(2.96)%	6,981	16.54%	6,343	(9.14)%	4,645	(26.77)%	0	(100.00)%	0	-	0		
3	OVERTIME HOURS	159	-	494	210.69%	170	(65.59)%	46	(72.94)%	0	(100.00)%	0	-	0		
4	TOTAL MANHOURS	<u>6,149</u>	<u>(0.39)%</u>	<u>7,475</u>	<u>21.56%</u>	<u>6,513</u>	<u>(12.87)%</u>	<u>4,691</u>	<u>(27.97)%</u>	<u>0</u>	<u>(100.00)%</u>	<u>0</u>	-	<u>0</u>		
5																
6	RATIO OF OVERTIME HOURS TO															
7	STRAIGHT TIME HOURS	2.65		7.08		2.68		0.99		0.00		0.00				0.00
8																
9	LABOR DOLLARS															
10	OTHER EARNINGS	9,514	(80.10)%	11,566	21.57%	17,303	49.60%	11,051	(36.13)%	0	(100.00)%	0	-	0		
11	STRAIGHT TIME DOLLARS	72,962	(5.90)%	98,207	34.60%	85,529	(12.91)%	24,614	(71.22)%	0	(100.00)%	0	-	0		
12	OVERTIME DOLLARS	5,053	-	19,095	277.89%	5,974	(68.71)%	922	(84.57)%	0	(100.00)%	0	-	0		
13	TOTAL LABOR DOLLARS	<u>87,529</u>	<u>(30.17)%</u>	<u>128,868</u>	<u>47.23%</u>	<u>108,806</u>	<u>(15.57)%</u>	<u>36,587</u>	<u>(66.37)%</u>	<u>0</u>	<u>(100.00)%</u>	<u>0</u>	-	<u>0</u>		
14																
15	RATIO OF OVERTIME DOLLARS TO															
16	STRAIGHT TIME DOLLARS	6.93		19.44		6.98		3.74		0.00		0.00				0.00
17																
18	O & M LABOR DOLLARS - GAS	16,536	(30.66)%	25,409	53.66%	22,535	(11.31)%	7,362	(67.33)%	0	(100.00)%	0	-	0		
19	RATIO OF O & M LABOR DOLLARS TO															
20	TOTAL LABOR DOLLARS	<u>18.89</u>		<u>19.72</u>		<u>20.71</u>		<u>20.12</u>		<u>0.00</u>		<u>0.00</u>				<u>0.00</u>

Note: Represents labor of Duke Energy Kentucky, Inc. direct employees.

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
NONEXEMPT
BY EMPLOYEE CLASSIFICATIONS/PAYROLL DISTRIBUTION
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

SCHEDULE G-2
PAGE 8 OF 8
WITNESS RESPONSIBLE:
R. M. PARSONS

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

LINE NO.	DESCRIPTION	MOST RECENT FIVE CALENDAR YEARS										Base Period	% Change	Forecasted Period
		2004	% Change	2005	% Change	2006	% Change	2007	% Change	2008	% Change			
20	TOTAL EMPLOYEE BENEFITS	6,449	(28.83)%	10,164	57.61%	9,672	(4.84)%	2,982	(69.17)%	0	(100.00)%	0	-	0
21	EMPLOYEE BENEFITS EXPENSE - GAS	6,449	(28.83)%	10,164	57.61%	9,672	(4.84)%	2,982	(69.17)%	0	(100.00)%	0	-	0
22	RATIO OF EMPLOYEE BENEFITS EXP									0.00		0.00		0.00
23	TO TOTAL EMPLOYEE BENEFITS	100.00		100.00		100.00		100.00		0.00		0.00		0.00
24														
25	TOTAL PAYROLL TAXES	6,565	(30.17)%	9,665	47.22%	8,160	(15.57)%	2,744	(66.37)%	0	(100.00)%	0	-	0
26	PAYROLL TAXES EXPENSED - GAS	1,240	(30.69)%	1,906	53.71%	1,690	(11.33)%	552	(67.34)%	0	(100.00)%	0	-	0
27	RATIO OF PAYROLL TAXES EXP									0.00		0.00		0.00
28	TO TOTAL PAYROLL TAXES	18.89		19.72		20.71		20.12		0.00		0.00		0.00
29										0		0		0
30	AVERAGE EMPLOYEE LEVELS							2		0		0		0
31	YEAR END EMPLOYEE LEVELS									0		0		0
32		2007-2008	Base Period	Forecasted Period						0		0		0
33	EMPLOYEE LEVELS BY MONTHS	JAN.	OCT. 2008	FEB. 2010						0		0		0
34	(TEST YEAR AND TWO MOST	FEB.	NOV.	MAR.						0		0		0
35	RECENT CALENDAR YEARS)	MAR.	DEC.	APR.						0		0		0
36		APR.	JAN. 2009	MAY						0		0		0
37		MAY	FEB.	JUN.						0		0		0
38		JUN.	MAR.	JUL.						0		0		0
39		JUL.	APR.	AUG.						0		0		0
40		AUG.	MAY	SEP.						0		0		0
41		SEP.	JUN.	OCT.						0		0		0
42		OCT.	JUL.	NOV.						0		0		0
43		NOV.	AUG.	DEC.						0		0		0
44		DEC.	SEP.	JAN. 2011						2		0		0

Note: Represents labor of Duke Energy Kentucky, Inc. direct employees.

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
EXECUTIVE COMPENSATION
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE G-3
PAGE 1 OF 5
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO	DESCRIPTION	OPERATION AND MAINTENANCE EXPENSE				
		TOTAL UNADJUSTED	JURISDICTIONAL % (A)	JURISDICTIONAL UNADJUSTED	ADJUSTMENTS	JURISDICTIONAL ADJUSTED
1	Name of Executive: James E. Rogers					
2						
3	Base Period:					
4	Total Salary	0	100.000	0	0	0
5	Other Allowances and Compensation (B)	13,579,929	100.000	13,579,929	0	13,579,929
6	Total Compensation	<u>13,579,929</u>		<u>13,579,929</u>	<u>0</u>	<u>13,579,929</u>
7						
8	Employee Benefits					
9	401(k) Company Match	0	100.000	0	0	0
10	Dental Insurance	504	100.000	504	0	504
11	Employee Assistance Program	0	100.000	0	0	0
12	Life Insurance	0	100.000	0	0	0
13	Long-Term Disability	0	100.000	0	0	0
14	Medical Insurance	8,316	100.000	8,316	0	8,316
15	Miscellaneous Plans	0	100.000	0	0	0
16	Post-retirement Benefits	1,317	100.000	1,317	0	1,317
17	Retirement Plans	32,740	100.000	32,740	0	32,740
18	Wellness Programs	135	100.000	135	0	135
19	Work/Life Programs	0	100.000	0	0	0
20	Total Benefits	<u>43,012</u>		<u>43,012</u>	<u>0</u>	<u>43,012</u>
21						
22	Payroll Taxes					
23	F.I.C.A.	67,168	100.000	67,168	0	67,168
24	Federal Unemployment	56	100.000	56	0	56
25	State Unemployment	301	100.000	301	0	301
26	Other Payroll Taxes	0	100.000	0	0	0
27	Total Payroll Taxes	<u>67,525</u>		<u>67,525</u>	<u>0</u>	<u>67,525</u>
28	Total Compensation Package	<u>13,690,466</u>		<u>13,690,466</u>	<u>0</u>	<u>13,690,466</u>
29						
30	Forecasted Period:					
31	Total Salary	0	100.000	0	0	0
32	Other Allowances and Compensation	3,641,172	100.000	3,641,172	0	3,641,172
33	Total Compensation	<u>3,641,172</u>		<u>3,641,172</u>	<u>0</u>	<u>3,641,172</u>
34						
35	Employee Benefits					
36	401(k) Company Match	0	100.000	0	0	0
37	Dental Insurance	630	100.000	630	0	630
38	Employee Assistance Program	0	100.000	0	0	0
39	Life Insurance	0	100.000	0	0	0
40	Long-Term Disability	0	100.000	0	0	0
41	Medical Insurance	10,395	100.000	10,395	0	10,395
42	Miscellaneous Plans	0	100.000	0	0	0
43	Post-retirement Benefits	1,481	100.000	1,481	0	1,481
44	Retirement Plans	35,608	100.000	35,608	0	35,608
45	Wellness Programs	135	100.000	135	0	135
46	Work/Life Programs	0	100.000	0	0	0
47	Total Benefits	<u>48,249</u>		<u>48,249</u>	<u>0</u>	<u>48,249</u>
48						
49	Payroll Taxes					
50	F.I.C.A.	59,419	100.000	59,419	0	59,419
51	Federal Unemployment	56	100.000	56	0	56
52	State Unemployment	301	100.000	301	0	301
53	Other Payroll Taxes	0	100.000	0	0	0
54	Total Payroll Taxes	<u>59,776</u>		<u>59,776</u>	<u>0</u>	<u>59,776</u>
55	Total Compensation Package	<u>3,749,197</u>		<u>3,749,197</u>	<u>0</u>	<u>3,749,197</u>

(A) Allocation Code: DALL

(B) Mr. James E. Rogers entered into a three-year employment agreement upon the consummation of the merger between Duke Energy and Cinergy on April 3, 2006. Under this agreement, Mr. Rogers was compensated substantially in the form of stock awards (i.e., stock options, phantom shares and performance shares). Mr. Rogers has not yet exercised any of these stock options. All of the phantom shares granted under this agreement, and all of earned (i.e., not forfeited) performance shares under this agreement, were delivered and became taxable to Mr. Rogers in April, 2009, in accordance with the terms of the agreement.

Note: Represents total compensation not the amount allocated to Duke Energy Kentucky, Inc.

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
EXECUTIVE COMPENSATION
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE G-3
PAGE 2 OF 5
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	DESCRIPTION	OPERATION AND MAINTENANCE EXPENSE			
		TOTAL UNADJUSTED	JURISDICTIONAL % (A)	JURISDICTIONAL UNADJUSTED	JURISDICTIONAL ADJUSTED
1	Name of Executive: James L. Turner				
2					
3	Base Period:				
4	Total Salary	650,004	100.000	650,004	650,004
5	Other Allowances and Compensation	1,459,975	100.000	1,459,975	1,459,975
6	Total Compensation	<u>2,109,979</u>		<u>2,109,979</u>	<u>2,109,979</u>
7					
8	Employee Benefits				
9	401(k) Company Match	14,700	100.000	14,700	14,700
10	Dental Insurance	876	100.000	876	876
11	Employee Assistance Program	0	100.000	0	0
12	Life Insurance	1,452	100.000	1,452	1,452
13	Long-Term Disability	27,690	100.000	27,690	27,690
14	Medical Insurance	11,856	100.000	11,856	11,856
15	Miscellaneous Plans	0	100.000	0	0
16	Post-retirement Benefits	492	100.000	492	492
17	Retirement Plans	374,529	100.000	374,529	374,529
18	Wellness Programs	135	100.000	135	135
19	Work/Life Programs	0	100.000	0	0
20	Total Benefits	<u>431,730</u>		<u>431,730</u>	<u>431,730</u>
21					
22	Payroll Taxes				
23	F.I.C.A.	37,207	100.000	37,207	37,207
24	Federal Unemployment	56	100.000	56	56
25	State Unemployment	301	100.000	301	301
26	Other Payroll Taxes	0	100.000	0	0
27	Total Payroll Taxes	<u>37,564</u>		<u>37,564</u>	<u>37,564</u>
28	Total Compensation Package	<u>2,579,273</u>		<u>2,579,273</u>	<u>2,579,273</u>
29					
30	Forecasted Period:				
31	Total Salary	650,004	100.000	650,004	650,004
32	Other Allowances and Compensation	1,648,106	100.000	1,648,106	1,648,106
33	Total Compensation	<u>2,298,110</u>		<u>2,298,110</u>	<u>2,298,110</u>
34					
35	Employee Benefits				
36	401(k) Company Match	14,700	100.000	14,700	14,700
37	Dental Insurance	1,095	100.000	1,095	1,095
38	Employee Assistance Program	0	100.000	0	0
39	Life Insurance	1,815	100.000	1,815	1,815
40	Long-Term Disability	27,690	100.000	27,690	27,690
41	Medical Insurance	14,820	100.000	14,820	14,820
42	Miscellaneous Plans	0	100.000	0	0
43	Post-retirement Benefits	559	100.000	559	559
44	Retirement Plans	408,671	100.000	408,671	408,671
45	Wellness Programs	135	100.000	135	135
46	Work/Life Programs	0	100.000	0	0
47	Total Benefits	<u>469,485</u>		<u>469,485</u>	<u>469,485</u>
48					
49	Payroll Taxes				
50	F.I.C.A.	39,944	100.000	39,944	39,944
51	Federal Unemployment	56	100.000	56	56
52	State Unemployment	301	100.000	301	301
53	Other Payroll Taxes	0	100.000	0	0
54	Total Payroll Taxes	<u>40,301</u>		<u>40,301</u>	<u>40,301</u>
55	Total Compensation Package	<u>2,807,896</u>		<u>2,807,896</u>	<u>2,807,896</u>

(A) Allocation Code: DALL
Note: Represents total compensation not the amount allocated to Duke Energy Kentucky, Inc.

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
EXECUTIVE COMPENSATION
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE G-3
PAGE 3 OF 5
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	DESCRIPTION	OPERATION AND MAINTENANCE EXPENSE			
		TOTAL UNADJUSTED	JURISDICTIONAL % (A)	JURISDICTIONAL UNADJUSTED	JURISDICTIONAL ADJUSTED
1	Name of Executive: David L. Hauser				
2					
3	Base Period:				
4	Total Salary (B)	450,000	100.000	450,000	0
5	Other Allowances and Compensation	1,866,072	100.000	1,866,072	0
6	Total Compensation	<u>2,316,072</u>		<u>2,316,072</u>	<u>0</u>
7					
8	Employee Benefits				
9	401(k) Company Match	14,700	100.000	14,700	0
10	Dental Insurance	657	100.000	657	0
11	Employee Assistance Program	0	100.000	0	0
12	Life Insurance	1,089	100.000	1,089	0
13	Long-Term Disability	0	100.000	0	0
14	Medical Insurance	9,892	100.000	9,892	0
15	Miscellaneous Plans	0	100.000	0	0
16	Post-retirement Benefits	852	100.000	852	0
17	Retirement Plans	125,799	100.000	125,799	0
18	Wellness Programs	101	100.000	101	0
19	Work/Life Programs	0	100.000	0	0
20	Total Benefits	<u>153,090</u>		<u>153,090</u>	<u>0</u>
21					
22	Payroll Taxes				
23	F.I.C.A.	41,445	100.000	41,445	0
24	Federal Unemployment	56	100.000	56	0
25	State Unemployment	301	100.000	301	0
26	Other Payroll Taxes	0	100.000	0	0
27	Total Payroll Taxes	<u>41,802</u>		<u>41,802</u>	<u>0</u>
28	Total Compensation Package	<u>2,510,964</u>		<u>2,510,964</u>	<u>0</u>
29					
30	Forecasted Period:				
31	Total Salary	0	100.000	0	0
32	Other Allowances and Compensation	1,416,678	100.000	1,416,678	0
33	Total Compensation	<u>1,416,678</u>		<u>1,416,678</u>	<u>0</u>
34					
35	Employee Benefits				
36	401(k) Company Match	0	100.000	0	0
37	Dental Insurance	0	100.000	0	0
38	Employee Assistance Program	0	100.000	0	0
39	Life Insurance	0	100.000	0	0
40	Long-Term Disability	0	100.000	0	0
41	Medical Insurance	0	100.000	0	0
42	Miscellaneous Plans	0	100.000	0	0
43	Post-retirement Benefits	0	100.000	0	0
44	Retirement Plans	0	100.000	0	0
45	Wellness Programs	0	100.000	0	0
46	Work/Life Programs	0	100.000	0	0
47	Total Benefits	<u>0</u>		<u>0</u>	<u>0</u>
48					
49	Payroll Taxes				
50	F.I.C.A.	27,163	100.000	27,163	0
51	Federal Unemployment	56	100.000	56	0
52	State Unemployment	301	100.000	301	0
53	Other Payroll Taxes	0	100.000	0	0
54	Total Payroll Taxes	<u>27,520</u>		<u>27,520</u>	<u>0</u>
55	Total Compensation Package	<u>1,444,198</u>		<u>1,444,198</u>	<u>0</u>

(A) Allocation Code: DALL
(B) Mr. David L. Hauser retired effective 06/30/09, therefore no projections were included for the Forecasted period
Note: Represents total compensation not the amount allocated to Duke Energy Kentucky, Inc.

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
EXECUTIVE COMPENSATION
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE G-3
PAGE 4 OF 5
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	DESCRIPTION	OPERATION AND MAINTENANCE EXPENSE			
		TOTAL UNADJUSTED	JURISDICTIONAL % (A)	JURISDICTIONAL UNADJUSTED	JURISDICTIONAL ADJUSTED
1	Name of Executive: Marc E. Manly				
2					
3	Base Period:				
4	Total Salary	600,000	100.000	600,000	600,000
5	Other Allowances and Compensation	1,315,208	100.000	1,315,208	1,315,208
6	Total Compensation	<u>1,915,208</u>		<u>1,915,208</u>	<u>1,915,208</u>
7					
8	Employee Benefits				
9	401(k) Company Match	9,800	100.000	9,800	9,800
10	Dental Insurance	504	100.000	504	504
11	Employee Assistance Program	0	100.000	0	0
12	Life Insurance	1,452	100.000	1,452	1,452
13	Long-Term Disability	25,560	100.000	25,560	25,560
14	Medical Insurance	9,316	100.000	9,316	9,316
15	Miscellaneous Plans	0	100.000	0	0
16	Post-retirement Benefits	0	100.000	0	0
17	Retirement Plans	441,743	100.000	441,743	441,743
18	Wellness Programs	135	100.000	135	135
19	Work/Life Programs	0	100.000	0	0
20	Total Benefits	<u>488,510</u>		<u>488,510</u>	<u>488,510</u>
21					
22	Payroll Taxes				
23	F.I.C.A.	34,395	100.000	34,395	34,395
24	Federal Unemployment	56	100.000	56	56
25	State Unemployment	301	100.000	301	301
26	Other Payroll Taxes	0	100.000	0	0
27	Total Payroll Taxes	<u>34,752</u>		<u>34,752</u>	<u>34,752</u>
28	Total Compensation Package	<u>2,438,470</u>		<u>2,438,470</u>	<u>2,438,470</u>
29					
30	Forecasted Period:				
31	Total Salary	600,000	100.000	600,000	600,000
32	Other Allowances and Compensation	1,502,925	100.000	1,502,925	1,502,925
33	Total Compensation	<u>2,102,925</u>		<u>2,102,925</u>	<u>2,102,925</u>
34					
35	Employee Benefits				
36	401(k) Company Match	9,800	100.000	9,800	9,800
37	Dental Insurance	630	100.000	630	630
38	Employee Assistance Program	0	100.000	0	0
39	Life Insurance	1,815	100.000	1,815	1,815
40	Long-Term Disability	25,560	100.000	25,560	25,560
41	Medical Insurance	10,395	100.000	10,395	10,395
42	Miscellaneous Plans	0	100.000	0	0
43	Post-retirement Benefits	0	100.000	0	0
44	Retirement Plans	483,170	100.000	483,170	483,170
45	Wellness Programs	135	100.000	135	135
46	Work/Life Programs	0	100.000	0	0
47	Total Benefits	<u>531,505</u>		<u>531,505</u>	<u>531,505</u>
48					
49	Payroll Taxes				
50	F.I.C.A.	37,114	100.000	37,114	37,114
51	Federal Unemployment	56	100.000	56	56
52	State Unemployment	301	100.000	301	301
53	Other Payroll Taxes	0	100.000	0	0
54	Total Payroll Taxes	<u>37,471</u>		<u>37,471</u>	<u>37,471</u>
55	Total Compensation Package	<u>2,671,901</u>		<u>2,671,901</u>	<u>2,671,901</u>

(A) Allocation Code: DALL
Note: Represents total compensation not the amount allocated to Duke Energy Kentucky, Inc.

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
EXECUTIVE COMPENSATION
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE G-3
PAGE 5 OF 5
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	DESCRIPTION	OPERATION AND MAINTENANCE EXPENSE			
		TOTAL UNADJUSTED	JURISDICTIONAL % (A)	JURISDICTIONAL UNADJUSTED	JURISDICTIONAL ADJUSTED
1	Name of Executive: Lynn J. Good				
2					
3	Base Period:				
4	Total Salary	521,872	100.000	521,872	521,872
5	Other Allowances and Compensation	791,855	100.000	791,855	791,855
6	Total Compensation	<u>1,313,727</u>		<u>1,313,727</u>	<u>1,313,727</u>
7					
8	Employee Benefits				
9	401(k) Company Match	14,700	100.000	14,700	14,700
10	Dental Insurance	876	100.000	876	876
11	Employee Assistance Program	0	100.000	0	0
12	Life Insurance	1,452	100.000	1,452	1,452
13	Long-Term Disability	22,232	100.000	22,232	22,232
14	Medical Insurance	11,856	100.000	11,856	11,856
15	Miscellaneous Plans	0	100.000	0	0
16	Post-retirement Benefits	0	100.000	0	0
17	Retirement Plans	213,900	100.000	213,900	213,900
18	Wellness Programs	135	100.000	135	135
19	Work/Life Programs	0	100.000	0	0
20	Total Benefits	<u>265,151</u>		<u>265,151</u>	<u>265,151</u>
21					
22	Payroll Taxes				
23	F.I.C.A.	25,650	100.000	25,650	25,650
24	Federal Unemployment	56	100.000	56	56
25	State Unemployment	301	100.000	301	301
26	Other Payroll Taxes	0	100.000	0	0
27	Total Payroll Taxes	<u>26,007</u>		<u>26,007</u>	<u>26,007</u>
28	Total Compensation Package	<u>1,604,885</u>		<u>1,604,885</u>	<u>1,604,885</u>
29					
30	Forecasted Period:				
31	Total Salary	575,000	100.000	575,000	575,000
32	Other Allowances and Compensation	990,318	100.000	990,318	990,318
33	Total Compensation	<u>1,565,318</u>		<u>1,565,318</u>	<u>1,565,318</u>
34					
35	Employee Benefits				
36	401(k) Company Match	14,700	100.000	14,700	14,700
37	Dental Insurance	876	100.000	876	876
38	Employee Assistance Program	0	100.000	0	0
39	Life Insurance	1,452	100.000	1,452	1,452
40	Long-Term Disability	24,495	100.000	24,495	24,495
41	Medical Insurance	11,856	100.000	11,856	11,856
42	Miscellaneous Plans	0	100.000	0	0
43	Post-retirement Benefits	0	100.000	0	0
44	Retirement Plans	233,766	100.000	233,766	233,766
45	Wellness Programs	135	100.000	135	135
46	Work/Life Programs	0	100.000	0	0
47	Total Benefits	<u>287,280</u>		<u>287,280</u>	<u>287,280</u>
48					
49	Payroll Taxes				
50	F.I.C.A.	29,319	100.000	29,319	29,319
51	Federal Unemployment	56	100.000	56	56
52	State Unemployment	301	100.000	301	301
53	Other Payroll Taxes	0	100.000	0	0
54	Total Payroll Taxes	<u>29,676</u>		<u>29,676</u>	<u>29,676</u>
55	Total Compensation Package	<u>1,882,274</u>		<u>1,882,274</u>	<u>1,882,274</u>

(A) Allocation Code: DALL
Note: Represents total compensation not the amount allocated to Duke Energy Kentucky, Inc.

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
COMPUTATION OF GROSS REVENUE CONVERSION FACTOR
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE H
PAGE 1 OF 2
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	DESCRIPTION	PERCENT OF INCREMENTAL GROSS REVENUE
1	Operating Revenues	100.0000%
2		
3		
4	Less: Uncollectible Accounts Expenses	0.2888%
5	KPSC Maintenance Tax	0.1600%
6	Subtotal	<u>0.4488%</u>
7		
8	Income before Income Tax (Line 1 - Line 7)	99.5512%
9		
10	Income Taxes - State of Kentucky	
11	(6.000% * 99.5512%)	<u>5.9731%</u>
12		
13	Income before Federal Income Tax (Line 9 - Line 12)	93.5781%
14		
15	Federal Income Tax (35% x 93.5781%)	<u>32.7523%</u>
16		
17	Operating Income Percentage (Line 14 - Line 16)	<u>60.8258%</u>
18		
19	Gross Revenue Conversion Factor (100% / 60.8258%)	<u>1.6440390</u>

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
COMPUTATION OF GROSS REVENUE CONVERSION FACTOR
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

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

SCHEDULE H
PAGE 2 OF 2
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	DESCRIPTION	PERCENT OF INCREMENTAL GROSS REVENUE
1	Operating Revenues	100.0000%
2		
3		
4	Less: Uncollectible Accounts Expenses	0.2730%
5	KPSC Maintenance Tax	0.1600%
6	Subtotal	<u>0.4330%</u>
7		
8	Income before Income Tax (Line 1 - Line 6)	99.5670%
9		
10	Income Taxes - State of Kentucky	
11	(6.00% * 99.567%)	<u>5.9740%</u>
12		
13	Income before Federal Income Tax (Line 8 - Line 11)	93.5930%
14		
15	Federal Income Tax (35% x 93.593%)	<u>32.7576%</u>
16		
17	Operating Income Percentage (Line 13 - Line 15)	<u>60.8354%</u>
18		
19	Gross Revenue Conversion Factor (100% / 60.8354%)	<u>1.6437800</u>

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
TOTAL COMPANY
COMPARATIVE INCOME STATEMENTS
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

SCHEDULE I-1
PAGE 1 OF 1
WITNESS RESPONSIBLE:
S. R. LEE

DATA: "X" BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): WPI-1a, WPI-1b

LINE NO.	DESCRIPTION	2012		FORECASTED PERIOD	% CHANGE	BASE PERIOD		MOST RECENT FIVE CALENDAR YEARS									
		2012	2011			2008	% CHANGE	2007	% CHANGE	2006	% CHANGE	2005	% CHANGE	2004	% CHANGE		
1	UTILITY OPERATING INCOME			483,937,185	2.23%	473,366,557	(5.35)%	500,129,281	1.94%	490,610,673	22.69%	399,880,608	3.47%	386,466,564	10.01%	351,299,131	6.19%
2	OPERATING REVENUES	522,149,014	511,290,836														
3	OPERATING EXPENSES			357,413,263	7.76%	331,668,001	(7.92)%	360,209,369	2.80%	350,401,369	16.14%	301,717,634	(8.19)%	328,640,926	13.47%	289,616,466	6.64%
4	OPERATION EXPENSES	392,505,499	381,929,928														
5	MAINTENANCE EXPENSES	30,565,518	30,189,272	27,131,118	1.54%	26,720,097	7.90%	24,764,719	3.82%	23,852,836	15.76%	20,604,924	249.48%	5,895,908	(18.07)%	7,196,077	20.14%
6	DEPRECIATION EXPENSE	47,236,281	44,588,032	43,731,540	21.21%	36,078,772	2.65%	35,147,583	2.33%	34,346,152	1.12%	33,964,218	99.34%	17,038,206	3.06%	16,531,713	7.24%
7	AMORT. & DEPL. OF UTILITY PLANT	0	0	0	(100.00)%	2,846,069	22.95%	2,314,793	(5.10)%	2,439,306	7.83%	2,262,122	1.59%	2,226,768	3.88%	2,143,542	(17.09)%
8	REGULATORY DEBITS	18,273,632	16,639,554	14,572,959	1646.23%	834,536	147.53%	(1,755,647)	(225.57)%	1,398,166	50.12%	931,382	-	0	-	0	-
9	TAXES OTHER THAN INCOME TAXES	3,861,595	7,463,021	8,790,826	10.71%	7,940,748	10.04%	7,216,421	(35.53)%	11,192,992	14.45%	9,780,002	108.55%	4,688,534	49.54%	3,136,049	(28.93)%
10	INCOME TAXES - FEDERAL	682,500	1,303,542	1,531,451	108.55%	(17,920,830)	(350.32)%	7,159,947	(58.79)%	17,374,215	3314.37%	508,956	(83.62)%	3,106,170	16.20%	2,673,009	229.83%
11	INCOME TAXES - OTHER	(999,453)	(1,966,080)	(2,161,997)	26.95%	(2,959,802)	(291.61)%	1,544,713	(29.79)%	2,200,100	4907.91%	(45,760)	(108.60)%	532,325	235.09%	(394,038)	(194.77)%
12	PROVISION FOR DEFERRED INCOME TAXES	0	0	0	(100.00)%	82,519,630	81.25%	45,527,502	80.54%	25,217,864	48.32%	17,002,321	106.71%	8,225,074	(1.60)%	8,359,229	(35.10)%
13	PROVISION FOR DEFERRED INCOME TAXES - CREDIT	0	0	0	100.00%	(39,084,022)	(13.13)%	(34,547,608)	(83.97)%	(18,778,800)	(387.01)%	(3,855,940)	38.37%	(6,256,096)	(410.52)%	(1,225,433)	40.35%
14	INVESTMENT TAX CREDIT ADJ. - NET	0	0	0	100.00%	(195,406)	8.42%	(213,376)	2.89%	(219,736)	9.28%	(242,213)	4.27%	(253,028)	(0.03)%	(2,252,963)	4.36%
15	GAINS FROM DISP OF ALLOW - CREDIT	0	0	0	100.00%	(21,640)	85.47%	(148,946)	87.62%	(1,202,928)	70.50%	(4,077,598)	-	0	-	0	-
16	ACCRETION EXPENSE	0	0	0	-	0	(100.00)%	561	-	0	-	0	-	0	-	0	-
17	TOTAL UTILITY OPERATING EXPENSES	492,125,572	480,147,269	451,009,160	5.27%	428,426,153	(4.20)%	447,219,131	(0.22)%	448,221,536	18.40%	378,549,948	4.04%	363,845,807	11.00%	327,783,551	6.11%
18	NET UTILITY OPERATING INCOME	30,023,442	31,143,567	32,928,025	(26.73)%	44,940,404	(15.06)%	52,910,150	24.82%	42,389,137	98.72%	21,330,660	(5.70)%	22,620,757	(3.80)%	23,515,480	7.30%
19	OTHER INCOME AND DEDUCTIONS																
20	OTHER INCOME			5,560	102.00%	(278,208)	21.15%	(352,815)	(33.79)%	(263,700)	(78.16)%	(148,011)	(130.59)%	(64,187)	(105.42)%	1,183,948	(50.90)%
21	NONUTILITY OPERATING INCOME	5,560	5,560	5,560	102.00%	(278,208)	21.15%	(352,815)	(33.79)%	(263,700)	(78.16)%	(148,011)	(130.59)%	(64,187)	(105.42)%	1,183,948	(50.90)%
22	INTEREST AND DIVIDEND INCOME	4,334,509	4,110,307	3,685,078	18.69%	3,104,815	(22.78)%	4,020,483	9.98%	3,655,723	14.52%	3,192,346	26.40%	2,525,516	58.51%	1,593,291	3.90%
23	ALLOWANCE FOR FUNDS USED DURING CONST	230,933	185,693	203,194	(48.80)%	396,896	(49.01)%	778,340	255.50%	218,940	(65.02)%	625,812	(2.55)%	642,187	3631.22%	(18,186)	(109.94)%
24	MISCELLANEOUS NONOPERATING INCOME	92,640	92,640	92,640	12351.61%	744	(98.77)%	60,435	(81.65)%	329,403	1356.76%	22,612	91.21%	11,826	241.00%	3,468	(99.47)%
25	GAIN ON DISPOSITION OF PROPERTY	0	0	0	(100.00)%	65,449	-	65,449	-	0	(100.00)%	9,269	(92.07)%	116,918	2001.71%	2001,716	-
26	TOTAL OTHER INCOME	4,663,642	4,394,200	3,986,472	21.18%	3,289,696	(28.05)%	4,571,892	16.03%	3,940,366	6.71%	3,692,759	18.18%	3,124,611	8.51%	2,879,439	(39.85)%
27	OTHER INCOME DEDUCTIONS	0	0	0	-	0	-	0	-	0	(100.00)%	60,081	(64.36)%	168,597	-	0	-
28	LOSS ON DISPOSITION OF PROPERTY	0	0	0	-	0	-	0	-	0	(33.37)%	3,589,293	157.59%	1,393,433	77.56%	784,778	14.87%
29	MISCELLANEOUS INCOME DEDUCTIONS	136,280	136,280	136,280	(86.35)%	998,223	(34.23)%	1,517,780	(36.54)%	2,391,550	(33.37)%	3,589,293	146.94%	1,453,514	52.46%	953,376	39.55%
30	TOTAL OTHER INCOME DEDUCTIONS	136,280	136,280	136,280	(86.35)%	998,223	(34.23)%	1,517,780	(36.54)%	2,391,550	(33.37)%	3,589,293	146.94%	1,453,514	52.46%	953,376	39.55%
31	TAXES APPLICABLE TO OTHER INCOME AND DEDUCTIONS	0	0	0	(100.00)%	180,604	(30.09)%	258,355	(34.80)%	396,230	37.92%	287,290	8.38%	265,069	(34.95)%	407,479	42792.53%
32	TAXES OTHER THAN INCOME TAXES	0	0	0	21.07%	1,113,040	(70.79)%	3,810,212	163.65%	(5,986,624)	(647.48)%	(800,907)	(142.50)%	1,884,356	389.39%	385,043	(86.45)%
33	INCOME TAXES - FEDERAL	1,584,577	1,490,272	1,347,567	(36.03)%	343,084	(50.06)%	687,027	318.43%	164,193	227.40%	(128,876)	(186.69)%	148,663	33.73%	111,163	(85.65)%
34	- OTHER	258,060	242,701	219,461	(70.79)%	525,055	(47.57)%	528,766	(47.57)%	1,008,488	(36.97)%	1,600,113	259.34%	445,290	(37.76)%	715,457	126.24%
35	PROVISION FOR DEFERRED INCOME TAXES	0	0	0	100.00%	(3,727,271)	4.58%	(3,906,359)	(99.06)%	(1,962,382)	64.02%	(5,453,399)	-	0	(100.00)%	4,892	118.64%
36	PROVISION FOR DEFERRED INCOME TAXES - CREDIT	0	0	0	100.00%	(556,081)	1.32%	(563,515)	0.25%	(564,901)	0.82%	(569,552)	-	0	-	0	-
37	INVESTMENT TAX CREDIT ADJ. - NET	0	0	0	100.00%	(2,121,569)	(360.46)%	814,486	111.73%	(6,944,996)	(37.11)%	(5,065,331)	(284.64)%	2,743,378	68.92%	1,624,034	88.09%
38	TOTAL TAXES ON OTHER INCOME AND DEDUCTIONS	1,842,637	1,732,973	1,567,028	173.86%	(2,121,569)	(360.46)%	814,486	111.73%	(6,944,996)	(37.11)%	(5,065,331)	(284.64)%	2,743,378	68.92%	1,624,034	88.09%
39	NET OTHER INCOME AND DEDUCTIONS	2,684,725	2,524,947	2,283,164	(48.26)%	4,413,042	97.04%	2,239,626	(73.63)%	8,493,812	64.33%	5,168,797	582.04%	(1,072,281)	(455.02)%	302,030	(90.68)%
40	INTEREST CHARGES			17,565,159	45.58%	12,065,813	(18.86)%	14,870,411	(0.61)%	14,961,562	24.64%	12,003,457	98.31%	6,052,870	45.69%	4,154,537	(20.78)%
41	INTEREST ON LONG TERM DEBT	21,301,459	18,028,156	17,565,159	45.58%	12,065,813	(18.86)%	14,870,411	(0.61)%	14,961,562	24.64%	12,003,457	98.31%	6,052,870	45.69%	4,154,537	(20.78)%
42	AMORTIZATION OF DEBT DISCOUNT AND EXPENSE ⁽¹⁾	295,402	243,819	235,486	(15.13)%	277,453	6.52%	260,459	(38.67)%	424,688	(5.76)%	450,660	230.21%	136,476	120.32%	61,944	(26.55)%
43	AMORTIZATION OF LOSS ON REACQUIRED DEBT	207,696	207,696	207,696	(27.26)%	285,534	(5.49)%	302,126	66.53%	181,428	-	181,428	-	181,428	-	181,428	(7.88)%
44	AMORTIZATION OF PREMIUM ON DEBT - CREDIT	0	0	0	-	0	-	0	-	0	-	0	-	0	-	0	-
45	INTEREST ON DEBT TO ASSOC. COMPANIES	0	0	0	(100.00)%	977	(98.81)%	82,070	(91.35)%	949,091	(74.59)%	3,735,843	5308.86%	69,069	(74.21)%	267,806	120.82%
46	OTHER INTEREST EXPENSE ⁽¹⁾	2,058,729	946,156	335,270	(93.39)%	5,070,036	91.52%	2,647,239	93.08%	1,371,033	612.62%	192,394	(71.99)%	686,962	22.61%	560,289	1.70%
47	ALLOW FOR BRWD FUNDS USED DUR CONST - CREDIT	(791,771)	(1,006,338)	(660,701)	(402.85)%	(131,391)	73.38%	(493,581)	(4.08)%	(474,224)	39.78%	(787,542)	(252.47)%	(223,434)	(378.32)%	(46,712)	33.94%
48	NET INTEREST CHARGES	23,071,515	18,419,489	17,662,910	0.65%	17,568,422	(0.57)%	17,668,724	1.47%	17,413,598	10.38%	15,776,240	128.53%	6,903,371	33.23%	5,179,291	(15.47)%
49	NET INCOME	9,636,652	15,249,025	17,528,279	(44.85)%	31,785,024	(15.20)%	37,481,052	11.99%	33,469,351	212.12%	10,723,217	(26.78)%	14,645,105	(21.42)%	18,638,219	(2.05)%

⁽¹⁾ To WPD-2.18b.

