

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF DUKE ENERGY)
KENTUCKY, INC. FOR (1) AN ADJUSTMENT OF)
ELECTRIC RATES; (2) APPROVAL OF NEW)
TARIFFS; (3) APPROVAL OF ACCOUNTING)
PRACTICES TO ESTABLISH REGULATORY)
ASSETS AND LIABILITIES; AND (4) ALL OTHER)
REQUIRED APPROVALS AND RELIEF)

CASE NO.
2022-00372

ORDER

On October 12, 2023, the Commission issued a final Order addressing the application of Duke Energy Kentucky, Inc. (Duke Kentucky) for approval of an adjustment of electric rates, tariff revisions, as well as other appropriate or required approvals. On November 1, 2023, Duke Kentucky filed for rehearing on the final Order. The Commission issued an Order on November 21, 2023, granting in part and denying in part, the Petition for Rehearing. On July 1, 2024, the Commission issued an Order in this matter resolving the issues granted rehearing that, among other things, established a revised revenue requirement and set forth adjusted rates (rehearing Order).

The Commission's July 1, 2024 rehearing Order sets out a rate for Street Lighting Service (Rate SL) Decorative Fixture, Mercury Vapor, 7,000 Lumen (Gas Replica) light as \$47.62 per Unit per Month.¹ The Commission finds that the Rate SL Decorative Fixture, Mercury Vapor, 7,000 Lumen (Gas Replica) rate² included the Aluminum 12 Foot

¹ Rehearing Order (Ky PSC July 1, 2024), Appendix Cat 4 of 13.

² STAFF-RHDR-01-005_Attachment_2.xlsm, Tab Rate SL, Cell J136.

(Decorative) pole rate of \$16.98 in its total. Therefore, removing the pole rate from the Decorative Fixture, Mercury Vapor, 7,000 Lumen (Gas Replica) results in a corrected rate of \$30.64 per Unit per Month.

On May 6, 2024, the Commission issued a final Order in Case No. 2023-00012,³ approving an increase, pursuant to 807 KAR 5:056, in the amount of fuel costs to be included in Duke Kentucky's base energy rates, for service rendered on and after June 1, 2024. The change in base energy rates reflect an increase of \$0.008379 per kWh to Duke Kentucky's base fuel cost, which is the differential between the old base fuel cost of \$0.025401 per kWh and the new base fuel cost of \$0.033780 per kWh. Pursuant to 807 KAR 5:056, Section 3(4), the Commission may, to the extent appropriate, reestablish the fuel clause charge rate which is rolled into the base energy rates. The rates included as Appendix C to the July 1, 2024 rehearing Order mistakenly did not include the increase to Duke Kentucky's base energy rates as approved by the Commission in its May 6, 2024 Order in Case No. 2023-00012. Although the increase in base fuel cost established by the Commission in Case No. 2023-00012 should have been included, they otherwise did not have any impact on the Commission's rehearing Order. Thus, the Commission finds the omission of the increase to the base fuel cost to be a clerical error that should be corrected by an adjustment to the rates of the rehearing Order to reflect the increase to the base fuel cost.

The Commission hereby finds that the Decorative Fixture, Mercury Vapor, 7,000 Lumen (Gas Replica) rate as set forth in the Appendix C to the July 1, 2024 rehearing

³ Case No. 2023-00012, *An Electronic Examination of The Application Of The Fuel Adjustment Clause Of Duke Energy Kentucky, Inc. From November 1, 2020 Through October 31, 2022* (Ky. PSC May 6, 2024).

Order, should be stricken and replaced with the corrected rate of \$30.64 per Unit per Month.

Furthermore, the Commission finds that the rates as set forth in the Appendix C to the July 1, 2024 rehearing Order, including the corrected \$30.64 rate for Rate SL, Decorative Fixture, Mercury Vapor, 7,000 Lumen (Gas Replica), should be increased by \$0.008379 per kWh, to reflect the increase of \$0.008379 per kWh to Duke Kentucky's base fuel cost, which is the differential between the old base fuel cost of \$0.025401 per kWh and the new base fuel cost of \$0.033780 per kWh as approved by the Commission in its May 6, 2024 Order in Case No. 2023-00012.

Finding that the July 1, 2024, rehearing Order should be amended, the Commission HEREBY ORDERS, *nunc pro tunc*, that:

1. Commission's July 1, 2024 rehearing Order, Appendix C, Rate SL, Decorative Fixture, Mercury Vapor, 7,000 Lumen (Gas Replica) light of \$47.62 per Unit per Month be stricken and replaced with the following language:

RATE SL
STREET LIGHTING SERVICE

Base Rate per Unit per Month:

UNDERGROUND DISTRIBUTION AREA

Decorative Fixture:

Mercury Vapor:

7,000 Lumen (Gas Replica)	\$ 30.64
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2. The corrected Rate SL, Decorative Fixture, Mercury Vapor, 7,000 Lumen (Gas Replica) rate of \$30.64 shall be increased by \$0.008379 per kWh, to reflect the increase of \$0.008379 per kWh to Duke Kentucky's base fuel cost, which is the differential between the old base fuel cost of \$0.025401 per kWh and the new base fuel cost of

\$0.033780 per kWh as approved by the Commission in its May 6, 2024 Order in Case No. 2023-00012.

3. The rates set forth in the Appendix C to the Commission's July 1, 2024 rehearing Order, with the exception of the Rate SL, Decorative Fixture, Mercury Vapor, 7,000 Lumen (Gas Replica) rate as discussed in ordering paragraphs 1 and 2, shall be updated with the corrected rates as described in ordering paragraph 4 below.

4. The base energy rates as set forth in Appendix C to the Commission's July 1, 2024 rehearing Order, with the exception of Rate SI, Decorative Fixture, Mercury Vapor, 7,000 Lumen (Gas Replica) rate as discussed in ordering paragraphs 1 and 2, shall be increased by \$0.008379 per kWh, to reflect the increase of \$0.008379 per kWh to Duke Kentucky's base fuel cost, which is the differential between the old base fuel cost of \$0.025401 per kWh and the new base fuel cost of \$0.033780 per kWh as approved by the Commission in its May 6, 2024 Order in Case No. 2023-00012.

5. Within 20 days of the date of service of this Order, Duke Kentucky shall file, using the Commission's electronic Tariff Filing System, its revised tariff sheets with the Commission setting out the corrections discussed herein and reflecting that they were approved pursuant to this Order.

6. Within 20 days of the date of service of this Order, Duke Kentucky shall file, using the Commission's electronic Tariff Filing System, supplemental documentation in Excel spreadsheet format with all formulas, rows, and columns fully accessible and unprotected showing the calculations used for the revised rates as described in ordering paragraphs 2 and 4, above.

7. All other provisions of the Commission's July 1, 2024, Rehearing Order that are not in conflict with the terms of this Order shall remain in effect.

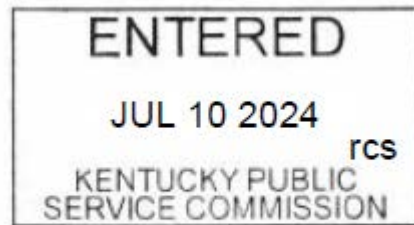
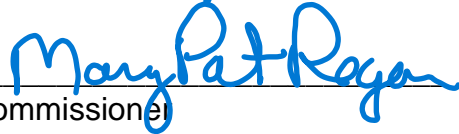
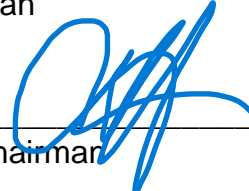
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