



139 East Fourth Street
P O Box 960
Cincinnati, Ohio 45201-0960
Tel. 513-419-6954
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Lisa.Steinkuhl@duke-energy.com

Lisa Steinkuhl
Lead Rates Analyst

VIA OVERNIGHT DELIVERY

RECEIVED

February 20, 2009

FEB 20 2009

Mr. Jeff Derouen, Executive Director
Attention: Daryl Newby

PUBLIC SERVICE
COMMISSION

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

Dear Mr. Derouen and Mr. Newby:

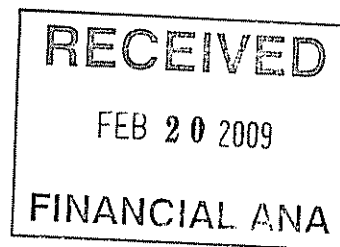
In compliance with KAR 807 5:056, enclosed for filing are the fuel adjustment clause schedules with supporting sales and fuel cost schedules supporting Duke Energy Kentucky's fuel adjustment factor applicable to billings for retail sales in March 2009.

Please contact me if you have any questions.

Sincerely,

Lisa D. Steinkuhl

Enclosure



DUKE ENERGY KENTUCKY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month: January 2009

Line No.	Description	Amount	Rate (¢/kWh)
1	Fuel F_m (Schedule 2, Line I)	\$9,746,189.00	
2	Sales S_m (Schedule 3, Line C)	369,403,472	2.6384
3	Base Fuel Rate (F_b/S_b) per PSC Order in Case No. 2006-00172	(-)	2.1619
4	Fuel Adjustment Clause Rate (Line 2 - Line 3)		<u>0.4765</u>

Effective Date for Billing: March 3, 2009

Submitted by: *Lisa D. Steinkuhl*

Title: Lead Rates Analyst

Date Submitted: February 20, 2009

**DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE**

Expense Month: January 2009

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	11,892,658.47
Oil Burned	(+)	-
Gas Burned	(+)	1,081,707.94
MISO Make Whole Payments	(-)	1,775,046.64
Fuel (assigned cost during Forced Outage ^(a))	(+)	232,837.85
Fuel (substitute cost during Forced Outage ^(a))	(-)	136,141.88
Sub-Total		<u>\$11,296,015.74</u>
B. Purchases		
Economy Purchases	(+)	862,666.85
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	340,728.53
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$521,938.32</u>
C. Non-Native Sales Fuel Costs		<u>\$794,302.63</u>
D. Total Fuel Costs (A + B - C)	(+)	\$11,023,651.43 ^(b)
E. Total Company Over or (Under) Recovery from Schedule 5, Line 14	(-)	\$769,718.93
F. Adjustment indicating the difference in actual fuel cost for the month of December 2008 and the estimated cost originally reported		
\$9,942,585.35 - \$10,356,511.68	(+)	(\$413,926.33)
(actual) (estimate)		
G. MISO Resettlements for prior periods from Schedule 6, Line G	(+)	(\$93,817.17)
H. Deferral of Current Purchased Power Costs	(-)	\$0.00
I. Amount of Purchased Power Costs for Backup Power purchased	(+)	\$0.00
J. Grand Total Fuel Cost (D - E + F + G - H)		<u>\$9,746,189.00</u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056.

^(b) Estimated - to be trued up in the filing next month

**DUKE ENERGY KENTUCKY
SALES SCHEDULE**

Expense Month: January 2009

		<u>Kilowatt-Hours Current Month</u>
A. Generation (Net)	(+)	387,962,990
<u>Purchases Including Interchange-In</u>	(+)	<u>19,194,810</u>
Sub-Total		<u>407,157,800</u>
 B. Pumped Storage Energy	(+)	-
Non-Native Sales Including Interchange Out	(+)	18,312,040
<u>System Losses (388,845,760 KWH times 5.0%^(a))</u>	(+)	<u>19,442,288</u>
Sub-Total		<u>37,754,328</u>
 C. Total Sales (A - B)		<u><u>369,403,472</u></u>

Note: ^(a) Average of prior 12 months

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: December 2008

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	7,151,348.82
Oil Burned	(+)	-
Gas Burned	(+)	516,273.96
MISO Make Whole Payments	(-)	654,422.67
Fuel (assigned cost during Forced Outage ^(a))	(+)	587,712.72
Fuel (substitute cost during Forced Outage ^(a))	(-)	20,881.93
Sub-Total		\$7,580,030.90
B. Purchases		
Economy Purchases	(+)	3,318,701.81
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	794,309.90
Less purchases above highest cost units	(-)	-
Sub-Total		\$2,524,391.91
C Non-Native Sales Fuel Costs		\$161,837.46
D. Total Fuel Costs (A + B - C)		\$9,942,585.35

Note: ^(a) Forced Outage as defined in 807 KAR 5:056.

**DUKE ENERGY KENTUCKY
OVER OR (UNDER) RECOVERY SCHEDULE**

Expense Month: November 2008

Line No.	Description		
1	FAC Rate Billed (ϕ /kWh)	(+)	1.1318
2	Retail kWh Billed at Above Rate	(x)	<u>371,779,883</u>
3	FAC Revenue/(Refund) (Line 1 • Line 2)		<u>\$4,207,804.72</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	303,771,496
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4- Line 5)		<u>303,771,496</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 • Line 6)		\$3,438,085.79
8	Over or (Under) (Line 3 - Line 7)		\$769,718.93
9	Total Sales (Schedule 3 Line C)	(-)	369,403,472
10	Kentucky Jurisdictional Sales	(+)	<u>369,403,472</u>
11	Ratio of Total Sales to KY Jurisdictional Sales (Line 9 ÷ Line 10)		1.00000
12	Total Company Over or (Under) Recovery (Line 8 * Line 11)	(+)	\$769,718.93
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0.00
14	Total Company Over or (Under) Recovery		<u><u>\$769,718.93</u></u>

**DUKE ENERGY KENTUCKY
MISO RESETTLEMENTS FUEL COST SCHEDULE**

Expense Month:	September 2008 Dollars (\$)
A Company Generation	
Coal Burned	(+)
Oil Burned	(+)
Gas Burned	(+)
MISO Make Whole Payments	(-)
Fuel (assigned cost during Forced Outage ^(a))	(+)
Fuel (substitute cost during Forced Outage ^(a))	(-)
Sub-Total	<u>\$9,880,140.48</u>
B. Purchases	
Economy Purchases	(+)
Other Purchases	(+)
Other Purchases (substitute for Forced Outage ^(a))	(-)
Less purchases above highest cost units	(-)
Sub-Total	<u>\$883,759.43</u>
C. Non-Native Sales Fuel Costs	\$697,391.38
D Total Fuel Costs (A + B - C)	<u>\$10,066,508.53</u>
E Total Fuel Costs Previously Reported	10,160,325.70
F Prior Period Adjustment	-
G Adjustment due to MISO Resettlements	<u>(\$93,817.17)</u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056



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VIA OVERNIGHT DELIVERY

March 20, 2009

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Attention: Daryl Newby

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

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**PUBLIC SERVICE
COMMISSION**

Dear Mr. Derouen and Mr. Newby:

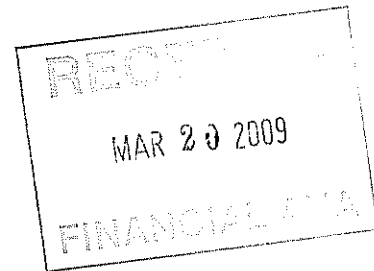
In compliance with KAR 807 5:056, enclosed for filing are the fuel adjustment clause schedules with supporting sales and fuel cost schedules supporting Duke Energy Kentucky's fuel adjustment factor applicable to billings for retail sales in April 2009.

Please contact me if you have any questions.

Sincerely,

Lisa D. Steinkuhl

Enclosure



**DUKE ENERGY KENTUCKY
FUEL ADJUSTMENT CLAUSE SCHEDULE**

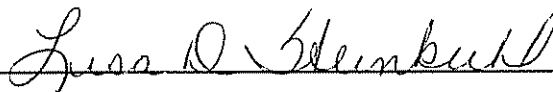
Expense Month: February 2009

Line No.	Description	Amount	Rate (¢/kWh)
1	Fuel F_m (Schedule 2, Line I)	\$9,516,105.63	
2	Sales S_m (Schedule 3, Line C) ÷	305,080,406	3.1192
3	Base Fuel Rate (F_b/S_b) per PSC Order in Case No. 2006-00172	(-)	2.1619
4	Fuel Adjustment Clause Rate (Line 2 - Line 3)		<u>0.9573</u>

Effective Date for Billing:

April 1, 2009

Submitted by:



Title:

Lead Rates Analyst

Date Submitted:

March 20, 2009

**DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE**

Expense Month: February 2009

		<u>Dollars (\$)</u>
A Company Generation		
Coal Burned	(+)	10,128,080.62
Oil Burned	(+)	-
Gas Burned	(+)	1,169,705.72
MISO Make Whole Payments	(-)	1,509,336.23
Fuel (assigned cost during Forced Outage ^(a))	(+)	31,205.00
Fuel (substitute cost during Forced Outage ^(a))	(-)	32,766.78
Sub-Total		<u>\$9,786,888.33</u>
B Purchases		
Economy Purchases	(+)	118,581.11
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	30,638.25
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$87,942.86</u>
C. Non-Native Sales Fuel Costs		<u>\$891,449.82</u>
D. Total Fuel Costs (A + B - C)	(+)	\$8,983,381.37 ^(b)
E. Total Company Over or (Under) Recovery from Schedule 5, Line 14	(-)	(\$32,697.14)
F. Adjustment indicating the difference in actual fuel cost for the month of January 2009 and the estimated cost originally reported		
reported \$11,500,033.72 - \$11,023,651.43	(+)	\$476,382.29
(actual) (estimate)		
G. MISO Resettlements for prior periods from Schedule 6, Line G	(+)	\$23,644.83
H. Deferral of Current Purchased Power Costs	(-)	\$0.00
I. Amount of Purchased Power Costs for Backup Power purchased	(+)	\$0.00
J. Grand Total Fuel Cost (D - E + F + G - H)		<u><u>\$9,516,105.63</u></u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056.