DUKE ENERGY KENTUCKY, INC
CASE NO. 2009-00202
REVENUE STATISTICS-TOTAL COMPANY
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

SCHEDULE I-2 1
PAGE 1 OF 1
WITNESS RESPONSIBLE:
S R LEE

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

LINE NO.	DESCRIPTION	MOST RECENT FIVE CALENDAR YEARS					BASE PERIOD	FORECASTED PERIOD	TWO PROJECTED CALENDAR YEARS	
		2004	2005	2006	2007	2008			2011	2012
1	REVENUE BY CUSTOMER									
2	CLASS-\$ (A)									
3	RETAIL -									
4	RESIDENTIAL	76,726,305	91,305,907	86,660,038	86,579,321	93,979,581	80,754,896	77,839,512	92,646,428	92,167,776
5	COMMERCIAL	30,631,855	36,530,021	36,055,991	36,777,397	41,833,545	33,434,949	33,615,772	42,271,055	41,976,829
6	INDUSTRIAL	4,422,285	6,499,110	6,187,267	6,170,703	4,505,715	3,340,877	3,676,307	4,517,142	4,135,287
7	OTHER	5,128,269	5,935,972	5,969,576	5,661,390	6,304,140	4,442,180	5,137,826	7,117,059	6,956,784
8	TOTAL RETAIL	116,908,714	140,271,010	134,872,872	135,188,811	146,622,981	121,972,902	120,269,417	146,551,684	145,236,676
9	TRANSPORTATION -									
10	COMMERCIAL	339,745	441,015	442,746	441,593	434,019	432,721	364,593	0	0
11	INDUSTRIAL	2,045,808	2,157,223	2,089,872	2,268,644	2,283,385	2,128,175	1,592,780	0	0
12	OTHER	942,529	963,193	858,652	889,085	1,006,273	1,148,486	1,126,107	600,696	600,696
13	OTHER END USERS	1,143,317	1,210,158	1,248,155	1,215,212	1,245,606	1,209,536	1,056,245	1,142,709	1,141,545
14	TOTAL TRANSPORTATION	4,471,399	4,771,589	4,639,425	4,814,534	4,969,283	4,918,918	4,139,725	1,743,405	1,742,241
15	TOTAL REVENUES	121,380,113	145,042,599	139,512,297	140,003,345	151,592,264	126,891,820	124,409,142	148,295,089	146,978,917
16										
17	NO OF CUSTOMERS BY									
18	CLASS (YEAR END)									
19	RETAIL -									
20	RESIDENTIAL	84,506	85,636	86,885	87,804	87,954	86,627	90,381	90,731	91,858
21	COMMERCIAL	6,977	7,072	7,133	7,227	7,223	6,977	6,539	6,521	6,579
22	INDUSTRIAL	251	231	238	231	221	210	231	232	231
23	OTHER	380	379	380	380	368	367	371	371	371
24	TOTAL RETAIL	92,114	93,318	94,636	95,642	95,766	94,181	97,522	97,855	99,039
25	TRANSPORTATION -									
26	COMMERCIAL	18	20	20	19	20	25	21	21	21
27	INDUSTRIAL	32	32	34	35	36	36	41	41	41
28	OTHER	7	7	7	9	23	24	23	23	23
29	OTHER END USERS	20	20	22	22	24	21	24	24	24
30	TOTAL TRANSPORTATION	77	79	83	85	103	106	109	109	109
31	TOTAL CUSTOMERS	92,191	93,397	94,719	95,727	95,869	94,287	97,631	97,964	99,148
32										
33	NO OF CUSTOMERS BY									
34	CLASS (AVERAGE)									
35	RETAIL -									
36	RESIDENTIAL	83,028	84,746	85,870	86,972	87,547	87,330	88,571	90,384	91,504
37	COMMERCIAL	6,882	6,956	7,058	7,115	7,150	7,115	6,428	6,488	6,539
38	INDUSTRIAL	246	242	234	230	223	218	229	231	231
39	OTHER	382	380	380	381	377	370	371	371	371
40	TOTAL RETAIL	90,538	92,324	93,542	94,698	95,297	95,032	95,599	97,474	98,645
41	TRANSPORTATION -									
42	COMMERCIAL	16	19	20	20	20	22	21	21	21
43	INDUSTRIAL	31	31	33	35	36	36	41	41	41
44	OTHER	7	7	7	7	11	22	23	23	23
45	OTHER END USERS	20	20	21	22	23	23	24	24	24
46	TOTAL TRANSPORTATION	74	77	81	84	90	103	109	109	109
47	TOTAL CUSTOMERS	90,612	92,401	93,623	94,782	95,387	95,135	95,708	97,583	98,754
48										
49	AVERAGE REVENUE PER									
50	CUSTOMER									
51	RETAIL -									
52	RESIDENTIAL	924	1,077	1,009	995	1,073	925	879	1,025	1,007
53	COMMERCIAL	4,451	5,252	5,109	5,169	5,851	4,699	5,230	6,515	6,419
54	INDUSTRIAL	17,977	26,856	26,441	26,829	20,205	15,325	16,054	19,555	17,902
55	TRANSPORTATION -									
56	COMMERCIAL	21,234	23,211	22,137	22,080	21,701	19,669	17,362	0	0
57	INDUSTRIAL	65,994	69,588	63,329	64,818	63,427	59,116	38,848	0	0
58	OTHER END USERS	57,166	60,508	59,436	55,237	54,157	52,589	44,010	47,613	47,564

(A) Contains Billed Sales

DUKE ENERGY KENTUCKY, INC
CASE NO. 2009-00202
REVENUE STATISTICS-JURISDICTIONAL
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

SCHEDULE I-3
PAGE 1 OF 1
WITNESS RESPONSIBLE:
S R LEE

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

LINE NO.	DESCRIPTION	MOST RECENT FIVE CALENDAR YEARS					BASE PERIOD	FORECASTED PERIOD	TWO PROJECTED CALENDAR YEARS	
		2004	2005	2006	2007	2008			2011	2012
1	REVENUE BY CUSTOMER									
2	CLASS-\$ (A)									
3	RETAIL -									
4	RESIDENTIAL									
5	COMMERCIAL									
6	INDUSTRIAL									
7	OTHER									
8	TOTAL RETAIL									
9	TRANSPORTATION -									
10	COMMERCIAL									
11	INDUSTRIAL									
12	OTHER									
13	OTHER END USERS									
14	TOTAL TRANSPORTATION									
15	TOTAL REVENUES									
16										
17	NO OF CUSTOMERS BY									
18	CLASS (YEAR END)									
19	RETAIL -									
20	RESIDENTIAL									
21	COMMERCIAL									
22	INDUSTRIAL									
23	OTHER									
24	TOTAL RETAIL									
25	TRANSPORTATION -									
26	COMMERCIAL									
27	INDUSTRIAL									
28	OTHER									
29	OTHER END USERS									
30	TOTAL TRANSPORTATION									
31	TOTAL CUSTOMERS									
32										
33	NO OF CUSTOMERS BY									
34	CLASS (AVERAGE)									
35	RETAIL -									
36	RESIDENTIAL									
37	COMMERCIAL									
38	INDUSTRIAL									
39	OTHER									
40	TOTAL RETAIL									
41	TRANSPORTATION -									
42	COMMERCIAL									
43	INDUSTRIAL									
44	OTHER									
45	OTHER END USERS									
46	TOTAL TRANSPORTATION									
47	TOTAL CUSTOMERS									
48										
49	AVERAGE REVENUE PER									
50	CUSTOMER									
51	RETAIL -									
52	RESIDENTIAL									
53	COMMERCIAL									
54	INDUSTRIAL									
55	TRANSPORTATION -									
56	COMMERCIAL									
57	INDUSTRIAL									
58	OTHER END USERS									

SAME AS SCHEDULE I-2.1 - 100% OF TOTAL COMPANY OPERATIONS ARE JURISDICTIONAL

(A) Contains Billed and Unbilled Sales

DUKE ENERGY KENTUCKY, INC
CASE NO. 2009-00202
SALES STATISTICS-TOTAL COMPANY
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

SCHEDULE I-4
PAGE 1 OF 1
WITNESS RESPONSIBLE:
S R LEE

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

LINE NO.	DESCRIPTION	MOST RECENT FIVE CALENDAR YEARS					BASE PERIOD	FORECASTED PERIOD	TWO PROJECTED CALENDAR YEARS	
		2004	2005	2006	2007	2008			2011	2012
1	SALES BY CUSTOMER									
2	CLASS-MCF (A)									
3	RETAIL -									
4	RESIDENTIAL	6,685,673	6,788,510	5,815,112	6,227,726	6,653,731	6,503,203	6,699,903	6,713,716	6,747,365
5	COMMERCIAL	3,003,865	3,097,025	2,777,734	3,013,199	3,250,389	3,111,635	3,018,506	3,020,143	3,017,126
6	INDUSTRIAL	455,729	577,282	507,907	535,231	360,818	324,004	376,087	361,598	349,784
7	OTHER	528,760	531,224	481,948	485,343	505,728	425,774	521,604	514,408	509,995
8	TOTAL RETAIL	10,674,027	10,994,041	9,582,701	10,261,499	10,771,666	10,364,616	10,616,100	10,609,865	10,624,270
9	TRANSPORTATION -									
10	COMMERCIAL	156,295	192,427	199,567	200,966	198,344	193,913	145,231	145,312	145,162
11	INDUSTRIAL	1,027,169	1,049,718	1,095,418	1,188,240	1,194,202	1,074,822	782,872	742,737	718,470
12	OTHER	138,709	147,166	132,715	147,705	193,128	226,847	230,533	227,325	225,354
13	OTHER END USERS	1,359,713	1,359,279	1,464,936	1,395,776	1,426,021	1,379,637	1,227,496	1,259,454	1,266,702
14	TOTAL TRANSPORTATION	2,681,886	2,748,590	2,892,636	2,932,687	3,011,695	2,875,219	2,386,132	2,374,828	2,355,688
15	TOTAL SALES	13,355,913	13,742,631	12,475,337	13,194,186	13,783,361	13,239,835	13,002,232	12,984,693	12,979,958
16										
17	NO. OF CUSTOMERS BY									
18	CLASS (YEAR END)									
19	RETAIL -									
20	RESIDENTIAL	84,506	85,636	86,885	87,804	87,954	86,627	90,381	90,731	91,858
21	COMMERCIAL	6,977	7,072	7,133	7,227	7,223	6,977	6,539	6,521	6,579
22	INDUSTRIAL	251	231	238	231	221	210	231	232	231
23	OTHER	380	379	380	380	368	367	371	371	371
24	TOTAL RETAIL	92,114	93,318	94,636	95,642	95,766	94,181	97,522	97,855	99,039
25	TRANSPORTATION -									
26	COMMERCIAL	18	20	20	19	20	25	21	21	21
27	INDUSTRIAL	32	32	34	35	36	36	41	41	41
28	OTHER	7	7	7	9	23	24	23	23	23
29	OTHER END USERS	20	20	22	22	24	21	24	24	24
30	TOTAL TRANSPORTATION	77	79	83	85	103	106	109	109	109
31	TOTAL CUSTOMERS	92,191	93,397	94,719	95,727	95,869	94,287	97,631	97,964	99,148
32										
33	NO. OF CUSTOMERS BY									
34	CLASS (AVERAGE)									
35	RETAIL -									
36	RESIDENTIAL	83,028	84,746	85,870	86,972	87,547	87,330	88,571	90,384	91,504
37	COMMERCIAL	6,882	6,956	7,058	7,115	7,150	7,115	6,428	6,488	6,539
38	INDUSTRIAL	246	242	234	230	223	218	229	231	231
39	OTHER	382	380	380	381	377	370	371	371	371
40	TOTAL RETAIL	90,538	92,324	93,542	94,698	95,297	95,033	95,599	97,474	98,645
41	TRANSPORTATION -									
42	COMMERCIAL	16	19	20	20	20	22	21	21	21
43	INDUSTRIAL	31	31	33	35	36	36	41	41	41
44	OTHER	7	7	7	7	11	22	23	23	23
45	OTHER END USERS	20	20	21	22	23	23	24	24	24
46	TOTAL TRANSPORTATION	74	77	81	84	90	103	109	109	109
47	TOTAL CUSTOMERS	90,612	92,401	93,623	94,782	95,387	95,136	95,708	97,583	98,754
48										
49	AVERAGE SALES PER									
50	CUSTOMER-MCF									
51	RETAIL -									
52	RESIDENTIAL	81	80	68	72	76	74	76	74	74
53	COMMERCIAL	436	445	394	423	455	437	470	465	461
54	INDUSTRIAL	1,853	2,385	2,171	2,327	1,618	1,486	1,642	1,565	1,514
55	TRANSPORTATION -									
56	COMMERCIAL	9,768	10,128	9,978	10,048	9,917	8,814	6,916	6,920	6,912
57	INDUSTRIAL	33,134	33,862	33,194	33,950	33,172	29,856	19,094	18,116	17,524
58	OTHER END USERS	67,986	67,964	69,759	63,444	62,001	59,984	51,146	52,477	52,779

(A) Contains Billed Sales

DUKE ENERGY KENTUCKY, INC
CASE NO. 2009-00202
SALES STATISTICS-JURISDICTIONAL
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

SCHEDULE I-5
PAGE 1 OF 1
WITNESS RESPONSIBLE:
S R LEE

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

LINE NO.	DESCRIPTION	MOST RECENT FIVE CALENDAR YEARS					BASE PERIOD	FORECASTED PERIOD	TWO PROJECTED CALENDAR YEARS	
		2004	2005	2006	2007	2008			2011	2012
1	SALES BY CUSTOMER									
2	CLASS-MCF (A)									
3	RETAIL -									
4	RESIDENTIAL									
5	COMMERCIAL									
6	INDUSTRIAL									
7	OTHER									
8	TOTAL RETAIL									
9	TRANSPORTATION -									
10	COMMERCIAL									
11	INDUSTRIAL									
12	OTHER									
13	OTHER END USERS									
14	TOTAL TRANSPORTATION									
15	TOTAL SALES									
16										
17	NO OF CUSTOMERS BY									
18	CLASS (YEAR END)									
19	RETAIL -									
20	RESIDENTIAL									
21	COMMERCIAL									
22	INDUSTRIAL									
23	OTHER									
24	TOTAL RETAIL									
25	TRANSPORTATION -									
26	COMMERCIAL									
27	INDUSTRIAL									
28	OTHER									
29	OTHER END USERS									
30	TOTAL TRANSPORTATION									
31	TOTAL CUSTOMERS									
32										
33	NO OF CUSTOMERS BY									
34	CLASS (AVERAGE)									
35	RETAIL -									
36	RESIDENTIAL									
37	COMMERCIAL									
38	INDUSTRIAL									
39	OTHER									
40	TOTAL RETAIL									
41	TRANSPORTATION -									
42	COMMERCIAL									
43	INDUSTRIAL									
44	OTHER									
45	OTHER END USERS									
46	TOTAL TRANSPORTATION									
47	TOTAL CUSTOMERS									
48										
49	AVERAGE SALES PER									
50	CUSTOMER-MCF									
51	RETAIL -									
52	RESIDENTIAL									
53	COMMERCIAL									
54	INDUSTRIAL									
55	TRANSPORTATION -									
56	COMMERCIAL									
57	INDUSTRIAL									
58	OTHER END USERS									

SAME AS SCHEDULE I-4 - 100% OF TOTAL COMPANY OPERATIONS ARE JURISDICTIONAL

(A) Contains Billed and Unbilled Sales.

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
COST OF CAPITAL SUMMARY
AS OF SEPTEMBER 30, 2009

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

SCHEDULE J-1
PAGE 1 OF 2
WITNESS RESPONSIBLE:
S. G. DE MAY

LINE NO.	CLASS OF CAPITAL	REFERENCE	AMOUNT (\$)	% OF TOTAL	% COST	WEIGHTED COST %
1	Common Equity		414,995,094	52.725%	11.000%	5.800%
2	Long-Term Debt	J-3	338,460,922	43.001%	4.469%	1.922%
3	Short-Term Debt	J-2	<u>33,637,542</u>	<u>4.274%</u>	1.413%	<u>0.060%</u>
4						
5	Total Capital		<u>787,093,558</u>	<u>100.000%</u>		<u>7.782%</u>
6						
7						
8	Accumulated Deferred Investment Tax Credit					
9	Account 255		<u>3,769,797</u>			
10						
11						
12	<u>Investment Tax Credit Included in Total Capital</u>					
13						
14	Common Equity		416,982,719	52.725%	11.000%	5.800%
15	Long-Term Debt		340,081,972	43.001%	4.469%	1.922%
16	Short-Term Debt		<u>33,798,663</u>	<u>4.274%</u>	1.413%	<u>0.060%</u>
17						
18	Total Capital Including Investment Tax Credit		<u>790,863,354</u>	<u>100.000%</u>		<u>7.782%</u>

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
COST OF CAPITAL SUMMARY
THIRTEEN MONTH AVERAGE BALANCE

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

SCHEDULE J-1
PAGE 2 OF 2
WITNESS RESPONSIBLE:
S. G. DE MAY

LINE NO.	CLASS OF CAPITAL	REFERENCE	13 MONTH AVG BALANCE (\$)	% OF TOTAL	% COST	WEIGHTED COST %
1	Common Equity		411,218,278	49.901%	11.000%	5.489%
2	Long-Term Debt	J-3	367,408,791	44.585%	4.657%	2.076%
3	Short-Term Debt	J-2	<u>45,441,090</u>	<u>5.514%</u>	1.928%	<u>0.106%</u>
4						
5	Total Capital		<u>824,068,159</u>	<u>100.000%</u>		<u>7.671%</u>
6						
7						
8	Accumulated Deferred Investment Tax Credit					
9	Account 255		<u>2,955,668</u>			
10						
11						
12	<u>Investment Tax Credit Included in Total Capital</u>					
13						
14	Common Equity		412,693,186	49.901%	11.000%	5.489%
15	Long-Term Debt		368,726,576	44.585%	4.657%	2.076%
16	Short-Term Debt		<u>45,604,065</u>	<u>5.514%</u>	1.928%	<u>0.106%</u>
17						
18	Total Capital Including Investment Tax Credit		<u>827,023,827</u>	<u>100.000%</u>		<u>7.671%</u>

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
AVERAGE FORECASTED-PERIOD CAPITAL STRUCTURE
CURRENT RATES

DATA: BASE PERIOD "X" FORECASTED PERIOD
DATE OF CAPITAL STRUCTURE: JANUARY 31, 2011
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): See Below

SCHEDULE J-1.1
PAGE 1 OF 1
WITNESS RESPONSIBLE:
S. G. DE MAY

LINE NO.	CLASS OF CAPITAL	REFERENCE	AMOUNT (\$)	% OF TOTAL	% COST	WEIGHTED COST %
1	Common Equity		411,218,278	49.901%	11.000%	5.489%
2	Long-Term Debt	J-3	367,408,791	44.585%	4.657%	2.076%
3	Short-Term Debt	J-2	<u>45,441,090</u>	<u>5.514%</u>	1.928%	<u>0.106%</u>
4						
5	Total Capital		<u>824,068,159</u>	<u>100.000%</u>		<u>7.671%</u>
6						
7						
8	Accumulated Deferred Investment Tax Credit					
9	Account 255		<u>2,955,668</u>			
10						
11						
12	<u>Investment Tax Credit Included in Total Capital</u>					
13						
14	Common Equity		412,693,186	49.901%	11.000%	5.489%
15	Long-Term Debt		368,726,576	44.585%	4.657%	2.076%
16	Short-Term Debt		<u>45,604,065</u>	<u>5.514%</u>	1.928%	<u>0.106%</u>
17						
18	Total Capital Including Investment Tax Credit		<u>827,023,827</u>	<u>100.000%</u>		<u>7.671%</u>

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
AVERAGE FORECASTED-PERIOD CAPITAL STRUCTURE
PROPOSED RATES

DATA: BASE PERIOD "X" FORECASTED PERIOD
DATE OF CAPITAL STRUCTURE: JANUARY 31, 2011
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED
WORK PAPER REFERENCE NO(S): See Below

SCHEDULE J-1.2
PAGE 1 OF 1
WITNESS RESPONSIBLE:
S. G. DE MAY

LINE NO.	CLASS OF CAPITAL	REFERENCE	AMOUNT (\$)	% OF TOTAL	% COST	WEIGHTED COST %
1	Common Equity		416,878,156	50.442%	11.000%	5.549%
2	Long-Term Debt	J-3	367,408,791	44.457%	4.657%	2.070%
3	Short-Term Debt	J-2	<u>42,157,032</u>	<u>5.101%</u>	1.933%	<u>0.099%</u>
4						
5	Total Capital		<u>826,443,979</u>	<u>100.000%</u>		<u>7.718%</u>
6						
7						
8	Accumulated Deferred Investment Tax Credit					
9	Account 255		<u>2,955,668</u>			
10						
11						
12	<u>Investment Tax Credit Included in Total Capital</u>					
13						
14	Common Equity		418,369,054	50.442%	11.000%	5.549%
15	Long-Term Debt		368,722,792	44.457%	4.657%	2.070%
16	Short-Term Debt		<u>42,307,801</u>	<u>5.101%</u>	1.928%	<u>0.098%</u>
17						
18	Total Capital Including Investment Tax Credit		<u>829,399,647</u>	<u>100.000%</u>		<u>7.717%</u>

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
EMBEDDED COST OF SHORT-TERM DEBT
AS OF SEPTEMBER 30, 2009
(CORPORATE)

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

SCHEDULE J-2
PAGE 1 OF 2
WITNESS RESPONSIBLE:
S. G. DE MAY

LINE NO.	ISSUE (A)	AMOUNT OUTSTANDING (B)	INTEREST RATE (C)	INTEREST REQUIREMENT (D)
		(\$)	(%)	(\$)
1	<u>A/C 243: Capital Lease - Current</u>			
2				
3	Capital Lease - Meters (2001 Acquisitions)	453,994	5.997%	27,226
4	Capital Lease - Meters (2002 Acquisitions)	111,474	4.481%	4,995
5	Capital Lease - Meters (2003 Acquisitions)	205,002	4.740%	9,717
6	Capital Lease - Meters (2004 Acquisitions)	190,704	5.010%	9,554
7	Capital Lease - Meters (2005 Acquisitions)	188,136	4.893%	9,205
8	Capital Lease - Meters (2006 Acquisitions)	206,579	5.000%	10,329
9	Capital Lease - Meters (2007 Acquisitions)	249,326	5.115%	12,753
10	Capital Lease - Meters (2008 Acquisitions)	277,735	4.821%	13,390
11	Capital Lease - Erlanger Facility	96,482	8.634%	8,330
12				
13	<u>A/C 224: Other Long Term Debt</u>			
14	7.875% due 9/15/09	(90,513)		(90,513)
15				
16	<u>A/C 233: Notes Payable to Assoc. Companies</u>			
17				
18	Notes Payable - Money Pool	0	0.000%	0
19				
20	<u>Sale of Accounts Receivable</u>			
21				
22	Amount Sold for Cash/Classified as Receivable	<u>31,748,623</u>	1.450%	<u>460,355</u>
23				
24	Totals	<u><u>33,637,542</u></u>		<u><u>475,341</u></u>
25				
26	Cost of Short-Term Debt			<u><u>1.413%</u></u>

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
EMBEDDED COST OF SHORT-TERM DEBT
THIRTEEN MONTH AVERAGE BALANCE
(CORPORATE)

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

SCHEDULE J-2
PAGE 2 OF 2
WITNESS RESPONSIBLE:
S. G. DE MAY

LINE NO.	ISSUE (A)	AMOUNT OUTSTANDING (B)	INTEREST RATE (C)	INTEREST REQUIREMENT (D)
		(\$)	(%)	(\$)
1	<u>A/C 243: Capital Lease - Current</u>			
2				
3	Capital Lease - Meters (2001 Acquisitions)	218,739	5.997%	13,118
4	Capital Lease - Meters (2002 Acquisitions)	189,218	4.481%	8,479
5	Capital Lease - Meters (2003 Acquisitions)	213,268	4.740%	10,109
6	Capital Lease - Meters (2004 Acquisitions)	198,842	5.010%	9,962
7	Capital Lease - Meters (2005 Acquisitions)	195,972	4.893%	9,589
8	Capital Lease - Meters (2006 Acquisitions)	215,376	5.000%	10,769
9	Capital Lease - Meters (2007 Acquisitions)	260,193	5.115%	13,309
10	Capital Lease - Meters (2008 Acquisitions)	289,128	4.821%	13,939
11	Capital Lease - Erlanger Facility	107,242	8.634%	9,259
12				
13	<u>A/C 224: Other Long Term Debt</u>			
14	Unamortized (discount) or premium	(53,113)		(53,113)
15				
16	<u>A/C 233: Notes Payable to Assoc. Companies</u>			
17				
18	Notes Payable - Money Pool	3,606,224	1.792%	64,624
19				
20	<u>Sale of Accounts Receivable</u>			
21				
22	Amount Sold for Cash/Classified as Receivable	<u>40,000,000</u>	1.915%	<u>766,080</u>
23				
24	Totals	<u>45,441,090</u>		<u>876,124</u>
25				
26	Cost of Short-Term Debt			<u>1.928%</u>

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
EMBEDDED COST OF LONG-TERM DEBT
AS OF SEPTEMBER 30, 2009
(CORPORATE)

SCHEDULE J-3
PAGE 1 OF 2
WITNESS RESPONSIBLE:
S. G. DE MAY

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

LINE NO.	DEBT ISSUE TYPE, COUPON RATE	DATE ISSUED (DAY/MO/YR) (A)	MATURITY DATE (DAY/MO/YR) (B)	PRINCIPAL AMOUNT (C)	FACE AMOUNT OUTSTANDING (D)	UNAMORT. (DISCOUNT) OR PREMIUM (E)	UNAMORT. DEBT EXPENSE (F)	UNAMORT. LOSS ON REACQUIRED DEBT (G)	CARRYING VALUE (H=D+E-F-G)	ANNUAL INTEREST COST(*) (I)	
1	<u>A/C 227: Capital Lease - Non Current</u>										
2				1,074,181	327,650	-	-	-	327,650	14,683	
3	Capital Lease - Meters (2002 Acquisitions)	4.481%	20-Dec-02	20-Sep-11	2,068,445	855,621	-	-	855,621	40,556	
4	Capital Lease - Meters (2003 Acquisitions)	4.740%	20-Dec-03	20-Sep-12	2,017,084	1,040,058	-	-	1,040,058	52,110	
5	Capital Lease - Meters (2004 Acquisitions)	5.010%	20-Dec-04	20-Sep-13	2,079,031	1,261,823	-	-	1,261,823	61,741	
6	Capital Lease - Meters (2005 Acquisitions)	4.893%	30-Dec-05	30-Dec-14	2,406,336	1,682,055	-	-	1,682,055	84,109	
7	Capital Lease - Meters (2006 Acquisitions)	5.000%	28-Dec-06	28-Dec-15	3,066,955	2,410,791	-	-	2,410,791	123,318	
8	Capital Lease - Meters (2007 Acquisitions)	5.115%	31-Dec-07	31-Dec-16	3,429,432	3,039,860	-	-	3,039,860	146,539	
9	Capital Lease - Meters (2008 Acquisitions)	4.821%	21-Apr-09	21-Apr-18	2,100,000	1,671,661	-	-	1,671,661	144,327	
10	Capital Lease - Erlanger Facility	8.600%	30-Sep-05	30-Sep-20							
11											
12	<u>A/C 221: Bonds</u>										
13											
14	<u>A/C 189: Unamortized Loss on R/A Debt</u>										
15								418,944	(418,944)	39,276	
16	10.25% due 6/1/2020							653,211	(653,211)	66,996	
17	9.7% due 7/1/2019							416,787	(416,787)	37,464	
18	10.25% due 11/15/2020							1,009,439	(1,009,439)	63,922	
19	7.65% due 7/15/2025							550,814	(550,814)	38,654	
20	5.5% due 1/1/2024							64,024	(64,024)	16,702	
21	6.25% due 8/1/2013							59,868	(59,868)	4,561	
22	6.5% due 1/15/2022							277,642	(277,642)	15,569	
23	Variable rate PCB, due 8/1/2027										
24											
25	<u>A/C 233: Intercompany Notes Payable</u>										
26											
27	<u>A/C 224: Other Long Term Debt</u>										
28									39,627,671	2,078,780	
29	Debentures	5.00% Series	09-Dec-04	15-Dec-14	40,000,000	40,000,000	(159,234)	213,095	-	49,732,259	2,917,003
30	Debentures	5.75% Series	10-Mar-06	10-Mar-16	50,000,000	50,000,000	(16,330)	251,411	-	64,111,950	4,064,044
31	Debentures	6.20% Series	10-Mar-06	10-Mar-36	65,000,000	65,000,000	(312,008)	576,042	-	26,548,595	151,966
32	Debentures	Variable Series	26-Jul-06	01-Aug-27	26,720,000	26,720,000	0	171,405	-	49,804,391	158,586
33	Debentures	Variable Series	03-Dec-08	01-Aug-27	50,000,000	50,000,000	0	195,609	-	98,965,684	4,757,218
34	Debentures	Variable Series	17-Sep-09	01-Oct-19	100,000,000	100,000,000	(335,868)	698,448	-	851,494	40,616
35	Debentures	Variable Series	31-Jul-07	31-Jul-27	851,494	851,494	-	-	-	(19,912)	7,932
36	Other	4.77%	28-Jun-07	28-Jun-12	0	0	-	19,912	-		
37	Other										
38											
39											
40											
41											
					350,812,958	344,861,013	(823,440)	2,125,922	3,450,729	338,460,922	15,126,672
											4.469%

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
EMBEDDED COST OF LONG-TERM DEBT
THIRTEEN MONTH AVERAGE BALANCE
(CORPORATE)

SCHEDULE J-3
PAGE 2 OF 2
WITNESS RESPONSIBLE:
S. G. DE MAY

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

LINE NO.	DEBT ISSUE TYPE, COUPON RATE	DATE ISSUED (DAY/MO/YR) (A)	MATURITY DATE (DAY/MO/YR) (B)	PRINCIPAL AMOUNT (C)	FACE AMOUNT OUTSTANDING (D)	UNAMORT. (DISCOUNT) OR PREMIUM (E)	UNAMORT. DEBT EXPENSE (F)	UNAMORT. LOSS ON REACQUIRED DEBT (G)	CARRYING VALUE (H=D+E-F-G)	ANNUAL INTEREST COST(*) (I)
1	<u>A/C 227: Capital Lease - Non Current</u>									
2					157,113	-	-	-	157,113	7,041
3	Capital Lease - Meters (2002 Acquisitions)	4.481%	20-Dec-02	20-Sep-11	1,074,181	157,113	-	-	676,718	32,076
4	Capital Lease - Meters (2003 Acquisitions)	4.740%	20-Dec-03	20-Sep-12	2,068,445	676,718	-	-	873,194	43,750
5	Capital Lease - Meters (2004 Acquisitions)	5.010%	20-Dec-04	20-Sep-13	2,017,084	873,194	-	-	1,097,394	53,695
6	Capital Lease - Meters (2005 Acquisitions)	4.893%	30-Dec-05	30-Dec-14	2,079,031	1,097,394	-	-	1,501,319	75,072
7	Capital Lease - Meters (2006 Acquisitions)	5.000%	28-Dec-06	28-Dec-15	2,406,336	1,501,319	-	-	2,192,412	112,147
8	Capital Lease - Meters (2007 Acquisitions)	5.115%	31-Dec-07	31-Dec-16	3,066,955	2,192,412	-	-	2,797,293	134,846
9	Capital Lease - Meters (2008 Acquisitions)	4.821%	21-Apr-09	21-Apr-18	3,429,432	2,797,293	-	-	1,580,537	136,460
10	Capital Lease - Erlanger Facility	8.600%	30-Sep-05	30-Sep-20	2,100,000	1,580,537	-	-		
11										
12	<u>A/C 221: Bonds</u>									
13										
14	<u>A/C 189: Unamortized Loss on R/A Debt</u>									
15								386,214	(386,214)	39,276
16	10.25% due 6/1/2020							597,381	(597,381)	66,996
17	9.7% due 7/1/2019							385,567	(385,567)	37,464
18	10.25% due 11/15/2020							956,170	(956,170)	63,922
19	7.65% due 7/15/2025							518,603	(518,603)	38,654
20	5.5% due 1/1/2024							50,106	(50,106)	16,702
21	6.25% due 8/1/2013							56,067	(56,067)	4,561
22	6.5% due 1/15/2022							264,668	(264,668)	15,569
23	Variable rate PCB, due 8/1/2027									
24										
25	<u>A/C 233: Intercompany Notes Payable</u>									
26										
27	<u>A/C 224: Other Long Term Debt</u>									
28					40,000,000	40,000,000	(127,690)	178,989	39,693,321	2,078,780
29	Debtentures	5.00% Series	09-Dec-04	15-Dec-14	50,000,000	50,000,000	(13,831)	218,908	49,767,261	2,917,003
30	Debtentures	5.75% Series	10-Mar-06	10-Mar-16	65,000,000	65,000,000	(301,790)	557,891	64,140,319	4,064,044
31	Debtentures	6.20% Series	10-Mar-06	10-Mar-36	26,720,000	26,720,000	0	160,554	26,559,446	356,748
32	Debtentures	Variable Series	26-Jul-06	01-Aug-27	50,000,000	50,000,000	0	152,612	49,847,388	1,731,033
33	Debtentures	Variable Series	03-Dec-08	01-Aug-27	73,517,045	73,517,045	0	13,302	73,503,743	1,445,338
34	Debtentures	Variable Series	30-Sep-08	28-Jun-12	40,000,000	40,000,000	0	0	40,000,000	2,600,000
35	Long-Term Notes Payable (Credit Facility Draw)	6.50% Series	15-Dec-09	15-Dec-29	25,000,000	15,384,615	0	0	15,384,615	1,000,000
36	Forecasted Debtentures	6.50% Series	15-Jun-10	15-Jun-30	851,494	851,494	-	-	851,494	40,616
37	Forecasted Debtentures	4.77%	31-Jul-07	31-Jul-27						
38	Other									
39	Totals				389,330,003	372,349,134	(443,311)	1,282,256	367,408,791	17,111,793
40										4.657%
41	Embedded Cost of Long-Term Debt (I / H)									
42										

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
COMPARATIVE FINANCIAL DATA

SCHEDULE K
PAGE 1 OF 5
WITNESS RESPONSIBLE:
B. R. MELENDEZ

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

Line No.	Description	FORECASTED PERIOD	BASE PERIOD	MOST RECENT CALENDAR YEARS										
				2008	2007	2006	2005	2004	2003	2002	2001	2000	1999	
1	PLANT DATA (\$000 omitted): (a)													
2	Gas Plant	-	464	464	464	417	258	258	258	258	254	1	1	
3	Intangible	5,979	6,114	5,883	5,846	5,846	5,425	5,341	4,773	4,376	3,837	3,837	3,494	
4	Production-Mfg. Gas	-	-	-	-	-	-	-	-	-	-	-	-	
5	Underground Storage	-	-	-	-	-	-	-	-	-	-	-	-	
6	Storage-Local	-	-	-	-	-	-	-	-	-	-	-	-	
7	Transmission	397,137	357,871	336,617	311,175	289,654	269,283	249,146	232,766	208,746	190,492	177,315	166,241	
8	Distribution	3,480	2,986	2,100	1,979	1,974	1,942	1,922	1,873	2,125	2,717	3,725	3,275	
9	General	406,597	367,435	345,064	319,464	297,891	276,908	256,667	239,670	215,505	197,300	184,878	173,011	
10	Total Gas Plant-Gross	109,673	102,988	97,882	93,640	89,476	87,197	81,304	77,007	72,107	68,659	65,590	60,617	
11	Less: Accum. Provision for Depr. and Amort.	296,924	264,447	247,182	225,824	208,415	189,711	175,363	162,663	143,398	128,641	119,288	112,394	
12	Gas Plant in Service-Net													
13														
14	Electric Plant	2,200	2,835	2,200	2,197	2,138	2,082	1,944	1,769	1,768	1,198	204	204	
15	Intangible	508,600	503,820	494,387	499,345	493,867	-	-	-	-	-	-	-	
16	Production Plant-Steam	-	-	-	-	-	-	-	-	-	-	-	-	
17	Production Plant-Hydro	261,349	261,841	259,706	271,247	274,789	-	-	-	-	-	-	-	
18	Production Plant-Other	28,256	28,369	28,185	27,830	22,611	21,299	21,100	20,573	17,892	15,803	15,933	14,537	
19	Transmission	366,196	328,361	316,556	302,308	285,942	274,916	262,009	250,578	236,838	228,450	214,558	203,598	
20	Distribution	5,941	1,746	1,384	1,015	858	731	775	975	1,596	2,773	3,786	3,696	
21	General	1,172,542	1,126,972	1,102,418	1,103,942	1,080,205	299,028	285,828	273,895	258,094	248,224	234,481	222,035	
22	Total Electric Plant-Gross	564,698	547,830	535,776	534,014	521,661	115,888	110,341	105,329	100,030	93,459	90,697	84,027	
23	Less: Accum. Provision for Depr. and Amort.	607,844	579,142	566,642	569,928	558,544	183,140	175,487	168,566	158,064	154,765	143,784	138,008	
24	Electric Plant in Service-Net													
25														
26	Common Plant	36,443	31,854	28,711	27,291	22,597	26,688	23,584	34,706	31,679	50,289	44,603	42,352	
27	Common Plant	23,102	18,565	16,443	13,850	11,306	11,188	9,611	17,829	15,739	16,449	13,116	9,963	
28	Less: Accum. Provision for Depr. and Amort.	13,341	13,289	12,268	13,441	11,291	15,500	13,973	16,877	15,940	33,840	31,487	32,389	
29	Common Plant in Service-Net													
30														
31	Plant Held for Future Use	-	-	-	-	-	-	-	-	-	-	-	-	
32														
33	Construction Work in Progress	26,008	28,103	36,504	24,572	26,680	12,840	6,071	6,165	14,745	11,004	15,069	13,761	
34														
35	Net Utility Plant	944,117	884,981	862,596	833,765	804,930	401,191	370,894	354,271	332,147	328,250	309,628	296,552	
36														
37	Composite depreciation rates:													
38	Gas (%)	N/A	2.36%	2.28%	2.33%	2.27%	2.30%	3.10%	2.80%	2.90%	2.90%	2.90%	2.90%	
39	Electric (%)	N/A	2.50%	2.50%	2.50%	2.49%	3.34%	3.20%	3.00%	3.00%	3.00%	3.00%	3.00%	
40	Common (%)	N/A	9.04%	8.98%	9.50%	9.55%	8.91%	6.90%	2.50%	2.90%	3.30%	2.70%	2.60%	

(a) Completed Construction Not Classified is included with Plant in Service by function.

