



139 East Fourth Street
P O Box 960
Cincinnati, Ohio 45201-0960
Tel: 513-287-2373
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Kelly Bergl@duke-energy.com

Kelly Berg
Lead Rates Analyst

VIA OVERNIGHT DELIVERY

February 16, 2011

Mr. Jeff Derouen, Executive Director
Attention: Daryl Newby

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

RECEIVED

FEB 17 2012

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 March 2012.

Please contact me if you have any questions.

Sincerely,

Kelly B. Berg

Enclosure

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FEB 20 2012

FINANCIAL ANA

**DUKE ENERGY KENTUCKY
FUEL ADJUSTMENT CLAUSE SCHEDULE**

Expense Month: January 2012

Line No.	Description	Amount	Rate (¢/kWh)
1	Fuel F_m (Schedule 2, Line J)	\$9,992,053.37	
2	Sales S_m (Schedule 3, Line C) ÷	351,658,176	2.8414
3	Base Fuel Rate (F_b/S_b) per PSC Order in Case No. 2010-00494	(-)	<u>2.5747</u>
4	Fuel Adjustment Clause Rate (Line 2 - Line 3)		<u><u>.02667</u></u>

Effective Date for Billing: March 1, 2012

Submitted by: *Kelly B. Benz*

Title: Lead Rates Analyst

Date Submitted: February 16, 2012

**DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE**

Expense Month: January 2012

		<u>Dollars (\$)</u>
A Company Generation		
Coal Burned	(+)	7,930,844.31
Oil Burned	(+)	-
Gas Burned	(+)	104,357.84
MISO Make Whole Payments	(-)	\$0.00
Fuel (assigned cost during Forced Outage ^(a))	(+)	58,116.87
Fuel (substitute cost during Forced Outage ^(a))	(-)	15,030.45
Sub-Total		<u>\$8,078,288.57</u>
B Purchases		
Economy Purchases	(+)	\$2,353,676.90
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	63,126.88
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$2,290,550.02</u>
C Non-Native Sales Fuel Costs		<u>199,026.68</u>
D Total Fuel Costs (A + B - C)	(+)	\$10,169,811.91 ^(b)
E Total Company Over or (Under) Recovery from Schedule 5, Line 14	(-)	\$128,563.84
F Adjustment indicating the difference in actual fuel cost for the month of December 2011 and the estimated cost originally reported		
\$9,686,158.00 - \$9,667,436.48	(+)	\$18,721.52
(actual) (estimate)		
G MISO Resettlements for prior periods from Schedule 6, Line G	(+)	(\$67,916.22)
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>\$9,992,053.37</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: January 2012

		<u>Kilowatt-Hours Current Month</u>
A. Generation (Net)	(+)	295,489,000
<u>Purchases Including Interchange-In</u>	(+)	<u>78,757,670</u>
Sub-Total		<u>374,246,670</u>
B. Pumped Storage Energy	(+)	-
Non-Native Sales Including Interchange Out	(+)	6,403,390
<u>System Losses (367,843,280 KWH times 4.4%^(a))</u>	(+)	<u>16,185,104</u>
Sub-Total		<u>22,588,494</u>
C. Total Sales (A - B)		<u><u>351,658,176</u></u>

Note: ^(a) Average of prior 12 months

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: December 2011

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	\$9,690,508.84
Oil Burned	(+)	170,943.00
Gas Burned	(+)	\$50,535.54
MISO Make Whole Payments	(-)	213,235.55
Fuel (assigned cost during Forced Outage ^(a))	(+)	80,292.03
Fuel (substitute cost during Forced Outage ^(a))	(-)	25,400.74
Sub-Total		\$9,753,643.12
B. Purchases		
Economy Purchases	(+)	\$437,599.40
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	73,990.97
Less purchases above highest cost units	(-)	-
Sub-Total		\$363,608.43
C. Non-Native Sales Fuel Costs		\$ 431,093.55
D. Total Fuel Costs (A + B - C)		\$9,686,158.00

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

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

Expense Month: November 2011

Line No.	Description		
1	FAC Rate Billed (¢/kWh)	(+)	0 2211
2	Retail kWh Billed at Above Rate	(x)	<u>350,939,440</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>\$775,927.10</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	292,792,065
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4- Line 5)		<u>292,792,065</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		\$647,363 26
8	Over or (Under) (Line 3 - Line 7)		\$128,563 84
9	Total Sales (Schedule 3 Line C)	(-)	351,658,176
10	Kentucky Jurisdictional Sales	(+)	<u>351,658,176</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)	(+)	\$128,563 84
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0 00
14	Total Company Over or (Under) Recovery		<u><u>\$128,563.84</u></u>

