CANCELLED

March 1, 2016

Duke Energy Kentucky, Inc. 4580 Olympic Blvd. Erlanger, Kentucky 41018

KENTUCKY PUBLIC SERVICE COMMISSION

KY.P.S.C. Electric No. 2 First Revised Sheet No. 109 Cancels and Supersedes Original Sheet No. 109 Page 1 of 1

RESIDENTIAL ENERGY ASSESSMENT PROGRAM

APPLICABILITY

Available to residential customers in the Company's electric service area with individually-metered, single-family residences receiving concurrent service from the Company and choose to participate by enrolling through the marketing channels utilized by the program.

PROGRAM DESCRIPTION

The Residential Energy Assessment Program (REA) is part of Duke Energy Kentucky's portfolio of programs offered through Rider Demand Side Management Program (Rider DSM) and recovered through the Company's Rider DSMR (Demand Side Management Rate). The purpose of this program is to assist residential customers in assessing their energy usage and to provide recommendations for more efficient use of energy in their homes. The program will also help identify those customers who could benefit most by investing in new energy efficiency measures, undertaking more energy efficient practices and participating in Duke Energy Kentucky programs.

The Company may require a minimum number of months of historical usage data before performing an analysis to customers as follows:

On-site Audit and Analysis

Duke Energy Kentucky will perform on-site assessments of owner-occupied residences. Duke Energy Kentucky reserves the right to determine eligibility throughout the life of the program. Duke Energy Kentucky will provide a detailed Residential Energy Assessment including energy efficiency recommendations.

Participating customers will be offered home energy efficiency measures such as an energy efficiency starter kit and/or compact fluorescent light bulbs. The home energy efficiency measure incentives may be delivered in a variety of ways including but not limited to, in-home installation, direct mail, or online channels.

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SERVICE REGULATIONS

The provisions contained in this tariff sheet do not supersede or replace any of the charges and terms contained in the standard base rate and rider tariff sheets. The standard base rate and rider charges apply to all customers.

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 Service Regulations currently in effect, as filed with the Kentucky Public Service Commission, as approved by law.

Issued by authority of an Order of the Kentucky Public Service Commission in Case No. 2013-00395 dated December 19, 2013.

Issued: December 23, 2013 Effective: January 2, 2014

Issued by James P. Henning, President /s/ James P. Henning