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
COMPARATIVE FINANCIAL DATA

SCHEDULE K
PAGE 2 OF 5
WITNESS RESPONSIBLE:
R. M. PARSONS

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

Line No.	Description	FORECASTED PERIOD	BASE PERIOD	MOST RECENT CALENDAR YEARS									
				2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
1	CAPITAL STRUCTURE:	367,409	338,461	316,168	265,334	283,192	103,626	100,118	54,685	74,653	74,621	74,589	74,557
2	Long-term debt (\$000)	-	-	-	-	-	-	-	-	-	-	-	-
3	Preferred stock (\$000)	411,218	414,995	394,025	385,546	349,348	196,459	192,511	189,356	177,163	172,203	147,188	132,050
4	Common equity (\$000)	-	-	-	-	-	-	-	-	-	-	-	-
5	CONDENSED INCOME STATEMENT DATA:	483.9	473.4	500.1	490.6	399.9	386.5	351.3	330.8	308.6	340.3	317.6	281.0
6	Operating revenues (\$000,000)	-	-	-	-	-	358.5	318.6	0.0	278.3	284.6	271.8	250.8
7	Operating expenses (excluding FIT and SIT) (\$000,000)	451.6	406.1	427.9	423.6	369.3	28.0	32.7	330.8	30.3	55.7	45.8	30.2
8	Operating income (\$000,000)	32.3	67.3	72.2	67.0	30.6	3.1	2.7	(2.1)	5.4	24.5	7.7	10.3
9	Federal income taxes (current) (\$000,000)	1.5	(17.9)	7.2	17.4	0.5	0.5	(0.4)	0.4	0.1	0.3	(0.1)	2.7
10	State income taxes (current) (\$000,000)	(2.2)	(3.0)	1.5	2.2	0.0	0.5	(0.4)	0.4	0.1	0.3	(0.1)	2.7
11	Total income taxes (current) (\$000,000)	(0.7)	(20.9)	8.7	19.6	0.5	3.6	2.3	(1.7)	5.5	24.8	7.6	13.0
12	Investment tax credits - net (\$000,000)	0.0	(0.2)	(0.2)	(0.2)	(0.2)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
13	AFUDC - Debt and Equity (\$000,000)	0.9	0.5	1.3	0.7	1.4	0.9	0.0	0.3	1.0	0.3	0.5	0.3
14	Other income - net (\$000,000) (a)	(16.3)	(13.7)	(16.7)	(9.6)	(12.0)	(8.8)	(4.9)	(3.1)	(11.6)	(2.4)	(5.3)	(5.9)
15	Extraordinary item (\$000,000)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
16	Net income (\$000,000)	17.5	31.8	37.5	33.5	10.7	14.6	18.6	19.0	12.1	35.9	24.6	12.3
17	Net income applicable to Common Stock (\$000,000)	17.5	31.8	37.5	33.5	10.7	14.6	18.6	19.0	12.1	35.9	24.6	12.3
18	INCOME AVAILABLE FOR FIXED CHARGES:	17,683	17,568	17,669	17,414	15,776	6,903	5,179	6,127	5,938	6,313	6,308	6,114
19	Interest charges (\$000)	-	-	-	-	-	-	-	-	-	-	-	-
20	Net income before preferred dividend requirements of subsidiaries (\$000)	17,528	31,785	37,481	33,469	10,723	14,645	18,638	19,029	12,150	35,924	24,632	12,274
21	Preferred dividend requirements of subsidiaries (\$000)	-	-	-	-	-	-	-	-	-	-	-	-
22	Cost of reacquisition of Preferred Stock (\$000)	-	-	-	-	-	-	-	-	-	-	-	-
23	Earnings available for common equity (\$000)	17,528	31,785	37,481	33,469	10,723	14,645	18,638	19,029	12,150	35,924	24,632	12,274
24	AFUDC - % of net income before preferred dividend requirements of subsidiaries	0.05	0.02	0.03	0.02	0.13	0.06	0.00	0.02	0.08	0.01	0.02	0.02
25	AFUDC - % of earnings available for common equity	0.05	0.02	0.03	0.02	0.13	0.06	0.00	0.02	0.08	0.01	0.02	0.02
26	COST OF CAPITAL:	4.66	4.47	6.45	5.87	6.09	6.79	6.80	7.95	7.61	7.80	7.83	7.86
27	Embedded cost of long-term debt (%)	-	-	-	-	-	-	-	-	-	-	-	-
28	Embedded cost of preferred stock (%)	-	-	-	-	-	-	-	-	-	-	-	-

(a) Includes Interest Charges and income tax on Other Income & Deductions.

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
COMPARATIVE FINANCIAL DATA

SCHEDULE K
PAGE 3 OF 5
WITNESS RESPONSIBLE:
S. G. DE MAY

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

Line No.	Description	FORECASTED PERIOD	BASE PERIOD	MOST RECENT CALENDAR YEARS										
				2008	2007	2006	2005	2004	2003	2002	2001	2000	1999	
1	STOCK AND BOND RATINGS:													
2	ULH&P													
3	Moody's Unsecured Debt	Baa1	Baa1	Baa1	Baa1	Baa1	Baa1	Baa1	Baa1	Baa1	Baa1	Baa1	Baa1	Baa1
4	S&P's Unsecured Debt	A-	A-	A-	A-	BBB	BBB	BBB	BBB	BBB	BBB+	BBB+	BBB+	BBB+
5														
6	FIXED CHARGE COVERAGE:													
7	Pre-tax interest coverage	2.46	4.97	3.97	3.72	2.10	3.98	5.71	5.06	4.45	7.38	5.79	3.92	
8	Pre-tax interest coverage (excluding AFUDC)	2.41	4.94	3.90	3.68	2.02	3.86	5.71	5.02	4.30	7.34	5.73	3.88	
9	After tax interest coverage	1.96	2.80	2.91	2.73	1.61	2.94	4.03	3.68	2.71	5.62	4.07	2.59	
10	Indenture provision coverage (a)	-	-	-	-	-	-	-	-	-	-	-	-	
11	Fixed charge coverage	1.96	2.80	2.91	2.73	1.61	2.94	4.03	3.68	2.71	5.62	4.07	2.59	
12														
13	Percentage of Construction Expenditures													
14	Financed Internally	70	82	60	100	94	73	91	67	100	100	100	81	

DUKE ENERGY KENTUCKY, INC.
 GAS DEPARTMENT
 CASE NO. 2009-00202
 DATA: "X" BASE PERIOD FORECASTED PERIOD
 CALCULATION OF JURISDICTIONAL CAPITALIZATION

WPA-1a
 WITNESS RESPONSIBLE:
 R. M. PARSONS

Line No.	Description		Capitalization	
			Total	Gas
1	Total Base Period Capitalization	(1)	787,093,558	
2				
3	Less: Gas Non-jurisdictional Rate Base	(2)	11,788,620	
4	Electric Non-jurisdictional Rate Base	(2)	20,752	
5	Non-jurisdictional Rate Base	(2)	(55,166,686)	
6				
7	Jurisdictional Capitalization		830,450,872	
8				
9	Gas Jurisdictional Rate Base Allocation %	(3)	28.143%	233,713,789
10				
11	Plus: Jurisdictional Gas ITC	(4)		<u>1,140,526</u>
12				
13	Total Allocated Capitalization			<u>234,854,315</u>
14				↑
15				To Sch. A
16				

Notes:
 (1) Schedule J-1, page 1.
 (2) Source: WPA-1b.
 (3) Allocation percentage from WPA-1b.
 (4) Schedule B-6, page 1.

DUKE ENERGY KENTUCKY, INC.
GAS DEPARTMENT
CASE NO. 2009-00202
TO DETERMINE THE BASE PERIOD RATIO OF KENTUCKY JURISDICTIONAL GAS OPERATIONS
TO JURISDICTIONAL TOTAL COMPANY OPERATIONS
DATA: "X" BASE PERIOD FORECASTED PERIOD

WPA-1b
WITNESS RESPONSIBLE:
R. M. PARSONS

Line No.	Description	Schedule Reference	Total Company	Gas Excl. of Facil Dev. to Other Than DE-Ky Custs.	Gas Non-Juris.	Elec Excl. of Facil Dev. to Other Than DE-Ky Custs.	Electric Non-Juris.	Non-Jurisdictional
1	Total Utility Plant in Service (Accts 101 & 106)	Sch B-2	1,541,467,561	363,193,184	12,440,674	1,141,745,355	0	24,088,348
2								
3	Additions:							
4	Construction Work in Progress (Account 107)	Sch B-4	28,103,444	9,488,367	0	18,615,077	0	0
5								
6	Fuel Inventory	WPB-5.1i	21,443,325	0	0	21,443,325	0	
7								
8	Materials & Supplies -							
9	Propane Inventory (Account 151)	WPB-5.1b	1,597,069	558,974	1,038,095	0	0	0
10	Other Material and Supplies (Accts. 154 & 163)	WPB-5.1c	10,863,571	(123,530)	0	10,987,101	0	0
11	Total Materials & Supplies		12,460,640	435,444	1,038,095	10,987,101	0	0
12								
13	Gas Stored Underground (Account 164)	WPB-5.1g	8,084,967	0	8,084,967	0	0	0
14								
15	Prepayments (Account 165)	WPB-5.1e	1,840,932	0	165,162	1,264,852	410,918	0
16								
17	Emission Allowances (Account 158)	WPB-5.1j	3,195,324	0	0	3,195,324		
18								
19	Cash Working Capital Allowance	WPB-5.1a	15,483,833	2,751,311	0	12,732,522	0	0
20								
21	Other Rate Base Items	Sch B-6	0	0	0	0	0	0
22	Total Additions		90,612,465	12,675,122	9,288,224	68,238,201	410,918	0
23								
24	Deductions:							
25	Reserve for Accumulated Depreciation (Acct 108)	Sch B-3	619,307,351	100,070,024	7,696,150	504,684,288	0	6,856,889
26								
27	Accum. Deferred Income Taxes (Accts 190, 282, & 283)	Sch B-6	199,317,744	34,654,245 (A)	1,103,419 (B)	93,389,166	0	70,170,914
28								
29	Customer Advances for Construction (Account 252)	Sch B-6	1,470,205	1,470,205	0	0	0	0
30								
31	Investment Tax Credits - 3%	Sch B-6	3,769,797	11,691	1,140,709 (C)	0	390,166	2,227,231
32	Total Deductions		823,865,097	136,206,165	9,940,278	598,073,454	390,166	79,255,034
33								
34	Net Original Cost Rate Base		808,214,929	239,662,141	11,788,620	611,910,102	20,752	(55,166,686)
35								
36	Jurisdictional Rate Base Ratio		100.000%	29.653%	1.459%	75.711%	0.003%	-6.826%
37								
38	Jurisdictional Rate Base Ratio - Excluding Non-Jurisdictional		100.000%	28.143%		71.857%		

Notes:

- (A) Adjusted for non-jurisdictional gas plant.
- (B) WPB-6c. Includes Liberalized Depreciation of \$609,848, and Unbilled Revenue - Fuel of \$493,571.
- (C) WPB-6a and WPB-6c.

DUKE ENERGY KENTUCKY, INC.
 GAS DEPARTMENT
 CASE NO. 2009-00202
 DATA: BASE PERIOD "X" FORECASTED PERIOD
 CALCULATION OF JURISDICTIONAL CAPITALIZATION

WPA-1c
 WITNESS RESPONSIBLE:
 R. M. PARSONS

Line No.	Description		Capitalization	
			Total	Gas
1	Total Forecasted Period Capitalization	(1)	824,068,159	
2				
3	Less: Gas Non-jurisdictional Rate Base	(2)	7,311,037	
4	Electric Non-jurisdictional Rate Base	(2)	(4,341)	
5	Non-jurisdictional Rate Base	(2)	(51,332,129)	
6				
7	Jurisdictional Capitalization		868,093,592	
8				
9	Gas Jurisdictional Rate Base Allocation %	(3)	29.106%	252,667,321
10				
11	Plus: Jurisdictional Gas ITC	(4)		<u>1,082,914</u>
12				
13	Total Allocated Capitalization			<u>253,750,235</u>
14				↑
15				To Sch. A
16				

Notes:
 (1) Schedule J-1, page 2.
 (2) Source: WPA-1d.
 (3) Allocation percentage from WPA-1d.
 (4) Schedule B-6, page 2.

DUKE ENERGY KENTUCKY, INC.
GAS DEPARTMENT
CASE NO. 2009-00202
TO DETERMINE THE FORECAST PERIOD RATIO OF KENTUCKY JURISDICTIONAL GAS OPERATIONS
TO JURISDICTIONAL TOTAL COMPANY OPERATIONS
DATA: BASE PERIOD "X" FORECASTED PERIOD

WPA-1d
WITNESS RESPONSIBLE:
R. M. PARSONS

Line No.	Description	Schedule Reference	Total Company	Gas Excl. of Facil Dev. to Other Than DE-Ky Custs.	Gas Non-Juris.	Elec Excl. of Facil Dev. to Other Than DE-Ky Custs.	Electric Non-Juris.	Non-Jurisdictional
1	Total Utility Plant in Service (Accts 101 & 106)	Sch B-2	1,611,086,666	388,986,305	12,357,099	1,185,654,914	0	24,088,348
2								
3	Additions:							
4	Construction Work in Progress (Account 107)	Sch B-4	19,852,896	3,777,154	0	16,075,742	0	0
5								
6	Fuel Inventory	WPB-5.1i	23,784,532	0	0	23,784,532	0	0
7								
8	Materials & Supplies -							
9	Propane Inventory (Account 151)	WPB-5.1b	1,016,582	355,804	660,778	0	0	0
10	Other Material and Supplies (Accts. 154 & 163)	WPB-5.1c	10,653,895	(95,694)	0	10,749,589	0	0
11	Total Materials & Supplies		11,670,477	260,110	660,778	10,749,589	0	0
12								
13	Gas Stored Underground (Account 164)	WPB-5.1g	2,308,330	0	2,308,330 (E)	0	0	0
14								
15	Prepayments (Account 165)	WPB-5.1e	2,080,109	0	121,240	1,657,228	301,641	0
16								
17	Emission Allowances (Account 158)	WPB-5.1j	4,252,584	0	0	4,252,584	0	0
18								
19	Cash Working Capital Allowance	WPB-5.1a	17,165,809	2,371,199	0	14,794,610	0	0
20								
21	Other Rate Base Items	Sch B-6	0	0	0	0	0	0
22	Total Additions		81,114,737	6,408,463	3,090,348	71,314,285	301,641	0
23								
24	Deductions:							
25	Reserve for Accumulated Depreciation (Acct 108)	Sch B-3	692,147,793	104,342,038 (A)	7,896,329	571,538,510	0	8,370,916
26								
27	Accum. Deferred Income Taxes (Accts 190, 282, & 283)	Sch B-6	168,930,460	36,021,577 (B)	(842,963) (C)	68,260,647	0	65,491,199
28								
29	Customer Advances for Construction (Account 252)	Sch B-6	1,638,646	1,638,646	0	0	0	0
30								
31	Investment Tax Credits - 3%	Sch B-6	2,955,668	8,280	1,083,044 (D)	0	305,982	1,558,362
32	Total Deductions		865,672,567	142,010,541	8,136,410	639,799,157	305,982	75,420,477
33								
34	Net Original Cost Rate Base		826,528,836	253,384,227	7,311,037	617,170,042	(4,341)	(51,332,129)
35								
36	Jurisdictional Rate Base Ratio		100.000%	30.656%	0.885%	74.670%	-0.001%	-6.211%
37								
38	Jurisdictional Rate Base Ratio - Excluding Non-Jurisdictional		100.000%	29.106%		70.894%		

Notes:

- (A) Does not include depreciation annualization adjustment per Commission precedent.
- (B) Adjusted for non-jurisdictional gas plant.
- (C) WPB-6d. Includes Liberalized Depreciation of \$665,328, and Unbilled Revenue - Fuel of (\$1,508,291).
- (D) WPB-6b and WPB-6d.
- (E) Treatment of Gas Stored Underground as a non-jurisdictional item is conditional on the Commission approving the request to recover carrying costs in the GCA rider.

WPB-2.2a
WITNESS RESPONSIBLE:
B. R. MELENDEZ

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
GAS FACILITIES DEVOTED TO OTHER THAN KENTUCKY CUSTOMERS
AS OF SEPTEMBER 30, 2009

Company Account Number	Title	Original Cost (1) \$	Allocation %	(2) Other Than KY Customers \$
Propane Cavern-Processing Facilities				
Production-Manufactured Gas				
20400	Land and Land Rights	117,711	65.00%	76,512
20401	Rights of Way	28,376	65.00%	18,444
20500	Structures & Improvements	1,567,370	65.00%	1,018,791
21100	Liquefied Petroleum Gas Equipment	4,400,688	65.00%	2,860,447
Distribution				
27400	Land U-119(3)	344	65.00%	224
27500	Structures & Improvements U-119(3)	26,677	65.00%	17,340
27800	System M&R Equipment #149	184,029	65.00%	119,619
General				
29100	Office Furniture & Equipment #936	16,153	65.00%	10,499
29400	Tools, Shop & Garage Equipment #936	<u>55,332</u>	65.00%	<u>35,966</u>
	Total	6,396,680		4,157,842
Gas Feeder- Line AM				
Distribution				
27401	Rights of Way	26,951	64.50%	17,383
27605	Mains-Steel Feeder Lines	<u>1,137,679</u>	64.50%	<u>733,803</u>
	Total	1,164,630		751,186

(1) Includes account 106

(2) To WPB-2.2f

(3) 40% Portion of Station U-119 to serve Propane Facility

WPB-2.2b
WITNESS RESPONSIBLE:
B. R. MELENDEZ

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
GAS FACILITIES DEVOTED TO OTHER THAN KENTUCKY CUSTOMERS
AS OF SEPTEMBER 30, 2009

Company Account Number	Title	Original Cost (1) \$	Allocation %	(2) Other Than KY Customers \$
Gas Feeder- Line AM-1-River Crossing Distribution				
27400	Land	2,631	100.00%	2,631
27605	Mains-Steel Feeder Lines	58,105	100.00%	58,105
General				
29800	Miscellaneous Equipment	<u>41,970</u>	100.00%	<u>41,970</u>
	Total	102,706		102,706
Gas Feeder- Line AM-1-Other Distribution				
27400	Land	3,315	64.50%	2,138
27401	Rights of Way	21,371	64.50%	13,785
27605	Mains-Steel Feeder Lines	<u>2,312,537</u>	64.50%	<u>1,491,587</u>
	Total	2,337,223		1,507,510

(1) Includes account 106

(2) To WPB-2.2f

WPB-2.2c
 WITNESS RESPONSIBLE:
 B. R. MELENDEZ

DUKE ENERGY KENTUCKY, INC.
 CASE NO. 2009-00202
 GAS FACILITIES DEVOTED TO OTHER THAN KENTUCKY CUSTOMERS
 AS OF SEPTEMBER 30, 2009

Company Account Number	Title	Original Cost (1) \$	Allocation %	(2) Other Than KY Customers \$
	Gas Feeder- Line AM-2-River Crossing Distribution			
27605	Mains-Steel Feeder Lines	561,888	100.00%	561,888
	General			
29800	Miscellaneous Equipment	<u>41,786</u>	100.00%	<u>41,786</u>
	Total	603,674		603,674
	Gas Feeder- Line AM-2-Other Distribution			
27401	Rights of Way	120,800	64.50%	77,916
27605	Mains-Steel Feeder Lines	<u>1,577,308</u>	64.50%	<u>1,017,364</u>
	Total	1,698,109		1,095,280

(1) Includes account 106

(2) To WPB-2.2f

WPB-2.2d
 WITNESS RESPONSIBLE:
 B. R. MELENDEZ

DUKE ENERGY KENTUCKY, INC.
 CASE NO. 2009-00202
 GAS FACILITIES DEVOTED TO OTHER THAN KENTUCKY CUSTOMERS
 AS OF SEPTEMBER 30, 2009

Company Account Number	Title	Original Cost (1) \$	Allocation %	(2) Other Than KY Customers \$
	Gas Feeder- Line AM-7-River Crossing Distribution			
27605	Mains-Steel Feeder Lines	231,295	100.00%	231,295
	General			
29800	Miscellaneous Equipment	<u>41,805</u>	100.00%	<u>41,805</u>
	Total	273,101		273,100
	Gas Feeder- Line AM-7-Other Distribution			
27401	Rights of Way	113,377	64.50%	73,128
27605	Mains-Steel Feeder Lines	<u>4,497,706</u>	64.50%	<u>2,901,020</u>
	Total	4,611,082		2,974,148

(1) Includes account 106

(2) To WPB-2.2f

WPB-2.2e
WITNESS RESPONSIBLE:
B. R. MELENDEZ

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
GAS FACILITIES DEVOTED TO OTHER THAN KENTUCKY CUSTOMERS
AS OF SEPTEMBER 30, 2009

Company Account Number	Title	Original Cost (1) \$	Allocation %	(2) Other Than KY Customers \$
Gas Feeder- Line UL-6				
Distribution				
27400	Land (Three Mile Station)	1,422	64.50%	917
27401	Rights of Way	183,365	64.50%	118,271
27500	Struc. & Improv. (Three Mile Station)	27,112	64.50%	17,487
27605	Mains-Steel Feeder Lines	699,314	64.50%	451,058
27800	System M & R Station Equip. - General	175,087	64.50%	112,931
27801	System M & R Station Equip.	<u>70,218</u>	64.50%	<u>45,291</u>
	Total	1,156,519		745,955
Cold Springs Odorization Station				
Distribution				
27800	System M & R Station Equip. - General	95,811	64.50%	61,798
27801	System M & R Station Equip.	<u>84,766</u>	64.50%	<u>54,674</u>
	Total	180,577		116,472
Alexandria Odorization Station				
Distribution				
27800	System M & R Station Equip. - General	100,359	64.50%	64,732
27801	System M & R Station Equip.	<u>74,526</u>	64.50%	<u>48,069</u>
	Total	174,885		112,801

(1) Includes account 106

(2) To WPB-2.2f

WPB-2.2f
WITNESS RESPONSIBLE:
B. R. MELENDEZ

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ORIGINAL COST APPLICABLE TO GAS FACILITIES
DEVOTED TO OTHER THAN KENTUCKY CUSTOMERS
AS OF SEPTEMBER 30, 2009

Account Number	Title	Propane Cavern & Proc Fac	Gas Feeder Lines							Cold Springs Odor Plant	Alexandria Odor Plant	(1) Total Other than KY Cust	
			AM	AM-1 River Crossing	AM-1 Other	AM-2 River Crossing	AM-2 Other	AM-7 River Crossing	AM-7 Other				UL-6 Other
<u>Production-Manufactured Gas</u>												76,512	
20400	Land and Land Rights	76,512										18,444	
20401	Rights of Way	18,444										1,018,791	
20500	Structures & Improvements	1,018,791										2,860,447	
21100	Liquefied Petroleum Gas Equipment	2,860,447											
	Total	3,974,194										3,974,194	
<u>Distribution</u>												5,910	
27400	Land	224		2,631	2,138					917		300,483	
27401	Rights of Way		17,383		13,785		77,916		73,128	118,271		34,827	
27500	Structures & Improvements	17,340								17,487		7,446,120	
27605	Mains-Steel Feeder Lines		733,803	58,105	1,491,587	561,888	1,017,364	231,295	2,901,020	451,058		359,080	
27800	System M & R Station Equip. - General	119,619								112,931	61,798	64,732	
27801	System M & R Station Equip.									45,291	54,674	48,069	
	Total	137,183	751,186	60,736	1,507,510	561,888	1,095,280	231,295	2,974,148	745,955	116,472	112,801	8,294,454
<u>General</u>													10,499
29100	Office Furniture & Equipment #936	10,499											35,966
29400	Tools, Shop & Garage Equipment #936	35,966											125,561
29800	Miscellaneous Equipment			41,970		41,786		41,805					
	Total	46,465		41,970		41,786		41,805					172,026
	Grand Total	4,157,842	751,186	102,706	1,507,510	603,674	1,095,280	273,100	2,974,148	745,955	116,472	112,801	12,440,674
	Work Paper Reference from:	(WPB-2.2a)	(WPB-2.2a)	(WPB-2.2b)	(WPB-2.2b)	(WPB-2.2c)	(WPB-2.2c)	(WPB-2.2d)	(WPB-2.2d)	(WPB-2.2e)	(WPB-2.2e)	(WPB-2.2e)	

(1) To SCHEDULE B-2.2

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
GAS FACILITIES DEVOTED TO OTHER THAN KENTUCKY CUSTOMERS

WPB-2.2g
WITNESS RESPONSIBLE.
B. R. MELENDEZ

Account Number	Title	Original Cost Other than KY Customers 3/09	Accum Reserve 3/09	Additions 4/09-9/09	Original Cost 9/09	Rate	Apr - Sep 09 Expense	Accum Reserve 9/09	Additions through 01/11	Original Cost 01/11	Rate	Oct 09 - Jan 11 Expense	Accum Reserve 01/11
	Production-Manufactured Gas				76,512	0.00%	-	-		76,512	0.00%	-	-
20400	Land and Land Rights	76,512	-		76,512	0.00%	-	15,885		15,885	0.00%	-	15,885
20401	Rights of Way	15,885	15,885		15,885	0.00%	-	907,238		1,018,791	0.40%	5,434	912,672
20500	Structures & Improvements	1,018,791	905,200		1,018,791	0.40%	2,038	1,292,472	(10,617)	2,775,428	2.45%	90,837	1,383,309
21100	Liquefied Petroleum Gas Equipment	2,789,961	1,258,319	(3,916)	2,786,045	2.45%	34,153						
	Total	3,901,149	2,179,404	(3,916)	3,897,233		36,191	2,215,595	(10,617)	3,886,616		96,271	2,311,866
	Distribution				5,910	0.00%	-	-		5,910	0.00%	-	-
27400	Land	5,910	-		5,910	1.39%	2,088	138,534		300,483	1.39%	5,569	144,103
27401	Rights of Way	300,483	136,446		300,483	1.12%	195	34,258		34,827	1.12%	520	34,778
27500	Structures & Improvements	34,827	34,063		34,827	2.04%	75,950	4,802,198		7,446,120	2.08%	202,534	5,004,732
27605	Mains-Steel Feeder Lines	7,446,120	4,726,248		7,446,120	2.08%	3,734	330,922		359,080	1.39%	2,744	340,880
27800	System M & R Station Equip. - General	359,080	327,188		359,080		1,029	112,087		148,034			114,831
27801	System M & R Station Equip.	148,034	111,058		148,034								
	Total	8,294,454	5,335,003	-	8,294,454		82,996	5,417,999	-	8,294,454		221,325	5,639,324
	General				10,499	5.48%	288	5,788		10,499	5.48%	767	6,555
29100	Office Furniture & Equipment #936	10,499	5,500		10,499	4.01%	721	22,218		35,966	4.01%	1,923	24,141
29400	Tools, Shop & Garage Equipment #936	35,966	21,497		35,966	0.00%	-	34,550		125,561	0.00%	-	34,550
29800	Miscellaneous Equipment	125,561	34,550		125,561								
	Total	172,026	61,547	-	172,026		1,009	62,556	-	172,026		2,690	65,246
	Grand Total	12,367,629	7,575,954	(3,916)	12,363,713		120,196	7,696,150	(10,617)	12,353,096		320,286	8,016,436

Assumes additions are spread evenly over months.