^(b) Estimated - to be trued up in the filing next month

**DUKE ENERGY KENTUCKY
SALES SCHEDULE**

Expense Month: February 2009

		<u>Kilowatt-Hours Current Month</u>
A. Generation (Net)	(+)	366,648,000
<u>Purchases Including Interchange-In</u>	(+)	<u>2,469,310</u>
Sub-Total		<u>369,117,310</u>
B. Pumped Storage Energy	(+)	-
Non-Native Sales Including Interchange Out	(+)	47,980,040
<u>System Losses (321,137,270 KWH times 5.0%^(a))</u>	(+)	<u>16,056,864</u>
Sub-Total		<u>64,036,904</u>
C. Total Sales (A - B)		<u><u>305,080,406</u></u>

Note: ^(a) Average of prior 12 months.

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: January 2009

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	11,828,285.41
Oil Burned	(+)	64,364.00
Gas Burned	(+)	1,081,707.41
MISO Make Whole Payments	(-)	1,849,985.36
Fuel (assigned cost during Forced Outage ^(a))	(+)	207,481.18
Fuel (substitute cost during Forced Outage ^(a))	(-)	128,288.09
Sub-Total		<u>\$11,203,564.55</u>
B. Purchases		
Economy Purchases	(+)	895,348.43
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	300,003.05
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$595,345.38</u>
C. Non-Native Sales Fuel Costs		\$298,876.21
D. Total Fuel Costs (A + B - C)		<u>\$11,500,033.72</u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056.

**DUKE ENERGY KENTUCKY
OVER OR (UNDER) RECOVERY SCHEDULE**

Expense Month: December 2008

Line No.	Description		
1	FAC Rate Billed (ϕ /kWh)	(+)	0 4963
2	Retail kWh Billed at Above Rate	(x)	<u>347,602,734</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>\$1,725,152.37</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	354,190,914
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4- Line 5)		<u>354,190,914</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		\$1,757,849 51
8	Over or (Under) (Line 3 - Line 7)		(\$32,697 14)
9	Total Sales (Schedule 3 Line C)	(-)	305,080,406
10	Kentucky Jurisdictional Sales	(+)	<u>305,080,406</u>
11	Ratio of Total Sales to KY Jursidictional Sales (Line 9 ÷ Line 10)		1 00000
12	Total Company Over or (Under) Recovery (Line 8 * Line 11)	(+)	(\$32,697 14)
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0 00
14	Total Company Over or (Under) Recovery		<u><u>(\$32,697.14)</u></u>

**DUKE ENERGY KENTUCKY
MISO RESETTLEMENTS FUEL COST SCHEDULE**

Expense Month:	October 2008 Dollars (\$)
A. Company Generation	
Coal Burned	(+)
Oil Burned	(+)
Gas Burned	(+)
MISO Make Whole Payments	(-)
Fuel (assigned cost during Forced Outage ^(a))	(+)
Fuel (substitute cost during Forced Outage ^(a))	(-)
Sub-Total	<u>\$8,727,175.88</u>
B. Purchases	
Economy Purchases	(+)
Other Purchases	(+)
Other Purchases (substitute for Forced Outage ^(a))	(-)
Less purchases above highest cost units	(-)
Sub-Total	<u>\$1,070,080.89</u>
C. Non-Native Sales Fuel Costs	\$480,929.76
D. Total Fuel Costs (A + B - C)	<u>\$9,316,327.01</u>
E. Total Fuel Costs Previously Reported	9,292,682.18
F. Prior Period Adjustment	-
G. Adjustment due to MISO Resettlements	<u>\$23,644.83</u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056



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VIA OVERNIGHT DELIVERY

April 20, 2009

Mr. Jeff Derouen, Executive Director
Attention: Daryl Newby

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

Dear Mr. Derouen and Mr. Newby:

In compliance with KAR 807 5:056, enclosed for filing are the fuel adjustment clause schedules with supporting sales and fuel cost schedules supporting Duke Energy Kentucky's fuel adjustment factor applicable to billings for retail sales in May 2009.

Please contact me if you have any questions.

Sincerely,

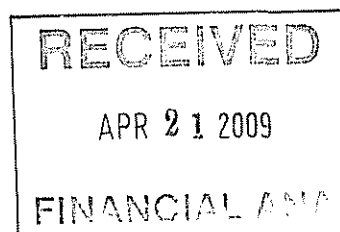
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Enclosure

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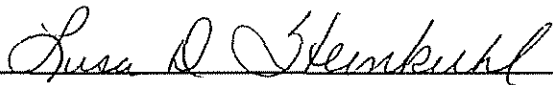


DUKE ENERGY KENTUCKY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month: March 2009

Line No.	Description	Amount	Rate (¢/kWh)
1	Fuel F_m (Schedule 2, Line I)	\$9,125,534.82	
2	Sales S_m (Schedule 3, Line C)	÷ 302,183,816	3.0199
3	Base Fuel Rate (F_b/S_b) per PSC Order in Case No. 2006-00172		(-) 2.1619
4	Fuel Adjustment Clause Rate (Line 2 - Line 3)		<u>0.8580</u>

Effective Date for Billing: May 1, 2009

Submitted by: 

Title: Lead Rates Analyst

Date Submitted: April 20, 2009

**DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE**

Expense Month: March 2009

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	10,918,632 18
Oil Burned	(+)	-
Gas Burned	(+)	897,918 12
MISO Make Whole Payments	(-)	947,512 47
Fuel (assigned cost during Forced Outage ^(a))	(+)	28,898 18
Fuel (substitute cost during Forced Outage ^(a))	(-)	354,958.17
Sub-Total		<u>\$10,542,977.84</u>
B. Purchases		
Economy Purchases	(+)	93,130 61
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	11,581 68
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$81,548.93</u>
C. Non-Native Sales Fuel Costs		<u>\$1,966,655.84</u>
D Total Fuel Costs (A + B - C)	(+)	\$8,657,870 93 ^(b)
E Total Company Over or (Under) Recovery from Schedule 5, Line 14	(-)	(\$306,566 32)
F Adjustment indicating the difference in actual fuel cost for the month of January 2009 and the estimated cost originally reported		
\$9,146,412.52 - \$8,983,381.37	(+)	\$163,031 15
(actual) (estimate)		
G MISO Resettlements for prior periods from Schedule 6, Line G	(+)	(\$1,933 58)
H Deferral of Current Purchased Power Costs	(-)	\$0 00
I Amount of Purchased Power Costs for Backup Power purchased	(+)	\$0 00
J Grand Total Fuel Cost (D - E + F + G - H)		<u>\$9,125,534.82</u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056

^(b) Estimated - to be trued up in the filing next month

**DUKE ENERGY KENTUCKY
SALES SCHEDULE**

Expense Month: March 2009

		<u>Kilowatt-Hours Current Month</u>
A. Generation (Net)	(+)	388,809,000
<u>Purchases Including Interchange-In</u>	(+)	<u>2,723,270</u>
Sub-Total		<u>391,532,270</u>
 B. Pumped Storage Energy	(+)	-
Non-Native Sales Including Interchange Out	(+)	73,778,520
<u>System Losses (317,753,750 KWH times 4.9%^(a))</u>	(+)	<u>15,569,934</u>
Sub-Total		<u>89,348,454</u>
 C. Total Sales (A - B)		<u><u>302,183,816</u></u>

Note: ^(a) Average of prior 12 months

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: February 2009

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	10,120,608.63
Oil Burned	(+)	7,454.00
Gas Burned	(+)	1,169,705.48
MISO Make Whole Payments	(-)	1,732,652.89
Fuel (assigned cost during Forced Outage ^(a))	(+)	35,129.07
Fuel (substitute cost during Forced Outage ^(a))	(-)	29,056.15
Sub-Total		\$9,571,188.14
B. Purchases		
Economy Purchases	(+)	127,491.32
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	33,509.49
Less purchases above highest cost units	(-)	-
Sub-Total		\$93,981.83
C. Non-Native Sales Fuel Costs		\$518,757.45
D. Total Fuel Costs (A + B - C)		\$9,146,412.52

Note: ^(a) Forced Outage as defined in 807 KAR 5:056.

**DUKE ENERGY KENTUCKY
OVER OR (UNDER) RECOVERY SCHEDULE**

Expense Month: January 2008

Line No.	Description		
1	FAC Rate Billed (ϕ /kWh)	(+)	0 4765
2	Retail kWh Billed at Above Rate	(x)	<u>305,066,363</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>\$1,453,641.22</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	369,403,472
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4- Line 5)		<u>369,403,472</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		\$1,760,207 54
8	Over or (Under) (Line 3 - Line 7)		(\$306,566 32)
9	Total Sales (Schedule 3 Line C)	(-)	302,183,816
10	Kentucky Jurisdictional Sales	(+)	<u>302,183,816</u>
11	Ratio of Total Sales to KY Jursidictional Sales (Line 9 + Line 10)		1 00000
12	Total Company Over or (Under) Recovery (Line 8 * Line 11)	(+)	(\$306,566 32)
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0 00
14	Total Company Over or (Under) Recovery		<u><u>(\$306,566.32)</u></u>

**DUKE ENERGY KENTUCKY
MISO RESETTLEMENTS FUEL COST SCHEDULE**

Expense Month:	November 2008
	<u>Dollars (\$)</u>
A. Company Generation	
Coal Burned	(+ 9,185,613.83)
Oil Burned	(+ 88,199.00)
Gas Burned	(+ 567,688.69)
MISO Make Whole Payments	(- 889,546.35)
Fuel (assigned cost during Forced Outage ^(a))	(+ 13,204.01)
Fuel (substitute cost during Forced Outage ^(a))	(- 5,105.75)
Sub-Total	<u>\$8,960,053.43</u>
B. Purchases	
Economy Purchases	(+ 1,253,173.46)
Other Purchases	(+ -)
Other Purchases (substitute for Forced Outage ^(a))	(- 14,307.95)
Less purchases above highest cost units	(- -)
Sub-Total	<u>\$1,238,865.51</u>
C. Non-Native Sales Fuel Costs	\$331,231.80
D. Total Fuel Costs (A + B - C)	<u>\$9,867,687.14</u>
E. Total Fuel Costs Previously Reported	9,869,620.72
F. Prior Period Adjustment	-
G. Adjustment due to MISO Resettlements	<u>(\$1,933.58)</u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056.



