



139 East Fourth Street  
P.O. Box 960  
Cincinnati, Ohio 45201-0960  
Tel: 513-287-2348  
Fax: 513-287-2473  
ted.czupik@duke-energy.com

Theodore H. Czupik Jr.  
Rates & Regulatory Strategy Manager

**ELECTRONIC DELIVERY**

October 30, 2018

Ms. Gwen R. Pinson, Executive Director  
**Attention: Quang Nguyen**

Kentucky Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, Kentucky 40602-0615

Dear Ms. Pinson and Mr. Nguyen:

Today Duke Energy Kentucky electronically filed its Rider PSM, Profit Sharing Mechanism, which included supporting schedules and redline and clean copies of its Revised Sheet No. 82 and Revised Sheet No. 10, Index to Applicable Electric Tariff Schedules and Communities Served. The Rider PSM rates are applicable to billings for retail sales in the months of December 2018 through February 2019.

The rates as filed on Revised Sheet No. 82, effective for billing on November 29, 2018, were determined based on actual data for the months of January through September 2018. The formulaic methodology as contained in the Company's previously approved PSM tariff is used for the months of January through April 2018 since they are prior to the effective date of rates as prescribed in the Commission's Order in Case No. 2017-00321. The methodology contained in the Company's currently filed tariff is used for the months of May through September 2018.

Please contact me if you have any questions.

Sincerely,

/s/ Theodore H. Czupik Jr.