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To SCH. B-2.2

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
PLANT IN SERVICE
13 MONTH AVERAGE

WPB-2.2h
WITNESS RESPONSIBLE:
B. R. MELENDEZ

	Gas Production			Gas Distribution			Gas General			Common		Total
	Orig Cost	Adjustment	Adjusted Jurisdiction	Orig Cost	Adjustment	Adjusted Jurisdiction	Orig Cost	Adjustment	Adjusted Jurisdiction	Orig Cost	Allocation at 25.74%	Adjusted & Allocated
Jan-10	5,991,711	3,894,612	2,097,099	373,419,246	8,294,454	365,124,792	3,481,737	172,026	3,309,711	36,455,038	9,383,527	379,915,129
Feb-10	5,990,687	3,893,947	2,096,740	374,160,276	8,294,454	365,865,822	3,481,612	172,026	3,309,586	36,454,058	9,383,275	380,655,423
Mar-10	5,989,663	3,893,281	2,096,382	375,068,929	8,294,454	366,774,475	3,481,487	172,026	3,309,461	36,453,078	9,383,022	381,563,340
Apr-10	5,988,640	3,892,616	2,096,024	376,480,448	8,294,454	368,185,994	3,481,362	172,026	3,309,336	36,452,098	9,382,770	382,974,124
May-10	5,987,616	3,891,950	2,095,666	378,059,592	8,294,454	369,765,138	3,481,237	172,026	3,309,211	36,451,118	9,382,518	384,552,533
Jun-10	5,986,593	3,891,285	2,095,308	379,806,357	8,294,454	371,511,903	3,481,112	172,026	3,309,086	36,450,138	9,382,266	386,298,563
Jul-10	5,985,569	3,890,620	2,094,949	381,720,745	8,294,454	373,426,291	3,480,988	172,026	3,308,962	36,449,158	9,382,013	388,212,215
Aug-10	5,984,546	3,889,955	2,094,591	383,467,510	8,294,454	375,173,056	3,480,863	172,026	3,308,837	36,448,178	9,381,761	389,958,245
Sep-10	5,983,522	3,889,289	2,094,233	384,711,410	8,294,454	376,416,956	3,480,738	172,026	3,308,712	36,447,198	9,381,509	391,201,410
Oct-10	5,982,498	3,888,624	2,093,874	385,620,062	8,294,454	377,325,608	3,480,613	172,026	3,308,587	36,446,218	9,381,257	392,109,326
Nov-10	5,981,475	3,887,959	2,093,516	386,193,470	8,294,454	377,899,016	3,480,488	172,026	3,308,462	36,445,238	9,381,004	392,681,998
Dec-10	5,980,451	3,887,293	2,093,158	396,587,883	8,294,454	388,293,429	3,480,363	172,026	3,308,337	36,444,258	9,380,752	403,075,676
Jan-11	5,979,409	3,886,616	2,092,793	397,136,924	8,294,454	388,842,470	3,480,236	172,026	3,308,210	36,443,261	9,380,495	403,623,969
Total	77,812,380	50,578,047	27,234,333	4,972,432,852	107,827,902	4,864,604,950	45,252,836	2,236,338	43,016,498	473,839,037	121,966,169	5,056,821,951
13 Month Average	5,985,568	3,890,619	2,094,949	382,494,836	8,294,454	374,200,382	3,480,987	172,026	3,308,961	36,449,156	9,382,013	388,986,304

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To SCH. B-2.2

DUKE ENERGY KENTUCKY, INC.
Propane Plant Allocated to Other Than DEK Customers
March 2009

<u>Utility Account</u>	<u>Description</u>	<u>Vintage</u>	<u>Original Cost</u>	<u>Alloc %</u>	<u>Alloc. Cost</u>	<u>Reserve</u>	<u>Alloc %</u>	<u>Alloc. Reserve</u>
20400 - Land and Land Rights	Constance Cavern - Propane Gas Storage	1961	12,669	65.00%	8,235	0	65.00%	0
20400 - Land and Land Rights	Erlanger Gas Plant - Propane Gas Storage	1982	105,042	65.00%	68,277	0	65.00%	0
			<u>117,711</u>		<u>76,512</u>	<u>0</u>		<u>0</u>
20401 - Rights of Way	Line LP-3 - Propane Gas Storage	1961	16,887	65.00%	10,976	16,887	65.00%	10,976
20401 - Rights of Way	Line LP-3 - Propane Gas Storage	1972	7,552	65.00%	4,909	7,552	65.00%	4,909
			<u>24,439</u>		<u>15,885</u>	<u>24,439</u>		<u>15,885</u>
20500 - Structures and Improvements	Constance Cavern - Propane Gas Storage	1961	923,084	65.00%	600,005	962,665	65.00%	625,732
20500 - Structures and Improvements	Constance Cavern - Propane Gas Storage	1970	5,299	65.00%	3,444	4,975	65.00%	3,234
20500 - Structures and Improvements	Constance Cavern - Propane Gas Storage	1979	427	65.00%	278	329	65.00%	214
20500 - Structures and Improvements	Constance Cavern - Propane Gas Storage	2003	17,057	65.00%	11,087	3,039	65.00%	1,975
20500 - Structures and Improvements	Erlanger Gas Plant - Propane Gas Storage	1961	270,949	65.00%	176,117	282,567	65.00%	183,669
20500 - Structures and Improvements	Erlanger Gas Plant - Propane Gas Storage	1963	1,741	65.00%	1,132	1,786	65.00%	1,161
20500 - Structures and Improvements	Erlanger Gas Plant - Propane Gas Storage	1970	5,137	65.00%	3,339	4,823	65.00%	3,135
20500 - Structures and Improvements	Erlanger Gas Plant - Propane Gas Storage	1971	23,663	65.00%	15,381	21,845	65.00%	14,199
20500 - Structures and Improvements	Erlanger Gas Plant - Propane Gas Storage	1972	6,643	65.00%	4,318	6,022	65.00%	3,914
20500 - Structures and Improvements	Erlanger Gas Plant - Propane Gas Storage	1973	8,189	65.00%	5,323	7,282	65.00%	4,733
20500 - Structures and Improvements	Erlanger Gas Plant - Propane Gas Storage	1974	4,680	65.00%	3,042	4,076	65.00%	2,650
20500 - Structures and Improvements	Erlanger Gas Plant - Propane Gas Storage	1975	1,727	65.00%	1,123	1,472	65.00%	957
20500 - Structures and Improvements	Erlanger Gas Plant - Propane Gas Storage	1977	15,662	65.00%	10,180	12,719	65.00%	8,267
20500 - Structures and Improvements	Erlanger Gas Plant - Propane Gas Storage	1979	3,146	65.00%	2,045	2,421	65.00%	1,573
20500 - Structures and Improvements	Erlanger Gas Plant - Propane Gas Storage	1981	380	65.00%	247	275	65.00%	179
20500 - Structures and Improvements	Erlanger Gas Plant - Propane Gas Storage	1986	6,229	65.00%	4,049	3,770	65.00%	2,450
20500 - Structures and Improvements	Erlanger Gas Plant - Propane Gas Storage	1989	1,326	65.00%	862	703	65.00%	457
20500 - Structures and Improvements	Erlanger Gas Plant - Propane Gas Storage	1990	49,012	65.00%	31,858	24,720	65.00%	16,068
20500 - Structures and Improvements	Erlanger Gas Plant - Propane Gas Storage	1991	3,324	65.00%	2,161	1,592	65.00%	1,034
20500 - Structures and Improvements	Erlanger Gas Plant - Propane Gas Storage	1998	4,507	65.00%	2,930	1,353	65.00%	880
20500 - Structures and Improvements	Erlanger Gas Plant - Propane Gas Storage	1999	11,207	65.00%	7,284	3,085	65.00%	2,005
20500 - Structures and Improvements	Erlanger Gas Plant - Propane Gas Storage	2000	26,467	65.00%	17,204	6,631	65.00%	4,310
20500 - Structures and Improvements	Erlanger Gas Plant - Propane Gas Storage	2001	59,322	65.00%	38,559	13,412	65.00%	8,718
20500 - Structures and Improvements	Erlanger Gas Plant - Propane Gas Storage	2003	118,191	65.00%	76,824	21,056	65.00%	13,686
			<u>1,567,370</u>		<u>1,018,792</u>	<u>1,392,617</u>		<u>905,200</u>
21100 - Liquefied Petroleum Gas Equ	Constance Cavern - Propane Gas Storage	1987	8,722	65.00%	5,669	5,336	65.00%	3,468
21100 - Liquefied Petroleum Gas Equ	Constance Cavern - Propane Gas Storage	1993	10,880	65.00%	7,072	4,938	65.00%	3,210
21100 - Liquefied Petroleum Gas Equ	Constance Cavern - Propane Gas Storage	2003	408,473	65.00%	265,507	69,455	65.00%	45,146
21100 - Liquefied Petroleum Gas Equ	Constance Cavern - Propane Gas Storage	2004	75,490	65.00%	49,069	10,629	65.00%	6,909
21100 - Liquefied Petroleum Gas Equ	Constance Cavern - Propane Gas Storage	2005	122,383	65.00%	79,549	13,636	65.00%	8,863
21100 - Liquefied Petroleum Gas Equ	Constance Cavern - Propane Gas Storage	2006	47,964	65.00%	31,177	3,929	65.00%	2,554
21100 - Liquefied Petroleum Gas Equ	Constance Cavern - Propane Gas Storage	2007	81,177	65.00%	52,765	4,242	65.00%	2,757
21100 - Liquefied Petroleum Gas Equ	Constance Cavern - Propane Gas Storage	2008	74,139	65.00%	48,191	1,665	65.00%	1,082
21100 - Liquefied Petroleum Gas Equ	Erlanger Gas Plant - Propane Gas Storage	1961	896,411	65.00%	582,667	913,492	65.00%	593,770
21100 - Liquefied Petroleum Gas Equ	Erlanger Gas Plant - Propane Gas Storage	1964	2,027	65.00%	1,318	2,027	65.00%	1,318
21100 - Liquefied Petroleum Gas Equ	Erlanger Gas Plant - Propane Gas Storage	1965	2,020	65.00%	1,313	2,004	65.00%	1,303
21100 - Liquefied Petroleum Gas Equ	Erlanger Gas Plant - Propane Gas Storage	1966	10,523	65.00%	6,840	10,351	65.00%	6,728
21100 - Liquefied Petroleum Gas Equ	Erlanger Gas Plant - Propane Gas Storage	1968	3,463	65.00%	2,251	3,338	65.00%	2,170
21100 - Liquefied Petroleum Gas Equ	Erlanger Gas Plant - Propane Gas Storage	1971	1,531	65.00%	995	1,421	65.00%	923
21100 - Liquefied Petroleum Gas Equ	Erlanger Gas Plant - Propane Gas Storage	1972	14,974	65.00%	9,733	13,693	65.00%	8,900
21100 - Liquefied Petroleum Gas Equ	Erlanger Gas Plant - Propane Gas Storage	1974	19,077	65.00%	12,400	16,870	65.00%	10,966
21100 - Liquefied Petroleum Gas Equ	Erlanger Gas Plant - Propane Gas Storage	1975	2,021	65.00%	1,313	1,754	65.00%	1,140
21100 - Liquefied Petroleum Gas Equ	Erlanger Gas Plant - Propane Gas Storage	1976	7,417	65.00%	4,821	6,310	65.00%	4,101
21100 - Liquefied Petroleum Gas Equ	Erlanger Gas Plant - Propane Gas Storage	1977	7,626	65.00%	4,957	6,350	65.00%	4,127
21100 - Liquefied Petroleum Gas Equ	Erlanger Gas Plant - Propane Gas Storage	1978	4,980	65.00%	3,237	4,053	65.00%	2,634
21100 - Liquefied Petroleum Gas Equ	Erlanger Gas Plant - Propane Gas Storage	1979	26,358	65.00%	17,133	20,931	65.00%	13,605
21100 - Liquefied Petroleum Gas Equ	Erlanger Gas Plant - Propane Gas Storage	1980	21,057	65.00%	13,687	16,290	65.00%	10,589
21100 - Liquefied Petroleum Gas Equ	Erlanger Gas Plant - Propane Gas Storage	1981	7,162	65.00%	4,655	5,389	65.00%	3,503

DUKE ENERGY KENTUCKY, INC.
Propane Plant Allocated to Other Than DEK Customers
March 2009

Utility Account	Description	Vintage	Original Cost	Alloc %	Alloc. Cost	Reserve	Alloc %	Alloc. Reserve
	Feeder Line AM-7 - Gas Feeder Lines - KY	1955	27,579	64.50%	17,788	24,384	64.50%	15,728
27401 - Rights of Way	Feeder Line AM-7 - Gas Feeder Lines - KY	1957	14,427	64.50%	9,305	12,458	64.50%	8,035
27401 - Rights of Way	Feeder Line AM-7 - Gas Feeder Lines - KY	1959	478	64.50%	308	402	64.50%	259
27401 - Rights of Way	Feeder Line AM-7 - Gas Feeder Lines - KY	1962	17,957	64.50%	11,582	14,434	64.50%	9,310
27401 - Rights of Way	Feeder Line AM-7 - Gas Feeder Lines - KY	1963	1,000	64.50%	645	791	64.50%	510
27401 - Rights of Way	Feeder Line AM-7 - Gas Feeder Lines - KY	1964	194	64.50%	125	151	64.50%	97
27401 - Rights of Way	Feeder Line AM-7 - Gas Feeder Lines - KY	1969	1,745	64.50%	1,126	1,226	64.50%	791
27401 - Rights of Way	Feeder Line AM-7 - Gas Feeder Lines - KY	1971	12,241	64.50%	7,895	8,208	64.50%	5,294
27401 - Rights of Way	Feeder Line AM-7 - Gas Feeder Lines - KY	1972	9,009	64.50%	5,811	5,893	64.50%	3,801
27401 - Rights of Way	Feeder Line AM-7 - Gas Feeder Lines - KY	1973	4,213	64.50%	2,717	2,685	64.50%	1,732
27401 - Rights of Way	Feeder Line AM-7 - Gas Feeder Lines - KY	1974	1,312	64.50%	846	814	64.50%	525
27401 - Rights of Way	Feeder Line AM-7 - Gas Feeder Lines - KY	1980	5,109	64.50%	3,295	2,626	64.50%	1,693
27401 - Rights of Way	Feeder Line AM-7 - Gas Feeder Lines - KY	1982	589	64.50%	380	281	64.50%	181
27401 - Rights of Way	Feeder Line AM-7 - Gas Feeder Lines - KY	1985	4,731	64.50%	3,051	1,994	64.50%	1,286
27401 - Rights of Way	Feeder Line AM-7 - Gas Feeder Lines - KY	1987	1,948	64.50%	1,257	748	64.50%	483
27401 - Rights of Way	Feeder Line AM-7 - Gas Feeder Lines - KY	1988	681	64.50%	439	249	64.50%	160
27401 - Rights of Way	Feeder Line AM-7 - Gas Feeder Lines - KY	2007	10,163	64.50%	6,555	278	64.50%	180
27401 - Rights of Way	Feeder Line AM-7 - Gas Feeder Lines - KY	2007	10,163	64.50%	6,555	278	64.50%	180
27401 - Rights of Way	Feeder Line UL-6 - Gas Feeder Lines	1967	10,532	64.50%	6,793	7,724	64.50%	4,982
27401 - Rights of Way	Feeder Line UL-6 - Gas Feeder Lines	1992	172,833	64.50%	111,478	50,206	64.50%	32,383
			<u>465,864</u>		<u>300,480</u>	<u>211,549</u>		<u>136,446</u>
	Erlanger - Gas Supply to CG&E Distribution - Telemetering - Eagle Creek Aquafer - Measuring & Regulating Stations	1971	40,334	26.00%	10,487	40,969	26.00%	10,652
27500 - Structures & Improvements -	Erlanger - Gas Supply to CG&E Distribution - Telemetering - Eagle Creek Aquafer - Measuring & Regulating Stations	1974	3,422	26.00%	890	3,349	26.00%	871
27500 - Structures & Improvements -	Erlanger - Gas Supply to CG&E Distribution - Telemetering - Eagle Creek Aquafer - Measuring & Regulating Stations	1980	22,083	26.00%	5,742	19,226	26.00%	4,999
27500 - Structures & Improvements -	Erlanger - Gas Supply to CG&E Distribution - Telemetering - Eagle Creek Aquafer - Measuring & Regulating Stations	1981	854	26.00%	222	724	26.00%	188
27500 - Structures & Improvements -	Erlanger - Gas Supply to CG&E Distribution - Telemetering - Eagle Creek Aquafer - Measuring & Regulating Stations	1981	854	26.00%	222	724	26.00%	188
27500 - Structures & Improvements -	Three Mile Road - Measuring & Regulating Stations	1972	209	64.50%	135	210	64.50%	136
27500 - Structures & Improvements -	Three Mile Road - Measuring & Regulating Stations	1973	26,903	64.50%	17,352	26,693	64.50%	17,217
27500 - Structures & Improvements -	Three Mile Road - Measuring & Regulating Stations		<u>93,805</u>		<u>34,828</u>	<u>91,172</u>		<u>34,063</u>
	Feeder Line AM-0 - Gas Feeder Lines	1941	495	64.50%	319	563	64.50%	363
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-0 - Gas Feeder Lines	1948	682	64.50%	440	745	64.50%	481
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-0 - Gas Feeder Lines	1953	17,425	64.50%	11,239	18,266	64.50%	11,782
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-0 - Gas Feeder Lines	1954	5,329	64.50%	3,437	5,534	64.50%	3,569
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-0 - Gas Feeder Lines	1957	6,414	64.50%	4,137	6,454	64.50%	4,163
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-0 - Gas Feeder Lines	1960	3,829	64.50%	2,469	3,715	64.50%	2,396
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-0 - Gas Feeder Lines	1961	18,991	64.50%	12,249	18,185	64.50%	11,729
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-0 - Gas Feeder Lines	1966	12,748	64.50%	8,223	11,314	64.50%	7,297
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-0 - Gas Feeder Lines	1967	25,743	64.50%	16,604	22,455	64.50%	14,483
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-0 - Gas Feeder Lines	1968	172,762	64.50%	111,432	147,997	64.50%	95,458
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-0 - Gas Feeder Lines	1969	32,558	64.50%	21,000	27,370	64.50%	17,654
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-0 - Gas Feeder Lines	1973	18,288	64.50%	11,795	14,137	64.50%	9,118
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-0 - Gas Feeder Lines	1974	325,675	64.50%	210,060	245,983	64.50%	158,646
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-0 - Gas Feeder Lines	1975	7,973	64.50%	5,143	5,877	64.50%	3,791
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-0 - Gas Feeder Lines	1978	47,242	64.50%	30,471	32,169	64.50%	20,749
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-0 - Gas Feeder Lines	1983	6,360	64.50%	4,102	3,700	64.50%	2,386
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-0 - Gas Feeder Lines	1985	61,378	64.50%	39,589	33,169	64.50%	21,394
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-0 - Gas Feeder Lines	1985	61,378	64.50%	39,589	33,169	64.50%	21,394
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-0 - Gas Feeder Lines	1993	22,544	64.50%	14,541	8,303	64.50%	5,355
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-0 - Gas Feeder Lines	1994	349,902	64.50%	225,687	121,151	64.50%	78,142
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-0 - Gas Feeder Lines	2003	1,341	64.50%	865	196	64.50%	126
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-0 - Gas Feeder Lines	1910	281	64.50%	181	351	64.50%	227
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-1 - Gas Feeder Lines - KY	1917	575	64.50%	371	708	64.50%	456
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-1 - Gas Feeder Lines - KY	1924	629	64.50%	405	760	64.50%	490
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-1 - Gas Feeder Lines - KY	1931	545	64.50%	352	646	64.50%	416
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-1 - Gas Feeder Lines - KY	1933	483	64.50%	311	568	64.50%	367

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27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-1 - Gas Feeder Lines - KY	1949	2,600	64.50%	1,677	2,818	64.50%	1,818
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-1 - Gas Feeder Lines - KY	1952	2,217	64.50%	1,430	2,346	64.50%	1,513
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-1 - Gas Feeder Lines - KY	1953	64,236	64.50%	41,432	67,336	64.50%	43,432
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-1 - Gas Feeder Lines - KY	1954	5,236	64.50%	3,377	5,437	64.50%	3,507
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-1 - Gas Feeder Lines - KY	1955	56,910	64.50%	36,707	58,506	64.50%	37,736
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-1 - Gas Feeder Lines - KY	1959	40,401	64.50%	26,058	39,703	64.50%	25,608
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-1 - Gas Feeder Lines - KY	1960	3,248	64.50%	2,095	3,151	64.50%	2,033
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-1 - Gas Feeder Lines - KY	1966	13,913	64.50%	8,974	12,348	64.50%	7,964
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-1 - Gas Feeder Lines - KY	1968	320,089	64.50%	206,458	274,204	64.50%	176,862
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-1 - Gas Feeder Lines - KY	1970	5,893	64.50%	3,801	4,857	64.50%	3,133
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-1 - Gas Feeder Lines - KY	1971	123,771	64.50%	79,832	99,952	64.50%	64,469
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-1 - Gas Feeder Lines - KY	1975	18,357	64.50%	11,840	13,532	64.50%	8,728
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-1 - Gas Feeder Lines - KY	1977	109,896	64.50%	70,883	76,924	64.50%	49,616
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-1 - Gas Feeder Lines - KY	1979	4,916	64.50%	3,171	3,253	64.50%	2,098
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-1 - Gas Feeder Lines - KY	1982	14,420	64.50%	9,301	8,682	64.50%	5,600
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-1 - Gas Feeder Lines - KY	1986	315,094	64.50%	203,236	163,669	64.50%	105,567
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-1 - Gas Feeder Lines - KY	1989	116,413	64.50%	75,087	53,024	64.50%	34,201
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-1 - Gas Feeder Lines - KY	1991	884,797	64.50%	570,694	364,639	64.50%	235,192
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-1 - Gas Feeder Lines - KY	1992	17,840	64.50%	11,507	6,962	64.50%	4,491
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-1 - Gas Feeder Lines - KY	1996	16,005	64.50%	10,323	4,833	64.50%	3,117
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-1 - Gas Feeder Lines - KY	2005	21,828	64.50%	14,079	2,226	64.50%	1,436
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-1 - Gas Feeder Lines - KY	2006	31,533	64.50%	20,339	2,522	64.50%	1,627
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-1 - Gas Feeder Lines - KY	2008	120,410	64.50%	77,665	4,367	64.50%	2,817
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-1 - Gas Feeder Lines - River Crossing	1948	58,105	100.00%	58,105	63,449	100.00%	63,449
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-2 - Gas Feeder Lines	1924	1,398	64.50%	902	1,690	64.50%	1,090
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-2 - Gas Feeder Lines	1953	99,629	64.50%	64,261	104,437	64.50%	67,362
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-2 - Gas Feeder Lines	1957	96,758	64.50%	62,409	97,359	64.50%	62,797
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-2 - Gas Feeder Lines	1958	50,019	64.50%	32,262	49,752	64.50%	32,090
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-2 - Gas Feeder Lines	1959	24,467	64.50%	15,781	24,045	64.50%	15,509
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-2 - Gas Feeder Lines	1962	378	64.50%	244	357	64.50%	230
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-2 - Gas Feeder Lines	1963	16,583	64.50%	10,696	15,435	64.50%	9,956
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-2 - Gas Feeder Lines	1968	33,109	64.50%	21,355	28,362	64.50%	18,294
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-2 - Gas Feeder Lines	1970	184,604	64.50%	119,070	152,167	64.50%	98,148
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-2 - Gas Feeder Lines	1971	126,694	64.50%	81,717	102,312	64.50%	65,991
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-2 - Gas Feeder Lines	1972	274,363	64.50%	176,964	216,874	64.50%	139,884
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-2 - Gas Feeder Lines	1973	7,125	64.50%	4,595	5,507	64.50%	3,552
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-2 - Gas Feeder Lines	1974	161,550	64.50%	104,200	122,009	64.50%	78,696
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-2 - Gas Feeder Lines	1975	6,006	64.50%	3,874	4,427	64.50%	2,856
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-2 - Gas Feeder Lines	1976	6,213	64.50%	4,007	4,465	64.50%	2,880
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-2 - Gas Feeder Lines	1978	206,553	64.50%	133,227	140,649	64.50%	90,718
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-2 - Gas Feeder Lines	1979	151,418	64.50%	97,665	100,180	64.50%	64,616
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-2 - Gas Feeder Lines	1980	43,559	64.50%	28,095	27,966	64.50%	18,038
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-2 - Gas Feeder Lines	1989	7,685	64.50%	4,957	3,500	64.50%	2,258
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-2 - Gas Feeder Lines	1991	42,197	64.50%	27,217	17,390	64.50%	11,217
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-2 - Gas Feeder Lines	1994	37,000	64.50%	23,865	12,811	64.50%	8,263
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-2 - Gas Feeder Lines - River Crossing	1974	561,888	100.00%	561,888	424,362	100.00%	424,362
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-7 - Gas Feeder Lines - KY	1955	980,207	64.50%	632,234	1,007,702	64.50%	649,968
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-7 - Gas Feeder Lines - KY	1959	39,020	64.50%	25,168	38,346	64.50%	24,733
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-7 - Gas Feeder Lines - KY	1961	10,653	64.50%	6,871	10,201	64.50%	6,580
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-7 - Gas Feeder Lines - KY	1967	26,493	64.50%	17,088	23,109	64.50%	14,905
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-7 - Gas Feeder Lines - KY	1969	174,847	64.50%	112,776	146,986	64.50%	94,806
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-7 - Gas Feeder Lines - KY	1971	611,685	64.50%	394,537	493,970	64.50%	318,610
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-7 - Gas Feeder Lines - KY	1972	315,795	64.50%	203,688	249,625	64.50%	161,008
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-7 - Gas Feeder Lines - KY	1974	405	64.50%	261	306	64.50%	197
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-7 - Gas Feeder Lines - KY	1975	23,254	64.50%	14,999	17,141	64.50%	11,056
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-7 - Gas Feeder Lines - KY	1977	192,331	64.50%	124,053	134,625	64.50%	86,833
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-7 - Gas Feeder Lines - KY	1982	153,912	64.50%	99,273	92,665	64.50%	59,769
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-7 - Gas Feeder Lines - KY	1984	80,065	64.50%	51,642	44,930	64.50%	28,980

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27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-7 - Gas Feeder Lines - KY	1987	259,196	64.50%	167,182	129,152	64.50%	83,303
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-7 - Gas Feeder Lines - KY	1988	213,211	64.50%	137,521	101,693	64.50%	65,592
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-7 - Gas Feeder Lines - KY	1992	60,915	64.50%	39,290	23,772	64.50%	15,333
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-7 - Gas Feeder Lines - KY	1994	22,321	64.50%	14,397	7,728	64.50%	4,985
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-7 - Gas Feeder Lines - KY	1999	362,236	64.50%	233,643	85,194	64.50%	54,950
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-7 - Gas Feeder Lines - KY	2001	8,921	64.50%	5,754	1,701	64.50%	1,097
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-7 - Gas Feeder Lines - KY	2006	41,807	64.50%	26,965	3,344	64.50%	2,157
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-7 - Gas Feeder Lines - KY	2007	920,430	64.50%	593,677	53,452	64.50%	34,476
27605 - Gas Mains - Feeder Lines/St	Feeder Line AM-7 - Gas Feeder Lines - River Crossing	1955	231,295	100.00%	231,295	237,783	100.00%	237,783
27605 - Gas Mains - Feeder Lines/St	Feeder Line UL-6 - Gas Feeder Lines	1967	47,774	64.50%	30,814	41,671	64.50%	26,878
27605 - Gas Mains - Feeder Lines/St	Feeder Line UL-6 - Gas Feeder Lines	1970	4,913	64.50%	3,169	4,050	64.50%	2,612
27605 - Gas Mains - Feeder Lines/St	Feeder Line UL-6 - Gas Feeder Lines	1978	17,129	64.50%	11,048	11,663	64.50%	7,523
27605 - Gas Mains - Feeder Lines/St	Feeder Line UL-6 - Gas Feeder Lines	1992	616,698	64.50%	397,770	240,669	64.50%	155,231
27605 - Gas Mains - Feeder Lines/St	Feeder Line UL-6 - Gas Feeder Lines	2004	12,801	64.50%	8,256	1,588	64.50%	1,024
			<u>11,075,834</u>		<u>7,446,115</u>	<u>6,928,156</u>		<u>4,726,248</u>
27800 - System Meas & Reg Station E	Alexandria - Measuring & Regulating Stations	1972	22,543	64.50%	14,540	22,511	64.50%	14,520
27800 - System Meas & Reg Station E	Alexandria - Measuring & Regulating Stations	1982	16,565	64.50%	10,685	14,792	64.50%	9,541
27800 - System Meas & Reg Station E	Alexandria - Measuring & Regulating Stations	1983	6,387	64.50%	4,120	5,591	64.50%	3,606
27800 - System Meas & Reg Station E	Alexandria - Measuring & Regulating Stations	1984	30,122	64.50%	19,429	25,783	64.50%	16,630
27800 - System Meas & Reg Station E	Alexandria - Measuring & Regulating Stations	1988	15,709	64.50%	10,132	11,950	64.50%	7,708
27800 - System Meas & Reg Station E	Alexandria - Measuring & Regulating Stations	1991	9,033	64.50%	5,826	6,051	64.50%	3,903
27800 - System Meas & Reg Station E	Cold Springs - Measuring & Regulating Stations	1959	15,038	64.50%	9,699	15,647	64.50%	10,092
27800 - System Meas & Reg Station E	Cold Springs - Measuring & Regulating Stations	1966	574	64.50%	370	588	64.50%	379
27800 - System Meas & Reg Station E	Cold Springs - Measuring & Regulating Stations	1973	4,736	64.50%	3,055	4,700	64.50%	3,031
27800 - System Meas & Reg Station E	Cold Springs - Measuring & Regulating Stations	1974	2,446	64.50%	1,578	2,411	64.50%	1,555
27800 - System Meas & Reg Station E	Cold Springs - Measuring & Regulating Stations	1982	15,274	64.50%	9,852	13,639	64.50%	8,797
27800 - System Meas & Reg Station E	Cold Springs - Measuring & Regulating Stations	1984	45,885	64.50%	29,596	39,276	64.50%	25,333
27800 - System Meas & Reg Station E	Cold Springs - Measuring & Regulating Stations	1986	11,857	64.50%	7,648	9,628	64.50%	6,210
27800 - System Meas & Reg Station E	Erlanger - Gas Supply to CG&E Distribution - Telemetering - Eagle Creek Aquifer - Measuring & Regulating Stations	1961	9,482	65.00%	6,163	9,833	65.00%	6,392
27800 - System Meas & Reg Station E	Erlanger - Gas Supply to CG&E Distribution - Telemetering - Eagle Creek Aquifer - Measuring & Regulating Stations	1963	2,407	65.00%	1,565	2,486	65.00%	1,616
27800 - System Meas & Reg Station E	Erlanger - Gas Supply to CG&E Distribution - Telemetering - Eagle Creek Aquifer - Measuring & Regulating Stations	1968	2,805	65.00%	1,823	2,855	65.00%	1,856
27800 - System Meas & Reg Station E	Erlanger - Gas Supply to CG&E Distribution - Telemetering - Eagle Creek Aquifer - Measuring & Regulating Stations	1969	252	65.00%	164	256	65.00%	166
27800 - System Meas & Reg Station E	Erlanger - Gas Supply to CG&E Distribution - Telemetering - Eagle Creek Aquifer - Measuring & Regulating Stations	1970	4,696	65.00%	3,053	4,740	65.00%	3,081
27800 - System Meas & Reg Station E	Erlanger - Gas Supply to CG&E Distribution - Telemetering - Eagle Creek Aquifer - Measuring & Regulating Stations	1971	122,834	65.00%	79,842	123,351	65.00%	80,178
27800 - System Meas & Reg Station E	Erlanger - Gas Supply to CG&E Distribution - Telemetering - Eagle Creek Aquifer - Measuring & Regulating Stations	1972	9,606	65.00%	6,244	9,592	65.00%	6,235
27800 - System Meas & Reg Station E	Erlanger - Gas Supply to CG&E Distribution - Telemetering - Eagle Creek Aquifer - Measuring & Regulating Stations	1973	15,243	65.00%	9,908	15,126	65.00%	9,832
27800 - System Meas & Reg Station E	Erlanger - Gas Supply to CG&E Distribution - Telemetering - Eagle Creek Aquifer - Measuring & Regulating Stations	1974	3,963	65.00%	2,576	3,905	65.00%	2,538
27800 - System Meas & Reg Station E	Erlanger - Gas Supply to CG&E Distribution - Telemetering - Eagle Creek Aquifer - Measuring & Regulating Stations	1979	4,798	65.00%	3,119	4,494	65.00%	2,921
27800 - System Meas & Reg Station E	Erlanger - Gas Supply to CG&E Distribution - Telemetering - Eagle Creek Aquifer - Measuring & Regulating Stations	1986	7,944	65.00%	5,164	6,451	65.00%	4,193
27800 - System Meas & Reg Station E	Three Mile Road - Measuring & Regulating Stations	1968	2,346	64.50%	1,513	2,388	64.50%	1,540
27800 - System Meas & Reg Station E	Three Mile Road - Measuring & Regulating Stations	1972	54,308	64.50%	35,028	54,232	64.50%	34,980
27800 - System Meas & Reg Station E	Three Mile Road - Measuring & Regulating Stations	1978	14,848	64.50%	9,577	14,085	64.50%	9,085
27800 - System Meas & Reg Station E	Three Mile Road - Measuring & Regulating Stations	1979	287	64.50%	185	269	64.50%	174
27800 - System Meas & Reg Station E	Three Mile Road - Measuring & Regulating Stations	1986	85,507	64.50%	55,152	69,432	64.50%	44,784
27800 - System Meas & Reg Station E	Three Mile Road - Measuring & Regulating Stations	1987	7,797	64.50%	5,029	6,138	64.50%	3,959
27800 - System Meas & Reg Station E	Three Mile Road - Measuring & Regulating Stations	1999	9,995	64.50%	6,447	3,648	64.50%	2,353

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			<u>555,286</u>		<u>359,082</u>	<u>505,850</u>		<u>327,188</u>
27801 - System Meas & Reg Station E	Alexandria - Measuring & Regulating Stations	1986	54,371	64.50%	35,070	57,090	64.50%	36,823
27801 - System Meas & Reg Station E	Alexandria - Measuring & Regulating Stations	2002	2,043	64.50%	1,318	926	64.50%	598
27801 - System Meas & Reg Station E	Alexandria - Measuring & Regulating Stations	2006	18,111	64.50%	11,682	3,529	64.50%	2,276
27801 - System Meas & Reg Station E	Alexandria - Measuring & Regulating Stations	1986	58,109	64.50%	37,480	61,015	64.50%	39,354
27801 - System Meas & Reg Station E	Cold Springs - Measuring & Regulating Stations	2006	26,657	64.50%	17,193	5,194	64.50%	3,350
27801 - System Meas & Reg Station E	Cold Springs - Measuring & Regulating Stations	1986	22,949	64.50%	14,802	24,096	64.50%	15,542
27801 - System Meas & Reg Station E	Three Mile Road - Measuring & Regulating Stations	1994	10,902	64.50%	7,032	10,156	64.50%	6,551
27801 - System Meas & Reg Station E	Three Mile Road - Measuring & Regulating Stations	2003	15,547	64.50%	10,028	6,120	64.50%	3,947
27801 - System Meas & Reg Station E	Three Mile Road - Measuring & Regulating Stations	2006	20,821	64.50%	13,429	4,057	64.50%	2,617
			<u>229,509</u>		<u>148,034</u>	<u>172,184</u>		<u>111,058</u>
			<u>12,428,528</u>		<u>8,294,449</u>	<u>7,908,911</u>		<u>5,335,003</u>
29100 - Office Furniture and Equipm	Erlanger Gas Plant - Propane Gas Storage	1994	2,291	65.00%	1,489	1,817	65.00%	1,181
29100 - Office Furniture and Equipm	Erlanger Gas Plant - Propane Gas Storage	2000	13,861	65.00%	9,010	6,645	65.00%	4,319
			<u>16,153</u>		<u>10,499</u>	<u>8,462</u>		<u>5,500</u>
29400 - Tools, Shop & Garage Equip	Erlanger Gas Plant - Propane Gas Storage	1985	4,985	65.00%	3,241	4,734	65.00%	3,077
29400 - Tools, Shop & Garage Equip	Erlanger Gas Plant - Propane Gas Storage	1986	2,807	65.00%	1,825	2,553	65.00%	1,659
29400 - Tools, Shop & Garage Equip	Erlanger Gas Plant - Propane Gas Storage	1988	3,302	65.00%	2,146	2,737	65.00%	1,779
29400 - Tools, Shop & Garage Equip	Erlanger Gas Plant - Propane Gas Storage	1991	656	65.00%	426	465	65.00%	302
29400 - Tools, Shop & Garage Equip	Erlanger Gas Plant - Propane Gas Storage	1992	10,518	65.00%	6,837	7,034	65.00%	4,572
29400 - Tools, Shop & Garage Equip	Erlanger Gas Plant - Propane Gas Storage	1996	1,060	65.00%	689	539	65.00%	351
29400 - Tools, Shop & Garage Equip	Erlanger Gas Plant - Propane Gas Storage	1997	32,004	65.00%	20,803	15,010	65.00%	9,757
			<u>55,332</u>		<u>35,967</u>	<u>33,072</u>		<u>21,497</u>
29800 - Miscellaneous Equipment	Feeder Line AM-1 - Gas Feeder Lines - River Crossing	2003	41,970	100.00%	41,970	11,549	100.00%	11,549
29800 - Miscellaneous Equipment	Feeder Line AM-2 - Gas Feeder Lines - River Crossing	2003	41,786	100.00%	41,786	11,498	100.00%	11,498
29800 - Miscellaneous Equipment	Feeder Line AM-7 - Gas Feeder Lines - River Crossing	2003	41,805	100.00%	41,805	11,503	100.00%	11,503
			<u>125,561</u>		<u>125,561</u>	<u>34,550</u>		<u>34,550</u>
			<u>197,045</u>		<u>172,027</u>	<u>76,084</u>		<u>61,547</u>
					<u>12,367,626</u>			<u>7,575,954</u>

Erlanger - Gas Supply to CG&E Distribution - Telemetering - Eagle Creek Aquifer - Measuring & Regulating Stations Account 27500 allocated at 40% of 65%

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
GAS FACILITIES DEVOTED TO OTHER THAN KENTUCKY CUSTOMERS

WPB-3.1a
WITNESS RESPONSIBLE:
B. R. MELENDEZ

Account Number	Title	Original Cost Other than KY Customers 3/09	Accum Reserve 3/09	Additions 4/09-9/09	Original Cost 9/09	Rate	Apr - Sep 09 Expense	Accum Reserve 9/09	Additions through 01/11	Original Cost 01/11	Rate	Oct 09 - Jan 11 Expense	Accum Reserve 01/11	Thirteen Month Average
Production-Manufactured Gas														
20400	Land and Land Rights	76,512	-	-	76,512	0.00%	-	-	-	76,512	0.00%	-	-	-
20401	Rights of Way	15,885	15,885	-	15,885	0.00%	-	15,885	-	15,885	0.00%	-	15,885	15,885
20500	Structures & Improvements	1,018,791	905,200	-	1,018,791	0.40%	2,038	907,238	-	1,018,791	0.40%	5,434	912,672	910,634
21100	Liquefied Petroleum Gas Equipment	2,789,961	1,258,319	(3,916)	2,786,045	2.45%	34,153	1,292,472	(10,617)	2,775,428	2.45%	90,837	1,383,309	1,349,245
Total		3,901,149	2,179,404	(3,916)	3,897,233		36,191	2,215,595	(10,617)	3,886,616		96,271	2,311,866	2,275,764
Distribution														
27400	Land	5,910	-	-	5,910	0.00%	-	-	-	5,910	0.00%	-	-	-
27401	Rights of Way	300,483	136,446	-	300,483	1.39%	2,088	138,534	-	300,483	1.39%	5,569	144,103	142,015
27500	Structures & Improvements	34,827	34,063	-	34,827	1.12%	195	34,258	-	34,827	1.12%	520	34,778	34,583
27605	Mains-Steel Feeder Lines	7,446,120	4,726,248	-	7,446,120	2.04%	75,950	4,802,198	-	7,446,120	2.04%	202,534	5,004,732	4,928,782
27800	System M & R Station Equip. - General	359,080	327,188	-	359,080	2.08%	3,734	330,922	-	359,080	2.08%	9,958	340,880	337,146
27801	System M & R Station Equip.	148,034	111,058	-	148,034	1.39%	1,029	112,087	-	148,034	1.39%	2,744	114,831	113,802
Total		8,294,454	5,335,003	-	8,294,454		82,996	5,417,999	-	8,294,454		221,325	5,639,324	5,556,328
General														
29100	Office Furniture & Equipment #936	10,499	5,500	-	10,499	5.48%	288	5,788	-	10,499	5.48%	767	6,555	6,267
29400	Tools, Shop & Garage Equipment #936	35,966	21,497	-	35,966	4.01%	721	22,218	-	35,966	4.01%	1,923	24,141	23,420
29800	Miscellaneous Equipment	125,561	34,550	-	125,561	0.00%	-	34,550	-	125,561	0.00%	-	34,550	34,550
Total		172,026	61,547	-	172,026		1,009	62,556	-	172,026		2,690	65,246	64,237
Grand Total		12,367,629	7,575,954	(3,916)	12,363,713		120,196	7,696,150	(10,617)	12,353,096		320,286	8,016,436	7,896,329

Assumes additions are spread evenly over months.