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May 21, 2009

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Sincerely,

Lisa D. Steinkuhl

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FINANCIAL ANA

**DUKE ENERGY KENTUCKY
FUEL ADJUSTMENT CLAUSE SCHEDULE**

Expense Month: April 2009

Line No.	Description	Amount	Rate (¢/kWh)
1	Fuel F_m (Schedule 2, Line I)	\$8,344,351.59	
2	Sales S_m (Schedule 3, Line C)	÷ 281,066,174	2.9688
3	Base Fuel Rate (F_b/S_b) per PSC Order in Case No. 2006-00172	(-)	<u>2.1619</u>
4	Fuel Adjustment Clause Rate (Line 2 - Line 3)		<u><u>0.8069</u></u>

Effective Date for Billing:

June 2, 2009

Submitted by:

Lisa D. Steinkuhl

Title:

Lead Rates Analyst

Date Submitted:

May 21, 2009

**DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE**

Expense Month: April 2009

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	8,833,488.29
Oil Burned	(+)	-
Gas Burned	(+)	190,914.90
MISO Make Whole Payments	(-)	527,654.71
Fuel (assigned cost during Forced Outage ^(a))	(+)	88,336.53
Fuel (substitute cost during Forced Outage ^(a))	(-)	58,878.76
Sub-Total		<u>\$8,526,206.25</u>
B. Purchases		
Economy Purchases	(+)	1,279,031.89
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	96,385.08
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$1,182,646.81</u>
C. Non-Native Sales Fuel Costs		<u>\$1,551,320.27</u>
D. Total Fuel Costs (A + B - C)	(+)	\$8,157,532.79 ^(b)
E. Total Company Over or (Under) Recovery from Schedule 5, Line 14	(-)	(\$212,426.39)
F. Adjustment indicating the difference in actual fuel cost for the month of January 2009 and the estimated cost originally reported		
reported \$8,682,359.44 - \$8,657,870.93	(+)	\$24,488.51
(actual) (estimate)		
G. MISO Resettlements for prior periods from Schedule 6, Line G	(+)	(\$50,096.10)
H. Deferral of Current Purchased Power Costs	(-)	\$0.00
I. Amount of Purchased Power Costs for Backup Power purchased	(+)	\$0.00
J. Grand Total Fuel Cost (D - E + F + G - H)		<u><u>\$8,344,351.59</u></u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056

^(b) Estimated - to be trued up in the filing next month

**DUKE ENERGY KENTUCKY
SALES SCHEDULE**

Expense Month: April 2009

		<u>Kilowatt-Hours Current Month</u>
A. Generation (Net)	(+)	313,138,000
<u>Purchases Including Interchange-In</u>	(+)	<u>44,534,670</u>
Sub-Total		<u>357,672,670</u>
 B. Pumped Storage Energy	(+)	-
Non-Native Sales Including Interchange Out	(+)	62,744,890
<u>System Losses (294,927,780 KWH times 4.7%^(a))</u>	(+)	<u>13,861,606</u>
Sub-Total		<u>76,606,496</u>
 C. Total Sales (A - B)		<u><u>281,066,174</u></u>

Note: ^(a) Average of prior 12 months.

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: March 2009

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	10,901,288.33
Oil Burned	(+)	17,231.00
Gas Burned	(+)	897,917.66
MISO Make Whole Payments	(-)	978,078.62
Fuel (assigned cost during Forced Outage ^(a))	(+)	29,311.36
Fuel (substitute cost during Forced Outage ^(a))	(-)	367,647.21
Sub-Total		<u>\$10,500,022.52</u>
B. Purchases		
Economy Purchases	(+)	96,242.16
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	11,519.47
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$84,722.69</u>
C. Non-Native Sales Fuel Costs		\$1,902,385.77
D. Total Fuel Costs (A + B - C)		<u>\$8,682,359.44</u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056.

**DUKE ENERGY KENTUCKY
OVER OR (UNDER) RECOVERY SCHEDULE**

Expense Month: February 2008

Line No.	Description		
1	FAC Rate Billed (ϕ /kWh)	(+)	0.9573
2	Retail kWh Billed at Above Rate	(x)	<u>282,890,248</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>\$2,708,108.34</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	305,080,406
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4 - Line 5)		<u>305,080,406</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		\$2,920,534.73
8	Over or (Under) (Line 3 - Line 7)		(\$212,426.39)
9	Total Sales (Schedule 3 Line C)	(-)	281,066,174
10	Kentucky Jurisdictional Sales	(+)	<u>281,066,174</u>
11	Ratio of Total Sales to KY Jurisdictional Sales (Line 9 ÷ Line 10)		1.00000
12	Total Company Over or (Under) Recovery (Line 8 * Line 11)	(+)	(\$212,426.39)
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0.00
14	Total Company Over or (Under) Recovery		<u><u>(\$212,426.39)</u></u>

DUKE ENERGY KENTUCKY
MISO RESETTLEMENTS FUEL COST SCHEDULE

Expense Month:		December 2008 Dollars (\$)	October 2008 Dollars (\$)	September 2008 Dollars (\$)	Total Dollars (\$)
A Company Generation					
Coal Burned	(+)	6,884,862.48	8,124,830.82	10,173,296.35	
Oil Burned	(+)	266,486.00	346,471.00	23,041.00	
Gas Burned	(+)	516,273.95	457,365.07	1,179,199.49	
MISO Make Whole Payments	(-)	654,422.67	760,290.50	1,495,396.36	
Fuel (assigned cost during Forced Outage ^(a))	(+)	585,828.89	776,496.03	-	
Fuel (substitute cost during Forced Outage ^(a))	(-)	21,156.89	217,696.54	-	
Sub-Total		<u>\$7,577,871.76</u>	<u>\$8,727,175.88</u>	<u>\$9,880,140.48</u>	
B. Purchases					
Economy Purchases	(+)	3,300,340.00	2,132,780.22	883,759.43	
Other Purchases	(+)	-	-	-	
Other Purchases (substitute for Forced Outage ^(a))	(-)	791,532.92	1,062,699.33	-	
Less purchases above highest cost units	(-)	-	-	-	
Sub-Total		<u>\$2,508,807.08</u>	<u>\$1,070,080.89</u>	<u>\$883,759.43</u>	
C Non-Native Sales Fuel Costs		\$157,126.85	\$480,635.68	\$734,748.20	
D Total Fuel Costs (A + B - C)		<u>\$9,929,551.99</u>	<u>\$9,316,621.09</u>	<u>\$10,029,151.71</u>	
E Total Fuel Costs Previously Reported		9,942,585.35	9,316,327.01	10,066,508.53	
F. Prior Period Adjustment		-	-	-	
G Adjustment due to MISO Resettlements		<u>(\$13,033.36)</u>	<u>\$294.08</u>	<u>(\$37,356.82)</u>	<u>(\$50,096.10)</u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056



139 East Fourth Street
P O Box 960
Cincinnati, Ohio 45201-0960
Tel: 513-419-6954
Fax: 513-419-6948
Lisa Steinkuhl@duke-energy.com

Lisa Steinkuhl
Lead Rates Analyst

VIA OVERNIGHT DELIVERY

June 18, 2009

Mr. Jeff Derouen, Executive Director
Attention: Daryl Newby

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

Dear Mr. Derouen and Mr. Newby:

In compliance with KAR 807 5:056, enclosed for filing are the fuel adjustment clause schedules with supporting sales and fuel cost schedules supporting Duke Energy Kentucky's fuel adjustment factor applicable to billings for retail sales in July 2009.

Please contact me if you have any questions.

Sincerely,

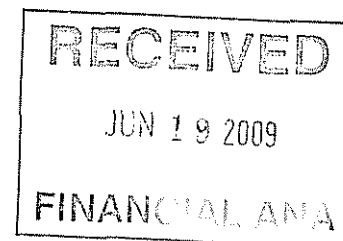
Lisa D. Steinkuhl

Enclosure

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JUN 19 2009

PUBLIC SERVICE
COMMISSION



**DUKE ENERGY KENTUCKY
FUEL ADJUSTMENT CLAUSE SCHEDULE**

Expense Month: May 2009

Line No.	Description	Amount	Rate (¢/kWh)
1	Fuel F_m (Schedule 2, Line I)	\$8,658,815.69	
2	Sales S_m (Schedule 3, Line C) ÷	294,974,116	2.9354
3	Base Fuel Rate (F_b/S_b) per PSC Order in Case No. 2006-00172	(-)	<u>2.1619</u>
4	Fuel Adjustment Clause Rate (Line 2 - Line 3)		<u><u>0.7735</u></u>

Effective Date for Billing:

July 1, 2009

Submitted by:

Lisa D. Steinkuhl

Title:

Lead Rates Analyst

Date Submitted:

June 18, 2009

**DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE**

Expense Month: May 2009

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	5,748,988.37
Oil Burned	(+)	-
Gas Burned	(+)	767,846.81
MISO Make Whole Payments	(-)	1,011,604.86
Fuel (assigned cost during Forced Outage ^(a))	(+)	570,027.88
Fuel (substitute cost during Forced Outage ^(a))	(-)	88,467.51
Sub-Total		<u>\$5,986,790.69</u>
B. Purchases		
Economy Purchases	(+)	5,673,469.06
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	634,329.82
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$5,039,139.24</u>
C. Non-Native Sales Fuel Costs		<u>\$286,521.77</u>
D. Total Fuel Costs (A + B - C)	(+)	\$10,739,408.16 ^(b)
E. Total Company Over or (Under) Recovery from Schedule 5, Line 14	(-)	(\$196,684.16)
F. Adjustment indicating the difference in actual fuel cost for the month of January 2009 and the estimated cost originally reported		
reported \$8,156,646.67 - \$8,157,532.79	(+)	(\$886.12)
(actual) (estimate)		
G. MISO Resettlements for prior periods from Schedule 6, Line G	(+)	\$5,279.82
H. Deferral of Current Purchased Power Costs ^(c)	(-)	\$2,738,004.40
I. Amount of Purchased Power Costs for Backup Power purchased	(+)	\$456,334.07
J. Grand Total Fuel Cost (D - E + F + G - H)		<u><u>\$8,658,815.69</u></u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056

^(b) Estimated - to be trued up in the filing next month

^(c) DE Kentucky proposes to mitigate the impact on ratepayers by deferring a portion of the purchase power costs due to a planned outage at the East Bend generating station over a six-month period beginning in July 2009 and ending in December 2009

**DUKE ENERGY KENTUCKY
SALES SCHEDULE**

Expense Month: May 2009

		<u>Kilowatt-Hours Current Month</u>
A. Generation (Net)	(+)	179,076,000
<u>Purchases Including Interchange-In</u>	(+)	<u>142,069,790</u>
Sub-Total		<u>321,145,790</u>
 B. Pumped Storage Energy	(+)	-
Non-Native Sales Including Interchange Out	(+)	10,646,720
<u>System Losses (310,499,070 KWH times 5.0%^(a))</u>	(+)	<u>15,524,954</u>
Sub-Total		<u>26,171,674</u>
 C. Total Sales (A - B)		<u><u>294,974,116</u></u>

Note: ^(a) Average of prior 12 months.

