

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

KY.P.S.C. Electric No. 2
Forty-Ninth Revised Sheet No. 82
Cancels and Supersedes
Forty-Eighth Revised Sheet No. 82
Page 1 of 2

RIDER PSM

PROFIT SHARING MECHANISM

APPLICABILITY

Applicable to all retail sales in the Company's electric service area, excluding interdepartmental sales, beginning with the billing month May 2018. (T)

PROFIT SHARING RIDER FACTORS

On a quarterly basis, the applicable energy charges for electric service shall be increased or decreased to the nearest \$0.000001 per kWh to reflect the sharing of net proceeds as outlined in the formula below. (T)

$$\text{Rider PSM Factor} = (\text{OSS} + \text{NF} + \text{CAP} + \text{REC} + \text{R}) / \text{S} \times 0.90 \quad (\text{T})$$

where:

OSS= Net proceeds from off-system power sales. (T)

Includes the non-native portion of fuel-related costs charged to the Company by PJM Interconnection LLC including but not limited to those costs identified in the following Billing Line Items, as may be amended from time to time by PJM Interconnection LLC: Billing Line Items 1210, 2210, 1215, 1218, 2217, 2218, 1230, 1250, 1260, 2260, 1370, 2370, 1375, 2375, 1400, 1410, 1420, 1430, 1478, 1340, 2340, 1460, 1350, 2350, 1360, 2360, 1470, 1377, 2377, 1480, 1378, 2378, 1490, 1500, 2420, 2220, 1200, 1205, 1220, 1225, 2500, 2510, 1930, 2211, 2215, 2415 and 2930. (N)

NF = Net proceeds from non-fuel related Regional Transmission Organization charges and credits not recovered via other mechanisms. (T)

Includes non-fuel related costs charged to the Company by PJM Interconnection LLC including but not limited to those costs identified in the following Billing Line Items, as may be amended from time to time by PJM Interconnection LLC: Billing Line Items 1240, 2240, 1241, 2241, 1242, 1243, 1245, 2245, 1330, 2330, 1362, 2362, 1472, 1365, 2365, 1475, 1371, 2371, 1376, 2376, 1380 and 2380. (N)

CAP= Net proceeds from: PJM charges and credits as provided for in the Commission's Order in Case No. 2014-00201, dated December 4, 2014; capacity sales; capacity purchases; capacity performance credits; and capacity performance assessments. (N)

REC= Net proceeds from the sales of renewable energy credits. (T)

CANCELLED
MAY 31 2018
KENTUCKY PUBLIC SERVICE COMMISSION

KENTUCKY
PUBLIC SERVICE COMMISSION
Gwen R. Pinson
Executive Director
EFFECTIVE
5/1/2018
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

Issued by authority of an Order of the Kentucky Public Service Commission dated April 13, 2018 in Case No. 2017-00321
Issued: April 30, 2018
Effective: May 1, 2018
Issued by: James P. Henning, President /s/ James P. Henning

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PROFIT SHARING RIDER FACTORS (Contd.)

R = Reconciliation of prior period Rider PSM actual revenue to amount calculated for the period. (T)

S = Current period sales in kWh as used in the Rider FAC calculation.

<u>Rate Group</u>	<u>Rate</u> (\$/ kWh)	
Rate RS, Residential Service	0.001767	
Rate DS, Service at Secondary Distribution Voltage	0.001767	
Rate DP, Service at Primary Distribution Voltage	0.001767	
Rate DT, Time-of-Day Rate for Service at Distribution Voltage	0.001767	
Rate EH, Optional Rate for Electric Space Heating	0.001767	
Rate GS-FL, General Service Rate for Small Fixed Loads	0.001767	
Rate SP, Seasonal Sports Service	0.001767	
Rate SL, Street Lighting Service	0.001767	
Rate TL, Traffic Lighting Service	0.001767	
Rate UOLS, Unmetered Outdoor Lighting	0.001767	
Rate NSU, Street Lighting Service for Non-Standard Units	0.001767	
Rate SC, Street Lighting Service – Customer Owned	0.001767	
Rate SE, Street Lighting Service – Overhead Equivalent	0.001767	
Rate LED, LED Street Lighting Service	0.001767	(N)
Rate TT, Time-of-Day Rate for Service at Transmission Voltage	0.001767	
Other	0.001767	

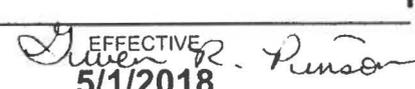
Rider PSM credits, reductions to bills, are shown as positive numbers without parentheses. Rider PSM charges, increases to bills, are shown in parentheses.

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 the Company's Service Regulations currently in effect, as filed with the Kentucky Public Service Commission as provided by law.

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