To SCH. B-3.1

To SCH. B-3.1

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
ACCUMULATED RESERVE
13 MONTH AVERAGE

WPB-3.1b
WITNESS RESPONSIBLE:
B. R. MELENDEZ

	Gas Production			Gas Distribution			Gas General			Common		Total
	Accum Reserve	Adjustment	Adjusted Jurisdiction	Accum Reserve	Adjustment	Adjusted Jurisdiction	Accum Reserve	Adjustment	Adjusted Jurisdiction	Accum Reserve	Allocation at 25.74%	Adjusted & Allocated
Jan-10	3,435,111	2,239,662	1,195,449	98,841,068	5,473,328	93,367,740	1,604,499	63,230	1,541,269	19,778,345	5,090,946	101,195,404
Feb-10	3,443,301	2,245,679	1,197,622	99,294,525	5,487,161	93,807,364	1,613,717	63,398	1,550,319	20,074,603	5,167,203	101,722,508
Mar-10	3,451,490	2,251,696	1,199,794	99,747,122	5,500,994	94,246,128	1,622,935	63,566	1,559,369	20,363,390	5,241,537	102,246,828
Apr-10	3,459,677	2,257,713	1,201,964	100,189,573	5,514,827	94,674,746	1,632,152	63,734	1,568,418	20,652,044	5,315,836	102,760,964
May-10	3,467,863	2,263,730	1,204,133	100,631,954	5,528,660	95,103,294	1,641,369	63,902	1,577,467	20,927,549	5,386,751	103,271,645
Jun-10	3,476,046	2,269,747	1,206,299	101,069,221	5,542,493	95,526,728	1,650,586	64,070	1,586,516	21,202,714	5,457,579	103,777,122
Jul-10	3,484,229	2,275,764	1,208,465	101,518,237	5,556,326	95,961,911	1,659,802	64,238	1,595,564	21,477,905	5,528,413	104,294,353
Aug-10	3,492,409	2,281,781	1,210,628	101,970,147	5,570,159	96,399,988	1,669,018	64,406	1,604,612	21,753,158	5,599,263	104,814,491
Sep-10	3,500,588	2,287,798	1,212,790	102,445,199	5,583,992	96,861,207	1,678,234	64,574	1,613,660	22,028,531	5,670,144	105,357,801
Oct-10	3,508,766	2,293,815	1,214,951	102,929,020	5,597,825	97,331,195	1,687,449	64,742	1,622,707	22,299,213	5,739,817	105,908,670
Nov-10	3,516,942	2,299,832	1,217,110	103,420,323	5,611,658	97,808,665	1,696,643	64,910	1,631,733	22,568,735	5,809,192	106,466,700
Dec-10	3,525,116	2,305,849	1,219,267	103,917,459	5,625,491	98,291,968	1,703,192	65,078	1,638,114	22,836,260	5,878,053	107,027,402
Jan-11	3,533,270	2,311,866	1,221,404	104,429,693	5,639,324	98,790,369	1,709,739	65,246	1,644,493	23,101,601	5,946,352	107,602,618
Total	45,294,808	29,584,932	15,709,876	1,320,403,541	72,232,238	1,248,171,303	21,569,335	835,094	20,734,241	279,064,048	71,831,086	1,356,446,506
13 Month Average	3,484,216	2,275,764	1,208,452	101,569,503	5,556,327	96,013,176	1,659,180	64,238	1,594,942	21,466,464	5,525,468	104,342,038

↑
To SCH. B-3.1

DUKE ENERGY KENTUCKY, INC.
 GAS DEPARTMENT
 CASE NO 2009-00202
 CASH WORKING CAPITAL

WPB-5 1a
 WITNESS RESPONSIBLE:
 R. M. PARSONS

LINE NO.	DESCRIPTION	WORK PAPER REFERENCE	JURISDICTIONAL	
			BASE PERIOD	FORECASTED PERIOD
1	<u>Gas Cash Working Capital</u>			
2	Total Jurisdictional O & M Expense	Sch C-2	102,627,704	97,908,955
3				
4	Less: Purchased Gas Cost	Sch C-2	<u>80,617,220</u>	<u>78,939,367</u>
5				
6	Net Operation & Maintenance Expense		<u>22,010,484</u>	<u>18,969,588</u>
7				
8	Cash Working Capital			
9				
10	1/8 of Net Operation & Maintenance Expense	To Sch B-5.1 <---	<u>2,751,311</u>	<u>2,371,199</u>
11				
12				
13	<u>Electric Cash Working Capital</u>			
14	Total Jurisdictional O & M Expense	Company Records	101,860,176	118,356,881
15				
16	Less: Fuel and Purchased Power Expense	Company Records	<u>0</u>	<u>0</u>
17				
18	Net Operation & Maintenance Expense		<u>101,860,176</u>	<u>118,356,881</u>
19				
20	Cash Working Capital			
21				
22	1/8 of Net Operation & Maintenance Expense		<u>12,732,522</u>	<u>14,794,610</u>
			↑	↑
			To WPA-1b	To WPA-1d

DUKE ENERGY KENTUCKY, INC.
 GAS DEPARTMENT
 CASE NO. 2009-00202
 THIRTEEN MONTH AVERAGE BALANCE GAS ENRICHER LIQUIDS
 FOR THE BASE PERIOD AND THE FORECAST PERIOD

WPB-5.1b
 WITNESS RESPONSIBLE:
 R. M. PARSONS

LINE NO.	MONTH	ACCT 151126 AMOUNT (A) \$	ALLOC. (B) %	ALLOCATED AMOUNT	
1	<u>Base Period</u>				
2	October 2008	1,280,702	35.00%	448,246	
3	November	1,280,702	35.00%	448,246	
4	December	1,240,052	35.00%	434,018	
5	January 2009	1,086,217	35.00%	380,176	
6	February	1,067,216	35.00%	373,526	
7	March	1,016,582	35.00%	355,804	
8	April	1,016,582	35.00%	355,804	
9	May	1,016,582	35.00%	355,804	
10	June	1,138,108	35.00%	398,338	
11	July	1,138,108	35.00%	398,338	
12	August	1,472,181	35.00%	515,263	
13	September	1,597,069	35.00%	558,974	--> To Sch. WPA-1b
14					
15	<u>Forecasted Period</u>				
16	January 2010	1,016,582	35.00%	355,804	
17	February	1,016,582	35.00%	355,804	
18	March	1,016,582	35.00%	355,804	
19	April	1,016,582	35.00%	355,804	
20	May	1,016,582	35.00%	355,804	
21	June	1,016,582	35.00%	355,804	
22	July	1,016,582	35.00%	355,804	
23	August	1,016,582	35.00%	355,804	
24	September	1,016,582	35.00%	355,804	
25	October	1,016,582	35.00%	355,804	
26	November	1,016,582	35.00%	355,804	
27	December	1,016,582	35.00%	355,804	
28	January 2011	1,016,582	35.00%	355,804	
29	Total	<u>13,215,566</u>		<u>4,625,452</u>	
30					
31	13 Month Average - Forecast Period	<u>1,016,582</u>		<u>355,804</u>	--> To Sch. WPA-1b

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

DUKE ENERGY KENTUCKY, INC.
 GAS DEPARTMENT
 CASE NO 2009-00202
 DETAIL OF MATERIALS AND SUPPLIES
 THIRTEEN MONTHS ENDED JANUARY 31, 2011

WPB-5.1c
 WITNESS: RESPONSIBLE:
 R. M. PARSONS

LINE NO.	ACCOUNT NO. and DESCRIPTION	DE-KY	ALLOCATED TO GAS DEPT		ALLOCATED TO JURISDICTION		
		INVENTORY (A)	%	AMOUNT	ALLOC CODE	%	AMOUNT
		\$		\$			\$
1	<u>Base Period - Ending Balance</u>						
2	154100 M&S Inventory - Gas	185,394	100.00%	185,394	DALL	100.000	185,394
3	154100 M&S Inventory - Electric	10,448,750	0.00%	0	DALL	100.000	0
4	154102 Common M&S - Gas	7,401	100.00%	7,401	DALL	100.000	7,401
5	154102 Common M&S - Electric	267,633	0.00%	0	DALL	100.000	0
6	154110 M&S Supply Inv. Joint Owner - Gas	0	100.00%	0	DALL	100.000	0
7	154110 M&S Supply Inv. Joint Owner - Elec	(2,322,168)	0.00%	0	DALL	100.000	0
8	154140 Misc Inventory - Gas	0	100.00%	0	DALL	100.000	0
9	154140 Misc Inventory - Elec	135	0.00%	0	DALL	100.000	0
10	154200 Limestone Inventory - Gas	0	100.00%	0	DALL	100.000	0
11	154200 Limestone Inventory - Electric	931,022	0.00%	0	DALL	100.000	0
12	154410 Working Stock - Gas	26,705	100.00%	26,705	DALL	100.000	26,705
13	154410 Working Stock - Electric	(24,383)	0.00%	0	DALL	100.000	0
14	154900 Reserve for Loss - Gas	0	100.00%	0	DALL	100.000	0
15	154900 Reserve for Loss - Electric	4,627	0.00%	0	DALL	100.000	0
16		9,525,116		219,500			219,500
17	163110 Stores Expense - Gas	(343,030)	100.00%	(343,030)	DALL	100.000	(343,030)
18	163110 Stores Expense - Electric	1,681,485	0.00%	0	DALL	100.000	0
19	Total	10,863,571		(123,530)			(123,530)
20							
21	<u>Forecasted Period - 13 Month Average Balance</u>						
22							
23	154100 M&S Inventory - Gas	183,652	100.00%	183,652	DALL	100.000	183,652
24	154100 M&S Inventory - Electric	10,087,055	0.00%	0	DALL	100.000	0
25	154102 Common M&S - Gas	7,401	100.00%	7,401	DALL	100.000	7,401
26	154102 Common M&S - Electric	276,395	0.00%	0	DALL	100.000	0
27	154110 M&S Supply Inv. Joint Owner - Gas	0	100.00%	0	DALL	100.000	0
28	154110 M&S Supply Inv. Joint Owner - Elec	(2,391,772)	0.00%	0	DALL	100.000	0
29	154140 Misc Inventory - Gas	0	100.00%	0	DALL	100.000	0
30	154140 Misc Inventory - Elec	135	0.00%	0	DALL	100.000	0
31	154200 Limestone Inventory - Gas	0	100.00%	0	DALL	100.000	0
32	154200 Limestone Inventory - Electric	995,597	0.00%	0	DALL	100.000	0
33	154410 Working Stock - Gas	26,705	100.00%	26,705	DALL	100.000	26,705
34	154410 Working Stock - Electric	(24,390)	0.00%	0	DALL	100.000	0
35	154900 Reserve for Loss - Gas	0	100.00%	0	DALL	100.000	0
36	154900 Reserve for Loss - Electric	4,627	0.00%	0	DALL	100.000	0
37		9,165,405		217,758			217,758
38	163110 Stores Expense - Gas	(313,452)	100.00%	(313,452)	DALL	100.000	(313,452)
39	163110 Stores Expense - Electric	1,801,942	0.00%	0	DALL	100.000	0
40	Total	10,653,895		(95,694)			(95,694)
41							
42							
43	<u>Forecasted Period - Ending Balance</u>						
44							
45	154100 M&S Inventory - Gas	183,652	100.00%	183,652	DALL	100.000	183,652
46	154100 M&S Inventory - Electric	10,087,055	0.00%	0	DALL	100.000	0
47	154102 Common M&S - Gas	7,401	100.00%	7,401	DALL	100.000	7,401
48	154102 Common M&S - Electric	276,395	0.00%	0	DALL	100.000	0
49	154110 M&S Supply Inv. Joint Owner - Gas	0	100.00%	0	DALL	100.000	0
50	154110 M&S Supply Inv. Joint Owner - Elec	(2,391,772)	0.00%	0	DALL	100.000	0
51	154140 Misc Inventory - Gas	0	100.00%	0	DALL	100.000	0
52	154140 Misc Inventory - Elec	135	0.00%	0	DALL	100.000	0
53	154200 Limestone Inventory - Gas	0	100.00%	0	DALL	100.000	0
54	154200 Limestone Inventory - Electric	995,597	0.00%	0	DALL	100.000	0
55	154410 Working Stock - Gas	26,705	100.00%	26,705	DALL	100.000	26,705
56	154410 Working Stock - Electric	(24,390)	0.00%	0	DALL	100.000	0
57	154900 Reserve for Loss - Gas	0	100.00%	0	DALL	100.000	0
58	154900 Reserve for Loss - Electric	4,627	0.00%	0	DALL	100.000	0
59		9,165,405		217,758			217,758
60	163110 Stores Expense - Gas	(313,452)	100.00%	(313,452)	DALL	100.000	(313,452)
61	163110 Stores Expense - Electric	1,801,942	0.00%	0	DALL	100.000	0
62	Total	10,653,895		(95,694)			(95,694)

Source:
 (A) WPB-5.1d

DUKE ENERGY KENTUCKY, INC.
 GAS DEPARTMENT
 CASE NO. 2009-00202
 DETAIL OF THIRTEEN MONTH AVERAGE OF MATERIAL & SUPPLIES
 BASE PERIOD AND FORECASTED PERIOD

WPB-5.1d
 PAGE 1 OF 2
 WITNESS RESPONSIBLE:
 R. M. PARSONS

LINE NO.	MONTH	ACCOUNT 154100 - Gas \$	ACCOUNT 154100 - Elec \$	ACCOUNT 154102 - Gas \$	ACCOUNT 154102 - Elec \$	ACCOUNT 154110 - Gas \$	ACCOUNT 154110 - Elec \$	ACCOUNT 154140 - Gas \$	ACCOUNT 154140 - Elec \$
1	<u>Base Period</u>								
2	October 2008	296,168	7,809,879	7,401	285,597	0	(1,322)	0	135
3	November	309,167	7,721,536	7,401	285,592	0	32,337	0	135
4	December	309,700	7,646,327	7,401	277,165	0	83,702	0	135
5	January 2009	228,356	7,713,281	7,401	265,294	0	47,843	0	135
6	February	209,278	10,197,085	7,401	280,598	0	(2,403,910)	0	135
7	March	183,652	10,087,055	7,401	276,395	0	(2,391,772)	0	135
8	April	183,198	9,970,635	7,401	270,353	0	(2,339,479)	0	135
9	May	183,565	9,845,353	7,401	271,535	0	(2,252,457)	0	135
10	June	179,042	10,208,771	7,401	276,123	0	(2,305,966)	0	135
11	July	186,971	11,181,409	7,401	279,039	0	(2,581,862)	0	135
12	August	180,856	11,041,540	7,401	275,572	0	(2,261,670)	0	135
13	September	185,394	10,448,750	7,401	267,633	0	(2,322,168)	0	135
14									
15	<u>Forecasted Period</u>								
16	January 2010	183,652	10,087,055	7,401	276,395	0	(2,391,772)	0	135
17	February	183,652	10,087,055	7,401	276,395	0	(2,391,772)	0	135
18	March	183,652	10,087,055	7,401	276,395	0	(2,391,772)	0	135
19	April	183,652	10,087,055	7,401	276,395	0	(2,391,772)	0	135
20	May	183,652	10,087,055	7,401	276,395	0	(2,391,772)	0	135
21	June	183,652	10,087,055	7,401	276,395	0	(2,391,772)	0	135
22	July	183,652	10,087,055	7,401	276,395	0	(2,391,772)	0	135
23	August	183,652	10,087,055	7,401	276,395	0	(2,391,772)	0	135
24	September	183,652	10,087,055	7,401	276,395	0	(2,391,772)	0	135
25	October	183,652	10,087,055	7,401	276,395	0	(2,391,772)	0	135
26	November	183,652	10,087,055	7,401	276,395	0	(2,391,772)	0	135
27	December	183,652	10,087,055	7,401	276,395	0	(2,391,772)	0	135
28	January 2011	183,652	10,087,055	7,401	276,395	0	(2,391,772)	0	135
29	Total	2,387,476	131,131,715	96,213	3,593,135	0	(31,093,036)	0	1,755
30									
31	Thirteen Month Average Balance	183,652	10,087,055	7,401	276,395	0	(2,391,772)	0	135
		↓	↓	↓	↓	↓	↓	↓	↓
		To WPB-5.1c	To WPB-5.1c	To WPB-5.1c	To WPB-5.1c	To WPB-5.1c	To WPB-5.1c	To WPB-5.1c	To WPB-5.1c

Note: Source is Company general ledger.

DUKE ENERGY KENTUCKY, INC.
 GAS DEPARTMENT
 CASE NO. 2009-00202
 DETAIL OF THIRTEEN MONTH AVERAGE OF MATERIAL & SUPPLIES
 BASE PERIOD AND FORECASTED PERIOD

WPB-5.1d
 PAGE 2 OF 2
 WITNESS RESPONSIBLE:
 R. M. PARSONS

LINE NO.	MONTH	ACCOUNT 154200 - Gas \$	ACCOUNT 154200 - Elec \$	ACCOUNT 154410 - Gas \$	ACCOUNT 154410 - Elec \$	ACCOUNT 154900 - Gas \$	ACCOUNT 154900 - Elec \$	ACCOUNT 163110 - Gas \$	ACCOUNT 163110 - Elec \$
1	<u>Base Period</u>								
2	October 2008	0	912,182	24,282	(24,390)	0	4,627	(265,026)	1,026,927
3	November	0	885,164	24,282	(24,390)	0	4,627	(272,918)	1,362,659
4	December	0	784,924	24,282	(24,390)	0	4,627	(285,530)	1,445,628
5	January 2009	0	848,789	24,282	(24,390)	0	4,627	(290,111)	1,594,304
6	February	0	920,247	24,282	(24,390)	0	4,627	(290,394)	1,743,533
7	March	0	995,597	26,705	(24,390)	0	4,627	(313,452)	1,801,942
8	April	0	935,799	26,705	(24,383)	0	4,627	(349,655)	1,788,981
9	May	0	790,012	26,705	(24,383)	0	4,627	(366,871)	1,828,157
10	June	0	941,730	26,705	(24,383)	0	4,627	(369,837)	1,876,433
11	July	0	866,026	26,705	(24,383)	0	4,627	(356,438)	972,545
12	August	0	979,802	26,705	(24,383)	0	4,627	(350,734)	1,032,628
13	September	0	931,022	26,705	(24,383)	0	4,627	(343,030)	1,681,485
14									
15	<u>Forecasted Period</u>								
16	January 2010	0	995,597	26,705	(24,390)	0	4,627	(313,452)	1,801,942
17	February	0	995,597	26,705	(24,390)	0	4,627	(313,452)	1,801,942
18	March	0	995,597	26,705	(24,390)	0	4,627	(313,452)	1,801,942
19	April	0	995,597	26,705	(24,390)	0	4,627	(313,452)	1,801,942
20	May	0	995,597	26,705	(24,390)	0	4,627	(313,452)	1,801,942
21	June	0	995,597	26,705	(24,390)	0	4,627	(313,452)	1,801,942
22	July	0	995,597	26,705	(24,390)	0	4,627	(313,452)	1,801,942
23	August	0	995,597	26,705	(24,390)	0	4,627	(313,452)	1,801,942
24	September	0	995,597	26,705	(24,390)	0	4,627	(313,452)	1,801,942
25	October	0	995,597	26,705	(24,390)	0	4,627	(313,452)	1,801,942
26	November	0	995,597	26,705	(24,390)	0	4,627	(313,452)	1,801,942
27	December	0	995,597	26,705	(24,390)	0	4,627	(313,452)	1,801,942
28	January 2011	0	995,597	26,705	(24,390)	0	4,627	(313,452)	1,801,942
29	Total	0	12,942,761	347,165	(317,070)	0	60,151	(4,074,876)	23,425,246
30									
31	Thirteen Month Average Balance	0	995,597	26,705	(24,390)	0	4,627	(313,452)	1,801,942
		 V	 V	 V	 V	 V	 V	 V	 V
		To WPB-5.1c	To WPB-5.1c	To WPB-5.1c	To WPB-5.1c	To WPB-5.1c	To WPB-5.1c	To WPB-5.1c	To WPB-5.1c

Note: Source is Company general ledger.

DUKE ENERGY KENTUCKY, INC
 GAS DEPARTMENT
 CASE NO. 2009-00202
 PREPAYMENTS
 BASE PERIOD AND FORECASTED PERIOD

WPB-5.1e
 WITNESS RESPONSIBLE:
 R. M. PARSONS

LINE NO.	DESCRIPTION	TOTAL COMPANY (1)	ALLOC. TO GAS DEPT. %	AMOUNT	JURIS. ALLOCATION CODE	%	JURISDIC. AMOUNT
1	<u>Base Period - Ending Balance</u>						
2	Teppco Service Contract	792,641	0.00%	0	DALL	100.000	0
3	Inter-Co Prepaid Insurance	256,501	0.00%	0	DALL	100.000	0
4	East Bend Property Insurance	(32,472)	0.00%	0	DALL	100.000	0
5	KPSC Maintenance Tax - Gas	576,080	28.67% (2)	165,162	DNON	0.000	0
6	KPSC Maintenance Tax - Electric	576,080	71.33% (2)	410,918	DNON	0.000	0
7	Collateral Asset	<u>248,182</u>	0.00%	<u>0</u>	DALL	100.000	<u>0</u>
8	Total	<u>2,417,012</u>		<u>576,080</u>			<u>0</u>
9							
10	<u>Forecasted Period - 13 Month Average Balance</u>						
11	Teppco Service Contract	769,835	0.00%	0	DALL	100.000	0
12	Inter-Co Prepaid Insurance	261,996	0.00%	0	DALL	100.000	0
13	East Bend Property Insurance	30,536	0.00%	0	DALL	100.000	0
14	KPSC Maintenance Tax - Gas	422,881	28.67% (2)	121,240	DNON	0.000	0
15	KPSC Maintenance Tax - Electric	422,881	71.33% (2)	301,641	DNON	0.000	0
16	Collateral Asset	<u>594,861</u>	0.00%	<u>0</u>	DALL	100.000	<u>0</u>
17	Total	<u>2,502,991</u>		<u>422,881</u>			<u>0</u>
18							
19	<u>Forecasted Period - Ending Balance</u>						
20	Teppco Service Contract	756,017	0.00%	0	DALL	100.000	0
21	Inter-Co Prepaid Insurance	359,438	0.00%	0	DALL	100.000	0
22	East Bend Property Insurance	41,702	0.00%	0	DALL	100.000	0
23	KPSC Maintenance Tax - Gas	392,676	28.67% (2)	112,580	DNON	0.000	0
24	KPSC Maintenance Tax - Electric	392,676	71.33% (2)	280,096	DNON	0.000	0
25	Collateral Asset	<u>594,861</u>	0.00%	<u>0</u>	DALL	100.000	<u>0</u>
26	Total	<u>2,537,370</u>		<u>392,676</u>			<u>0</u>

(1) WPB-5.1h.

(2) Excluded following Commission precedent. Allocation based on 2008 intrastate gross earnings.

DUKE ENERGY KENTUCKY, INC.
GAS DEPARTMENT
CASE NO. 2009-00202
DEVELOPMENT OF FACTORS TO ALLOCATE
PREPAYMENTS AND MATERIALS AND SUPPLIES

WPB-5.1f
WITNESS RESPONSIBLE:
R. M. PARSONS

<u>LINE NO.</u>	<u>DESCRIPTION / COMMON ALLOCATION</u>	<u>CUSTOMERS</u>	<u>ALLOC</u>
1	<u>Retail Customers at September 30, 2009</u>		
2	Gas	94,287	41.20%
3	Electric	134,574	58.80%
4	Total	<u>228,861</u>	<u>100.00%</u>
5			
6	<u>Retail Customers at January 31, 2011</u>		
7	Gas	97,631	41.62%
8	Electric	136,956	58.38%
9	Total	<u>234,587</u>	<u>100.00%</u>

DUKE ENERGY KENTUCKY, INC.
 GAS DEPARTMENT
 CASE NO. 2009-00202
 NATURAL GAS STORAGE BALANCE
 BASE PERIOD AND FORECAST PERIOD

WPB-5.1g
 WITNESS RESPONSIBLE:
 R. M. PARSONS

<u>LINE NO.</u>	<u>MONTH</u>	<u>AMOUNT (A)</u>
		\$
1	<u>Base Period</u>	
2	October 2008	13,206,988
3	November	12,389,900
4	December	9,751,067
5	January 2009	6,757,148
6	February	4,748,954
7	March	2,308,330
8	April	2,892,430
9	May	4,246,504
10	June	5,580,415
11	July	6,565,241
12	August	7,463,141
13	September	8,084,967
14		
15	<u>Forecasted Period</u>	
16	January 2010	2,308,330
17	February	2,308,330
18	March	2,308,330
19	April	2,308,330
20	May	2,308,330
21	June	2,308,330
22	July	2,308,330
23	August	2,308,330
24	September	2,308,330
25	October	2,308,330
26	November	2,308,330
27	December	2,308,330
28	January 2011	2,308,330
29	Total	<u>30,008,291</u>
30		
31	Thirteen Month Average Balance	<u>2,308,330</u>

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 To WPA-1d

(A) Company Records

DUKE ENERGY KENTUCKY, INC.
 GAS DEPARTMENT
 CASE NO. 2009-00202
 DETAIL OF THIRTEEN MONTH AVERAGE PREPAYMENTS
 BASE PERIOD AND FORECAST PERIOD

WPB-5.1h
 WITNESS RESPONSIBLE:
 R. M. PARSONS

LINE NO.	MONTH	Prepayments 165021 (A) \$	Prepaid Insurance 165075 (A) \$	Unexpired Insurance 165100 (A) \$	Public Utility Fees 165400 (A) \$	Collateral Asset 165520 (A) \$
1	<u>Base Period</u>					
2	October 2008	818,200	129,001	(24,232)	523,569	3,481,001
3	November	815,896	64,501	(12,116)	458,123	3,480,979
4	December	813,593	0	0	392,678	3,439,471
5	January 2009	811,289	940,501	119,066	327,231	2,404,076
6	February	808,986	855,001	108,242	261,784	616,075
7	March	806,683	769,501	97,418	196,337	594,861
8	April	804,379	684,001	(86,593)	130,893	509,533
9	May	802,075	598,501	(75,769)	65,446	491,578
10	June	799,772	513,001	(64,945)	0	243,064
11	July	797,468	427,501	(54,121)	704,098	241,058
12	August	795,055	342,001	(43,297)	640,090	249,281
13	September	792,641	256,501	(32,472)	576,080	248,182
14						
15	<u>Forecast Period</u>					
16	January 2010	783,653	171,001	21,650	392,675	594,861
17	February	781,350	85,501	10,826	327,229	594,861
18	March	779,047	0	0	261,783	594,861
19	April	776,744	(85,501)	(10,826)	196,337	594,861
20	May	774,441	359,438	41,702	130,891	594,861
21	June	772,138	359,438	41,702	65,446	594,861
22	July	769,835	359,438	41,702	785,352	594,861
23	August	767,532	359,438	41,702	719,906	594,861
24	September	765,229	359,438	41,702	654,460	594,861
25	October	762,926	359,438	41,702	589,014	594,861
26	November	760,623	359,438	41,702	523,568	594,861
27	December	758,320	359,438	41,702	458,122	594,861
28	January 2011	756,017	359,438	41,702	392,676	594,861
29	Total	10,007,855	3,405,943	396,968	5,497,459	7,733,193
30						
31	Thirteen Month Average Balance	769,835	261,996	30,536	422,881	594,861
		↓ V	↓ V	↓ V	↓ V	↓ V
		To WPB-5.1e	To WPB-5.1e	To WPB-5.1e	To WPB-5.1e	To WPB-5.1e

(A) Company Records

DUKE ENERGY KENTUCKY, INC.
 GAS DEPARTMENT
 CASE NO. 2009-00202
 DETAIL OF THIRTEEN MONTH AVERAGE FUEL
 BASE PERIOD AND FORECASTED PERIOD

WPB-5.1i
 WITNESS RESPONSIBLE:
 R. M. PARSONS

LINE NO.	MONTH	Coal Stocks		Diesel Fuel		Propane
		151130 (A)	151131 (A)	East Bend 151140 (A)	EB - DP&L 151140 (A)	Woodsdale 151700 (A)
		\$	\$	\$	\$	\$
1	Base Period					
2	October 2008	12,708,672	4,861,308	975,185	(302,307)	2,560,127
3	November	12,459,619	3,256,251	995,491	(308,602)	2,546,591
4	December	14,844,279	3,600,743	784,895	(243,317)	2,544,371
5	January 2009	14,174,326	1,966,693	826,549	(256,230)	2,544,107
6	February	14,211,907	4,752,817	817,472	(253,416)	2,448,629
7	March	14,219,542	6,569,044	793,239	(245,904)	2,448,611
8	April	16,167,468	1,144,682	763,600	(236,716)	2,448,587
9	May	16,548,012	4,128,753	543,939	(351,881)	2,448,526
10	June	16,836,940	3,743,709	560,631	(173,796)	2,448,455
11	July	16,011,114	3,092,851	512,856	(158,986)	2,448,407
12	August	15,369,192	3,945,356	705,208	(218,615)	2,448,311
13	September	15,444,230	3,048,609	727,930	(225,658)	2,448,214
14						
15	Forecasted Period					
16	January 2010	14,219,542	6,569,044	793,239	(245,904)	2,448,611
17	February	14,219,542	6,569,044	793,239	(245,904)	2,448,611
18	March	14,219,542	6,569,044	793,239	(245,904)	2,448,611
19	April	14,219,542	6,569,044	793,239	(245,904)	2,448,611
20	May	14,219,542	6,569,044	793,239	(245,904)	2,448,611
21	June	14,219,542	6,569,044	793,239	(245,904)	2,448,611
22	July	14,219,542	6,569,044	793,239	(245,904)	2,448,611
23	August	14,219,542	6,569,044	793,239	(245,904)	2,448,611
24	September	14,219,542	6,569,044	793,239	(245,904)	2,448,611
25	October	14,219,542	6,569,044	793,239	(245,904)	2,448,611
26	November	14,219,542	6,569,044	793,239	(245,904)	2,448,611
27	December	14,219,542	6,569,044	793,239	(245,904)	2,448,611
28	January 2011	14,219,542	6,569,044	793,239	(245,904)	2,448,611
29	Total	184,854,046	85,397,572	10,312,107	(3,196,752)	31,831,943
30						
31	Thirteen Month Average Balance	14,219,542	6,569,044	793,239	(245,904)	2,448,611
		↓	↓	↓	↓	↓
		To SCH B-5.1	To SCH B-5.1	To SCH B-5.1	To SCH B-5.1	To SCH B-5.1

(A) Company Records

DUKE ENERGY KENTUCKY, INC.
 GAS DEPARTMENT
 CASE NO. 2009-00202
 DETAIL OF THIRTEEN MONTH AVERAGE EMISSION ALLOWANCES
 BASE PERIOD AND FORECASTED PERIOD

WPB-5.1j
 WITNESS RESPONSIBLE:
 R. M. PARSONS

LINE NO.	MONTH	SO2 EA Current 158180 (A) \$	SO2 EA Non-Current 158190 (A) \$	NOx 158280 (A) \$	Total EA Inventory \$
1	<u>Base Period</u>				
2	October 2008	2,403,983	2,522,500	111,075	5,037,558
3	November	2,284,857	2,522,500	111,075	4,918,432
4	December	2,149,365	2,522,500	111,075	4,782,940
5	January 2009	4,498,925	0	111,075	4,610,000
6	February	4,336,659	0	111,075	4,447,734
7	March	4,141,453	0	111,131	4,252,584
8	April	3,959,480	0	111,131	4,252,584
9	May	3,803,555	0	100,224	4,252,584
10	June	3,628,072	0	85,466	4,252,584
11	July	3,473,319	0	72,606	3,545,925
12	August	3,320,098	0	60,886	3,380,984
13	September	3,152,727	0	42,597	3,195,324
14					
15	<u>Forecasted Period</u>				
16	January 2010	4,141,453	0	111,131	4,252,584
17	February	4,141,453	0	111,131	4,252,584
18	March	4,141,453	0	111,131	4,252,584
19	April	4,141,453	0	111,131	4,252,584
20	May	4,141,453	0	111,131	4,252,584
21	June	4,141,453	0	111,131	4,252,584
22	July	4,141,453	0	111,131	4,252,584
23	August	4,141,453	0	111,131	4,252,584
24	September	4,141,453	0	111,131	4,252,584
25	October	4,141,453	0	111,131	4,252,584
26	November	4,141,453	0	111,131	4,252,584
27	December	4,141,453	0	111,131	4,252,584
28	January 2011	4,141,453	0	111,131	4,252,584
29	Total	53,838,889	0	1,444,703	55,283,592
30					
31	Thirteen Month Average Balance	4,141,453	0	111,131	4,252,584

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 To SCH B-5.1

(A) Company Records

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
CERTAIN DEFERRED CREDITS AND ACCUMULATED DEFERRED INCOME TAXES
DATA: "X" BASE PERIOD FORECASTED PERIOD
END OF MONTH BALANCES

WPB-6a
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	ACCOUNT NUMBER	DESCRIPTION	SEPTEMBER 2009
1	GAS		
2	252	Customers' Advances for Construction	<u>(1,470,205)</u>
3			
4	255	Investment Tax Credits:	
5		3% Credit	(11,874)
6		4% Credit	(48,921)
7		10% Credit	<u>(1,091,605)</u>
8		Total Investment Tax Credits	<u>(1,152,400)</u>
9			
10		Accumulated Deferred Income Taxes:	
11	190	Total Account 190	9,574,106
12	190	Unbilled Revenue - Fuel	(493,571)
13	281	Account 281 - Other	(642,227)
14	282	Account 282 - Other	(1,977,409)
15	282	Liberalized Depreciation	(39,600,546)
16	283	Account 283 - Other	(2,376,695)
17	283	Unrecovered Purchased Gas Cost	<u>(241,322)</u>
18		Total Deferred Income Taxes	<u>(35,757,664)</u>
19			
20	ELECTRIC		
21	252	Customers' Advances for Construction	<u>0</u>
22			
23	255	Investment Tax Credits: 10%	<u>(390,166)</u>
24			
25		Accumulated Deferred Income Taxes:	
26	190	Total Account 190	(4,728,950)
27	281	Account 281 - Other	(197,747)
28	282	Total Account 282	(85,918,436)
29	283	Total Account 283	<u>(2,544,033)</u>
30		Total Deferred Income Taxes	<u>(93,389,166)</u>
31			
32	NON-UTILITY		
33			
34	255	Investment Tax Credits:	<u>(2,227,231)</u>
35			
36		Accumulated Deferred income Taxes:	
37	190	Total Account 190	(420,732)
38	282	Total Account 282	(69,750,182)
39	283	Total Account 283	0
40		Total Deferred Income Taxes	<u>(70,170,914)</u>

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
CERTAIN DEFERRED CREDITS AND ACCUMULATED DEFERRED INCOME TAXES
DATA: BASE PERIOD "X" FORECASTED PERIOD
THIRTEEN MONTH AVERAGE BALANCE