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: April 2009

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	8,757,234.75
Oil Burned	(+)	76,248.00
Gas Burned	(+)	190,914.90
MISO Make Whole Payments	(-)	550,232.46
Fuel (assigned cost during Forced Outage ^(a))	(+)	88,717.26
Fuel (substitute cost during Forced Outage ^(a))	(-)	56,104.00
Sub-Total		\$8,506,778.45
B. Purchases		
Economy Purchases	(+)	1,325,318.43
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	97,485.17
Less purchases above highest cost units	(-)	-
Sub-Total		\$1,227,833.26
C. Non-Native Sales Fuel Costs		\$1,577,965.04
D. Total Fuel Costs (A + B - C)		\$8,156,646.67

Note: ^(a) Forced Outage as defined in 807 KAR 5:056.

**DUKE ENERGY KENTUCKY
OVER OR (UNDER) RECOVERY SCHEDULE**

Expense Month: March 2008

Line No.	Description		
1	FAC Rate Billed (ϕ /kWh)	(+)	0 8580
2	Retail kWh Billed at Above Rate	(x)	<u>279,260,254</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>\$2,396,052.98</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	302,183,816
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4- Line 5)		<u>302,183,816</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		\$2,592,737 14
8	Over or (Under) (Line 3 - Line 7)		(\$196,684 16)
9	Total Sales (Schedule 3 Line C)	(-)	294,974,116
10	Kentucky Jurisdictional Sales	(+)	<u>294,974,116</u>
11	Ratio of Total Sales to KY Jurisdictional Sales (Line 9 ÷ Line 10)		1 00000
12	Total Company Over or (Under) Recovery (Line 8 * Line 11)	(+)	(\$196,684 16)
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0 00
14	Total Company Over or (Under) Recovery		<u><u>(\$196,684.16)</u></u>

**DUKE ENERGY KENTUCKY
MISO RESETTLEMENTS FUEL COST SCHEDULE**

Expense Month:	January 2009
	<u>Dollars (\$)</u>
A. Company Generation	
Coal Burned (+)	11,828,285.59
Oil Burned (+)	64,364.00
Gas Burned (+)	1,081,707.37
MISO Make Whole Payments (-)	1,850,178.39
Fuel (assigned cost during Forced Outage ^(a)) (+)	208,967.16
Fuel (substitute cost during Forced Outage ^(a)) (-)	126,087.62
Sub-Total	<u>\$11,207,058.11</u>
B. Purchases	
Economy Purchases (+)	882,956.01
Other Purchases (+)	-
Other Purchases (substitute for Forced Outage ^(a)) (-)	302,636.07
Less purchases above highest cost units (-)	-
Sub-Total	<u>\$580,319.94</u>
C. Non-Native Sales Fuel Costs	\$282,064.51
D. Total Fuel Costs (A + B - C)	<u>\$11,505,313.54</u>
E. Total Fuel Costs Previously Reported	11,500,033.72
F. Prior Period Adjustment	-
G. Adjustment due to MISO Resettlements	<u>\$5,279.82</u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056.



Handwritten initials

139 East Fourth Street
P O Box 960
Cincinnati, Ohio 45201-0960
Tel. 513-419-6954
Fax 513-419-6948
Lisa Steinkuhl@duke-energy.com

Lisa Steinkuhl
Lead Rates Analyst

VIA OVERNIGHT DELIVERY

July 20, 2009

Mr. Jeff Derouen, Executive Director
Attention: Daryl Newby

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

Dear Mr. Derouen and Mr. Newby:

In compliance with KAR 807 5:056, enclosed for filing are the fuel adjustment clause schedules with supporting sales and fuel cost schedules supporting Duke Energy Kentucky's fuel adjustment factor applicable to billings for retail sales in August 2009.

Please contact me if you have any questions.

Sincerely,

Lisa D. Steinkuhl

Enclosure

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JUL 21 2009

**PUBLIC SERVICE
COMMISSION**

DUKE ENERGY KENTUCKY
 FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month: June 2009

Line No.	Description	Amount	Rate (¢/kWh)
1	Fuel F_m (Schedule 2, Line I)	\$9,855,849.82	
2	Sales S_m (Schedule 3, Line C) ÷	351,848,697	2.8012
3	Base Fuel Rate (F_b/S_b) per PSC Order in Case No. 2006-00172	(-)	2.1619
4	Fuel Adjustment Clause Rate (Line 2 - Line 3)		<u>0.6393</u>

Effective Date for Billing: July 31, 2009

Submitted by: _____

Title: Lead Rates Analyst

Date Submitted: July 21, 2009

**DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE**

Expense Month: June 2009

	<u>Dollars (\$)</u>
A Company Generation	
Coal Burned	(+) 8,102,825.16
Oil Burned	(+) -
Gas Burned	(+) 544,741.89
MISO Make Whole Payments	(-) 725,415.71
Fuel (assigned cost during Forced Outage ^(a))	(+) 64,475.57
Fuel (substitute cost during Forced Outage ^(a))	(-) 10,245.44
<u>Sub-Total</u>	<u>\$7,976,381.47</u>
B Purchases	
Economy Purchases	(+) 2,334,644.51
Other Purchases	(+) -
Other Purchases (substitute for Forced Outage ^(a))	(-) 71,354.05
<u>Less purchases above highest cost units</u>	(-) -
<u>Sub-Total</u>	<u>\$2,263,290.46</u>
C Non-Native Sales Fuel Costs	<u>\$384,664.29</u>
D Total Fuel Costs (A + B - C)	(+) \$9,855,007.64 ^(b)
E Total Company Over or (Under) Recovery from Schedule 5, Line 14	(-) \$325,085.53
F Adjustment indicating the difference in actual fuel cost for the month of April 2009 and the estimated cost originally reported	
\$10,540,992.23 - \$10,739,408.16	(+)
(actual) (estimate)	(\$198,415.93)
G MISO Resettlements for prior periods from Schedule 6, Line G	(+) \$68,009.57
H Deferral of Current Purchased Power Costs	(-) \$0.00
I Amount of Purchased Power Costs for Backup Power purchased ^(c)	(+) \$456,334.07
J Grand Total Fuel Cost (D - E + F + G - H)	<u><u>\$9,855,849.82</u></u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056.

^(b) Estimated - to be trued up in the filing next month

^(c) DE Kentucky proposes to mitigate the impact on ratepayers by deferring a portion of the purchase power costs due to a planned outage at the East Bend generating station over a six-month period beginning in July 2009 and ending in December 2009

**DUKE ENERGY KENTUCKY
SALES SCHEDULE**

Expense Month: June 2009

		<u>Kilowatt-Hours Current Month</u>
A. Generation (Net)	(+)	316,568,000
<u>Purchases Including Interchange-In</u>	(+)	<u>70,774,310</u>
Sub-Total		<u>387,342,310</u>
 B. Pumped Storage Energy	(+)	-
Non-Native Sales Including Interchange Out	(+)	16,584,990
<u>System Losses (370,757,320 KWH times 5.1%^(a))</u>	(+)	<u>18,908,623</u>
Sub-Total		<u>35,493,613</u>
 C. Total Sales (A - B)		<u><u>351,848,697</u></u>

Note: ^(a) Average of prior 12 months.

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: May 2009

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	5,157,650.81
Oil Burned	(+)	408,075.00
Gas Burned	(+)	767,846.49
MISO Make Whole Payments	(-)	999,341.89
Fuel (assigned cost during Forced Outage ^(a))	(+)	569,978.24
Fuel (substitute cost during Forced Outage ^(a))	(-)	90,721.13
Sub-Total		<u>\$5,813,487.52</u>
B. Purchases		
Economy Purchases	(+)	5,675,568.92
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	634,123.25
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$5,041,445.67</u>
C. Non-Native Sales Fuel Costs		\$313,940.96
D. Total Fuel Costs (A + B - C)		<u>\$10,540,992.23</u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056.

**DUKE ENERGY KENTUCKY
OVER OR (UNDER) RECOVERY SCHEDULE**

Expense Month: April 2009

Line No.	Description		
1	FAC Rate Billed (¢/kWh)	(+)	0 8069
2	Retail kWh Billed at Above Rate	(x)	<u>321,354,380</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>\$2,593,008.49</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	281,066,174
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4- Line 5)		<u>281,066,174</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		\$2,267,922 96
8	Over or (Under) (Line 3 - Line 7)		\$325,085 53
9	Total Sales (Schedule 3 Line C)	(-)	351,848,697
10	Kentucky Jurisdictional Sales	(+)	<u>351,848,697</u>
11	Ratio of Total Sales to KY Jurisdictional Sales (Line 9 ÷ Line 10)		1 00000
12	Total Company Over or (Under) Recovery (Line 8 * Line 11)	(+)	\$325,085 53
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0 00
14	Total Company Over or (Under) Recovery		<u><u>\$325,085.53</u></u>

**DUKE ENERGY KENTUCKY
MISO RESETTLEMENTS FUEL COST SCHEDULE**

Expense Month:		February 2009 Dollars (\$)
A Company Generation		
Coal Burned	(+)	10,120,537.10
Oil Burned	(+)	7,454.00
Gas Burned	(+)	1,169,705.49
MISO Make Whole Payments	(-)	1,738,423.85
Fuel (assigned cost during Forced Outage ^(a))	(+)	43,861.17
Fuel (substitute cost during Forced Outage ^(a))	(-)	29,936.52
Sub-Total		<u>\$9,573,197.39</u>
B Purchases		
Economy Purchases	(+)	126,435.03
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	34,332.53
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$92,102.50</u>
C. Non-Native Sales Fuel Costs		<u>450,877.80</u>
D. Total Fuel Costs (A + B - C)		\$9,214,422.09
E. Total Fuel Costs Previously Reported		9,146,412.52
F. Prior Period Adjustment		-
G. Adjustment due to MISO Resettlements		<u>\$68,009.57</u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056.



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P O Box 960
Cincinnati, Ohio 45201-0960
Tel. 513-419-6954
Fax: 513-419-6948
Lisa Steinkuhl@duke-energy.com

Lisa Steinkuhl
Lead Rates Analyst

VIA OVERNIGHT DELIVERY

August 20, 2009

Mr. Jeff Derouen, Executive Director
Attention: Daryl Newby

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

Dear Mr. Derouen and Mr. Newby:

In compliance with KAR 807 5:056, enclosed for filing are the fuel adjustment clause schedules with supporting sales and fuel cost schedules supporting Duke Energy Kentucky's fuel adjustment factor applicable to billings for retail sales in September 2009.

