## COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF DUKE ENERGY	)	
KENTUCKY, INC. FOR: 1) AN ADJUSTMENT OF	)	
THE ELECTRIC RATES; 2) APPROVAL OF NEW	)	CASE NO.
TARIFFS; 3) APPROVAL OF ACCOUNTING	)	2024-00354
PRACTICES TO ESTABLISH REGULATORY	)	
ASSETS AND LIABILITIES; AND 4) ALL OTHER	)	
REQUIRED APPROVALS AND RELIEF	)	

## ORDER

On November 10, 2025, the Commission issued an Order in this matter that, among other things, granted Kroger Co.'s (Kroger) motion requesting reconsideration regarding the allocation of costs between the demand charge and energy charges for service at Secondary Distribution Voltage (Rate DS) and granted Duke Energy Kentucky, Inc.'s (Duke Kentucky) petition for reconsideration with respect to additional rate case expenses filed after the hearing. Specifically, in granting Kroger's motion, the November 10, 2025 Order increased the Rate DS Block 2 demand charge, i.e. the charge for demand above 15 kW, to \$12.97 per kW, and decreased the Block 3 energy charge to \$0.060705 per kWh. These changes were intended to overall be a revenue neutral, while shifting revenue within Rate DS from the energy charge to the demand charge. In granting Duke Kentucky's motion with respect to rate case expense, the November 10, 2025 Order approved an additional annual increase of \$34,431 to the Commissionapproved revenue requirement, but unlike the change to Rate DS, the Order did not approve specific rates to recover those amounts. Rather, the November 10, 2025 Order required Duke Kentucky to file proposed rates reflecting the additional rate case expense

in rates within ten days of the November 10, 2025 Order and gave intervenors to opportunity to respond to those proposed rates.<sup>1</sup>

On November 20, 2025, Duke Kentucky filed proposed rates reflecting the additional rate case expense pursuant to the November 10, 2025 Order. However, Duke Kentucky simultaneously filed a motion to amend the November 10, 2025 Order to correct the approved rate (Motion to Amend) in which Duke Kentucky asserted that the change to Rate DS included in the Appendix to that Order inadvertently decreased the overall revenue collected from Rate DS by \$40,709 and requested that the Appendix to November 10, 2025 Order be amended to correct that clerical error.<sup>2</sup> There were no objections to either Duke Kentucky's proposed rates to reflect the approved increase of \$34,431 for additional rate case expenses or its Motion to Amend.

Upon review of Duke Kentucky's Motion to Amend, the Commission finds that the Rate DS rates approved in the Appendix to the November 10, 2025 Order inadvertently resulted in a very slight decrease in the revenue that would be collected instead of being revenue neutral as intended by the November 10, 2025 Order. The rates proposed by Duke Kentucky for Rate DS is its Motion to Amend correct that clerical error and also allow for the recovery of a small portion of the \$34,431 increase for rate case expense that should be allocated to Rate DS. Because Duke Kentucky's proposed rates for Rate DS primarily reflect the correction of the error in the November 10, 2025 Order and the evidence indicates that Duke Kentucky's Rate DS also accurately reflects the appropriate

<sup>1</sup> Order (Ky. PSC Nov. 10, 2025) at 13-14, 16.

<sup>&</sup>lt;sup>2</sup> Motion to Amend the November 10, 2025 Order to Correct the Approved Rate (Motion to Amend) (filed Nov. 20, 2025) at 2.

allocation of the increased rate case expense,<sup>3</sup> the Commission finds that Duke Kentucky's Motion to Amend should be granted, and therefore, that the Appendix to the November 10, 2025 Order should be amended, *nunc pro tunc*, to reflect the rates and charges for Rate DS that Duke Kentucky proposed in its motion, which will make those rates and charges for Rate DS effective November 10, 2025.

With respect to changes to the rates and charges proposed by Duke Kentucky to reflect the increase in rate case expense in response to the Commission's November 10, 2025 Order, the Commission finds that the rates and charges proposed by Duke Kentucky as set forth in its November 20, 2025 filing are fair, just and reasonable, and accurately reflect the approved increase. Thus, having reviewed the record and being otherwise sufficiently advised, the Commission finds that the rates proposed by Duke Kentucky in its November 20, 2025 filing, other than those for Rate DS approved as part of granting the Motion to Amend, should be approved for service rendered on or after the date of entry of this Order.

## IT IS THEREFORE ORDERED that:

- Duke Kentucky's Motion to Amend the Commission's November 10, 2025
   Order is granted.
- 2. As it pertains to the Appendix to the Commission's November 10, 2025 Order, the following changes are made for the Rate DS, *nunc pro tunc*:

<sup>&</sup>lt;sup>3</sup> To be consistent with other changes, the changes to Rate DS potentially should have been done in two parts with the correction to Rate DS being completed through a *nunc pro tunc* Order and the increase to Rate DS to reflect additional rate case expense being completed prospectively. However, the increase to Rate DS to reflect additional rate case expense is a small portion of the overall change and is a *de minimis* portion of the overall revenue requirement for Rate DS. Thus, to avoid multiple changes to Rate DS which might lead to additional confusion, the Commission reflected both the correction of the error and increase in rates as a single adjustment.

a. Energy Charge; First 6,000 kWh: \$0.123015 per kWh is stricken and is replaced with the following language:

Energy Charge; First 6,000 kWh: \$0.123027 per kWh.

b. Energy Charge; Next 300 kWh/kW: \$0.082846 per kWh is stricken and is replaced with the following language:

Energy Charge; Next 300 kWh/kW: \$0.082854 per kWh.

c. Energy Charge; Additional kWh: \$0.060705 per kWh is stricken and is replaced with the following language:

Energy Charge; Additional kWh: \$0.060888 per kWh.

d. Cap Rate (non-church): \$0.331506 per kWh is stricken and is replaced with the following language:

Cap Rate (non-church): \$0.331538 per kWh.

e. Cap Rate (church): \$0.203519 per kWh is stricken and is replaced with the following language:

Cap Rate (church): \$0.203537 per kWh.

- 3. Duke Kentucky's rates and charges filed on November 20, 2025, in accordance with the Commission's November 10, 2025 Order, other than those for Rate DS included in the correction in paragraph number 2 of this Order, are approved as fair, just and reasonable rates for Duke Kentucky for service rendered on or after the date of entry of this Order.
- 4. Within 20 days of the date of this Order, Duke Kentucky shall file with the Commission, using the Commission's electronic Tariff Filing System, new tariff sheets

setting forth the rates, charges, and modifications approved or as required herein and reflecting their effective date and that they were authorized by this Order.

- 5. All provisions of the November 10, 2025 Order that are not in conflict with the terms of this Order shall remain in effect.
  - 6. This case is closed and removed from the Commission's docket.

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PUBLIC SERVICE COMMISSION

Chairman

Commissioner

Commissioner

ATTEST:

**Executive Director** 

ENTERED

DEC 22 2025

KENTUCKY PUBLIC SERVICE COMMISSION

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