WPB-6b
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	ACCOUNT NUMBER	DESCRIPTION	JANUARY 2010	FEBRUARY 2010	MARCH 2010	APRIL 2010	MAY 2010	JUNE 2010	JULY 2010	AUGUST 2010	SEPTEMBER 2010	OCTOBER 2010	NOVEMBER 2010	DECEMBER 2010	JANUARY 2011	TOTAL	13 MONTH AVERAGE
1	GAS																
2	252	Customers' Advances for Construction	(1,638,646)	(1,638,646)	(1,638,646)	(1,638,646)	(1,638,646)	(1,638,646)	(1,638,646)	(1,638,646)	(1,638,646)	(1,638,646)	(1,638,646)	(1,638,646)	(1,638,646)	(21,302,398)	(1,638,646)
3																	
4	255	Investment Tax Credits:															
5		3% Credit	(10,199)	(9,900)	(9,601)	(9,302)	(9,003)	(8,704)	(8,405)	(8,106)	(7,807)	(7,508)	(7,209)	(6,911)	(6,672)	(109,327)	(8,410)
6		4% Credit	(47,185)	(46,751)	(46,317)	(45,883)	(45,449)	(45,015)	(44,581)	(44,147)	(43,713)	(43,279)	(42,845)	(42,411)	(41,980)	(579,559)	(44,581)
7		10% Credit	(1,070,295)	(1,064,968)	(1,059,641)	(1,054,314)	(1,048,987)	(1,043,660)	(1,038,333)	(1,033,006)	(1,027,679)	(1,022,352)	(1,017,025)	(1,011,697)	(1,006,370)	(13,498,327)	(1,038,333)
8		Total Investment Tax Credits	(1,127,679)	(1,121,619)	(1,115,559)	(1,109,499)	(1,103,439)	(1,097,379)	(1,091,319)	(1,085,259)	(1,079,199)	(1,073,139)	(1,067,079)	(1,061,022)	(1,055,022)	(14,187,213)	(1,091,324)
9																	
10		Accumulated Deferred Income Taxes:															
11	190	Total Account 190	11,295,393	11,299,601	11,303,809	11,308,017	11,312,225	11,316,433	11,320,641	11,324,849	11,329,057	11,333,265	11,337,473	11,341,681	11,345,889	147,168,333	11,320,641
12	190	Unbilled Revenue - Fuel	1,343,699	1,371,131	1,398,563	1,425,995	1,453,427	1,480,859	1,508,291	1,535,723	1,563,155	1,590,587	1,618,019	1,645,451	1,672,883	19,607,786	1,508,291
13	282	Account 282 - Other	(1,523,702)	(1,530,807)	(1,537,912)	(1,545,017)	(1,552,122)	(1,559,227)	(1,566,332)	(1,573,437)	(1,580,542)	(1,587,647)	(1,594,752)	(1,601,857)	(1,608,962)	(20,362,316)	(1,566,332)
14	282	Liberalized Depreciation	(41,709,803)	(41,958,694)	(42,207,585)	(42,456,476)	(42,705,367)	(42,954,258)	(43,203,149)	(43,452,040)	(43,700,931)	(43,949,822)	(44,198,713)	(44,447,604)	(44,696,495)	(561,640,937)	(43,203,149)
15	283	Account 283 - Other	(3,238,981)	(3,189,595)	(3,140,209)	(3,090,823)	(3,041,437)	(2,992,051)	(2,942,665)	(2,893,279)	(2,843,893)	(2,794,507)	(2,745,121)	(2,695,735)	(2,646,349)	(38,254,645)	(2,942,665)
16	283	Unrecovered Purchased Gas Cc	(295,400)	(295,400)	(295,400)	(295,400)	(295,400)	(295,400)	(295,400)	(295,400)	(295,400)	(295,400)	(295,400)	(295,400)	(295,400)	(3,840,200)	(295,400)
17		Total Deferred Income Taxes	(34,128,794)	(34,303,764)	(34,478,734)	(34,653,704)	(34,828,674)	(35,003,644)	(35,178,614)	(35,353,584)	(35,528,554)	(35,703,524)	(35,878,494)	(36,053,464)	(36,228,434)	(457,321,979)	(35,178,614)
18																	
19	ELECTRIC																
20	252	Customers' Advances for Construction	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21																	
22	255	Investment Tax Credits: 10%	(349,869)	(342,536)	(335,203)	(327,870)	(320,537)	(313,204)	(305,871)	(298,538)	(291,205)	(283,872)	(276,539)	(269,204)	(263,323)	(3,977,771)	(305,982)
23																	
24		Accumulated Deferred Income Taxes:															
25	190	Total Account 190	(264,146)	(251,205)	(238,264)	(225,323)	(212,382)	(199,441)	(186,500)	(173,559)	(160,618)	(147,677)	(134,736)	(121,795)	(108,854)	(2,424,500)	(186,500)
26	282	Total Account 282	(60,465,128)	(60,670,738)	(60,876,348)	(61,081,958)	(61,287,568)	(61,493,178)	(61,698,788)	(61,904,398)	(62,110,008)	(62,315,618)	(62,521,228)	(62,726,838)	(62,932,448)	(802,084,244)	(61,698,788)
27	283	Total Account 283	(7,235,147)	(7,091,849)	(6,948,551)	(6,805,253)	(6,661,955)	(6,518,657)	(6,375,359)	(6,232,061)	(6,088,763)	(5,945,465)	(5,802,167)	(5,658,869)	(5,515,571)	(82,879,667)	(6,375,359)
28		Total Deferred Income Taxes	(67,964,421)	(68,013,792)	(68,063,163)	(68,112,534)	(68,161,905)	(68,211,276)	(68,260,647)	(68,310,018)	(68,359,389)	(68,408,760)	(68,458,131)	(68,507,502)	(68,556,873)	(887,388,411)	(68,260,647)
29																	
30	NON-UTILITY																
31																	
32	255	Investment Tax Credits:	(1,956,624)	(1,890,073)	(1,823,522)	(1,756,971)	(1,690,420)	(1,623,869)	(1,557,318)	(1,490,767)	(1,424,216)	(1,357,665)	(1,291,114)	(1,224,564)	(1,171,582)	(20,258,705)	(1,558,362)
33																	
34		Accumulated Deferred Income Taxes:															
35	190	Total Account 190	(332,984)	(332,984)	(332,984)	(332,984)	(332,984)	(332,984)	(332,984)	(332,984)	(332,984)	(332,984)	(332,984)	(332,984)	(332,984)	(4,328,792)	(332,984)
36	282	Total Account 282	(67,108,092)	(66,804,832)	(66,501,572)	(66,198,312)	(65,895,052)	(65,591,792)	(65,288,532)	(64,985,272)	(64,682,012)	(64,378,752)	(64,075,492)	(63,772,232)	(63,468,972)	(848,750,916)	(65,288,532)
37	283	Total Account 283	136,539	135,502	134,465	133,428	132,391	131,354	130,317	129,280	128,243	127,206	126,169	125,132	124,095	1,694,121	130,317
38		Total Deferred Income Taxes	(67,304,537)	(67,002,314)	(66,700,091)	(66,397,868)	(66,095,645)	(65,793,422)	(65,491,199)	(65,188,976)	(64,886,753)	(64,584,530)	(64,282,307)	(63,980,084)	(63,677,861)	(851,385,587)	(65,491,199)

DUKE ENERGY KENTUCKY, INC.
 GAS DEPARTMENT
 CASE NO. 2009-00202
 ELIMINATION OF DEFERRED TAX BALANCES RELATED TO
 FACILITIES DEVOTED TO OTHER THAN DE-KENTUCKY CUSTOMERS
 DATA: "X" BASE PERIOD FORECASTED PERIOD
 AS OF SEPTEMBER 30, 2009

WPB-6c
 WITNESS RESPONSIBLE:
 R. M. PARSONS

LINE NO.	Description	WPB-6a (1)	Allocation % (A) (2)	To Be Eliminated (Col. 1 * Col. 2) (3)
1	Investment tax Credit - 3%	(11,874)	1.54%	(183) --> To Sch B-6, Page 1
2				
3	Liberalized Depreciation	(39,600,546)	1.54%	(609,848) --> To Sch B-6, Page 1

(A) Ratio of Plant Devoted to Other Than Duke Energy Kentucky. Customers to Total Plant. (WPD-2.19h)

DUKE ENERGY KENTUCKY, INC.
 GAS DEPARTMENT
 CASE NO. 2009-00202
 ELIMINATION OF DEFERRED TAX BALANCES RELATED TO
 FACILITIES DEVOTED TO OTHER THAN DE-KENTUCKY CUSTOMERS
 DATA: BASE PERIOD "X" FORECASTED PERIOD
 AS OF JANUARY 31, 2011

WPB-6d
 WITNESS RESPONSIBLE:
 R. M. PARSONS

LINE NO.	Description	WPB-6b (1)	Allocation % (A) (2)	To Be Eliminated (Col. 1 * Col. 2) (3)
1	Investment tax Credit - 3%	(8,410)	1.54%	(130) --> To Sch B-6, Page 2
2				
3	Liberalized Depreciation	(43,203,149)	1.54%	(665,328) --> To Sch B-6, Page 2

(A) Ratio of Plant Devoted to Other Than Duke Energy Kentucky Customers to Total Plant. (WPD-2.19h)

DUKE ENERGY KENTUCKY, INC.
 GAS DEPARTMENT
 CASE NO. 2009-00202
 TO REFLECT AMOUNT OF REQUESTED INCREASE

WPC-1a
 WITNESS RESPONSIBLE:
 R. M. PARSONS

<u>LINE NO.</u>	<u>DESCRIPTION</u>	<u>SCHEDULE/ WORK PAPER REFERENCE</u>	<u>PROPOSED INCREASE (\$)</u>
1	Operating Revenues	SCH. M	<u>17,494,336</u>
2			
3	Operating Expenses:		
4			
5	Uncollectible Accounts @ 0.2730%	To Sch C-1 ←	<u>47,759</u>
6			
7	Taxes Other Than Income Taxes		
8	KPSC Maintenance Tax @ 0.1600%	SCH. H	<u>27,991</u>
9			
10	Operating Expenses Before Income Taxes		<u>75,750</u>
11			
12	Operating Income Before Income Taxes (Line 1 - Line 10)		<u>17,418,586</u>
13			
14	State Income Taxes (Line 12 * 6.000%)	To Sch C-1 ←	<u>1,045,115</u>
15			
16	Federal Income Taxes (Line 12 - Line 14) * 35%	To Sch C-1 ←	<u>5,730,715</u>
17			
18	Total Operating Expenses		<u>6,851,580</u>
19			
20	Income Available for Fixed Charges		<u>10,642,756</u>

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
GAS DEPARTMENT
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009
DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED

WPC-2a
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	TITLE of ACCOUNT	BASE PERIOD OPERATING REVENUES			TOTAL OPERATING REVENUES
		BASE	GAS COST	OTHER	
1	Total Billed Revenue (A)	45,014,973	81,229,003		126,243,976
2					
3	Total Unbilled Revenue (A)	430,374	(604,374)		(174,000)
4					
5	Other Revenue: (B)				
6	Late Payment Charge			0	0
7	Bad Check Charges			11,584	11,584
8	Reconnection Charges			37,872	37,872
9	Erlanger Gas Plant			514,092	514,092
10	Transp of Gas for Others - Inter Co.			601,738	601,738
11	Rent Land & Buildings - Assoc.			34,176	34,176
12	Provision for Rate Refunds			(7,517,628)	(7,517,628)
13	Interdepartmental Sales	9,708	36,398		46,106
14	Other Gas Revenues			22,185	22,185
15	Total Other Revenue			(6,295,981)	(6,249,875)
16					
17	Total Revenues	45,455,055	80,661,027	(6,295,981)	119,820,101

Notes:

(A) Source: WPC-2c.

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

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
GAS DEPARTMENT
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011
DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED

WPC-2b
WITNESS RESPONSIBLE:
R. M. PARSONS

LINE NO.	TITLE of ACCOUNT	FORECASTED PERIOD OPERATING REVENUES			TOTAL OPERATING REVENUES
		BASE	GAS COST	OTHER	
1	Total Billed Revenue (A)	44,859,551	78,905,519		123,765,070
2					
3	Total Unbilled Revenue (A)	(50,686)	846,223		795,537
4					
5	Other Revenue: (B)				
6	Late Payment Charge			0	0
7	Bad Check Charges			10,116	10,116
8	Reconnection Charges			21,876	21,876
9	Field Collection Charges			3,840	3,840
10	Erlanger Gas Plant			514,092	514,092
11	Transp of Gas for Others - Inter Co.			600,696	600,696
12	Rent Land & Buildings - Assoc.			34,176	34,176
13	Provision for Rate Refunds				0
14	Interdepartmental Sales	9,528	33,848		43,376
15	Other Gas Revenues			29,844	29,844
16	Total Other Revenue			1,214,640	1,258,016
17					
18	Total Revenues	44,818,393	79,785,590	1,214,640	125,818,623

Notes:

(A) Source: WPC-2d.

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

DUKE ENERGY KENTUCKY INC
CASE NO. 2009-00202
GAS DEPARTMENT
REVENUE DETAIL
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30 2009
DATA: "X" BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED

WPC-2c
WITNESS RESPONSIBLE:
R. M. PARSONS

Line No	Description	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Total
1	Base Revenue													
2	Residential	1,381,526	2,116,715	4,046,884	4,790,182	4,588,481	3,427,442	2,446,624	1,721,768	1,476,623	1,386,219	1,369,790	1,376,816	30,129,070
3	Commercial	377,598	637,285	1,310,109	1,607,236	1,499,029	1,078,860	708,793	458,440	389,866	335,226	353,991	360,292	9,116,725
4	Commercial - Res	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Industrial	37,218	55,422	122,248	145,274	147,110	95,844	61,357	39,021	25,673	27,847	28,779	27,438	813,229
6	Street Lighting	40	40	42	41	40	40	41	40	40	41	40	40	485
7	OPA	63,338	69,417	156,999	184,183	216,183	143,298	82,564	47,470	29,746	30,156	24,644	(724)	1,047,274
8	Inter-Dept	128	761	1,990	2,424	2,179	1,141	677	677	(330)	17	17	17	9,708
9	Total Base Revenue	1,859,848	2,879,640	5,638,272	6,729,349	6,453,622	4,746,625	3,300,056	2,267,416	1,921,618	1,779,506	1,777,261	1,763,887	41,116,491
10														
11	GCR Revenue													
12	Residential	1,154,605	3,566,686	9,814,983	11,386,410	10,894,182	6,545,950	2,980,888	1,470,550	985,632	713,158	681,455	808,091	51,002,590
13	Commercial	787,343	1,836,065	4,539,055	5,337,003	5,009,568	3,002,598	1,336,050	685,282	576,842	334,125	403,634	501,318	24,348,863
14	Commercial - Res	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Industrial	110,161	176,679	473,588	529,505	520,684	304,675	142,970	67,940	45,219	46,828	50,092	59,898	2,530,239
16	Street Lighting	46	45	51	44	40	35	31	29	31	31	28	33	444
17	OPA	108,755	263,261	625,916	672,364	805,047	432,456	189,875	99,725	57,092	58,145	36,801	1,854	3,351,301
18	Commercial Transp	183	241	332	(53)	(69)	(46)	(49)	(76)	(114)	(829)	(1,203)	(701)	(2,384)
19	Industrial Transp	0	32	250	(77)	0	0	0	0	0	0	0	0	205
20	OPA Transp	168	610	1,127	(224)	(256)	(203)	(216)	(142)	(105)	(1,034)	(1,030)	(950)	(2,255)
21	Inter-Dept	592	3,284	8,340	9,297	8,461	3,951	1,808	1,860	(1,374)	46	46	87	36,398
22	Total GCR Revenue	2,161,853	5,848,803	15,463,642	17,934,269	17,237,657	10,289,426	4,651,357	2,325,148	1,663,223	1,150,470	1,169,823	1,369,630	81,265,401
23														
24	DSM Tracker Revenue													
25	Residential	(12,797)	(43,315)	(122,928)	(152,691)	(143,949)	(97,034)	(56,762)	54,342	97,354	79,703	74,273	76,979	(246,825)
26	Commercial	0	0	0	0	0	0	0	0	0	0	0	0	0
27	Commercial - Res	(645)	(1,897)	(4,206)	(4,729)	(4,355)	(3,031)	(2,212)	3,724	4,147	3,539	3,219	3,361	(3,085)
28	Industrial	0	0	0	0	0	0	0	0	0	0	0	0	0
29	Street Lighting	0	0	0	0	0	0	0	0	0	0	0	0	0
30	OPA	0	(1)	(6)	(9)	(9)	0	0	0	0	0	0	0	(25)
31	Total DSM Revenue	(13,442)	(45,213)	(127,140)	(157,429)	(148,313)	(100,065)	(56,974)	58,066	101,501	83,242	77,492	80,340	(249,935)
32														
33	Merger Savings Credit Rider													
34	Residential	(2,436)	(7,889)	(22,340)	(27,843)	(26,318)	(17,651)	(10,360)	(4,912)	(3,028)	(2,461)	(2,309)	(2,392)	(129,939)
35	Commercial	(731)	(1,829)	(4,590)	(5,737)	(5,323)	(3,576)	(2,109)	(1,053)	(795)	(539)	(613)	(658)	(27,554)
36	Commercial - Res	0	0	0	0	0	0	0	0	0	0	0	0	0
37	Industrial	(92)	(159)	(431)	(518)	(504)	(330)	(199)	(93)	(59)	(69)	(69)	(72)	(2,591)
38	Street Lighting	0	0	0	0	0	0	0	0	0	0	0	0	0
39	OPA	(92)	(233)	(571)	(659)	(778)	(469)	(271)	(137)	(70)	(71)	(51)	(2)	(3,405)
40	Transp Gas of Others	(338)	(393)	(371)	(376)	(394)	(349)	(371)	(310)	(295)	(325)	(308)	(323)	(4,153)
41	Commercial - Transportation	(56)	(88)	(147)	(195)	(227)	(166)	(119)	(91)	(71)	(71)	(62)	(62)	(1,344)
42	Industrial - Transportation	(546)	(670)	(719)	(896)	(973)	(787)	(665)	(521)	(398)	(421)	(461)	(510)	(7,567)
43	OPA - Transportation	(19)	(95)	(193)	(280)	(322)	(237)	(168)	(116)	(49)	(31)	(30)	(27)	(1,567)
44	Total Merger Savings Credit	(4,310)	(11,356)	(29,362)	(36,504)	(34,839)	(23,565)	(14,262)	(7,233)	(4,764)	(3,966)	(3,912)	(4,047)	(178,120)
45														
46	Unbilled Base Revenue													
47	Residential	1,309,328	(42,827)	5,549	255,149	(740,760)	(595,607)	(349,760)	(98,768)	(11,994)	124,634	128,996	66,996	50,936
48	Commercial	170,728	135,497	179,615	52,536	(236,528)	(180,588)	270,684	(37,648)	(39,856)	29,976	19,684	21,580	385,680
49	Commercial - Res	0	0	0	0	0	0	0	0	0	0	0	0	0
50	Industrial	12,204	9,333	27,973	7,785	(22,240)	(20,535)	(12,372)	(5,720)	(4,408)	2,800	(420)	370	(5,230)
51	OPA	32,392	19,522	(2,634)	18,925	(29,253)	(29,864)	(14,016)	(10,024)	(3,408)	1,592	464	6,292	(10,012)
52	Total Unbilled Base Rev	1,524,652	121,525	210,503	334,395	(1,028,781)	(826,594)	(105,464)	(152,160)	(59,668)	159,002	148,724	95,238	421,374
53														
54	Unbilled GCR Revenue													
55	Residential	1,113,672	1,719,827	1,373,451	986,851	(2,415,240)	(1,919,393)	(692,240)	(355,232)	(197,006)	34,366	98,004	(44,996)	(297,936)
56	Commercial	340,272	688,603	806,385	259,464	(977,472)	(826,412)	(318,684)	(123,352)	(109,144)	26,024	48,316	(17,580)	(203,680)
57	Commercial - Res	0	0	0	0	0	0	0	0	0	0	0	0	0
58	Industrial	41,796	40,667	104,027	36,215	(104,760)	(99,465)	(32,628)	(14,280)	(15,592)	6,200	4,420	(6,370)	(39,770)
59	OPA	94,608	108,478	(4,366)	78,075	(135,747)	(134,136)	(37,984)	(25,976)	(15,592)	408	3,536	5,708	(62,988)
60	Total Unbilled GCR Rev	1,590,348	2,557,475	2,279,497	1,360,605	(3,633,219)	(2,979,406)	(1,081,536)	(518,840)	(337,334)	66,998	154,276	(63,238)	(604,374)
61														
62	Transportation													
63	Commercial - FT	29,134	44,050	56,258	64,260	48,945	36,999	31,291	27,752	21,851	21,811	27,689	26,409	436,449
64	Industrial - FT	182,883	193,294	242,200	259,709	214,557	183,323	146,166	177,033	120,617	130,752	143,118	141,885	2,135,537
65	OPA - FT	31,798	58,273	80,308	90,951	69,952	52,483	39,200	55,112	16,605	17,948	16,994	20,945	550,570
66	Transp Gas of Others	112,395	107,700	109,343	114,606	98,141	108,078	91,885	95,994	96,929	91,691	95,301	91,626	1,213,689
67	Transp Gas of Others - Inter C	49,590	49,590	52,036	50,058	50,058	50,058	50,058	50,058	50,058	50,058	50,058	50,058	601,738
68	Total Transportation	405,800	452,907	540,145	579,584	481,653	430,941	358,600	405,949	306,061	312,260	333,160	330,923	4,937,983
69														
70	Unbilled Transportation													
71	Commercial - FT	11,000	17,000	(10,000)	2,000	(6,000)	(12,000)	(7,000)	4,000	(2,000)	(2,000)	7,000	(2,000)	0
72	Industrial - FT	63,000	49,000	(78,000)	14,000	(25,000)	(34,000)	(20,000)	5,000	(14,000)	8,000	15,000	13,000	(4,000)
73	OPA - FT	12,000	43,000	(23,000)	16,000	(11,000)	(18,000)	(8,000)	1,000	(6,000)	(2,000)	4,000	5,000	13,000
74	Total Unbilled Transp	86,000	109,000	(111,000)	32,000	(42,000)	(64,000)	(35,000)	10,000	(22,000)	4,000	26,000	16,000	9,000
75														
76	Misc Service Revenue	53,219	52,549	(7,467,037)	49,736	50,356	50,601	51,647	52,622	53,479	51,831	51,251	52,027	(6,897,719)
77														
78	Total Revenue	7,663,968	11,965,430	16,397,520	26,825,996	19,335,536	11,523,963	7,066,424	4,440,968	3,622,116	3,603,343	3,734,075	3,640,760	119,820,101

Line No	Description	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Total
1	Base Revenue													
2	Residential	4,165,301	3,672,004	2,658,726	1,879,189	1,541,845	1,425,975	1,393,487	1,418,270	1,609,674	2,288,692	3,550,997	4,399,093	30,003,253
3	Commercial	1,406,608	1,214,384	836,304	545,438	427,235	387,100	374,429	381,692	455,552	707,365	1,181,698	1,473,049	9,390,854
4	Commercial - Res	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Industrial	121,437	115,931	75,310	52,207	46,610	44,825	47,174	42,108	47,452	60,865	94,928	121,398	870,245
6	Street Lighting	40	40	40	40	40	40	40	40	40	40	43	40	483
7	OPA	180,529	156,239	108,442	69,851	55,788	50,453	49,669	51,607	60,994	94,073	151,469	187,135	1,216,249
8	Inter-Dept	1,410	959	727	522	266	555	388	189	452	943	1,278	1,839	9,528
9	Total Base Revenue	5,875,325	5,159,557	3,679,549	2,547,247	2,071,784	1,908,948	1,865,187	1,893,906	2,174,164	3,151,978	4,980,413	6,182,554	41,490,612
10														
11	GCR Revenue													
12	Residential	7,001,448	6,115,474	2,945,048	1,658,592	1,046,713	1,022,277	1,006,036	1,195,867	2,265,400	4,966,477	8,712,161	10,030,035	47,965,528
13	Commercial	3,394,067	2,961,187	1,456,911	867,413	611,005	643,177	651,795	754,866	1,313,655	2,543,527	4,274,945	4,776,518	24,249,066
14	Commercial - Res	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Industrial	329,322	325,842	160,851	117,096	110,170	135,019	155,076	150,093	213,676	278,845	393,164	439,917	2,809,071
16	Street Lighting	30	31	25	27	29	37	40	45	55	54	56	40	469
17	OPA	485,817	432,851	227,806	151,136	123,682	139,995	148,517	172,669	263,482	430,260	628,111	677,059	3,881,385
18	Inter-Dept	5,004	3,408	2,580	1,852	944	1,970	1,376	669	1,606	3,346	4,536	6,559	33,848
19	Total GCR Revenue	11,215,688	9,838,791	4,793,221	2,796,116	1,892,543	1,942,475	1,962,840	2,274,209	4,057,874	8,222,509	14,012,973	15,930,128	78,939,367
20														
21	DSM Tracker Revenue													
22	Residential	0	0	0	0	0	0	0	0	0	0	0	0	0
23	Commercial	0	0	0	0	0	0	0	0	0	0	0	0	0
24	Commercial - Res	0	0	0	0	0	0	0	0	0	0	0	0	0
25	Industrial	0	0	0	0	0	0	0	0	0	0	0	0	0
26	Street Lighting	0	0	0	0	0	0	0	0	0	0	0	0	0
27	OPA	0	0	0	0	0	0	0	0	0	0	0	0	0
28	Total DSM Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0
29														
30	Merger Savings Credit Rider													
31	Residential	(23,266)	(19,652)	(11,968)	(6,135)	(3,605)	(2,744)	(2,496)	(2,680)	(4,108)	(9,176)	(18,623)	(24,916)	(129,269)
32	Commercial	(4,205)	(3,623)	(2,190)	(1,193)	(781)	(634)	(604)	(631)	(885)	(1,713)	(3,375)	(4,414)	(24,148)
33	Commercial - Res	0	0	0	0	0	0	0	0	0	0	0	0	0
34	Industrial	(438)	(417)	(261)	(173)	(152)	(145)	(154)	(135)	(155)	(206)	(336)	(437)	(3,009)
35	OPA	(647)	(554)	(372)	(224)	(171)	(150)	(147)	(155)	(191)	(317)	(536)	(672)	(4,136)
36	Transp Gas of Others	(383)	(358)	(316)	(273)	(257)	(251)	(253)	(268)	(371)	(299)	(383)	(410)	(3,683)
37	Commercial - Transportation	(176)	(148)	(92)	(50)	(33)	(27)	(25)	(26)	(37)	(73)	(143)	(185)	(1,015)
38	Industrial - Transportation	(751)	(626)	(478)	(359)	(318)	(287)	(299)	(333)	(423)	(602)	(705)	(5,480)	
39	OPA - Transportation	(252)	(216)	(145)	(88)	(67)	(59)	(57)	(60)	(74)	(124)	(209)	(262)	(1,613)
40	Total Merger Savings Credit	(30,116)	(25,394)	(15,822)	(8,495)	(5,384)	(4,297)	(4,035)	(4,240)	(6,049)	(12,331)	(24,187)	(32,001)	(172,353)
41														
42	Unbilled Base Revenue													
43	Residential	(636,320)	(387,030)	(487,828)	(176,857)	(142,051)	81,373	99,792	268,594	715,936	407,619	246,894	(22,956)	(32,834)
44	Commercial	(1,555,650)	(1,274,298)	(1,338,871)	(480,811)	(49,586)	11,887	35,707	42,442	138,182	144,613	163,590	(31,089)	(9,285)
45	Commercial - Res	0	0	0	0	0	0	0	0	0	0	0	0	0
46	Industrial	(24,359)	(11,723)	(20,874)	(9,520)	(6,569)	(2,392)	3,980	7,746	17,775	16,396	23,306	5,511	(723)
47	OPA	(33,381)	(21,619)	(26,517)	(13,311)	(10,549)	1,530	189	15,153	25,503	33,470	17,771	9,966	(1,795)
48	Total Unbilled Base Rev	(848,710)	(547,801)	(669,090)	(247,769)	(208,755)	92,398	138,668	333,935	897,396	602,098	451,561	(38,568)	(44,637)
49														
50	Unbilled GCR Revenue													
51	Residential	(1,839,490)	(674,738)	(1,263,691)	(337,387)	(223,545)	76,479	74,951	308,865	1,534,754	2,149,150	1,198,606	(450,855)	551,099
52	Commercial	(667,428)	(304,303)	(484,605)	(111,734)	(99,074)	45,592	73,746	123,134	588,703	775,888	625,264	(348,359)	216,824
53	Commercial - Res	0	0	0	0	0	0	0	0	0	0	0	0	0
54	Industrial	(111,873)	(26,536)	(81,462)	(17,854)	(12,697)	3,989	17,229	32,931	105,334	76,886	70,109	(23,630)	34,426
55	OPA	(147,108)	(53,745)	(96,985)	(26,842)	(22,437)	10,275	3,208	55,288	136,982	166,482	37,489	(18,733)	43,874
56	Total Unbilled GCR Rev	(2,765,899)	(1,059,322)	(1,926,743)	(493,817)	(357,753)	136,335	169,134	518,218	2,365,773	3,170,406	1,931,468	(841,577)	846,223
57														
58	Transportation													
59	Commercial - FT	53,598	46,442	32,425	21,707	17,346	15,851	15,421	15,717	18,443	27,600	45,140	55,918	365,608
60	Industrial - FT	207,675	176,044	138,509	108,377	98,105	90,287	93,165	93,376	101,946	124,735	170,024	196,017	1,599,260
61	OPA - FT	73,770	64,613	46,590	32,042	28,739	24,726	24,432	25,164	28,703	41,175	52,811	76,259	527,024
62	Transp Gas of Others	107,629	101,218	90,539	79,754	75,578	74,159	74,519	74,891	77,928	86,415	102,677	114,621	1,059,928
63	Transp Gas of Others - Inter C	50,058	50,058	50,058	50,058	50,058	50,058	50,058	50,058	50,058	50,058	50,058	50,058	600,696
64	Total Transportation	492,730	438,375	358,121	291,938	267,826	255,081	257,595	259,206	277,078	329,983	430,710	492,873	4,151,516
65														
66	Unbilled Transportation													
67	Commercial - FT	(6,100)	(8,161)	(3,613)	4,533	(10,179)	3,087	467	385	8,829	4,829	5,715	225	17
68	Industrial - FT	(18,133)	(21,487)	(13,780)	2,019	(8,800)	1,836	8,322	1,599	31,770	7,576	1,792	1,805	(5,481)
69	OPA - FT	(12,375)	(7,132)	(4,844)	(2,498)	(6,913)	5,666	2,291	6,295	22,978	(1,478)	(10,614)	8,037	(585)
70	Total Unbilled Transp	(36,608)	(36,780)	(22,237)	4,056	(25,692)	10,589	11,080	6,279	63,577	10,927	(3,107)	10,067	(6,049)
71														
72	Misc Service Revenue	51,162	51,162	51,162	51,162	51,162	51,162	51,162	51,162	51,162	51,162	51,162	51,162	613,944
73														
74	Total Revenue	13,952,570	13,818,588	6,248,161	4,940,438	3,685,531	4,392,691	4,452,631	5,334,675	9,860,975	15,526,732	21,830,993	21,754,638	125,818,623

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
SUMMARY OF VARIOUS FORECASTED PERIOD PRO FORMA ADJUSTMENTS

WPC-2e
WITNESS RESPONSIBLE:
R. M. PARSONS

Line No.	Adjustment	Description	Base Revenue	Gas Cost Revenue	Other Revenue	Other Production	Purchased Gas Cost	Distribution Expense	Customer Accounting Expense	A&G Expense	Depreciation Expense	Taxes Other Than Income Taxes
1	D-2.15	Uncollectible Expense							(1,280,335)			
2	D-2.16	Rate Case Expense								86,667		
3	D-2.17	Annualize Revenue	0									
4	D-2.19	Eliminate Non-KY Customer			(514,092)	(32,821)		(239,604)				(72,056)
5	D-2.21	Adjust Property Tax										(894,566)
6	D-2.22	Eliminate Misc. Expenses						(1,217)	(855)	(2,139)		
7	D-2.23	Annualize Depreciation									2,061,951	
8	D-2.24	Eliminate Unbilled Revenue	50,686	(846,223)			(846,223)					
9	D-2.26	Incentive Compensation								(616,501)		
10	D-2.27	Annualize KYPSC Maint. Tax								(48,067)		
11	D-2.28	Elim. Merger Credits & Amort.	172,353							(290,184)		
			<u>223,039</u>	<u>(846,223)</u>	<u>(514,092)</u>	<u>(32,821)</u>	<u>(846,223)</u>	<u>(240,821)</u>	<u>(1,281,190)</u>	<u>(870,224)</u>	<u>2,061,951</u>	<u>(966,622)</u>

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
MONTHLY REVENUES AND EXPENSES BY ACCOUNT
FORECAST PERIOD

WPC-2.1a
WITNESS RESPONSIBLE:
R.M. PARSONS
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DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED

Account	Code	FERC	Description	Total	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10
403000	DEPR	403	Depreciation Expense	8,968,036	742,109	741,447	742,923	741,028	742,619	745,238	747,081	749,666
404201	DEPR	404	Amort Exp - Limited Term	627,840	52,320	52,320	52,320	52,320	52,320	52,320	52,320	52,320
408121	OTHTX	408	Taxes Property-Operating	4,388,684	357,890	357,890	357,890	357,890	357,890	357,890	357,890	357,890
408152	OTHTX	408	Employer FICA Tax	637,163	52,899	52,899	52,899	52,899	52,899	52,899	52,899	52,899
408550	OTHTX	408	Kentucky Highway Use	1,956	163	163	163	163	163	163	163	163
409060	FIT	409	Federal Income Taxes Utility Op Income	153,700	12,808	12,808	12,808	12,808	12,808	12,808	12,808	12,808
409160	FIT	409	State/Local Inc Tax Exp Utility Op Inc	(67,691)	(5,641)	(5,641)	(5,641)	(5,641)	(5,641)	(5,641)	(5,641)	(5,641)
410060	FIT	410	Deferred FIT Utility Operating Inc	1,764,742	147,062	147,062	147,062	147,062	147,062	147,062	147,062	147,062
410160	FIT	410	Deferred SIT Utility Operating Inc	420,768	35,064	35,064	35,064	35,064	35,064	35,064	35,064	35,064
411065	FIT	411	Amortization of Investment Tax Credit	(72,657)	(6,060)	(6,060)	(6,060)	(6,060)	(6,060)	(6,060)	(6,060)	(6,060)
480400	REV	480	Residential Sales Gas	30,003,253	4,165,301	3,672,004	2,658,726	1,879,189	1,541,845	1,425,975	1,393,487	1,418,270
480410	REV	480	Residential Unbilled Gas	518,265	(2,475,810)	(1,061,768)	(1,751,519)	(514,244)	(365,596)	157,852	174,743	575,459
480620	REV	480	Res Gas Cost Recovery	47,965,528	7,001,448	6,115,474	2,945,048	1,658,592	1,046,713	1,022,277	1,006,036	1,195,867
480625	REV	480	Res Merger Savings Credit Rider	(129,269)	(23,266)	(19,552)	(11,968)	(6,135)	(3,605)	(2,744)	(2,496)	(2,680)
481400	REV	481	Commercial Sales Gas	9,390,854	1,406,608	1,214,384	836,304	545,438	427,235	387,100	374,429	381,692
481410	REV	481	Commercial Unbilled Gas	207,539	(823,078)	(431,732)	(618,476)	(159,815)	(148,660)	57,479	109,453	165,576
481450	REV	481	Industrial Sales Gas	870,245	121,437	115,931	75,310	52,207	46,610	44,825	47,174	42,108
481460	REV	481	Industrial Unbilled Gas	33,703	(136,232)	(38,259)	(102,336)	(27,374)	(19,266)	1,597	21,209	40,677
481620	REV	481	Com Gas Cost Recovery	24,249,066	3,394,067	2,961,187	1,456,911	867,413	611,005	643,177	651,795	754,866
481625	REV	481	Com Merger Savings Credit Rider	(24,148)	(4,205)	(3,523)	(2,190)	(1,193)	(781)	(634)	(604)	(631)
481660	REV	481	Ind Gas Cost Recovery	2,809,071	329,322	325,842	160,851	117,096	110,170	135,019	155,076	150,093
481665	REV	481	Ind Merger Savings Credit Rider	(3,009)	(438)	(417)	(261)	(173)	(152)	(145)	(154)	(135)
482400	REV	482	Public Str/Hgwy Lighting Gas	483	40	40	40	40	40	40	40	40
482450	REV	482	Other Sales To Pub Authority Gas	1,216,249	180,529	156,239	108,442	69,851	55,788	50,453	49,669	51,607
482460	REV	482	Other Sales To Pub Auth Unbill	42,079	(180,489)	(75,364)	(123,502)	(40,153)	(32,986)	11,805	3,397	70,441
482620	REV	482	SL Gas Cost Recovery	469	30	31	25	27	29	37	40	45
482660	REV	482	OPA Gas Cost Recovery	3,881,385	485,817	432,851	227,806	151,136	123,682	139,995	148,517	172,669
482665	REV	482	OPA Merger Savings Credit Rider	(4,136)	(647)	(554)	(372)	(224)	(171)	(150)	(147)	(155)
484400	REV	484	Inter Departmental Sales Gas	43,376	6,414	4,365	3,307	2,374	1,210	2,525	1,764	858
488010	REV	488	Misc Service Revenue - Gas	180	15	15	15	15	15	15	15	15
488020	REV	488	Misc Rev Reconn Charges Gas	21,876	1,823	1,823	1,823	1,823	1,823	1,823	1,823	1,823
488100	REV	488	Misc Gas Rev Erlanger Gas Plt	514,092	42,841	42,841	42,841	42,841	42,841	42,841	42,841	42,841
488060	REV	488	Misc Rev Bad Check Charge Gas	10,116	843	843	843	843	843	843	843	843
488070	REV	488	Misc Rev - Field Coll Charge	3,840	320	320	320	320	320	320	320	320
489000	REV	489	Rev Transp Gas of Others	1,059,928	107,629	101,218	90,539	79,754	75,578	74,159	74,519	74,891
489010	REV	489	Rev Transp of Gas - I/C	600,696	50,058	50,058	50,058	50,058	50,058	50,058	50,058	50,058
489025	REV	489	Trans Merger Savings Cr Rider	(3,683)	(383)	(358)	(316)	(273)	(257)	(251)	(253)	(254)
489110	REV	489	Rev Firm Transp Agm-Commer Bld	365,608	53,598	46,442	32,425	21,707	17,346	15,851	15,421	15,717
489115	REV	489	Comm Rev Transp-Unbilled	17	(6,100)	(8,161)	(3,613)	4,533	(10,179)	3,087	467	385
489120	REV	489	Rev Firm Transp Agreements - I	1,598,260	207,675	176,044	138,509	108,377	98,105	90,287	93,165	93,376
489125	REV	489	Indust Rev Transp-Unbilled	(5,481)	(18,133)	(21,487)	(13,780)	2,019	(8,800)	1,836	8,322	1,599
489130	REV	489	Rev Firm Transp Agree - Other	527,024	73,770	64,613	46,590	32,042	26,739	24,726	24,432	25,164