Please contact me if you have any questions.

Sincerely,

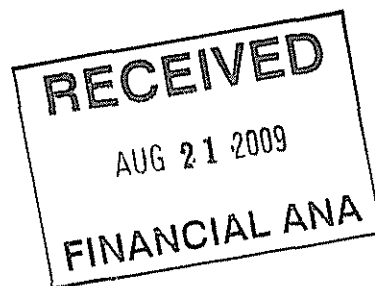
Lisa D. Steinkuhl

Enclosure

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**PUBLIC SERVICE
COMMISSION**



**DUKE ENERGY KENTUCKY
FUEL ADJUSTMENT CLAUSE SCHEDULE**

Expense Month: July 2009

Line No.	Description	Amount	Rate (¢/kWh)
1	Fuel F_m (Schedule 2, Line I)	\$9,570,711.48	
2	Sales S_m (Schedule 3, Line C) +	342,896,281	2.7911
3	Base Fuel Rate (F_b/S_b) per PSC Order in Case No. 2006-00172	(-)	3.3760
4	Fuel Adjustment Clause Rate (Line 2 - Line 3)		<u><u>(0.5849)</u></u>

Effective Date for Billing: August 31, 2009

Submitted by: _____

Title: Lead Rates Analyst

Date Submitted: August 20, 2009

**DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE**

Expense Month: July 2009

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	9,713,050.79
Oil Burned	(+)	-
Gas Burned	(+)	113,432.09
MISO Make Whole Payments	(-)	283,750.20
Fuel (assigned cost during Forced Outage ^(a))	(+)	241,979.88
Fuel (substitute cost during Forced Outage ^(a))	(-)	18,413.76
Sub-Total		<u>\$9,766,298.80</u>
B. Purchases		
Economy Purchases	(+)	670,961.66
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	293,228.28
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$377,733.38</u>
C. Non-Native Sales Fuel Costs		<u>\$721,202.80</u>
D. Total Fuel Costs (A + B - C)	(+)	\$9,422,829.38 ^(b)
E. Total Company Over or (Under) Recovery from Schedule 5, Line 14	(-)	\$421,859.62
F. Adjustment indicating the difference in actual fuel cost for the month of June 2009 and the estimated cost originally reported		
reported \$10,037,879.57 - \$9,855,007.64	(+)	\$182,871.93
(actual) (estimate)		
G. MISO Resettlements for prior periods from Schedule 6, Line G	(+)	(\$69,464.28)
H. Deferral of Current Purchased Power Costs	(-)	\$0.00
I. Amount of Purchased Power Costs for Backup Power purchased ^(c)	(+)	\$456,334.07
J. Grand Total Fuel Cost (D - E + F + G - H)		<u><u>\$9,570,711.48</u></u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056.

^(b) Estimated - to be trued up in the filing next month

^(c) DE Kentucky proposes to mitigate the impact on ratepayers by deferring a portion of the purchase power costs due to a planned outage at the East Bend generating station over a six-month period beginning in July 2009 and ending in December 2009

**DUKE ENERGY KENTUCKY
SALES SCHEDULE**

Expense Month: July 2009

		<u>Kilowatt-Hours Current Month</u>
A. Generation (Net)	(+)	364,601,000
<u>Purchases Including Interchange-In</u>	(+)	<u>22,259,450</u>
Sub-Total		<u>386,860,450</u>
 B. Pumped Storage Energy	(+)	-
Non-Native Sales Including Interchange Out	(+)	27,053,230
<u>System Losses (359,807,220 KWH times 4.7%^(a))</u>	(+)	<u>16,910,939</u>
Sub-Total		<u>43,964,169</u>
 C. Total Sales (A - B)		<u><u>342,896,281</u></u>

.....

Note: ^(a) Average of prior 12 months.

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: June 2009

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	7,965,372.45
Oil Burned	(+)	320,703.00
Gas Burned	(+)	544,742.04
MISO Make Whole Payments	(-)	726,434.74
Fuel (assigned cost during Forced Outage ^(a))	(+)	64,506.97
Fuel (substitute cost during Forced Outage ^(a))	(-)	11,211.37
Sub-Total		\$8,157,678.35
B. Purchases		
Economy Purchases	(+)	2,335,685.69
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	73,860.45
Less purchases above highest cost units	(-)	-
Sub-Total		\$2,261,825.24
C. Non-Native Sales Fuel Costs		\$381,624.02
D. Total Fuel Costs (A + B - C)		\$10,037,879.57

Note: ^(a) Forced Outage as defined in 807 KAR 5:056.

**DUKE ENERGY KENTUCKY
OVER OR (UNDER) RECOVERY SCHEDULE**

Expense Month: May 2009

Line No.	Description		
1	FAC Rate Billed (ϕ /kWh)	(+)	0 7735
2	Retail kWh Billed at Above Rate	(x)	<u>349,513,175</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>\$2,703,484.41</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	294,974,116
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4- Line 5)		<u>294,974,116</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		\$2,281,624 79
8	Over or (Under) (Line 3 - Line 7)		\$421,859 62
9	Total Sales (Schedule 3 Line C)	(-)	342,896,281
10	Kentucky Jurisdictional Sales	(+)	<u>342,896,281</u>
11	Ratio of Total Sales to KY Jurisdictional Sales (Line 9 + Line 10)		1 00000
12	Total Company Over or (Under) Recovery (Line 8 * Line 11)	(+)	\$421,859 62
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0 00
14	Total Company Over or (Under) Recovery		<u><u>\$421,859.62</u></u>

**DUKE ENERGY KENTUCKY
MISO RESETTLEMENTS FUEL COST SCHEDULE**

Expense Month:		March 2009 Dollars (\$)
A. Company Generation		
Coal Burned	(+)	10,901,288.32
Oil Burned	(+)	17,231.00
Gas Burned	(+)	897,917.66
MISO Make Whole Payments	(-)	978,098.37
Fuel (assigned cost during Forced Outage ^(a))	(+)	29,188.63
Fuel (substitute cost during Forced Outage ^(a))	(-)	371,351.10
Sub-Total		<u>\$10,496,176.14</u>
B. Purchases		
Economy Purchases	(+)	82,612.25
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	10,506.22
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$72,106.03</u>
C. Non-Native Sales Fuel Costs		<u>1,955,387.01</u>
D. Total Fuel Costs (A + B - C)		\$8,612,895.16
E. Total Fuel Costs Previously Reported		8,682,359.44
F. Prior Period Adjustment		-
G. Adjustment due to MISO Resettlements		<u><u>(\$69,464.28)</u></u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056



139 East Fourth Street
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Tel: 513-419-6954
Fax: 513-419-6948
Lisa Steinkuhl@duke-energy.com

Lisa Steinkuhl
Lead Rates Analyst

VIA OVERNIGHT DELIVERY

September 17, 2009

Mr. Jeff Derouen, Executive Director
Attention: Daryl Newby

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

Dear Mr. Derouen and Mr. Newby:

In compliance with KAR 807 5:056, enclosed for filing are the fuel adjustment clause schedules with supporting sales and fuel cost schedules supporting Duke Energy Kentucky's fuel adjustment factor applicable to billings for retail sales in October 2009.

Please contact me if you have any questions.

Sincerely,

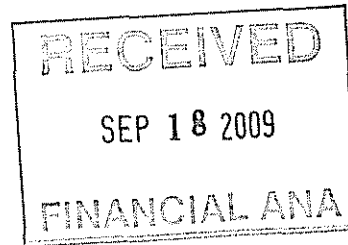
Lisa D. Steinkuhl

Enclosure

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**PUBLIC SERVICE
COMMISSION**



DUKE ENERGY KENTUCKY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month: August 2009

Line No.	Description	Amount	Rate (¢/kWh)
1	Fuel F_m (Schedule 2, Line J)	\$10,891,181.61	
2	Sales S_m (Schedule 3, Line C)	÷ 371,462,635	2.9320
3	Base Fuel Rate (F_b/S_b) per PSC Order in Case No. 2008-00522	(-)	3.3760
4	Fuel Adjustment Clause Rate (Line 2 - Line 3)		<u>(0.4440)</u>

Effective Date for Billing: September 30, 2009

Submitted by: Lisa D. Steinkuhl

Title: Lead Rates Analyst

Date Submitted: September 17, 2009

**DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE**

Expense Month: August 2009

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	8,692,882.66
Oil Burned	(+)	-
Gas Burned	(+)	293,081.67
MISO Make Whole Payments	(-)	265,841.30
Fuel (assigned cost during Forced Outage ^(a))	(+)	235,633.97
Fuel (substitute cost during Forced Outage ^(a))	(-)	4,235.72
Sub-Total		<u>\$8,951,521.28</u>
B. Purchases		
Economy Purchases	(+)	2,146,329.34
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	252,372.90
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$1,893,956.44</u>
C. Non-Native Sales Fuel Costs		<u>\$477,376.37</u>
D. Total Fuel Costs (A + B - C)	(+)	\$10,368,101.35 ^(b)
E. Total Company Over or (Under) Recovery from Schedule 5, Line 14	(-)	(\$68,491.41)
F. Adjustment indicating the difference in actual fuel cost for the month of July 2009 and the estimated cost originally reported		
reported \$9,433,129.52 - \$9,422,829.38	(+)	\$10,300.14
(actual) (estimate)		
G. MISO Resettlements for prior periods from Schedule 6, Line G	(+)	(\$12,045.36)
H. Deferral of Current Purchased Power Costs	(-)	\$0.00
I. Amount of Purchased Power Costs for Backup Power purchased ^(c)	(+)	\$456,334.07
J. Grand Total Fuel Cost (D - E + F + G - H + I)		<u><u>\$10,891,181.61</u></u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056.

^(b) Estimated - to be trued up in the filing next month

^(c) DE Kentucky proposes to mitigate the impact on ratepayers by deferring a portion of the purchase power costs due to a planned outage at the East Bend generating station over a six-month period beginning in July 2009 and ending in December 2009

**DUKE ENERGY KENTUCKY
SALES SCHEDULE**

Expense Month: August 2009

		<u>Kilowatt-Hours Current Month</u>
A. Generation (Net)	(+)	341,522,000
<u>Purchases Including Interchange-In</u>	(+)	<u>68,439,290</u>
Sub-Total		<u>409,961,290</u>
 B. Pumped Storage Energy	(+)	 -
Non-Native Sales Including Interchange Out	(+)	19,359,150
<u>System Losses (390,602,140 KWH times 4.9%^(a))</u>	(+)	<u>19,139,505</u>
Sub-Total		<u>38,498,655</u>
 C. Total Sales (A - B)		 <u><u>371,462,635</u></u>

.....

