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PUBLIC SERVICE COMMISSION

Kentucky Public Service Commission P.O. Box 615 211 Sower Boulevard Frankfort, KY 40602-0615

RE: Case #2017-00321

Dear Members of the Kentucky Public Service Commission:

This letter is in reference to the rate increase requested by Duke Energy in the abovereferenced case.

Cincinnati / Northern Kentucky International Airport (CVG) supports more than 13,500 direct jobs and more than 31,100 total jobs in the Greater Cincinnati MSA and has an annual economic impact of more than \$4.4 billion on the region. Situated on 7,500 acres, CVG has 4 runways and serves 180 daily commercial flights to 61 nonstop destinations, serving 7.8 million passengers in 2017. Additionally, CVG is the 8th largest cargo airport in North America and 29th in the World and supports approximately 75+ cargo flights per day. We serve as the North American superhub for DHL and will soon serve as the premier cargo hub for Amazon Air.

Our growth over the last few years has been extraordinary and our infrastructure and utility needs are very demanding—and increasing. Duke Energy has been a collaborative, supportive and important partner with that growth. We anticipate the development and growth in and around the airport to continue—and we are reliant on Duke to assist and keep pace with the demand. The team at Duke is always professional and responsive to our requests. We value their partnership.

While a rate increase is never desirable, it is my understanding that it has been 11 years since the last approved increase. With rising costs in personnel, materials, construction, and maintaining aging infrastructure that I experience at CVG, it is my assumption that costs have similarly risen for Duke. Assuming that is correct, a rate increase would be merited to ensure that Duke Energy can meet its responsibility to provide safe, efficient and effective service.

I would respectfully request that the Commission review the matter and ensure that Duke Energy can assess rates that can assure that they can continue to provide reliable service to vital businesses such as CVG.

Sincerely.

Candace S. McGraw Chief Executive Officer

CVG Airport