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
MONTHLY REVENUES AND EXPENSES BY ACCOUNT
FORECAST PERIOD

WPC-2.1a
WITNESS RESPONSIBLE:
R.M. PARSONS
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DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED

Account	Code	FERC	Description	Total	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10
926000	AGO	926	Employee Pension and Benefits	1,243,304	108,329	107,294	97,566	103,785	102,853	87,278	102,129	108,927
928000	AGO	928	Regulatory Commission Expenses	590,384	49,076	49,076	49,076	49,076	49,076	49,076	49,076	49,076
929000	AGO	929	Duplicate Charges - Credit	(6,043)	(491)	(491)	(491)	(508)	(508)	(508)	(508)	(508)
930000	AGO	930	Miscellaneous General Expenses	116,979	6,947	7,027	7,258	7,201	25,287	3,884	5,873	3,975
931000	AGO	931	Rents	1,205,621	100,456	99,221	100,292	99,233	100,128	100,909	100,113	100,112
935000	AGM	935	Maintenance of General Plant	610,973	51,741	53,250	48,316	48,500	51,060	51,112	49,949	49,681

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
MONTHLY REVENUES AND EXPENSES BY ACCOUNT
FORECAST PERIOD

WPC-2.1a
WITNESS RESPONSIBLE:
R.M. PARSONS
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DATA: BASE PERIOD "X" FORECASTED PERIOD
TYPE OF FILING: ORIGINAL "X" UPDATED REVISED

Account	Code	FERC	Description	Oct-10	Nov-10	Dec-10	Jan-11
403000	DEPR	403	Depreciation Expense	750,054	751,077	748,969	765,825
404201	DEPR	404	Amort Exp - Limited Term	52,320	52,320	52,320	52,320
408121	OTHTX	408	Taxes Property-Operating	357,890	357,890	357,890	451,894
408152	OTHTX	408	Employer FICA Tax	52,899	52,899	53,158	55,015
408550	OTHTX	408	Kentucky Highway Use	163	163	163	163
409060	FIT	409	Federal Income Taxes Utility Op Income	12,808	12,808	12,808	12,812
409160	FIT	409	State/Local Inc Tax Exp Utility Op Inc	(5,641)	(5,641)	(5,641)	(5,640)
410060	FIT	410	Deferred FIT Utility Operating Inc	147,062	147,062	147,062	147,060
410160	FIT	410	Deferred SIT Utility Operating Inc	35,064	35,064	35,064	35,064
411065	FIT	411	Amortization of Investment Tax Credit	(6,060)	(6,060)	(6,057)	(6,000)
480400	REV	480	Residential Sales Gas	1,609,674	2,288,692	3,550,997	4,399,093
480410	REV	480	Residential Unbilled Gas	2,250,690	2,556,769	1,445,500	(473,811)
480620	REV	480	Res Gas Cost Recovery	2,265,400	4,966,477	8,712,161	10,030,035
480625	REV	480	Res Merger Savings Credit Rider	(4,108)	(9,176)	(18,623)	(24,916)
481400	REV	481	Commercial Sales Gas	455,552	707,365	1,181,698	1,473,049
481410	REV	481	Commercial Unbilled Gas	726,885	920,501	788,854	(379,448)
481450	REV	481	Industrial Sales Gas	47,452	60,865	94,928	121,398
481460	REV	481	Industrial Unbilled Gas	123,109	95,282	93,415	(18,119)
481620	REV	481	Com Gas Cost Recovery	1,313,655	2,543,527	4,274,945	4,776,518
481625	REV	481	Com Merger Savings Credit Rider	(885)	(1,713)	(3,375)	(4,414)
481660	REV	481	Ind Gas Cost Recovery	213,676	278,845	393,164	439,917
481665	REV	481	Ind Merger Savings Credit Rider	(155)	(206)	(336)	(437)
482400	REV	482	Public Str/Hgwy Lighting Gas	40	40	43	40
482450	REV	482	Other Sales To Pub Authority Gas	60,994	94,073	151,469	187,135
482460	REV	482	Other Sales To Pub Auth Unbill	162,485	199,952	55,260	(8,767)
482620	REV	482	SL Gas Cost Recovery	55	54	56	40
482660	REV	482	OPA Gas Cost Recovery	263,482	430,260	628,111	677,059
482665	REV	482	OPA Merger Savings Credit Rider	(191)	(317)	(536)	(672)
484400	REV	484	Inter Departmental Sales Gas	2,058	4,289	5,814	8,398
488010	REV	488	Misc Service Revenue - Gas	15	15	15	15
488020	REV	488	Misc Rev Reconn Charges Gas	1,823	1,823	1,823	1,823
488100	REV	488	Misc Gas Rev Erlanger Gas Plt	42,841	42,841	42,841	42,841
488060	REV	488	Misc Rev Bad Check Charge Gas	843	843	843	843
488070	REV	488	Misc Rev - Field Coll Charge	320	320	320	320
489000	REV	489	Rev Transp Gas of Others	77,928	86,415	102,677	114,621
489010	REV	489	Rev Transp of Gas - I/C	50,058	50,058	50,058	50,058
489025	REV	489	Trans Merger Savings Cr Rider	(266)	(299)	(363)	(410)
489110	REV	489	Rev Firm Transp Agm-Commer Bld	18,443	27,600	45,140	55,918
489115	REV	489	Comm Rev Transp-Unbilled	8,829	4,829	5,715	225
489120	REV	489	Rev Firm Transp Agreements - I	101,946	124,735	170,024	196,017
489125	REV	489	Indust Rev Transp-Unbilled	31,770	7,576	1,792	1,805
489130	REV	489	Rev Firm Transp Agree - Other	28,703	41,175	62,811	76,259

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
MONTHLY REVENUES AND EXPENSES BY ACCOUNT
FORECAST PERIOD

WPC-2.1a
WITNESS RESPONSIBLE:
R.M. PARSONS
Page 5 of 6

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

Account	Code	FERC	Description	Oct-10	Nov-10	Dec-10	Jan-11
489135	REV	489	Other Rev Transp-Unbilled	22,978	(1,478)	(10,614)	8,037
489165	REV	489	Com Transp Merger Savings Cr Rider	(37)	(73)	(143)	(185)
489175	REV	489	Ind Transp Merger Savings Cr Rider	(333)	(423)	(602)	(705)
489185	REV	489	OPA Transp Merger Savings Cr Rider	(74)	(124)	(209)	(262)
493040	REV	493	Rent Land And Buildings-Affil	2,848	2,848	2,848	2,848
495020	REV	495	Sales Use Tax Collect Fee	1,500	1,500	1,500	1,500
495030	REV	495	Gas Losses Damaged Lines	972	972	972	972
711000	PO	711	Gas Boiler Labor	1,925	1,925	1,925	1,983
712000	PO	712	Gas Production - Other Expense	1,391	1,391	1,391	1,433
717000	PO	717	Liquid Petroleum Gas Expense	432	433	438	440
728000	PO	728	Liquid Petroleum Gas	6,699	6,699	6,699	9,086
735000	PO	735	Miscellaneous Prod Expense	2,216	2,223	2,247	6,900
736000	PO	736	Rents	5,751	5,751	5,751	2,186
742000	PM	742	Production Equipment	10,569	10,594	10,675	10,721
801000	Fuel	801	Natural Gas Field Line Purchase	4,057,874	8,222,509	14,012,973	15,930,128
805200	Fuel	805	Purchase Gas Cost Unbilled Rev	2,365,773	3,170,406	1,931,468	(841,577)
807000	PO	807	Gas Purchased Expenses	45,890	45,807	62,470	47,795
870000	DO	870	Dist Supervision & Engineering	8,343	8,369	8,453	8,707
871000	DO	871	Distribution Load Dispatching	7,916	7,812	8,003	8,145
874000	DO	874	Mains And Services	114,078	131,695	143,873	117,193
875000	DO	875	Measuring & Reg Stations - Gen	2,529	2,538	2,565	2,642
876000	DO	876	Measuring & Reg Stations - Ind	18,410	18,412	23,786	23,960
878000	DO	878	Meter And House Regulators	13,269	13,282	18,499	27,528
879000	DO	879	Customer Installations	75,268	72,779	90,942	96,711
880000	DO	880	Gas Distribution Other Expense	39,504	39,725	40,140	40,508
881000	DO	881	Rents Interco	33,271	33,271	33,271	34,269
885000	DM	885	Maint- Supervision & Engineeri	2,386	2,393	2,459	2,521
887000	DM	887	Maintenance Of Mains	79,961	78,722	76,421	78,679
889000	DM	889	Maint- Measuring & Reg Stat -	4,749	4,764	4,813	4,771
892000	DM	892	Maintenance Of Services	58,881	58,881	58,881	60,647
893000	DM	893	Maintenance Of Meters & House	732	732	732	754
894000	DM	894	Maint - Other Distribution Equipment	2,015	2,015	2,015	2,075
902000	AGO	902	Meter Reading Expenses	63,127	56,004	75,366	86,895
903000	AGO	903	Customer Record and Collection Expenses	157,512	155,779	168,422	188,252
904000	AGO	904	Uncollectible Accounts	105,874	127,154	160,094	167,139
908000	AGO	908	Customer Assistance Expense	13,199	13,240	13,374	13,765
910000	AGO	910	Misc. Customer Service and Information Ex	30,379	35,697	32,102	30,738
920000	AGO	920	Administrative and General Salaries	213,253	209,111	249,025	210,414
921000	AGO	921	Office Supplies and Expenses	102,172	109,320	116,880	123,507
923000	AGO	923	Outside Services Employed	154,351	151,942	181,780	142,811
924000	AGO	924	Property Insurance	10,924	10,924	10,926	11,252
925000	AGO	925	Injuries and Damages	8,620	8,620	8,620	8,860

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
MONTHLY REVENUES AND EXPENSES BY ACCOUNT
FORECAST PERIOD

WPC-2.1a
WITNESS RESPONSIBLE:
R.M. PARSONS
Page 6 of 6

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

Account	Code	FERC	Description	Oct-10	Nov-10	Dec-10	Jan-11
926000	AGO	926	Employee Pension and Benefits	111,312	111,215	90,619	111,997
928000	AGO	928	Regulatory Commission Expenses	49,076	49,076	49,076	50,548
929000	AGO	929	Duplicate Charges - Credit	(508)	(508)	(508)	(506)
930000	AGO	930	Miscellaneous General Expenses	3,717	3,928	14,585	27,297
931000	AGO	931	Rents	101,041	100,808	100,149	103,159
935000	AGM	935	Maintenance of General Plant	55,057	50,533	49,536	52,238

DUKE ENERGY KENTUCKY, INC.
GAS DEPARTMENT
CASE NO. 2009-00202
ADJUST BASE PERIOD REVENUE TO FORECASTED PERIOD

WPD-2.1a
WITNESS RESPONSIBLE:
R. M. PARSONS

<u>Line No.</u>	<u>Description</u>	<u>Base Period</u>	<u>Forecasted Period</u>	<u>Adjustment</u>
1	Base	\$ 45,455,055	\$ 44,818,393	\$ (636,662)
2				
3	Gas Cost	80,661,027	79,785,590	(875,437)
4				
5	Other Revenue	<u>(6,295,981)</u>	<u>1,214,640</u>	<u>7,510,621</u>
6				
7	Total Revenue	<u>\$ 119,820,101</u>	<u>\$ 125,818,623</u>	<u>\$ 5,998,522</u>

↑
To Schedule D-1

DUKE ENERGY KENTUCKY, INC.
GAS DEPARTMENT
CASE NO. 2009-00202
ADJUST BASE PERIOD PURCHASED GAS COST

WPD-2.2a
WITNESS RESPONSIBLE:
R. M. PARSONS

<u>Line No.</u>	<u>Description</u>	<u>Base Period</u>	<u>Forecasted Period</u>	<u>Adjustment</u>
1	Liquefied Petroleum Gas	\$ 122,194	\$ 82,775	\$ (39,419)
2				
3	Purchased Gas	<u>80,617,220</u>	<u>79,785,590</u>	<u>(831,630)</u>
4				
5	Total Purchased Gas Cost Expenses	<u>\$ 80,739,414</u>	<u>\$ 79,868,365</u>	<u>\$ (871,049)</u>

↑
To Schedule D-1

DUKE ENERGY KENTUCKY, INC.
GAS DEPARTMENT
CASE NO. 2009-00202
OTHER PRODUCTION EXPENSES

WPD-2.3a
WITNESS RESPONSIBLE:
R. M. PARSONS

<u>Line No.</u>	<u>Description</u>	<u>Base Period</u>	<u>Forecasted Period</u>	<u>Adjustment</u>
1	Other Production Expenses	<u>\$ 188,832</u>	<u>\$ 267,922</u>	<u>\$ 79,090</u>

↑
To Schedule D-1

DUKE ENERGY KENTUCKY, INC.
GAS DEPARTMENT
CASE NO. 2009-00202
OTHER GAS SUPPLY EXPENSES

WPD-2.4a
WITNESS RESPONSIBLE:
R. M. PARSONS

<u>Line No.</u>	<u>Description</u>	<u>Base Period</u>	<u>Forecasted Period</u>	<u>Adjustment</u>
1	Other Gas Supply Expenses	<u>\$ 516,374</u>	<u>\$ 589,496</u>	<u>\$ 73,122</u>

↑
To Schedule D-1

DUKE ENERGY KENTUCKY, INC.
GAS DEPARTMENT
CASE NO. 2009-00202
ADJUST BASE PERIOD TRANSMISSION EXPENSE

WPD-2.5a
WITNESS RESPONSIBLE:
R. M. PARSONS

<u>Line No.</u>	<u>Description</u>	<u>Base Period</u>	<u>Forecasted Period</u>	<u>Adjustment</u>
1	Transmission Expense	\$ -	\$ -	\$ -

↑
To Schedule D-1

DUKE ENERGY KENTUCKY, INC.
GAS DEPARTMENT
CASE NO. 2009-00202
ADJUST BASE PERIOD DISTRIBUTION EXPENSE

WPD-2.6a
WITNESS RESPONSIBLE:
R. M. PARSONS

<u>Line No.</u>	<u>Description</u>	<u>Base Period</u>	<u>Forecasted Period</u>	<u>Adjustment</u>
1	Distribution Expense	<u>\$ 6,046,031</u>	<u>\$ 5,942,862</u>	<u>\$ (103,169)</u>

↑
To Schedule D-1

DUKE ENERGY KENTUCKY, INC.
GAS DEPARTMENT
CASE NO. 2009-00202
ADJUST BASE PERIOD CUSTOMER ACCOUNTS EXPENSE

WPD-2.7a
WITNESS RESPONSIBLE:
R. M. PARSONS

<u>Line No.</u>	<u>Description</u>	<u>Base Period</u>	<u>Forecasted Period</u>	<u>Adjustment</u>
1	Customer Accounts Expense	<u>\$ 3,701,698</u>	<u>\$ 4,117,655</u>	<u>\$ 415,957</u>

↑
To Schedule D-1

DUKE ENERGY KENTUCKY, INC.
GAS DEPARTMENT
CASE NO. 2009-00202
ADJUST BASE PERIOD CUSTOMER SERVICE
AND INFORMATION EXPENSE

WPD-2.8a
WITNESS RESPONSIBLE:
R. M. PARSONS

<u>Line No.</u>	<u>Description</u>	<u>Base Period</u>	<u>Forecasted Period</u>	<u>Adjustment</u>
1	Customer Service & Information Expense	<u>\$ 607,933</u>	<u>\$ 532,529</u>	<u>\$ (75,404)</u>

↑
To Schedule D-1

DUKE ENERGY KENTUCKY, INC.
GAS DEPARTMENT
CASE NO. 2009-00202
ADJUST BASE PERIOD SALES EXPENSE

WPD-2.9a
WITNESS RESPONSIBLE:
R. M. PARSONS

<u>Line No.</u>	<u>Description</u>	<u>Base Period</u>	<u>Forecasted Period</u>	<u>Adjustment</u>
1	Sales Expense	\$ -	\$ -	\$ -

↑
To Schedule D-1

DUKE ENERGY KENTUCKY, INC.
GAS DEPARTMENT
CASE NO. 2009-00202
ADJUST BASE PERIOD A&G EXPENSE

WPD-2.10a
WITNESS RESPONSIBLE:
R. M. PARSONS

<u>Line No.</u>	<u>Description</u>	<u>Base Period</u>	<u>Forecasted Period</u>	<u>Adjustment</u>
1	A&G Expense	<u>\$ 10,921,932</u>	<u>\$ 9,861,405</u>	<u>\$ (1,060,527)</u>

↑
To Schedule D-1

DUKE ENERGY KENTUCKY, INC.
GAS DEPARTMENT
CASE NO. 2009-00202
ADJUST OTHER OPERATING EXPENSE TO FORECASTED PERIOD

WPD-2.11a
WITNESS RESPONSIBLE:
R. M. PARSONS

<u>Line No.</u>	<u>Description</u>	<u>Base Period</u>	<u>Forecasted Period</u>	<u>Adjustment</u>
1	Other Operating Expense	<u>\$ (94,510)</u>	<u>\$ -</u>	<u>\$ 94,510</u>

↑
To Schedule D-1

DUKE ENERGY KENTUCKY, INC.
GAS DEPARTMENT
CASE NO. 2009-00202
ADJUST BASE PERIOD DEPRECIATION EXPENSE

WPD-2.12a
WITNESS RESPONSIBLE:
R. M. PARSONS

<u>Line No.</u>	<u>Description</u>	<u>Base Period</u>	<u>Forecasted Period</u>	<u>Adjustment</u>
1	Depreciation Expense	<u>\$ 9,197,430</u>	<u>\$ 9,595,876</u>	<u>\$ 398,446</u>

↑
To Schedule D-1

DUKE ENERGY KENTUCKY, INC.
GAS DEPARTMENT
CASE NO. 2009-00202
ADJUST BASE PERIOD OTHER TAX EXPENSE

WPD-2.13a
WITNESS RESPONSIBLE:
R. M. PARSONS

<u>Line No.</u>	<u>Description</u>	<u>Base Period</u>	<u>Forecasted Period</u>	<u>Adjustment</u>
1	Other Federal Taxes	\$ 476,047	\$ 637,163	\$ 161,116
2				
3	State and Other Taxes	<u>1,632,110</u>	<u>4,390,640</u>	<u>2,758,530</u>
4				
5	Total Taxes Other than Income Taxes	<u>\$ 2,108,157</u>	<u>\$ 5,027,803</u>	<u>\$ 2,919,646</u>

↑
To Schedule D-1

DUKE ENERGY KENTUCKY, INC.
 GAS DEPARTMENT
 CASE NO. 2009-00202
 ADJUST INCOME TAX EXPENSE

WPD-2.14a
 WITNESS RESPONSIBLE:
 R. M. PARSONS

<u>Line No.</u>	<u>Description</u>	<u>Base Period</u>	<u>Forecasted Period</u>	<u>Difference</u>	<u>Sch. D-2.1 Through Sch. D-2.13 Adjustments</u>	<u>Sch. D-2.14 Adjustments</u>
1	<u>State</u>					
2	Current	\$ 103,915	\$ (67,691)	\$ (171,606)	\$ 247,674	\$ (419,280)
3	Deferred	104,005	420,768	316,763	0	316,763
4						
5	<u>Federal</u>					
6	Current	(447,894)	153,700	601,594	1,358,079	(756,485)
7	Deferred	590,110	1,764,742	1,174,632	0	1,174,632
8	Amortization of ITC	(62,001)	(72,657)	(10,656)	0	(10,656)

DUKE ENERGY KENTUCKY, INC.
 GAS DEPARTMENT
 CASE NO. 2009-00202
 ANNUALIZE UNCOLLECTIBLE EXPENSE
 FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

WPD-2.15a
 WITNESS RESPONSIBLE:
 R. M. PARSONS

Line No.	Description	Source	Total Amount	Base / Fuel Ratio	Charge-offs	Collection Costs	Late Payment Charges	Time Value of Money
1	Base Revenue	Sch. C-2	45,041,432	36.33%				
2	Fuel Revenue	Sch. C-2	78,939,367	63.67%				
3	Less: Interdepartmental Revenues	Sch. C-2.1	<u>43,376</u>					
4	Revenue Subject to Uncollectible Ratio (1) + (2) - (3)		123,937,423					
5	Uncollectible Expense Factor	WPH-a			<u>0.9140%</u>	<u>0.0500%</u>	<u>-0.6910%</u>	
6	Annualized Uncollectible Expense (4) * (5)				1,132,779	61,969	(856,404)	
7	Annualized - Base (6) * Base Revenue %				<u>411,539</u>	<u>22,513</u>	<u>(311,132)</u>	
8	Annualized - Fuel (6) * Fuel Revenue %				721,240	39,456	(545,272)	
9	Forecasted Period Uncollectible Expense (A)	Sch. C-2.1	<u>1,403,255</u>		<u>1,444,792</u>	<u>78,161</u>	<u>(1,071,526)</u>	<u>951,828</u> (B)
10	Adjustment to Uncollectible Expense (7) - (9)		<u>(1,280,335)</u>		<u>(1,033,253)</u>	<u>(55,648)</u>	<u>760,394</u>	<u>(951,828)</u> (C)

(A) Forecasted Period Uncollectible Expense is split using the following ratio developed from WPH-a:

	WPH-a	Ratio
Charge-off's	0.9140%	90.20%
Collection Costs	0.0500%	4.93%
Late Charges	-0.6910%	-68.19%
Time Value	<u>0.7403%</u>	<u>73.06%</u>
	1.0133%	100.00%

(B) The time value of money is eliminated because the sale of accounts receivable is included in short-term debt on Schedule J-2.

(C) This adjustment is conditional upon the Commission approving the Company's request to recover the annualized uncollectible expense related to fuel revenue through its GCA rider.

DUKE ENERGY KENTUCKY, INC.
 GAS DEPARTMENT
 CASE NO. 2009-00202
 AMORTIZATION OF RATE CASE EXPENSE
 FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009

WPD-2.16a
 WITNESS RESPONSIBLE:
 R. M. PARSONS

<u>LINE NO.</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
		\$
1	<u>Case No. 2009-00202</u>	
2	Estimated Expense	<u>260,000</u>
3		
4	Test Period Amortization (Line 2 / 3 yrs)	86,667
5		
6	Annual Rate Case Expense - Case No. 2009-00202	<u>86,667</u>
7		
8	<u>Case No. 2001-092</u>	
9	AMRP Study Costs	2,670
10		
11	Base Period Amortization (Line 9 * 12 months)	32,040
12		
13	Rate Case Expense - Case No. 2001-092	<u>32,040</u>
14		
15	Test Period Rate Case Expense	From Sch F-6 <---
16		118,707
17	Amount Included in the Test Period	<u>32,040</u>
18		
19	Adjustment to Test Period Expenses	To Sch D-2.16 <---
		<u>86,667</u>

DUKE ENERGY KENTUCKY, INC.
GAS DEPARTMENT
CASE NO. 2009-00202
FEDERAL & STATE INCOME TAX ON INTEREST DEDUCTION

WPD-2.18a
WITNESS RESPONSIBLE:
R. M. PARSONS

<u>Line No</u>	<u>Description</u>	<u>Schedule Reference</u>	<u>Long-Term Debt</u>	<u>Short-Term Debt</u>
1	Capital Structure	J-1, page 2	44.585%	5.514%
2				
3	Debt Portion of \$253,750,235 Gas Capitalization	WPA-1c	113,134,542	13,991,788
4				
5	Less: Debt Portion of \$3,777,154 CWIP Subject to AFUDC	B-4	<u>1,684,044</u>	<u>208,272</u>
6				
7	Debt Component less Applicable Portion			
8	of Gas CWIP Subject to AFUDC		111,450,498	13,783,516
9				
10	Annual Cost Rate	J-1, page 2	<u>4.657%</u>	<u>1.928%</u>
11				
12	Annualized Gas Interest Expense			
13	for each Debt Component		<u>5,190,250</u>	<u>265,746</u>
14				
15	Total Annualized Gas Interest Expense			5,455,996
16				
17	Test Period Gas Interest Deduction	WPD-2.18b		<u>5,244,336</u>
18				
19	Increase in Gas Interest Expense			<u>211,660</u>
20				
21	State Income Tax Effect @ 6.00% (A)	(Line 19 * 6.00%)	To Sch D-2.18, Pg. 2 <--	(12,700)
22				
23	Federal Income Tax Effect @ 35.00% (A)	((Line 19 - Line 21) * 35%)	To Sch D-2.18, Pg. 1 <--	(69,636)

(A) Source: Schedule H

Line No.	Description	Source	Amount
1	<u>Interest on Long-Term Debt:</u>		
2			
3	Total Company Interest on Long-Term Debt	Schedule I	\$ 17,565,159
4	Total Company Amortization of Debt Discount & Premium	Schedule I	235,486
5	Total Company Interest on Long-Term Debt		<u>17,800,645</u>
6			
7	Jurisdictional Rate Base Ratio		<u>29.106%</u>
8			
9	Interest on Long-Term Debt - Gas		<u>\$ 5,181,056</u>
10			
11		FERC Form 2	Percentage of
12		<u>Page 340</u>	<u>Form 2 Totals</u>
13			<u>\$335,270 (1)</u>
14	<u>Short-Term Interest:</u>		
15	Account No. 430 - Interest on Debt to Assoc. Cos.		
16	Money Pool - DE-KY to Duke Energy Indiana, Inc.	\$ 1,310	0.048% 161
17	Money Pool - DE-KY to Duke Energy Ohio, Inc.	280	0.010% 34
18	Money Pool - DE-KY to Duke Power Group Operations	95	0.003% 10
19	Money Pool - DE-KY to Service Company	4,941	0.181% 607
20	Money Pool - DE-KY to Cinergy Corp.	75,444	2.764% 9,267
21			
22	Account No. 431 - Other Interest Expense		
23	Establishment of Interest Reserve	1,052,476	38.562% 129,287
24	Credit Facility	654,024	23.963% 80,341
25	Capital Meter Lease Interest	636,902	21.492% 72,056
26	Customer Service Deposits	358,506	13.135% 44,038
27	FIN 48	(93,036)	(3.409)% (11,429)
28	Swap Net Interest	(87,376)	(3.201)% (10,732)
29	Monthly Lease Interest	7,864	0.288% 966
30	Interest-Assigned from Service Company	71,888	2.634% 8,831
31	Bank Fees	30,461	1.116% 3,742
32	Deferred Compensation for Board of Directors	7,460	0.273% 915
33	Revolver Fees	7,360	0.270% 905
34	Gas Refund / Recon Adj in Accordance with PUCO Rule 28	710	0.026% (531)
35			
36	Total Account Nos. 430 & 431	<u>\$ 2,729,309</u>	<u>100.000%</u> \$ 335,270
37			
38	Remove Interest Expense not Included for Short-Term Debt		
39	Establishment of Interest Reserve		(129,287)
40	Credit Facility		(80,341)
41	Capital Meter Lease Interest		(72,056)
42	Swap Net Interest		10,732
43	Deferred Compensation for Board of Directors		(915)
44	Revolver Fees		(905)
45	Interest-Assigned from Service Company		(8,831)
46	FIN 48		11,429
47	Allocated Interest Expense on Short-Term Debt - Total Company		<u>\$ 217,412</u>
48			
49	Jurisdictional Rate Base Ratio		29.106%
50			
51	Interest on Short-Term Debt - Gas		<u>\$ 63,280</u>
52			
53	Total Forward Looking Test Period Gas Interest Expense		<u>\$ 5,244,336</u>

(1) Source: Schedule I-1.

DUKE ENERGY KENTUCKY, INC.
 GAS DEPARTMENT
 CASE NO. 2009-00202
 ELIMINATION OF REVENUES AND EXPENSES RELATED TO FACILITIES
 TO OTHER THAN DUKE ENERGY KENTUCKY CUSTOMERS
 FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

WPD-2.19a
 PAGE 1 OF 2
 WITNESS RESPONSIBLE:
 R. M. PARSONS

LINE NO.	Description	Amount	
		\$	
1	<u>Other Operating Revenues</u>		
2			
3	Misc. Service Revenues (Acct. 488030) (Erlanger Gas Plant)	(514,092)	
4	Total Other Operating Revenues	<u>(514,092)</u>	--> To Sch D-2.19 Pg 1
5			
6	<u>Expenses</u>		
7			
8	Operation and Maintenance		
9	O&M related to Interstate Service (WPD-2.19b)	(239,604)	
10	O&M related to Erlanger Gas Plant (WPD-2.19c)	<u>(32,821)</u>	
11	Total Operation and Maintenance Expenses	<u>(272,425)</u>	--> To Sch D-2.19 Pg 2
12			
13	Other State and Local Taxes		
14	Social Security (WPD-2.19b)	(4,440)	--> To Sch D-2.19 Pg 3
15			
16	Property Tax Expense		
17	4,390,640 @ 1.54%	(67,616)	--> To Sch D-2.19 Pg 4
18			
19	Total Adjustment to Operating Expense	<u>(344,481)</u>	
20			
21			
22	Income before State and Federal Income taxes	<u>(169,611)</u>	
23			
24	Adjustments To State And Federal Income Taxes:		
25			
26	Elimination of Reconciling Items & Sch "M"'s related to Facilities		
27	Devoted to Other Than Duke Energy Kentucky Customers:		
28			
29			
30			
31			
32		Sch E-1	Alloc to Fac. Devoted - Other Than DE-Ky Custs. To Be Eliminated
33		(1)	(WPD-2.19g) (1*2)
34			(2) (3)
35	Tax Depreciation	(17,273,746)	1.54% (266,016) ---> To Sch E-1
36	Loss on ACRS	0	1.54% 0 ---> To Sch E-1
37			
38	Total Schedule "M" Adjustments to be Eliminated		<u>(266,016)</u>
39			
40	State Taxable Income (Ln 22 - Ln 38)		<u>96,405</u>
41			
42	State Income Tax Expense @ 6.00% (A)		<u>5,784</u> --> To Sch D-1
43			
44	Federal Taxable Income (Ln 40 - Ln 42)		<u>90,621</u>
45			
46	Federal Income Tax Expense @ 35.000% (A)		<u>31,717</u> --> To Sch D-1

(A) Source: Schedule H

DUKE ENERGY KENTUCKY, INC.
 GAS DEPARTMENT
 CASE NO. 2009-00202
 ELIMINATION OF REVENUES AND EXPENSES RELATED TO FACILITIES
 TO OTHER THAN DUKE ENERGY KENTUCKY CUSTOMERS
 FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

WPD-2.19a
 PAGE 2 OF 2
 WITNESS RESPONSIBLE:
 R. M. PARSONS

LINE NO.	Description	Sch E-1 (1)	Allc to Fac. Devoted to Other Than DE-Ky Custs. (WPD-2.19g) (2)	To Be Eliminated (1*2)	
1					
2	Elimination of State Tax Deferrals related to Facilities				
3	Devoted to Other Than Duke Energy Kentucky Customers:				
4					
5	Liberalized Depreciation (Deferral)	(1,036,425)	1.54%	<u>(15,961)</u>	-- To Sch- D-2.19 Pg 5
6	(\$17,273,746) * 6.00%				
7					
8					
9					
10	Elimination of Federal Tax Deferrals related to Facilities				
11	Devoted to Other Than Duke Energy Kentucky Customers:				
12					
13	Liberalized Depreciation (Deferral)	(5,683,062)	1.54%	<u>(87,519)</u>	-- To Sch- D-2.19 Pg 5
14	(\$17,273,746) * 32.90%				

**** NOTE: The depreciation expense related to facilities devoted to other than Duke Energy Kentucky customers is calculated on the schedule which annualizes that expense. (Sch D-2.23)

DUKE ENERGY KENTUCKY, INC.
 GAS DEPARTMENT
 CASE NO. 2009-00202
 EXPENSES RELATED TO FACILITIES
 TO OTHER THAN DUKE ENERGY KENTUCKY CUSTOMERS
 FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

WPD-2.19b
 WITNESS RESPONSIBLE:
 R. M. PARSONS

LINE NO.	Description	Amount	Allocation % (A)	Allocated Amount	
1					
2	<u>O&M Expenses (WPD-2.19d)</u>				
3					
4	Lines and Odorization Station Equip.	350,001	64.5%	225,751	To Sch G
5	Lines and Odorization Station Equip. -				as a reduction
6	Payroll Overhead (B)	21,478	64.5%	13,853	to various
7					payroll OH
8		<u>371,479</u>		<u>239,604</u>	→ To
9					WPD-2.19a
10					
11	<u>Social Security Taxes</u>				
12					
13	Lines and Odorization St. Equip. (C)	<u>6,884</u>	64.5%	<u>4,440</u>	→ To
14		<u>6,884</u>		<u>4,440</u>	WPD-2.19a
15					& To Sch G
16					as a reduction
17	(A) Rate based on DE-Ohio/DE-Ky Transportation and Reimbursement Agreement.				to various
18					payroll taxes.
19					
20	(B) A&G Payroll Overheads computed at 23.4% on Labor Expenses				
21					
22	Lines and Odorization Station Equip.				
23					
24		91,787			→ From WPD-2.19d
25		<u>23.4%</u>			
26		<u>21,478</u>			
27					
28	(C) Social Security Taxes computed at 7.5% on Labor Expenses				
29					
30	Lines and Odorization Station Equip.				
31					
32		91,787			→ From WPD-2.19d
33		<u>7.5%</u>			
34		<u>6,884</u>			

DUKE ENERGY KENTUCKY, INC.
 GAS DEPARTMENT
 CASE NO. 2009-00202
 PRODUCTION OPERATING EXPENSES ALLOCABLE TO
 DE-KENTUCKY CUSTOMERS
 FIVE YEAR AVERAGE THROUGH FEBRUARY 2009

WPD-2.19c
 WITNESS RESPONSIBLE:
 R. M. PARSONS

Line No.	Account	5 Year Average				Total	Alloc % (1)	Alloc to KY Cust.
		Nov.	Dec.	Jan.	Feb.			
1	711000	511	1,085	1,060	1,989	4,645	38.46%	1,786
2	712000	414	684	1,120	1,271	3,489	38.46%	1,342
3	717000	2,772	3,914	3,131	2,594	12,411	38.46%	4,773
4	728000	0	4,676	17,288	1,555	23,519	38.46%	9,045
5	728001	1,377	4,539	15,675	9,794	31,385	38.46%	12,071
6	735000	<u>760</u>	<u>2,181</u>	<u>3,416</u>	<u>3,533</u>	<u>9,890</u>	38.46%	<u>3,804</u>
7								
8	Total	<u>5,834</u>	<u>17,079</u>	<u>41,690</u>	<u>20,736</u>	<u>85,339</u>		<u>32,821</u>

(1) Source: WPD-2.19f.

