Duke Energy Kentucky, Inc. 4580 Olympic Blvd. Erlanger, Kentucky 41018 KY.P.S.C. Gas No. 2 Fortieth Revised Sheet No. 77 Cancelling and Superseding Thirty-Ninth Revised Sheet No. 77 Page 1 of 1

RIDER GCAT

GAS COST ADJUSTMENT TRANSITION RIDER

APPLICABILITY

Applicable to all customers served under Rate FT-L after the effective date of this tariff who paid gas supply costs through the Company's Gas Cost Adjustment (GCA) mechanism during the twelve month period immediately preceding the date on which the customer began receiving service under Rate FT-L.

GCA TRANSITION RIDER

A charge or credit shall be applied to all volumes transported pursuant to Rate FT-L in order to pass through to former GCA customers the Company's quarterly Actual Adjustment (AA), Balance Adjustment (BA), and Supplier Refund and Reconciliation Adjustment (RA) costs or credits during the first twelve months that the former sales customer participates in the Company's firm transportation program.

The amount of this charge or (credit) shall be \$0.0068 per 100 cubic feet. This rate shall be in effect during the month of December 2015 through February 2016 and shall be updated quarterly, concurrent with the Company's GCA filings.

CANCELLED

MAR 0 2 2016

KENTUCKY PUBLIC SERVICE COMMISSION

Issued by authority of an Order of the Kentucky Public Service Commission dated November 20, 2015 in Case No. 2015-00361

Issued: November 20, 2015 Effective: December 1, 2015 Issued by James P. Henning, President PUBLIC SERVICE COMMISSION

JEFF R. DEROUEN

EXECUTIVE DIRECTOR

TARIFF BRANCH

KENTUCKY

EFFECTIVE

12/1/2015

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)