

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

|  |            |
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| ELECTRONIC PURCHASED GAS ADJUSTMENT )  | CASE NO.   |
| FILING OF DUKE ENERGY KENTUCKY, INC. ) | 2026-00093 |

ORDER

On April 30, 2026, Duke Energy Kentucky, Inc. (Duke Kentucky) filed, in accordance with its Gas Cost Adjustment (GCA) tariff, its GCA rate report and a proposed GCA rate to be effective June 1, 2026. Duke Kentucky's previous GCA rate was approved in Case No. 2026-00016.<sup>1</sup>

LEGAL STANDARD

The Commission's standard of review for GCA rates is well settled as stated in KRS 278.274(1):

In determining whether proposed natural gas utility rates are just and reasonable, the commission shall review the utility's gas purchasing practices. The commission may disallow any costs or rates which are deemed to result from imprudent purchasing practices on the part of the utility.

Further, the utility has the burden to prove the rates are just and reasonable and the Commission may reduce the purchased gas component of the utility's rates, or the rates charged by an affiliated company to the extent the amount is deemed to be unjust or unreasonable.<sup>2</sup>

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<sup>1</sup> Case No. 2026-00016, *Electronic Purchased Gas Adjustment Filing of Duke Energy Kentucky, Inc.* (Ky. PSC Feb. 27, 2026).

<sup>2</sup> KRS 278.274(2); KRS 278.274(3)(c); and KRS 278.274(3)(d).

## DISCUSSION

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that Duke Kentucky's GCA report includes revised rates designed to pass on to its customers its expected changes in gas costs. Duke Kentucky's GCA report sets out an Expected Gas Cost (EGC) of \$6.724 per Mcf, which is a decrease of \$0.679 per Mcf from its previous EGC of \$7.403 per Mcf. Duke Kentucky's GCA report sets out a total supplier Refund Adjustment (RA) of (\$0.279) per Mcf designed to return to its customers the Federal Energy Regulatory Commission (FERC) approved refunds in the amount of \$2,658,249.89,<sup>3</sup> including interest at the average of the 3-month commercial paper rate over a 12-month period, less one-half of 1 percent to cover the cost of refunding, as required by its tariff.<sup>4</sup> The refund is a result from a ruling the FERC made regarding Columbia Gas Transmission, LLC, a supplier of Duke Kentucky, pursuant to Section 154.501(e) and 154.502 of FERC regulations.<sup>5</sup> Duke Kentucky's GCA report sets out a current quarter Actual Adjustment (AA) of \$1.263 per Mcf. Duke Kentucky's total AA is \$1.618 per Mcf, which is an increase of \$1.252 per Mcf from its previous total AA of \$0.366. Duke Kentucky's GCA report sets out a current quarter Balance Adjustment (BA) of (\$0.009) per Mcf. Duke Kentucky's total BA is (\$0.032) per Mcf, which is a decrease of \$0.036 per Mcf from its previous total BA of \$0.004 per Mcf.<sup>6</sup>

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<sup>3</sup> Case\_No.\_2026-00093\_Support\_Doc\_06-26.pdf, at unnumbered 62 of 121.

<sup>4</sup> Ky. P.S.C. Gas No. 2, Fourth Revised Sheet No. 70 (issued Jan. 14, 2022), effective Jan 4, 2022.

<sup>5</sup> Case No. 2026-00016, Feb. 27, 2026 Order.

<sup>6</sup> A negative rate component reflects a credit to customers while a positive rate component reflects a charge to customers.

Based on the calculations above, the Commission finds that Duke Kentucky's GCA of \$8.031 per Mcf as proposed is approved, which is an increase of \$0.258 per Mcf from its previous GCA of \$7.773 per Mcf. The Commission finds the inputs, resulting components, and calculation of Duke Kentucky's proposed GCA rate of \$8.031 per Mcf to be reasonable. The Commission also finds Duke Kentucky's GCA report sets out a Gas Cost Adjustment Transition (GCAT) Rider rate of \$0.1307 per 100 cubic feet is reasonable.<sup>7</sup> This GCAT rate will be applicable to customers who begin receiving the Rate FT-L transportation service after the effective date of this Order and who paid gas supply costs through the GCA during the 12 months before they began receiving Rate FT-L service. The Commission further finds that the rates proposed by Duke Kentucky and set forth in the Appendix to this Order are fair, just and reasonable and should be approved for final meter reading by Duke Kentucky on and after June 1, 2026.