(2) Expenses only for months in which Propane was vaporized.

Assumption: Propane was vaporized in November - February each year.

DUKE ENERGY KENTUCKY, INC.
 GAS DEPARTMENT
 CASE NO. 2009-00202
 OPERATION AND MAINTENANCE EXPENSE
 FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

WPD-2.19d
 WITNESS RESPONSIBLE:
 R. M. PARSONS

<u>Line No.</u>	<u>Account</u>	<u>Labor</u>	<u>M&E</u>	<u>Total</u>
1	<u>Total Accounts 874 and 887 (1)</u>			
2	874000	677,897	965,499	1,643,396
3	887000	<u>455,780</u>	<u>529,326</u>	<u>985,106</u>
4				
5	Total O&M	<u>1,133,677</u>	<u>1,494,825</u>	<u>2,628,502</u>
7				
8	<u>Ratio of Odorization Station Equip to Total Account (2)</u>			
9	874000	13.54%	2.62%	
10	887000	0.00%	0.00%	
11				
12	Various Lines &			
13	<u>Odorization Station Equip.</u>			
14	874000	91,787	138,230	230,017
15	887000	<u>0</u>	<u>119,984</u>	<u>119,984</u>
16				
17				
18	Total O&M to Eliminate	<u>91,787</u>	<u>258,214</u>	<u>350,001</u>

(1) Per budget.
 (2) Source: WPD-2.19e

DUKE ENERGY KENTUCKY, INC.
 GAS DEPARTMENT
 CASE NO. 2009-00202
 OPERATION AND MAINTENANCE EXPENSE
 FOR THE FOUR YEARS ENDED DECEMBER 31, 2008

WPD-2.19e
 WITNESS RESPONSIBLE:
 R. M. PARSONS

Line No.	Account	Labor	M&E	Total
1	Various Lines &			
2	<u>Odorization Station Equip. (1)</u>			
3	874000	340,508	93,297	433,805
4	887000	<u>0</u>	<u>0</u>	<u>0</u>
5	Total O&M to Eliminate	<u>340,508</u>	<u>93,297</u>	<u>433,805</u>
6				
7				
8	<u>Total Accounts 874 and 887</u>			
9	874000	2,515,645	3,554,727	6,070,372
9	887000	<u>1,351,310</u>	<u>1,740,087</u>	<u>3,091,397</u>
10				
11	Total O&M	<u>3,866,955</u>	<u>5,294,814</u>	<u>9,161,769</u>
12				
13				
13	<u>Ratio of Odorization Station Equip to Total Account (2)</u>			
14	874000	13.54%	2.62%	
15	887000	0.00%	0.00%	

(1) Project code RSSOSE.

(2) To be applied to Accounts 874 and 887 as budgeted.

DUKE ENERGY KENTUCKY, INC.
 GAS DEPARTMENT
 CASE NO. 2009-00202
 ERLANGER GAS PLANT
 PROPANE GALLONS VAPORIZED FOR DE-OHIO AND DE-KENTUCKY
 FIVE YEAR AVERAGE ENDED DECEMBER 31, 2008

WPD-2.19f
 WITNESS RESPONSIBLE:
 R. M. PARSONS

Line No.	Month	DE-Ohio	DE-Kentucky	Total	
1	January	90,894	77,446	168,340	
2	February	15,347	28,333	43,680	
3	March	9,081	8,460	17,541	
4	April	0	0	0	
5	May	0	0	0	
6	June	0	0	0	
7	July	0	0	0	
8	August	0	0	0	
9	September	0	0	0	
10	October	0	0	0	
11	November	252	4,042	4,294	
12	December	34,355	22,664	57,019	
13	Physical Inv. Adj.	0	0	0	
14	Total	<u>149,929</u>	<u>140,945</u>	<u>290,874</u>	
15					
16	Percent	51.54%	48.46%	100.00%	
17					
18					Non KY
19					Customer
20		<u>Normal (1)</u>	<u>Production</u>	<u>Variance</u>	<u>Percent</u>
21	DE-Ohio	65.00%	51.54%		
22	DE-Kentucky	35.00%	48.46% (2)	13.46%	38.46% (3)
23					↑
24					To WPD-2.19c

- (1) Allocation of fixed costs per agreement between DE-Kentucky and DE-Ohio.
- (2) Percentage of production expenses related to KY customers.
- (3) Percentage of production expenses related to non-KY customers to be eliminated.
 (DE-Kentucky Variance / DE-Kentucky Normal)

DUKE ENERGY KENTUCKY, INC.
 GAS DEPARTMENT
 CASE NO. 2009-00202
 COMPUTATION OF RATIO OF PLANT DEVOTED TO OTHER THAN
 DE-KENTUCKY CUSTOMERS TO TOTAL PLANT FOR ELIMINATION PURPOSES
 AS OF JANUARY 31, 2011

WPD-2.19g
 WITNESS RESPONSIBLE:
 R. M. PARSONS

LINE NO.	Description	Schedule		Amount
1	Total Net Gas Plant before Adjustment			
2	of Facilities Devoted to Other	B-2	Original Cost	\$ 401,343,404
3	Than Duke Energy Kentucky Customers	less: B-3, Pg 4	Accum Depr.	<u>112,238,367</u>
4			Net Plant	<u>\$ 289,105,037</u>
5				
6	Total Net Gas Plant Devoted to	B-2.2 Total	Original Cost	\$ 12,357,099
7	Than Duke Energy Kentucky Customers	less: B-3.1 Reserve	Accum Depr.	<u>7,896,329</u>
8			Net Plant	<u>\$ 4,460,770</u>
9				
10				
11	Ratio of Plant Devoted to Other Than			
12	Duke Energy Kentucky Customers to Total Plant (Line 8 / Line 4)			<u>1.54%</u>

DUKE ENERGY KENTUCKY, INC.
GAS DEPARTMENT
CASE NO. 2009-00202
ANNUALIZATION OF AFUDC FOR
CONSTRUCTION WORK IN PROGRESS

WPD-2.20a
WITNESS RESPONSIBLE:
R. M. PARSONS

<u>LINE NO.</u>	<u>DESCRIPTION</u>	<u>SCHEDULE/ WORK PAPER REFERENCE</u>	<u>AMOUNT</u>
1	Jurisdictional CWIP subject to AFUDC	Sch B-4	\$ 3,777,154
2			
3	Rate of return at January 31, 2011	Sch J-1, Page 2	<u>7.671%</u>
4			
5	Annualized AFUDC	To Sch D-2.20 <--	<u>\$ 289,745</u>

DUKE ENERGY KENTUCKY, INC.
 GAS DEPARTMENT
 CASE NO. 2009-00202
 ADJUST PROPERTY TAX

WPD-2.21a
 WITNESS RESPONSIBLE:
 R. M. PARSONS

Line No.	Class of Property	Prop Tax Class Code	Net Book Value Allocated to Gas (a) \$	Estimated Property Tax Ratio (b) %	Estimated Property Tax Rate (b) %	Estimated Property Tax \$
1	Non-taxable Property	N	2,181,535	0.00000%	0.00000%	0
2	Real Estate	R	252,877,491	92.67100%	1.24533%	2,918,357
3	Tangible Personal Property	P	32,576,381	91.74778%	1.70300%	508,994
4	Manufacturing Property	M	<u>786,014</u>	93.85778%	0.15000%	<u>1,107</u>
5	Total		<u>288,421,421</u>			3,428,458
6	Adjusted Jurisdictional Property Tax Expense (c)					<u>4,323,024</u>
7	Property Tax Annualization Adjustment					<u>(894,566)</u>

(a) From WPD-2.21b
 (b) From WPD-2.21c
 (c) From WPD-2.19a

DUKE ENERGY KENTUCKY, INC.
 GAS DEPARTMENT
 CASE NO. 2009-00202
 ADJUST PROPERTY TAX

WPD-2.21b
 PAGE 1 OF 4
 WITNESS RESPONSIBLE:
 R. M. PARSONS

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	13 Month Average Forecasted Period				Net Book Value	Property Tax Class Code	Net Book Value Allocated to Gas
				Plant In-Service	CWIP Allocated	Accumulated Depreciation	RWIP Allocated			
				\$		\$		\$	\$	
1	304	20400	Land and Land Rights	41,199		0		41,199	R	41,199
2	304	20401	Rights of Way	8,554		8,554		0	M	0
3	305	20500	Structures & Improvements	548,579		489,295		59,284	R	59,284
4	311	21100	Liquefied Petroleum Gas Equipment	1,496,617		710,603		786,014	M	786,014
5		108	Retirement Work in Progress							0
6			Total Manufactured Gas Production Plant	2,094,949	0	1,208,452	0	886,497		886,497

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	13 Month Average Forecasted Period				Property Tax Class Code	Net Book Value Allocated to Gas	
				Plant In-Service	CWIP Allocated	Accumulated Depreciation	RWIP Allocated			
				\$		\$		\$		
				36,319	368	0	0	36,687	R	36,687
1	374	27400	Land and Land Rights	827,989	8,380	387,605	(4,854)	453,618	R	453,618
2	374	27401	Rights of Way	123,687	1,252	93,047	(1,165)	33,057	R	33,057
3	375	27500	Structures & Improvements	1,123,679	11,373	426,857	(5,345)	713,540	R	713,540
4	376	27601	Mains - Cast Iron & Copper	71,121,151	719,843	30,643,186	(383,732)	41,581,540	R	41,581,540
5	376	27602,27607	Mains - Steel	139,828,676	1,415,257	21,268,933	(266,342)	120,241,342	R	120,241,342
6	376	27603,27608	Mains - Plastic	19,298,783	195,330	7,504,886	(93,981)	12,083,208	R	12,083,208
7	376	27605	Mains - Feeder	3,717,957	37,631	1,498,452	(18,764)	2,275,900	P	2,275,900
8	378	27800	System Meas. & Reg. Station Equipment	554,956	5,617	279,528	(3,500)	284,545	P	284,545
9	378	27801	System Meas. & Reg. Station Equipment-Elec	1,107,447	11,209	560,529	(7,019)	565,146	P	565,146
10	378	27802	District Regulating Equipment	1,426,830	14,441	1,663,531	(20,832)	(201,428)	R	(201,428)
11	380	28001	Services- Cast Iron & Copper	4,009,714	40,584	1,776,372	(22,245)	2,296,171	R	2,296,171
12	380	28002,28004	Services-Steel	95,825,728	969,887	22,949,898	(287,392)	74,133,109	R	74,133,109
13	380	3003,28005-280	Services-Plastic	11,222,089	113,583	2,281,068	(28,565)	9,083,169	P	9,083,169
14	381	28100,28101	Meters	9,783,936	99,027	2,655,717	(33,256)	7,260,502	P	7,260,502
15	382	28200,28201	Meter Installations	6,204,716	62,800	1,188,017	(14,877)	5,094,376	P	5,094,376
16	383	28300,283001	House Regulators	6,329,715	64,065	1,124,944	(14,087)	5,282,923	P	5,282,923
17	384	28400,28401	House Regulator Installations	439,685	4,450	318,166	(3,984)	129,953	P	129,953
18	385	28500	Large Industrial Meas. & Reg. Equipment	64,791	656	34,686	(434)	31,195	P	31,195
19	385	28501	Large Industrial Meas. & Reg. Equipment - Comm	108,084	1,094	94,576	(1,184)	15,786	P	15,786
20	385	28700	Other Equipment - Other	30,411	307	14,408	(182)	16,492	P	16,492
21	387	28701	Street Lighting Equipment	1,014,039	0	460,509		553,530	N	553,530
22			Asset Retirement Obligation	0		(1,211,740)	1,211,740	0		0
23		108	Retirement Work in Progress							
Total Distribution Plant				374,200,382	3,777,154	96,013,175	0	281,964,361		281,964,361
24										

DUKE ENERGY KENTUCKY, INC.
 GAS DEPARTMENT
 CASE NO. 2009-00202
 ADJUST PROPERTY TAX

WPD-2.21b
 PAGE 4 OF 4
 WITNESS RESPONSIBLE:
 R. M. PARSONS

Line No.	FERC Acct. No.	Company Acct. No.	Account Title	13 Month Average Forecasted Period				Net Book Value	Property Tax Class Code	Net Book Value Allocated to Gas
				Plant In-Service	CWIP Allocated	Accumulated Depreciation	RWIP Allocated			
				\$		\$		\$	\$	
1		10300	Miscellaneous Intangible Plant	22,071,145		16,201,255	(133,313)	6,003,203	N	1,545,224
2		17001	Leased Common Meters	601,513		81,549	(671)	520,635	P	134,011
3		18900	Land and Land Rights	154,248		0	0	154,248	R	39,703
4		19000	Structures & Improvements	8,102,991		2,817,468	(23,184)	5,308,707	R	1,366,461
5		19100	Office Furniture & Equipment	402,556		354,691	(2,919)	50,784	P	13,072
6		19300	Stores Equipment	5,563		(5,039)	41	10,561	P	2,718
7		19400	Tools, Shop & Garage Equipment	178,694		98,723	(812)	80,783	P	20,794
8		19700	Communication Equipment	4,921,074		2,092,569	(17,219)	2,845,724	P	732,489
9		19800	Miscellaneous Equipment	11,372		3,352	(27)	8,047	P	2,073
10		108	Retirement Work in Progress	0		(178,104)	178,104	0		0
11			Total Common Plant	36,449,156	0	21,466,464	0	14,982,692		3,856,545
12			Common Plant Allocated to Gas							
13			25.74% Original Cost	9,382,013		5,525,468		3,856,545		
			25.74% Reserve for Depreciation							
14			Total Gas Plant Including Allocated Common	388,986,305	3,777,154	104,342,038	0	288,421,421		288,421,421

DUKE ENERGY KENTUCKY, INC.
 GAS DEPARTMENT
 CASE NO. 2009-00202
 ADJUST PROPERTY TAX

WPD-2.21c
 WITNESS RESPONSIBLE:
 R. M. PARSONS

Line No.	Description	2008	2007	2006	Average
1	<u>Calculation of 3-Year Average Property Tax Assessment Ratio</u>				
2	Real Estate	87.01506%	90.99794%	100.00%	92.67100%
3	Tangible Personal Property	84.23612%	91.00721%	100.00%	91.74778%
4	Manufacturing Property	90.55505%	91.01828%	100.00%	93.85778%
5	<u>Calculation of 3-Year Average State and Local Property Tax Rate</u>				
6	Avg Local Real Estate Rate	1.1120%	1.12800%	1.1240%	1.121333%
7	State Real Estate Rate	0.1220%	0.12200%	0.1280%	0.124000%
8	Total Real Estate Rate				<u>1.245333%</u>
9	Avg Local Tangible Personal Property Rate	1.2260%	1.25000%	1.2830%	1.253000%
10	State Tangible Personal Property Rate	0.4500%	0.45000%	0.4500%	0.450000%
11	Total Tangible Personal Property Rate				<u>1.703000%</u>
12	State Manufacturing Property Rate	0.1500%	0.15000%	0.1500%	<u>0.150000%</u>

DUKE ENERGY KENTUCKY, INC.
 GAS DEPARTMENT
 CASE NO. 2009-00202
 ELIMINATE MISCELLANEOUS EXPENSES

WPD-2.22a
 WITNESS RESPONSIBLE:
 R. M. PARSONS

<u>Line No.</u>	<u>Process</u>	<u>Account</u>	<u>Description</u>	<u>Forecasted Period</u>	<u>Adjustment</u>
1	EMPLREC	880000	Gas Distribution-Other Expenses	\$ 1,217	\$ (1,217)
2	ADMISC	910000	Misc Cust Serv And Info	855	(855)
3	SPONSOR	923000	Outside Services Employed	<u>2,139</u>	<u>(2,139)</u>
4					
5			Total Miscellaneous Expenses	<u>\$ 4,211</u>	<u>\$ (4,211)</u>

↑
 To Schedule D-1

DUKE ENERGY KENTUCKY, INC.
GAS DEPARTMENT
CASE NO. 2009-00202
ANNUALIZATION OF DEPRECIATION EXPENSE FOR THE
THIRTEEN MONTHS ENDED JANUARY 31, 2011.

WPD-2.23a
WITNESS RESPONSIBLE:
R. M. PARSONS

<u>LINE NO.</u>	<u>DESCRIPTION</u>	<u>SCHEDULE/ WORK PAPER REFERENCE</u>	<u>Amount (\$)</u>	
1	Depreciation Expense - Annualized	Sch B-3.2	11,657,827	
2	Depreciation Expense - Test Period	Sch C-2.1	<u>9,595,876</u>	
3	Annualized Depreciation Adjustment		<u>2,061,951</u>	--> To Sch D-2.23 & Sch E-1, Pg. 1 Ln. 13

DUKE ENERGY KENTUCKY, INC.
GAS DEPARTMENT
CASE NO. 2009-00202
ADJUSTMENT TO DEFERRED TAXES DUE TO
ANNUALIZATION OF DEPRECIATION EXPENSE

WPD-2.23b
WITNESS RESPONSIBLE:
R. M. PARSONS

<u>LINE NO.</u>	<u>DESCRIPTION</u>	<u>SCHEDULE/ WORK PAPER REFERENCE</u>	<u>Amount (\$)</u>
1	Annualized Depreciation Adjustment	WPD-2.23a	2,061,951
2	State Deferred Tax Adjustment (Line 1 * 6.00%)		(123,717) --> To Sch D-2.23
3	Federal Deferred Tax Adjustment ((Line 1 + Line 2) * 35.00%)		(678,382) --> To Sch D-2.23

DUKE ENERGY KENTUCKY, INC.
GAS DEPARTMENT
CASE NO. 2009-00202
ELIMINATE UNBILLED REVENUE AND GAS COSTS

WPD-2.24a
WITNESS RESPONSIBLE:
R. M. PARSONS

<u>Line No.</u>	<u>Description</u>	<u>Forecasted Period</u>	<u>Adjustment</u>
1	Unbilled Base Revenue	\$ (50,686)	\$ 50,686 (A)
2	Unbilled GCR Revenue	<u>846,223</u>	<u>(846,223) (A)</u>
3	Total Unbilled Revenue	<u>\$ 795,537</u>	<u>\$ (795,537)</u>
4	Unbilled Gas Costs	<u>\$ 846,223</u>	<u>\$ (846,223) (A)</u>

(A) To Schedule D-1

DUKE ENERGY KENTUCKY, INC.
GAS DEPARTMENT
CASE NO. 2009-00202
ELIMINATE UNBILLED REVENUE AND GAS COSTS

WPD-2.24b
WITNESS RESPONSIBLE:
R. M. PARSONS

<u>LINE NO.</u>	<u>DESCRIPTION</u>	<u>SCHEDULE/ WORK PAPER REFERENCE</u>	<u>Amount (\$)</u>
1	Elimination of Unbilled Gas Costs	WPD-2.24a	(846,223)
2	State Deferred Tax Adjusment (Line 1 * 6.00%)		50,773 --> To Sch D-2.24
3	Federal Deferred Tax Adjustment ((Line 1 + Line 2) * 35.00%)		278,408 --> To Sch D-2.24

DUKE ENERGY KENTUCKY, INC.
GAS DEPARTMENT
CASE NO. 2009-00202
INCENTIVE COMPENSATION

WPD-2.26a
WITNESS RESPONSIBLE:
R. M. PARSONS

Line No.	Plan Description	Test Period Expense	Percent of Plan Dollars		Amount of Plan Dollars		Proposed Adjustment
			Customer	Shareholder	Customer	Shareholder	
1	STI - Non Leadership	429,003	68.75%	31.25%	294,940	134,063	(134,063)
2	STI - Leadership	189,162	50.00%	50.00%	94,581	94,581	(94,581)
3	UEIP	123,598	50.00%	50.00%	61,799	61,799	(61,799)
4	Executive LTI	<u>326,058</u>	0.00%	100.00%	<u>0</u>	<u>326,058</u>	<u>(326,058)</u>
5	Total	<u>1,067,821</u>			<u>451,320</u>	<u>616,501</u>	<u>(616,501)</u>

DUKE ENERGY KENTUCKY, INC.
GAS DEPARTMENT
CASE NO. 2009-00202
ANNUALIZE KYPSC MAINTENANCE FEES
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

WPD-2.27a
WITNESS RESPONSIBLE:
R. M. PARSONS

<u>Line No.</u>	<u>Description</u>	<u>Source</u>	<u>Amount</u>
1	Base Revenue	Sch. C-2	45,041,432
2	Fuel Revenue	Sch. C-2	78,939,367
3	Less: Interdepartmental Revenues	Sch. C-2.1	<u>43,376</u>
4	Revenue Subject to Uncollectible Ratio (1) + (2) - (3)		123,937,423
5	KPSC Maintenance Tax Factor	WPH-a	<u>0.1600%</u>
6	Annualized KPSC Maintenance Tax (4) * (5)		198,300
7	Forecasted KPSC Maintenance Tax	Budget	<u>246,367</u>
8	Adjustment to KPSC Maintenance Tax (6) - (7)		<u>(48,067)</u>

DUKE ENERGY KENTUCKY, INC.
GAS DEPARTMENT
CASE NO. 2009-00202
ELIMINATE MERGER CREDIT AND COSTS

WPD-2.28a
WITNESS RESPONSIBLE:
R. M. PARSONS

<u>Line No.</u>	<u>Account</u>	<u>Description</u>	<u>Forecasted Period</u>	<u>Adjustment</u>
1	928000	Amortization of Merger Transaction Costs	\$ 290,184	\$ (290,184)

↑
To Schedule D-1

LINE No.	DESCRIPTION	BASE PERIOD	FORECASTED PERIOD
		Twelve Months Ended September 30, 2009	Twelve Months Ended January 31, 2011
1	Oper Income Before Federal & State Income Taxes	5,886,810	10,014,710
2			
3	1107 Interest Charges Allocated	(5,118,347)	(4,177,180)
4			
5	PERM Permanent Differences	(125,286)	(68,552)
6			
7	T13A08 Accounting Depreciation	9,197,430	9,595,876
8	T15A24 Amortization of Loss on Reacquired Debt	76,329	122,590
9	T13A28 Tax Depreciation	(15,849,757)	(17,273,746)
10	T19A92 Deferred Fuel Cost - PGA	(6,057,218)	0
11	T19A94 Unbilled Revenue - Fuel	(1,268,820)	846,223
12	OTH Other	13,837,038	1,311,530
13			
14			
15	F.T.I. Before S.I.T. & Federal Tax Loss Carryforward	578,179	371,451
16			
17	Ky Tax Inc Adj - Misc:		
18	Kentucky Tax Inc. Adjustment - Misc	71,822	(1,499,627)
19			
20	Kentucky Taxable Income	650,001	(1,128,176)
21			
22	Kentucky Income Tax Expense @ 6.000%	39,000	(67,691)
23			
24	F.T.I. Before S.I.T. & Federal Tax Loss Carryforward	578,179	371,451
25	Kentucky Income Tax	39,000	(67,691)
26			
27	Federal Taxable Income - Ordinary	539,179	439,142
28			
29	Federal Income Tax Before Credits @ 35%	188,713	153,700

DUKE ENERGY KENTUCKY, INC
CASE NO 2009-00202
GAS DEPARTMENT
DETAIL OF INCOME TAX RECONCILING ITEMS

WPE-1b
WITNESS RESPONSIBLE:
R M PARSONS

Line No.	DESCRIPTION	Actual			12 Months Ended September 2009
		9 Months Ended September 2008	12 Months Ended December 2008	9 Months Ended September 2009	
1	Operating Income Before Federal & State Income Tax				5,886,810
2					
3	Interest Expense	0	0	0	(5,118,347)
4					
5	P11A77 AFUDC Equity	(313,738)	(351,068)	(134,576)	(171,906)
6	P11A79 Amortization of Gains on I/C Sales of Plant	(46,620)	0	0	46,620
7	T11A02 Bad Debts Tax over Book	0	0	(1,679,608)	(1,679,608)
8	T11B16 Offsite Gas Storage Costs	(3,218,679)	9,833,699	(719,878)	12,332,500
9	T13A04 AFUDC Interest	(145,491)	(166,028)	(6,550)	(27,087)
10	T13A05 Repairs Allowed on Post ADR Prop	(96,000)			96,000
11	T13A08 Book Depreciation/Amortization	6,111,698	8,278,014	7,031,114	9,197,430
12	T13A14 Contributions in Aid of Construction	(244,450)	(269,497)	(204,165)	(229,212)
13	T13A16 Cost of Removal	(36,947)	20,436	15,327	72,710
14	T13A26 Tax Interest Capitalized	264,670	301,460	129,260	166,050
15	T13A28 Tax Depreciation/Amortization	(11,993,436)	(16,018,055)	(11,825,138)	(15,849,757)
	T13A77 Repairs 481(a)			(1,665,023)	(1,665,023)
	T13A80 Pollution Control			(1,665,023)	(1,665,023)
16	T13B08 Asset Retirement Obligation	238,757	123,376	180,324	64,943
17	T13B09 Book Depr on Trans Equipmt to ADR	1,791	1,046	(777)	(1,522)
18	T13B18 Loss on ACRS	(418,033)	(233,961)	(175,471)	8,601
19	T13B19 Leased Meters - Elec & Gas	456,191	419,408	78,403	41,620
	T13B23 Non-Cash Overhead Basis Adj			320,200	320,200
20	T15A24 Loss on Reacquired Debt	(1,056,592)	(1,036,856)	56,593	76,329
21	T15A26 Merger Costs	(20,661)	(26,547)	(17,658)	(23,544)
22	T15B04 Reg Asset - Accr Pension FAS 158	(3,218,493)	(3,243,877)	229,669	204,285
23	T17A01 Vacation Carryover - Reg Asset		(239,892)		(239,892)
24	T17A02 Vacation Pay Accrual	0	354,710	0	354,710
	T17A54 MGP Sites			520,000	520,000
25	T19A89 Gas Supplier Refunds	(1,436,488)	(160,483)	678,327	1,954,332
26	T19A91 Rate Case - Deferred Cost	86,409	101,667	37,958	53,216
27	T19A92 Deferred Fuel Cost - PGA	6,882,138	(3,173,142)	3,998,062	(6,057,218)
28	T19A94 Unbilled Revenue - Fuel	1,268,820	7,696,140	(7,696,140)	(1,268,820)
29	T20C02 Demand Side Management (DSM) Defer	(2,342,291)	(2,420,826)	(92,527)	(171,062)
30	T22A28 Retirement Plan Expense	0	0	(522,301)	(522,301)
31	T22A29 Non-qualified Pension - Accrual	32,831	0	0	(32,831)
32	T22A30 Retirement Plan Funding	0	3,949,079	(2,414,505)	1,534,574
33	T22A31 Non-qualified Pension - Payment	0	35,937	2,426	38,363
	T22B13 Annual Incentive Plan Comp			(156,687)	(156,687)
34	T22B15 401K Incentive Plan	0	5,087	613	5,700
35	T22B29 Tax Int Accrual - Non-cur Liab			192,827	192,827
	T22E02 OPEB Expense Accrual			509,615	509,615
36	T22E04 OPEB Funding Payment	0	1,818,405	0	1,818,405
37	T22E06 FAS 112 Medical Expenses Accrual	174,864	214,285	155,221	194,642
38	T22E10 Employee Medical & Hospital Accrual	0	0	(145,558)	(145,558)
39	T22F02 Injuries and Damages	0	0	0	0
40	T22H09 Decommissioning Liability	(246,493)	(137,777)	0	108,716
41	T22H12 ARO Regulatory Asset			(195,621)	(195,621)
42					
43	Federal Taxable Income Adjustments - Net	(9,316,243)	5,674,740	(15,181,267)	0
44					
45	F.T.I. Before S.I.T. & Federal Tax Loss Carryforward				578,179
46					
47	Ky Tax Inc Adj - Misc:				
48	Kentucky Tax Inc Adjustment - Bonus Depr				71,822
49					
50	Kentucky Taxable Income				650,001
51					
52	Kentucky Income Tax Expense @ 6.000%				39,000
53					
54	F.T.I. Before S.I.T. & Federal Tax Loss Carryforward				578,179
55	Kentucky Income Tax				39,000
56					
57	Federal Taxable Income - Ordinary				539,179
58					
59	Federal Income Tax Before Credits @ 35%				188,713

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
PROFESSIONAL SERVICES EXPENSES
DATA: "X" BASE PERIOD FORECASTED PERIOD
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2009

WPF-5a
WITNESS RESPONSIBLE:
R. M. PARSONS

Line No.	Project / Description	Total	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
1	Legal	0	0	0	0	0	0	0	0	0	0	0	0	0
2	None	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Total Legal Services	0	0	0	0	0	0	0	0	0	0	0	0	0
4														
5	Engineering	0	0	0	0	0	0	0	0	0	0	0	0	0
6	None	0	0	0	0	0	0	0	0	0	0	0	0	0
7	Total Engineering Services	0	0	0	0	0	0	0	0	0	0	0	0	0
8														
9	Accounting	0	0	0	0	0	0	0	0	0	0	0	0	0
10	None	0	0	0	0	0	0	0	0	0	0	0	0	0
11	Total Accounting Services	0	0	0	0	0	0	0	0	0	0	0	0	0
12														
13	Other	48	0	10	0	7	0	0	0	0	24	5	0	2
14	Postage & Freight	1,230	161	158	164	302	(79)		104	104	106	106	104	0
15	Dues - Deductible	887,798	89,154	61,574	107,702	99,197	42,266	77,406	111,221	43,620	76,500	88,821	45,696	44,641
16	Contract Services	61,559	(2)	2	14,669	0	0	17,858	0	0	14,516	0	0	14,516
17	Audit Fees	442	0	35	0	13,600	(8,935)		(4,603)	0	0	0	345	0
18	Contract Emp Exp - 50% Deduct	6,070	(991)	398	1,152	917	424	931	399	530	616	634	549	511
19	Vendor EMP EXP - Deductible	100,800	2,935	5,666	31,765	4,108	5,101	3,692	34,803	(22,814)	14,039	9,243	4,352	7,910
20	Contract/Outside Services NLBR	154,783	(1,501)	23,796	34,044	15,186	9,876	6,750	6,294	10,762	19,894	4,337	10,767	14,578
21	Consultant	421,724	35,440	32,171	57,036	11,727	38,823	45,882	28,019	32,352	31,467	38,908	41,444	28,455
22	Baseload Contract Labor	41,436	930	843	2,296	1,777	2,477	7,651	4,377	2,417	3,734	4,033	4,681	6,220
23	Turnkey Service Contract Labor	(24,665)	(67)	6	(10,971)	(41)	(63)	(11,713)	706	(96)	(11,477)	98	0	8,953
24	Accounting Entry	5,917	259	1,521	460	1,481	(472)	186	123	165	458	566	685	485
25	Other - Rounding	1,651,225	126,318	126,180	238,317	148,261	89,418	148,643	181,443	67,040	149,877	146,751	108,623	126,271
26	Total Other Services	1,651,225	126,318	126,180	238,317	148,261	89,418	148,643	181,443	67,040	149,877	146,751	108,623	126,271
27														
28	Total	1,651,225	126,318	126,180	238,317	148,261	89,418	148,643	181,443	67,040	149,877	146,751	108,623	126,271

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2009-00202
PROFESSIONAL SERVICES EXPENSES
DATA: BASE PERIOD "X" FORECASTED PERIOD
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2011

WPF-5b
WITNESS RESPONSIBLE:
R. M. PARSONS

Line No.	Project / Description	Total	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
1	<u>Legal</u>	0	0	0	0	0	0	0	0	0	0	0	0	0
2	None	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Total Legal Services	0	0	0	0	0	0	0	0	0	0	0	0	0
4														
5	<u>Engineering</u>	0	0	0	0	0	0	0	0	0	0	0	0	0
6	None	0	0	0	0	0	0	0	0	0	0	0	0	0
7	Total Engineering Services	0	0	0	0	0	0	0	0	0	0	0	0	0
8														
9	<u>Accounting</u>	0	0	0	0	0	0	0	0	0	0	0	0	0
10	None	0	0	0	0	0	0	0	0	0	0	0	0	0
11	Total Accounting Services	0	0	0	0	0	0	0	0	0	0	0	0	0
12														
13	<u>Other</u>	0	0	0	0	0	0	0	0	0	0	0	0	0
14	Postage & Freight	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Dues - Deductible	0	0	0	0	0	0	0	0	0	0	0	0	0
16	Contract Services	1,072,410	81,264	96,042	81,563	82,829	100,852	85,385	89,276	99,886	86,930	85,574	102,378	80,431
17	Audit Fees	71,975	5,454	6,446	5,474	5,559	6,769	5,731	5,992	6,704	5,834	5,743	6,871	5,398
18	Contract Emp Exp - 50% Deduct	0	0	0	0	0	0	0	0	0	0	0	0	0
19	Vendor EMP EXP - Deductible	2,857	216	256	217	221	269	227	238	266	232	228	273	214
20	Contract/Outside Services NLBR	117,296	8,888	10,505	8,921	9,059	11,031	9,339	9,765	10,925	9,508	9,360	11,198	8,797
21	Consultant	139,765	10,591	12,517	10,630	10,795	13,144	11,128	11,635	13,018	11,329	11,153	13,343	10,482
22	Baseload Contract Labor	495,456	37,544	44,372	37,682	38,267	46,594	39,448	41,246	46,148	40,162	39,535	47,299	37,159
23	Turnkey Service Contract Labor	0	0	0	0	0	0	0	0	0	0	0	0	0
24	Accounting Entry	0	0	0	0	0	0	0	0	0	0	0	0	0
25	Other - Rounding	4,380	332	392	334	339	411	349	363	407	356	349	418	330
26	Total Other Services	1,904,139	144,289	170,530	144,821	147,069	179,070	151,607	158,515	177,354	154,351	151,942	181,780	142,811
27														
28	Total	1,904,139	144,289	170,530	144,821	147,069	179,070	151,607	158,515	177,354	154,351	151,942	181,780	142,811

DUKE ENERGY KENTUCKY, INC.
 GAS DEPARTMENT
 CASE NO. 2009-00202
 UNCOLLECTIBLE ACCOUNTS EXPENSE
 AVERAGE DISCOUNT RATE

WPH-a
 WITNESS RESPONSIBLE:
 R. M. PARSONS

Line No.	Description	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Average
1	Charge-offs	0.9287%	0.9198%	0.9144%	0.9195%	0.9236%	0.9090%	0.9142%	0.9183%	0.9300%	0.9318%	0.9386%	0.9409%	0.9241%
2	Collection Costs	0.0500%	0.0500%	0.0500%	0.0500%	0.0500%	0.0500%	0.0500%	0.0500%	0.0500%	0.0500%	0.0500%	0.0500%	0.0500%
3	Late Charges	(0.6910)%	(0.6926)%	(0.6933)%	(0.6946)%	(0.6919)%	(0.6893)%	(0.6881)%	(0.6875)%	(0.6810)%	(0.6765)%	(0.6720)%	(0.6660)%	(0.6853)%
4	Time Value	<u>0.9623%</u>	<u>0.8029%</u>	<u>0.7189%</u>	<u>0.5450%</u>	<u>0.5383%</u>	<u>0.5503%</u>	<u>0.5539%</u>	<u>0.5391%</u>	<u>0.5310%</u>	<u>0.5248%</u>	<u>0.5234%</u>	<u>0.5151%</u>	<u>0.6087%</u>
5														
6	Total Discount	1.2500%	1.0800%	0.9900%	0.8200%	0.8200%	0.8200%	0.8300%	0.8200%	0.8300%	0.8300%	0.8400%	0.8400%	0.8975%
7														
8	Less: Time Value	<u>0.9623%</u>	<u>0.8029%</u>	<u>0.7189%</u>	<u>0.5450%</u>	<u>0.5383%</u>	<u>0.5503%</u>	<u>0.5539%</u>	<u>0.5391%</u>	<u>0.5310%</u>	<u>0.5248%</u>	<u>0.5234%</u>	<u>0.5151%</u>	<u>0.6087%</u>
9														
10	Uncollectible Factor	0.2877%	0.2771%	0.2711%	0.2750%	0.2817%	0.2697%	0.2761%	0.2809%	0.2990%	0.3052%	0.3166%	0.3249%	0.2888%