

RATE IT

INTERRUPTIBLE TRANSPORTATION SERVICE

APPLICABILITY

Applicable to curtailable natural gas local delivery service and available to any customer who: (1) signs a contract with the Company for service under Rate IT; (2) utilizes a minimum of 10,000 CCF per month during the seven consecutive billing periods commencing with customer's first meter reading taken on or after April 1; (3) has arranged for the delivery of gas into the Company's system for customer's sole use at one point of delivery where distribution mains are adjacent to the premises to be served, and (4) has become a member of a pool under Rate AS and elected Interruptible Monthly Balancing Service under Rate IMBS. Any service provided hereunder shall be provided by displacement and on a "reasonable efforts" basis. The Company reserves the right to decline requests to initiate or continue such service whenever, in the Company's judgment, rendering the service would be detrimental to the operation of the Company's system or its ability to supply gas to customers receiving service under the provisions of Rate RS, Rate GS, and Rate FT-L.

This rate schedule shall not preclude the Company from entering into alternative special arrangements with Commission approval, which are designed to meet unique circumstances.

The service provided hereunder shall be interruptible local gas delivery service provided on a "reasonable efforts" basis from the Company's city gate receipt points to the outlet side of the meter used to serve Customer. The Company, to insure its ability to reliably supply gas to customers receiving service under the provisions of Rate RS, Rate GS, and Rate FT-L, shall have the right for operational purposes to designate the city gate receipt points where the customer's pool operator is required to deliver its gas.



Issued by authority of an Order of the Kentucky Public Service Commission dated December 28, 2021 in Case No. 2021-00190.
Issued: January 14, 2022
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Issued by Amy B. Spiller, President /s/ Amy B. Spiller

NET MONTHLY BILL

The Net Monthly Bill is determined as follows:
All gas consumed is billed in units of 100 cubic feet (CCF)

Administrative Charge per month: \$430.00

Commodity Charge per CCF:

Company will deliver the arranged-for gas, less shrinkage which is equal to the Company's system average unaccounted for percentage, at a rate per CCF of \$0.11300 per CCF (I)
except as specified in the "Alternate Fuels" provision;

Plus balancing related charges pursuant to Rates IMBS if customer has elected to operate as its own pool operator for supply management purposes.

Plus the throughput charge under Rate IMBS, Interruptible Monthly Balancing Service.

Plus, if applicable, charges for unauthorized deliveries as described later in this tariff.

Plus charges under Rider PMM, Pipeline Modernization Mechanism. (N)

MINIMUM BILL

The minimum monthly bill that customer shall receive shall be the monthly Administrative Charge shown above, and, in addition thereto during the seven (7) consecutive billing periods beginning in April, the 10,000 CCF volume minimum. If customer fails to take delivery of 10,000 CCF per month during the months of April through October, customer will be billed, in addition to the Administrative Charge and charges for the delivered volumes, an amount equal to the difference between 10,000 CCF and the delivered volumes billed at Rate GS, including all applicable Riders.

MINIMUM USAGE

In the event that customer repeatedly and significantly fails to meet the seven (7) summer months minimum usage requirements of this tariff, Customer may, at the Company's option, be removed from this tariff and denied further service or may be switched to either Rate GS or FT-L.



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UNAUTHORIZED DELIVERIES

In the event customer fails to interrupt transportation deliveries at Company's request, any excess deliveries through customer's meter will be considered unauthorized deliveries that are subject to the flow-through of pipeline penalty charges to the extent they are incurred by the Company, and in addition thereto, shall be paid for as specified under the "Charges For Unauthorized Deliveries" provision of this rate. The charges for such unauthorized deliveries shall be billed directly to the customer in lieu of its "pool operator", if applicable. However, Company shall not be precluded from physically discontinuing service to the customer if the customer refuses to interrupt service when requested by the Company.

CHARGES FOR UNAUTHORIZED DELIVERIES

Any customer taking unauthorized deliveries shall be billed: (1) an amount reflective of the general service delivery rate, Rate GS, Sheet No. 31; plus (2) the higher of (a) the expected gas cost component of the gas cost recovery rate, (b) the Company's highest cost gas plus one month's demand charges on the highest daily unauthorized volume (this charge shall not be imposed more frequently than once in any calendar month), or (c) the cost of operating the Company's propane peak shaving plant. In any event, customer shall reimburse the Company for any interstate pipeline penalty charges resulting from such unauthorized deliveries as well as the cost incurred to valve-off the customer's service if so required to effectuate compliance with the interruptible provisions of this rate.

ALTERNATIVE FUELS

The Company may, without prior Commission approval, charge a rate lower than that specified in the "Net Monthly Bill" provision to meet competition from alternative fuels. The decision to charge a lower rate will be made on a case-by-case basis, supported by a statement in an affidavit from the customer that absent such lower rate, customer would utilize an alternative fuel source. The lower rate shall not be less than one-half the commodity rate specified in the "Net Monthly Bill" provision, plus all applicable riders and surcharges.

The Company may also charge customer who has requested flexible rate pricing a rate higher than that specified in the "Net Monthly Bill" provision if such rate remains competitive with the price of energy from customer's alternative fuel source. The higher rate shall not exceed 150 percent of the commodity rate specified in the "Net Monthly Bill" provision, plus applicable riders and surcharges.