Note: ^(a) Average of prior 12 months.

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: July 2009

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	9,611,796.39
Oil Burned	(+)	101,246.00
Gas Burned	(+)	113,432.31
MISO Make Whole Payments	(-)	283,492.41
Fuel (assigned cost during Forced Outage ^(a))	(+)	242,400.59
Fuel (substitute cost during Forced Outage ^(a))	(-)	17,712.68
Sub-Total		\$9,767,670.20
B. Purchases		
Economy Purchases	(+)	685,853.84
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	294,796.79
Less purchases above highest cost units	(-)	-
Sub-Total		\$391,057.05
C. Non-Native Sales Fuel Costs		\$725,597.73
D. Total Fuel Costs (A + B - C)		\$9,433,129.52

Note: ^(a) Forced Outage as defined in 807 KAR 5:056

**DUKE ENERGY KENTUCKY
OVER OR (UNDER) RECOVERY SCHEDULE**

Expense Month: June 2009

Line No.	Description		
1	FAC Rate Billed (¢/kWh)	(+)	0 6393
2	Retail kWh Billed at Above Rate	(x)	<u>341,135,196</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>\$2,180,877.31</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	351,848,697
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4- Line 5)		<u>351,848,697</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		\$2,249,368 72
8	Over or (Under) (Line 3 - Line 7)		(\$68,491 41)
9	Total Sales (Schedule 3 Line C)	(-)	371,462,635
10	Kentucky Jurisdictional Sales	(+)	<u>371,462,635</u>
11	Ratio of Total Sales to KY Jurisdictional Sales (Line 9 + Line 10)		1 00000
12	Total Company Over or (Under) Recovery (Line 8 * Line 11)	(+)	(\$68,491.41)
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0 00
14	Total Company Over or (Under) Recovery		<u><u>(\$68,491.41)</u></u>

**DUKE ENERGY KENTUCKY
MISO RESETTLEMENTS FUEL COST SCHEDULE**

Expense Month:		April 2009 Dollars (\$)
A. Company Generation		
Coal Burned	(+)	8,757,234.74
Oil Burned	(+)	76,248.00
Gas Burned	(+)	190,914.90
MISO Make Whole Payments	(-)	559,188.14
Fuel (assigned cost during Forced Outage ^(a))	(+)	88,571.72
Fuel (substitute cost during Forced Outage ^(a))	(-)	56,104.00
Sub-Total		\$8,497,677.22
B. Purchases		
Economy Purchases	(+)	1,325,018.90
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	97,371.82
Less purchases above highest cost units	(-)	-
Sub-Total		\$1,227,647.08
C. Non-Native Sales Fuel Costs		1,580,722.99
D. Total Fuel Costs (A + B - C)		\$8,144,601.31
E. Total Fuel Costs Previously Reported		8,156,646.67
F. Prior Period Adjustment		-
G. Adjustment due to MISO Resettlements		(\$12,045.36)

Note: ^(a) Forced Outage as defined in 807 KAR 5:056.



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Fax: 513-419-6948
Lisa Steinkuhl@duke-energy.com

Lisa Steinkuhl
Lead Rates Analyst

VIA OVERNIGHT DELIVERY

October 16, 2009

Mr. Jeff Derouen, Executive Director
Attention: Daryl Newby

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

Dear Mr. Derouen and Mr. Newby:

In compliance with KAR 807 5:056, enclosed for filing are the fuel adjustment clause schedules with supporting sales and fuel cost schedules supporting Duke Energy Kentucky's fuel adjustment factor applicable to billings for retail sales in November 2009.

Please contact me if you have any questions.

Sincerely,

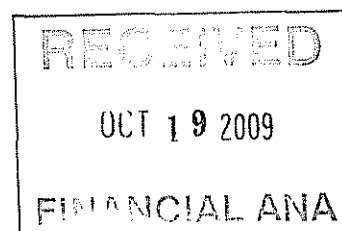
Lisa D. Steinkuhl

Enclosure

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DUKE ENERGY KENTUCKY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month: September 2009

Line No.	Description	Amount	Rate (¢/kWh)
1	Fuel F_m (Schedule 2, Line J)	\$8,063,405.65	
2	Sales S_m (Schedule 3, Line C) +	312,335,478	2.5816
3	Base Fuel Rate (F_b/S_b) per PSC Order in Case No. 2008-00522	(-)	3.3760
4	Fuel Adjustment Clause Rate (Line 2 - Line 3)		<u>(0.7944)</u>

Effective Date for Billing: October 29, 2009

Submitted by: *Lisa D. Blankenship*

Title: Lead Rates Analyst

Date Submitted: October 16, 2009

**DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE**

Expense Month: September 2009

		<u>Dollars (\$)</u>
A Company Generation		
Coal Burned	(+)	8,570,104.74
Oil Burned	(+)	-
Gas Burned	(+)	62,741.83
MISO Make Whole Payments	(-)	134,879.52
Fuel (assigned cost during Forced Outage ^(a))	(+)	-
Fuel (substitute cost during Forced Outage ^(a))	(-)	-
Sub-Total		<u>\$8,497,967.05</u>
B Purchases		
Economy Purchases	(+)	169,011.59
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	-
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$169,011.59</u>
C Non-Native Sales Fuel Costs		<u>\$994,990.45</u>
D Total Fuel Costs (A + B - C)	(+)	\$7,671,988.19 ^(b)
E Total Company Over or (Under) Recovery from Schedule 5, Line 14	(-)	\$19,748.50
F Adjustment indicating the difference in actual fuel cost for the month of August 2009 and the estimated cost originally reported		
\$10,359,492.50 - \$10,368,101.35	(+)	(\$8,608.85)
(actual) (estimate)		
G MISO Resettlements for prior periods from Schedule 6, Line G	(+)	(\$36,559.26)
H Deferral of Current Purchased Power Costs	(-)	\$0.00
I Amount of Purchased Power Costs for Backup Power purchased ^(c)	(+)	\$456,334.07
J Grand Total Fuel Cost (D - E + F + G - H + I)		<u><u>\$8,063,405.65</u></u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056

^(b) Estimated - to be trued up in the filing next month

^(c) DE Kentucky proposes to mitigate the impact on ratepayers by deferring a portion of the purchase power costs due to a planned outage at the East Bend generating station over a six-month period beginning in July 2009 and ending in December 2009

**DUKE ENERGY KENTUCKY
SALES SCHEDULE**

Expense Month: September 2009

		<u>Kilowatt-Hours Current Month</u>
A. Generation (Net)	(+)	363,251,000
<u>Purchases Including Interchange-In</u>	(+)	<u>7,828,910</u>
Sub-Total		<u>371,079,910</u>
 B. Pumped Storage Energy	(+)	-
Non-Native Sales Including Interchange Out	(+)	41,959,280
<u>System Losses (329,120,630 KWH times 5.1%^(a))</u>	(+)	<u>16,785,152</u>
Sub-Total		<u>58,744,432</u>
 C. Total Sales (A - B)		<u><u>312,335,478</u></u>

Note: ^(a) Average of prior 12 months.

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: August 2009

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	8,579,483.44
Oil Burned	(+)	113,390.00
Gas Burned	(+)	293,081.50
MISO Make Whole Payments	(-)	257,262.69
Fuel (assigned cost during Forced Outage ^(a))	(+)	240,618.29
Fuel (substitute cost during Forced Outage ^(a))	(-)	3,778.94
Sub-Total		\$8,965,531.60
B. Purchases		
Economy Purchases	(+)	2,125,460.93
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	256,742.89
Less purchases above highest cost units	(-)	-
Sub-Total		\$1,868,718.04
C. Non-Native Sales Fuel Costs		\$474,757.14
D. Total Fuel Costs (A + B - C)		\$10,359,492.50

Note: ^(a) Forced Outage as defined in 807 KAR 5:056.

**DUKE ENERGY KENTUCKY
OVER OR (UNDER) RECOVERY SCHEDULE**

Expense Month: July 2009

Line No.	Description		
1	FAC Rate Billed (¢/kWh)	(+)	(0 5849)
2	Retail kWh Billed at Above Rate	(x)	<u>339,519,892</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>(\$1,985,851.85)</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	342,896,281
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4- Line 5)		<u>342,896,281</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		(\$2,005,600 35)
8	Over or (Under) (Line 3 - Line 7)		\$19,748 50
9	Total Sales (Schedule 3 Line C)	(-)	312,335,478
10	Kentucky Jurisdictional Sales	(+)	<u>312,335,478</u>
11	Ratio of Total Sales to KY Jurisdictional Sales (Line 9 + Line 10)		1 00000
12	Total Company Over or (Under) Recovery (Line 8 * Line 11)	(+)	\$19,748 50
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0.00
14	Total Company Over or (Under) Recovery		<u><u>\$19,748.50</u></u>

**DUKE ENERGY KENTUCKY
MISO RESETTLEMENTS FUEL COST SCHEDULE**

Expense Month:	May 2009 Dollars (\$)
A. Company Generation	
Coal Burned (+)	5,157,650.82
Oil Burned (+)	408,075.00
Gas Burned (+)	767,846.49
MISO Make Whole Payments (-)	1,010,549.17
Fuel (assigned cost during Forced Outage ^(a)) (+)	569,373.98
Fuel (substitute cost during Forced Outage ^(a)) (-)	91,355.16
Sub-Total	<u>\$5,801,041.96</u>
B. Purchases	
Economy Purchases (+)	5,652,575.83
Other Purchases (+)	-
Other Purchases (substitute for Forced Outage ^(a)) (-)	632,716.94
Less purchases above highest cost units (-)	-
Sub-Total	<u>\$5,019,858.89</u>
C. Non-Native Sales Fuel Costs	<u>316,467.88</u>
D. Total Fuel Costs (A + B - C)	\$10,504,432.97
E. Total Fuel Costs Previously Reported	10,540,992.23
F. Prior Period Adjustment	-
G. Adjustment due to MISO Resettlements	<u>(\$36,559.26)</u>

 Note: ^(a) Forced Outage as defined in 807 KAR 5:056.