For the purpose of transparency and to maintain a record of information for future use, the Commission finds that Duke Kentucky should submit all invoices it receives along with its monthly usage report for each month of the reporting period when it files its future GCA rate reports. As ordered by the Commission in Case No. 2018-00143,<sup>8</sup> Duke Kentucky's future GCA reports should include an electronic version containing supporting calculations in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible. Should Duke Kentucky purchase sustainable natural gas from a renewable source during the reporting period of any future GCA reports then

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<sup>7</sup> The GCAT is calculated as  $(AA + BA + RA) / 10$ . It applies a per Ccf surcharge or credit to transportation customers to reconcile cost variances accumulated while they were served under the standard GCR mechanism.

<sup>8</sup> Case No. 2018-00143, *Electronic Purchased Gas Adjustment Filing of Duke Energy Kentucky, Inc.* (Ky. PSC May 23, 2018), Order at 2.

the supplier, cost, and amount should be documented in its cover letter to the Commission.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Duke Kentucky and set forth in the Appendix to this Order are approved for final meter readings on and after June 1, 2026.

2. Duke Kentucky shall submit all invoices it receives along with its monthly usage reports for each month of the reporting period when it files its future GCA rate reports.

3. Duke Kentucky's future GCA reports shall include an electronic version containing supporting calculations in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

4. If Duke Kentucky purchases sustainable natural gas from a renewable source during the reporting period of any future GCA reports, Duke Kentucky shall document the supplier, cost, and volume purchased in the cover letter of its next GCA filing to the Commission.

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

6. This case is closed and removed from the Commission's docket.

Entered on this 29th day of May, 2026.

PUBLIC SERVICE COMMISSION




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Angie Hatton  
Chair



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Mary Pat Regan  
Commissioner



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Andrew W. Wood  
Commissioner



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Barry L. Mayfield  
Commissioner

ATTEST:



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Linda C. Bridwell, PE  
Executive Director

Case No. 2026-00093

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2026-00093 DATED MAY 29 2026

The following rates and charges are prescribed for the customers in the area served by Duke Energy Kentucky, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under the authority of the Commission prior to the effective date of this Order.

GAS SERVICE RATES

RATE RS

RESIDENTIAL SERVICE

|  | <u>Base<br/>Rate</u> |      | <u>Gas Cost<br/>Adjustment</u> | <u>Total<br/>Rate</u> |
|--|----------------------|------|--------------------------------|-----------------------|
| Commodity Charge for<br>All Ccf Consumed | \$0.70339            | plus | \$0.8031                       | \$1.50649             |

RATE GS

GENERAL SERVICE

|  | <u>Base<br/>Rate</u> |      | <u>Gas Cost<br/>Adjustment</u> | <u>Total<br/>Rate</u> |
|--|----------------------|------|--------------------------------|-----------------------|
| Commodity Charge for<br>All Ccf Consumed | \$0.55629            | plus | \$0.8031                       | \$1.35939             |

RATE GCAT

GAS COST ADJUSTMENT TRANSITION RIDER

The amount of this charge (or credit) shall be \$0.1307 per 100 cubic feet. This rate shall be in effect during the month of June 1, 2026, through August 2026 and shall be updated quarterly, concurrent with the Company's GCA filings.

## Service List for 2026-00093

\* Dana Patten  
Duke Energy Kentucky, Inc.  
139 East Fourth Street  
Cincinnati, OH 45201

\* Julie Lee  
Duke Energy Kentucky, Inc.  
139 East Fourth Street  
Cincinnati, OH 45201

\* Julie Whisman  
Duke Energy Kentucky, Inc.  
139 East Fourth Street  
Cincinnati, OH 45201

\* Duke Energy Kentucky, Inc.  
139 East Fourth Street  
Cincinnati, OH 45202

\* Minna Sunderman  
Duke Energy Kentucky, Inc.  
139 East Fourth Street  
Cincinnati, OH 45201

\* Sarah Lawler  
Duke Energy Kentucky, Inc.  
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