Once a customer receives a flexible transportation rate, as described in the preceding paragraphs, the customer must continue to pay a flexible rate as determined by the Company for a period of three months. After three months, the customer may, upon written notification to the Company, apply for a flexible rate for another three months. Absent such notification, customer's rate will revert to the fixed rate established herein.



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ELECTION OF MONTHLY BALANCING OPTION

A "pool" can be a single Rate IT customer acting on its own behalf, or a group of Rate IT customers who join, or are joined, together for purposes of gas supply management under this tariff. A "pool operator" has a contractual responsibility to manage the aggregated gas supply requirements of all of the Rate IT customers that comprise its pool. All supply management responsibilities of individual customers are transferred to the pool operator once a customer becomes a part of a pool, as the aggregated balancing requirements of all pool members are treated under this tariff as though they were a single customer with its own supply management responsibilities.

balancing charges and supply management charges, including "cash out" charges, penalties and other like charges billed under the provisions of Rate IMBS shall be billed directly to the pool operator, regardless of whether the pool operator is an individual customer acting as its own pool operator or an aggregated customer's pool operator. For purposes of calculating these charges, the usage of all customers within a pool will be combined into a single pool usage number that will be matched against the pool operator's total deliveries to its IT pool.

LATE PAYMENT CHARGE

Payment of the Net Monthly Bill must be received in the Company's office within twenty-one (21) days from the date the bill is mailed by the Company. When not so paid, the Gross Monthly Bill, which is the Net Monthly Bill plus 5% is due and payable.

TERMS AND CONDITIONS

In order to administer the provisions of this tariff and monitor customer's daily usage, the Company will install remote metering equipment on customer's meter site. As a pre-requisite for receiving service under this tariff, Customer will be responsible for installing and maintaining, at the Customer's expense, a dedicated 110v electrical service in a location suitable to provide electrical service for the Company's telemetering equipment, or such other equipment or utilities as may be necessary at customer's meter site. Customer shall also be responsible for the monthly charges for such other necessary equipment or utilities.

The Company will provide customer, and/or its designated pool operator by electronic or other available means of communication, its best available operating data on gas deliveries to individual customers and for the combined pool on a daily basis. Daily operational information shall include information on daily gas flows provided by Automated Meter Reading (AMR) equipment, telemetry, or any other means the Company has available to provide the customer, or its designated pool operator, with its best estimate of daily gas usage.

The customer shall enter into a written agreement with the Company. Such agreement shall set forth specific arrangements as to the transportation services provided and any other circumstances relating to the individual customer.



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TERMS AND CONDITIONS (Contd.)

The Company's "reasonable efforts" basis is defined as the right, at any time, to curtail or interrupt the delivery or transportation of gas under this tariff when, in the judgment of the Company, such curtailment or interruption is necessary to enable the Company to maintain deliveries to higher priority customers or to respond to any emergency.

Customer acting as its own pool operator, or customer's designated pool operator/supplier shall be responsible for making all necessary arrangements and securing all requisite regulatory or governmental approvals, certificates or permits to enable the gas to be delivered into the Company's system.

Customer's pool operator must agree, upon request by Company, to produce, in a timely manner, proof of the purchase of the natural gas to be transported, any necessary regulatory approvals, and any and all transportation arrangements with all interstate pipelines, intrastate pipelines, or others involved in transporting the pool's gas supplies.

The Company will not be liable for any costs and/or penalties charged by pipelines or suppliers, because of pool operator's over- or under-deliveries into the pipeline, or pool customers' failure to take deliveries through the Company's meters that, in the aggregate, match the amount of gas transported by the pool operator to Company's city gate.

In order to qualify for Rate IT service, customers who satisfy the definition of human needs and public welfare customers must purchase standby service or have alternative fuel capability, or have a combination thereof sufficient to maintain minimal operations.

A human needs and public welfare customer is a customer whose facilities are used for residential dwelling on either a permanent or temporary basis; commercial customers of a residential nature; other customers whose service locations are places of the kind where the element of human welfare is the predominant factor; and civil and governmental customers whose facilities are required in the performance of protecting and preserving the public health, safety, and welfare. Such facilities shall include, but are not limited to, houses, apartment buildings, correctional institutions, hospitals, nursing homes, and charitable institutions.

The primary term of contract shall be one (1) year. After completion of the primary term, such contract shall continue month to month unless cancelled by either party by giving thirty (30) days written notice. In the event customer re-applies for service under this tariff within one year from the date that this contract was terminated at customer's request, customer shall pay the minimum monthly bill charges specified in the Minimum Bill provision of this tariff for the number of months customer's service was inactive.



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Duke Energy Kentucky, Inc.
1262 Cox Road
Erlanger, Kentucky 41018

KY.P.S.C. Gas No. 2
Fourth Revised Sheet No. 50
Cancelling and Superseding
Third Revised Sheet No. 50
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SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto are subject to the jurisdiction of the Kentucky Public Service Commission, and to Company's Rules and Regulations currently in effect, as filed with the Kentucky Public Service Commission, as provided by law.



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