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PUBLIC SERVICE
COMMISSION

Lisa Steinkuhl
Lead Rates Analyst

VIA OVERNIGHT DELIVERY

November 19, 2009

Mr. Jeff Derouen, Executive Director
Attention: Daryl Newby

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

Dear Mr. Derouen and Mr. Newby:

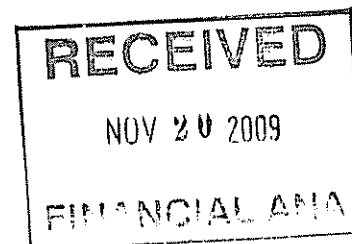
In compliance with KAR 807 5:056, enclosed for filing are the fuel adjustment clause schedules with supporting sales and fuel cost schedules supporting Duke Energy Kentucky's fuel adjustment factor applicable to billings for retail sales in December 2009.

Please contact me if you have any questions.

Sincerely,

Lisa D. Steinkuhl

Enclosure



DUKE ENERGY KENTUCKY
 FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month: October 2009

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>	<u>Rate (¢/kWh)</u>
1	Fuel F_m (Schedule 2, Line J)	\$7,399,402.84	
2	Sales S_m (Schedule 3, Line C) ÷	285,590,971	2.5909
3	Base Fuel Rate (F_v/S_b) per PSC Order in Case No. 2008-00522	(-)	<u>3.3760</u>
4	Fuel Adjustment Clause Rate (Line 2 - Line 3)		<u><u>(0.7851)</u></u>

Effective Date for Billing: December 1, 2009

Submitted by: _____

Title: Lead Rates Analyst

Date Submitted: November 19, 2009

**DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE**

Expense Month: October 2009

	<u>Dollars (\$)</u>
A. Company Generation	
Coal Burned	(+) 9,335,072.40
Oil Burned	(+) -
Gas Burned	(+) 347,943.00
MISO Make Whole Payments	(-) 209,832.04
Fuel (assigned cost during Forced Outage ^(a))	(+) -
Fuel (substitute cost during Forced Outage ^(a))	(-) -
Sub-Total	<u>\$9,473,183.36</u>
B. Purchases	
Economy Purchases	(+) 81,278.04
Other Purchases	(+) -
Other Purchases (substitute for Forced Outage ^(a))	(-) -
Less purchases above highest cost units	(-) -
Sub-Total	<u>\$81,278.04</u>
C. Non-Native Sales Fuel Costs	<u>\$2,222,739.10</u>
D. Total Fuel Costs (A + B - C)	(+) \$7,331,722.30 ^(b)
E. Total Company Over or (Under) Recovery from Schedule 5, Line 14	(-) \$359,579.56
F. Adjustment indicating the difference in actual fuel cost for the month of September 2009 and the estimated cost originally reported	(+) (\$11,650.53)
\$7,660,337.66 - \$7,671,988.19	
(actual) (estimate)	
G. MISO Resettlements for prior periods from Schedule 6, Line G	(+) (\$17,423.42)
H. Deferral of Current Purchased Power Costs	(-) \$0.00
I. Amount of Purchased Power Costs for Backup Power purchased ^(c)	(+) \$456,334.05
J. Grand Total Fuel Cost (D - E + F + G - H + I)	<u><u>\$7,399,402.84</u></u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056

^(b) Estimated - to be trued up in the filing next month

^(c) DE Kentucky proposes to mitigate the impact on ratepayers by deferring a portion of the purchase power costs due to a planned outage at the East Bend generating station over a six-month period beginning in July 2009 and ending in December 2009

**DUKE ENERGY KENTUCKY
SALES SCHEDULE**

Expense Month: October 2009

		<u>Kilowatt-Hours Current Month</u>
A. Generation (Net)	(+)	386,417,000
<u>Purchases Including Interchange-In</u>	(+)	<u>2,722,020</u>
Sub-Total		<u>389,139,020</u>
 B. Pumped Storage Energy	(+)	-
Non-Native Sales Including Interchange Out	(+)	89,463,290
<u>System Losses (299,675,730 KWH times 4.7%^(a))</u>	(+)	<u>14,084,759</u>
Sub-Total		<u>103,548,049</u>
 C. Total Sales (A - B)		<u><u>285,590,971</u></u>

Note: ^(a) Average of prior 12 months.

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: September 2009

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	8,533,614.66
Oil Burned	(+)	36,496.00
Gas Burned	(+)	62,741.91
MISO Make Whole Payments	(-)	168,735.88
Fuel (assigned cost during Forced Outage ^(a))	(+)	38,181.77
Fuel (substitute cost during Forced Outage ^(a))	(-)	3,638.48
Sub-Total		\$8,498,659.98
B. Purchases		
Economy Purchases	(+)	171,847.50
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	39,456.83
Less purchases above highest cost units	(-)	-
Sub-Total		\$132,390.67
C. Non-Native Sales Fuel Costs		\$970,712.99
D. Total Fuel Costs (A + B - C)		\$7,660,337.66

Note: ^(a) Forced Outage as defined in 807 KAR 5:056.

**DUKE ENERGY KENTUCKY
OVER OR (UNDER) RECOVERY SCHEDULE**

Expense Month: August 2009

Line No.	Description		
1	FAC Rate Billed (¢/kWh)	(+)	(0.4440)
2	Retail kWh Billed at Above Rate	(x)	<u>290,476,248</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>(\$1,289,714.54)</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	371,462,635
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4- Line 5)		<u>371,462,635</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		(\$1,649,294.10)
8	Over or (Under) (Line 3 - Line 7)		\$359,579.56
9	Total Sales (Schedule 3 Line C)	(-)	285,590,971
10	Kentucky Jurisdictional Sales	(+)	<u>285,590,971</u>
11	Ratio of Total Sales to KY Jurisdictional Sales (Line 9 ÷ Line 10)		1.00000
12	Total Company Over or (Under) Recovery (Line 8 * Line 11)	(+)	\$359,579.56
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0.00
14	Total Company Over or (Under) Recovery		<u><u>\$359,579.56</u></u>

**DUKE ENERGY KENTUCKY
MISO RESETTLEMENTS FUEL COST SCHEDULE**

Expense Month:		June 2009 Dollars (\$)
A. Company Generation		
Coal Burned	(+)	8,148,642.44
Oil Burned	(+)	137,433.00
Gas Burned	(+)	544,742.04
MISO Make Whole Payments	(-)	726,434.74
Fuel (assigned cost during Forced Outage ^(a))	(+)	64,268.50
Fuel (substitute cost during Forced Outage ^(a))	(-)	11,630.49
Sub-Total		<u>\$8,157,020.75</u>
B. Purchases		
Economy Purchases	(+)	2,322,591.13
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	73,634.55
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$2,248,956.58</u>
C. Non-Native Sales Fuel Costs		<u>385,521.18</u>
D. Total Fuel Costs (A + B - C)		\$10,020,456.15
E. Total Fuel Costs Previously Reported		10,037,879.57
F. Prior Period Adjustment		-
G. Adjustment due to MISO Resettlements		(\$17,423.42)

.....

Note: ^(a) Forced Outage as defined in 807 KAR 5:056.



139 East Fourth Street
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Tel: 513-419-6954
Fax: 513-419-6948
Lisa Steinkuhl@duke-energy.com

Lisa Steinkuhl
Lead Rates Analyst

VIA OVERNIGHT DELIVERY

December 18, 2009

Mr. Jeff Derouen, Executive Director
Attention: Daryl Newby

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

Dear Mr. Derouen and Mr. Newby:

In compliance with KAR 807 5:056, enclosed for filing are the fuel adjustment clause schedules with supporting sales and fuel cost schedules supporting Duke Energy Kentucky's fuel adjustment factor applicable to billings for retail sales in January 2010.

Please contact me if you have any questions.

Sincerely,

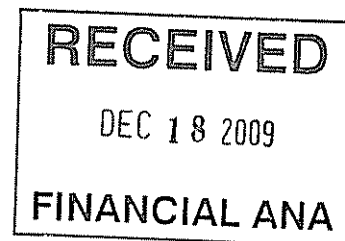
Lisa D. Steinkuhl

Enclosure

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DEC 18 2009

**PUBLIC SERVICE
COMMISSION**



**DUKE ENERGY KENTUCKY
FUEL ADJUSTMENT CLAUSE SCHEDULE**

Expense Month: November 2009

Line No.	Description	Amount	Rate (¢/kWh)
1	Fuel F_m (Schedule 2, Line J)	\$6,465,484.83	
2	Sales S_m (Schedule 3, Line C)	+ 283,037,760	2.2843
3	Base Fuel Rate (F_b/S_b) per PSC Order in Case No. 2008-00522	(-) _____	3.3760
4	Fuel Adjustment Clause Rate (Line 2 - Line 3)		<u><u>(1.0917)</u></u>

Effective Date for Billing:

January 4, 2010

Submitted by:

Lisa D. Steinkuhl

Title:

Lead Rates Analyst

Date Submitted:

December 18, 2009

**DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE**

Expense Month: November 2009

	<u>Dollars (\$)</u>
A Company Generation	
Coal Burned	(+) 8,580,647.59
Oil Burned	(+) -
Gas Burned	(+) 88,721.95
MISO Make Whole Payments	(-) 239,374.32
Fuel (assigned cost during Forced Outage ^(a))	(+) 40,905.95
Fuel (substitute cost during Forced Outage ^(a))	(-) 35,102.00
Sub-Total	<u>\$8,435,799.17</u>
B Purchases	
Economy Purchases	(+) 48,012.89
Other Purchases	(+) -
Other Purchases (substitute for Forced Outage ^(a))	(-) 8,852.00
Less purchases above highest cost units	(-) -
Sub-Total	<u>\$39,160.89</u>
C Non-Native Sales Fuel Costs	<u>\$1,705,664.77</u>
D Total Fuel Costs (A + B - C)	(+) \$6,769,295.29 ^(b)
E Total Company Over or (Under) Recovery from Schedule 5, Line 14	(-) \$303,688.35
F Adjustment indicating the difference in actual fuel cost for the month of October 2009 and the estimated cost originally reported	
reported \$7,362,149.24 - \$7,331,722.30	(+) \$30,426.94
(actual) (estimate)	
G MISO Resettlements for prior periods from Schedule 6, Line G	(+) (\$30,549.05)
H Deferral of Current Purchased Power Costs	(-) \$0.00
I Amount of Purchased Power Costs for Backup Power purchased	(+) \$0.00
J Grand Total Fuel Cost (D - E + F + G - H + I)	<u><u>\$6,465,484.83</u></u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056

^(b) Estimated - to be trued up in the filing next month

**DUKE ENERGY KENTUCKY
SALES SCHEDULE**

Expense Month: November 2009

		<u>Kilowatt-Hours Current Month</u>
A. Generation (Net)	(+)	362,790,000
<u>Purchases Including Interchange-In</u>	(+)	<u>1,832,220</u>
Sub-Total		<u>364,622,220</u>
 B Pumped Storage Energy	(+)	-
Non-Native Sales Including Interchange Out	(+)	67,625,620
<u>System Losses (296,996,600 KWH times 4.7%^(a))</u>	(+)	<u>13,958,840</u>
Sub-Total		<u>81,584,460</u>
 C Total Sales (A - B)		<u><u>283,037,760</u></u>

Note: ^(a) Average of prior 12 months.

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: October 2009

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	9,253,816.52
Oil Burned	(+)	81,242.00
Gas Burned	(+)	347,942.87
MISO Make Whole Payments	(-)	341,502.45
Fuel (assigned cost during Forced Outage ^(a))	(+)	-
Fuel (substitute cost during Forced Outage ^(a))	(-)	-
Sub-Total		\$9,341,498.94
B. Purchases		
Economy Purchases	(+)	83,424.99
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	-
Less purchases above highest cost units	(-)	-
Sub-Total		\$83,424.99
C. Non-Native Sales Fuel Costs		\$2,062,774.69
D. Total Fuel Costs (A + B - C)		\$7,362,149.24

Note: ^(a) Forced Outage as defined in 807 KAR 5:056

**DUKE ENERGY KENTUCKY
OVER OR (UNDER) RECOVERY SCHEDULE**

Expense Month: September 2009

Line No.	Description		
1	FAC Rate Billed (ϕ /kWh)	(+)	(0.7944)
2	Retail kWh Billed at Above Rate	(x)	<u>274,106,834</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>(\$2,177,504.69)</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	312,335,478
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4- Line 5)		<u>312,335,478</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		(\$2,481,193.04)
8	Over or (Under) (Line 3 - Line 7)		\$303,688.35
9	Total Sales (Schedule 3 Line C)	(-)	283,037,760
10	Kentucky Jurisdictional Sales	(+)	<u>283,037,760</u>
11	Ratio of Total Sales to KY Jurisdictional Sales (Line 9 + Line 10)		1.00000
12	Total Company Over or (Under) Recovery (Line 8 * Line 11)	(+)	\$303,688.35
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0.00
14	Total Company Over or (Under) Recovery		<u><u>\$303,688.35</u></u>

**DUKE ENERGY KENTUCKY
MISO RESETTLEMENTS FUEL COST SCHEDULE**

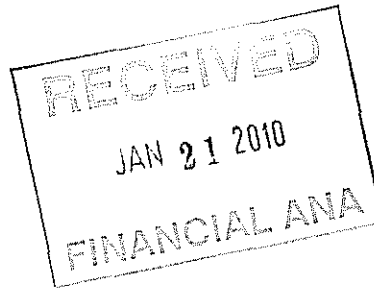
Expense Month:		July 2009 Dollars (\$)
A Company Generation		
Coal Burned	(+)	9,611,796.40
Oil Burned	(+)	101,246.00
Gas Burned	(+)	113,432.31
MISO Make Whole Payments	(-)	297,321.26
Fuel (assigned cost during Forced Outage ^(a))	(+)	239,967.05
Fuel (substitute cost during Forced Outage ^(a))	(-)	18,261.88
Sub-Total		<u>\$9,750,858.62</u>
B. Purchases		
Economy Purchases	(+)	675,931.19
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	291,520.30
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$384,410.89</u>
C. Non-Native Sales Fuel Costs		<u>732,689.04</u>
D Total Fuel Costs (A + B - C)		\$9,402,580.47
E Total Fuel Costs Previously Reported		9,433,129.52
F. Prior Period Adjustment		-
G Adjustment due to MISO Resettlements		<u><u>(\$30,549.05)</u></u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056



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Lisa Steinkuhl
Lead Rates Analyst



VIA OVERNIGHT DELIVERY

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JAN 21 2010

PUBLIC SERVICE
COMMISSION

January 21, 2010

Mr. Jeff Derouen, Executive Director
Attention: Daryl Newby

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

Dear Mr. Derouen and Mr. Newby:

In compliance with KAR 807 5:056, enclosed for filing are the fuel adjustment clause schedules with supporting sales and fuel cost schedules supporting Duke Energy Kentucky's fuel adjustment factor applicable to billings for retail sales in February 2010.

Please contact me if you have any questions.

Sincerely,

Lisa D. Steinkuhl

Enclosure

**DUKE ENERGY KENTUCKY
FUEL ADJUSTMENT CLAUSE SCHEDULE**

Expense Month: December 2009

Line No.	Description	Amount	Rate (¢/kWh)
1	Fuel F_m (Schedule 2, Line J)	\$8,518,938.55	
2	Sales S_m (Schedule 3, Line C) +	345,602,410	2.4650
3	Base Fuel Rate (F_b/S_b) per PSC Order in Case No. 2008-00522	(-)	<u>3.3760</u>
4	Fuel Adjustment Clause Rate (Line 2 - Line 3)		<u><u>(0.9110)</u></u>

Effective Date for Billing:

February 2, 2010

Submitted by:

Lisa D. Steinkuhl

Title:

Lead Rates Analyst

Date Submitted:

January 21, 2009

**DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE**

Expense Month: December 2009

		<u>Dollars (\$)</u>
A Company Generation		
Coal Burned	(+)	7,036,948 85
Oil Burned	(+)	-
Gas Burned	(+)	815,987 35
MISO Make Whole Payments	(-)	967,797 11
Fuel (assigned cost during Forced Outage ^(a))	(+)	1,655,794 06
Fuel (substitute cost during Forced Outage ^(a))	(-)	409,632.54
Sub-Total		<u>\$8,131,300.61</u>
B Purchases		
Economy Purchases	(+)	2,347,846 25
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	2,101,720 57
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$246,125.68</u>
C Non-Native Sales Fuel Costs		<u>\$459,122.29</u>
D Total Fuel Costs (A + B - C)	(+)	\$7,918,304.00 ^(b)
E Total Company Over or (Under) Recovery from Schedule 5, Line 14	(-)	(\$386,999 32)
F Adjustment indicating the difference in actual fuel cost for the month of November 2009 and the estimated cost originally reported		
\$6,978,748 33 - \$6,769,295 29	(+)	\$209,453 04
(actual) (estimate)		
G MISO Resettlements for prior periods from Schedule 6, Line G	(+)	\$4,182 19
H Deferral of Current Purchased Power Costs	(-)	\$0 00
I Amount of Purchased Power Costs for Backup Power purchased	(+)	\$0.00
J Grand Total Fuel Cost (D - E + F + G - H + I)		<u><u>\$8,518,938.55</u></u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056

^(b) Estimated - to be trued up in the filing next month

**DUKE ENERGY KENTUCKY
SALES SCHEDULE**

Expense Month: December 2009

		<u>Kilowatt-Hours Current Month</u>
A. Generation (Net)	(+)	321,658,000
<u>Purchases Including Interchange-In</u>	(+)	<u>65,780,580</u>
Sub-Total		<u>387,438,580</u>
 B. Pumped Storage Energy	(+)	-
Non-Native Sales Including Interchange Out	(+)	24,791,770
<u>System Losses (362,646,810 KWH times 4.7%^(a))</u>	(+)	<u>17,044,400</u>
Sub-Total		<u>41,836,170</u>
 C Total Sales (A - B)		<u><u>345,602,410</u></u>

Note: ^(a) Average of prior 12 months.

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: November 2009

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	8,483,625.73
Oil Burned	(+)	97,014.00
Gas Burned	(+)	88,721.88
MISO Make Whole Payments	(-)	228,655.42
Fuel (assigned cost during Forced Outage ^(a))	(+)	226,187.74
Fuel (substitute cost during Forced Outage ^(a))	(-)	2,541.77
Sub-Total		\$8,664,352.16
B. Purchases		
Economy Purchases	(+)	380,326.81
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	328,284.40
Less purchases above highest cost units	(-)	-
Sub-Total		\$52,042.41
C. Non-Native Sales Fuel Costs		\$1,737,646.24
D. Total Fuel Costs (A + B - C)		\$6,978,748.33

Note: ^(a) Forced Outage as defined in 807 KAR 5:056

**DUKE ENERGY KENTUCKY
OVER OR (UNDER) RECOVERY SCHEDULE**

Expense Month: October 2009

Line No.	Description		
1	FAC Rate Billed (ϕ /kWh)	(+)	(0 7851)
2	Retail kWh Billed at Above Rate	(x)	<u>334,883,968</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>(\$2,629,174.03)</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	285,590,971
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4- Line 5)		<u>285,590,971</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		(\$2,242,174.71)
8	Over or (Under) (Line 3 - Line 7)		(\$386,999.32)
9	Total Sales (Schedule 3 Line C)	(-)	345,602,410
10	Kentucky Jurisdictional Sales	(+)	<u>345,602,410</u>
11	Ratio of Total Sales to KY Jurisdictional Sales (Line 9 + Line 10)		1.00000
12	Total Company Over or (Under) Recovery (Line 8 * Line 11)	(+)	(\$386,999.32)
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0.00
14	Total Company Over or (Under) Recovery		<u><u>(\$386,999.32)</u></u>

**DUKE ENERGY KENTUCKY
MISO RESETTLEMENTS FUEL COST SCHEDULE**

Expense Month:	August 2009 Dollars (\$)
A. Company Generation	
Coal Burned (+)	8,579,483.44
Oil Burned (+)	113,390.00
Gas Burned (+)	293,081.78
MISO Make Whole Payments (-)	257,262.69
Fuel (assigned cost during Forced Outage ^(a)) (+)	240,513.15
Fuel (substitute cost during Forced Outage ^(a)) (-)	3,203.26
Sub-Total	<u>\$8,966,002.42</u>
B. Purchases	
Economy Purchases (+)	2,123,621.58
Other Purchases (+)	-
Other Purchases (substitute for Forced Outage ^(a)) (-)	256,689.68
Less purchases above highest cost units (-)	-
Sub-Total	<u>\$1,866,931.90</u>
C. Non-Native Sales Fuel Costs	<u>469,259.63</u>
D. Total Fuel Costs (A + B - C)	\$10,363,674.69
E. Total Fuel Costs Previously Reported	10,359,492.50
F. Prior Period Adjustment	-
G. Adjustment due to MISO Resettlements	<u><u>\$4,182.19</u></u>

Note: ^(a) Forced Outage as defined in 807 KAR 5:056