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

Expense Month:		September 2011 Dollars (\$)
A. Company Generation		
Coal Burned	(+)	\$6,756,334.08
Oil Burned	(+)	341,865.00
Gas Burned	(+)	\$199,813.80
MISO Make Whole Payments	(-)	223,047.42
Fuel (assigned cost during Forced Outage ^(a))	(+)	1,911,484.73
Fuel (substitute cost during Forced Outage ^(a))	(-)	164,483.46
Sub-Total		\$8,821,966.73
B. Purchases		
Economy Purchases	(+)	\$2,464,425.75
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	1,913,123.54
Less purchases above highest cost units	(-)	-
Sub-Total		\$551,302.21
C. Non-Native Sales Fuel Costs		\$ 799,413.93
D. Total Fuel Costs (A + B - C)		\$8,573,855.01
E. Total Fuel Costs Previously Reported		\$8,641,771.23
F. Prior Period Adjustment		-
G. Adjustment due to MISO Resettlements		(\$67,916.22)

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



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PUBLIC SERVICE
COMMISSION

March 19, 2011

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 April 2012.

Please contact me if you have any questions.

Sincerely,

Kelly B. Berg

Enclosure

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MAR 20 2012
FINANCIAL ANA

**DUKE ENERGY KENTUCKY
FUEL ADJUSTMENT CLAUSE SCHEDULE**

Expense Month: February 2012

Line No.	Description	Amount	Rate (¢/kWh)
1	Fuel F_m (Schedule 2, Line J)	\$8,316,705.35	
2	Sales S_m (Schedule 3, Line C) ÷	313,825,140	2.6501
3	Base Fuel Rate (F_b/S_b) per PSC Order in Case No. 2010-00494	(-)	<u>2.5747</u>
4	Fuel Adjustment Clause Rate (Line 2 - Line 3)		<u><u>0.0754</u></u>

Effective Date for Billing: March 30, 2012

Submitted by: *Kelly B Benz*

Title: Lead Rates Analyst

Date Submitted: March 19, 2012

**DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE**

Expense Month: February 2012

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	6,013,485.57
Oil Burned	(+)	-
Gas Burned	(+)	107.81
PJM Balancing & Day Ahead Operating Reserve Credit	(-)	\$0.00
Fuel (assigned cost during Forced Outage ^(a))	(+)	21,924.77
Fuel (substitute cost during Forced Outage ^(a))	(-)	-
Sub-Total		<u>\$6,035,518.15</u>
B. Purchases		
Economy Purchases	(+)	\$2,366,766.45
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	26,025.62
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$2,340,740.83</u>
C. Non-Native Sales Fuel Costs		<u>74,986.12</u>
D. Total Fuel Costs (A + B - C)	(+)	\$8,301,272.86 ^(b)
E. Total Company Over or (Under) Recovery from Schedule 5. Line 14	(-)	(\$25,746.88)
F. Adjustment indicating the difference in actual fuel cost for the month of January 2012 and the estimated cost originally reported		
\$10,165,268.63 - \$10,169,811.91	(+)	(\$4,543.28)
(actual) (estimate)		
G. MISO Resettlements for prior periods from Schedule 6, Line G	(+)	(\$5,771.11)
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>\$8,316,705.35</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 2012

		<u>Kilowatt-Hours Current Month</u>
A	Generation (Net)	(+)
		231,863,000
	<u>Purchases Including Interchange-In</u>	(+)
		<u>99,541,040</u>
	Sub-Total	<u>331,404,040</u>
B	Pumped Storage Energy	(+)
		-
	Non-Native Sales Including Interchange Out	(+)
		2,446,870
	<u>System Losses (328,957,170 KWH times 4.6%^(a))</u>	(+)
		<u>15,132,030</u>
	Sub-Total	<u>17,578,900</u>
C	Total Sales (A - B)	<u>313,825,140</u>

Note: ^(a) Average of prior 12 months

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: January 2012

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	\$7,684,251.33
Oil Burned	(+)	246,599.00
Gas Burned	(+)	\$104,357.82
PJM Balancing & Day Ahead Operating Reserve Credit	(-)	-
Fuel (assigned cost during Forced Outage ^(a))	(+)	58,116.87
Fuel (substitute cost during Forced Outage ^(a))	(-)	19,013.02
Sub-Total		\$8,074,312.00
B. Purchases		
Economy Purchases	(+)	\$2,341,224.19
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	63,126.88
Less purchases above highest cost units	(-)	-
Sub-Total		\$2,278,097.31
C. Non-Native Sales Fuel Costs		\$ 187,140.68
D. Total Fuel Costs (A + B - C)		\$10,165,268.63

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

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

Expense Month: December 2011

Line No.	Description		
1	FAC Rate Billed ($\$/kWh$)	(+)	0 2954
2	Retail kWh Billed at Above Rate	(x)	<u>324,437,335</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>\$958,387.89</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	333,153,275
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4- Line 5)		<u>333,153,275</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		\$984,134 77
8	Over or (Under) (Line 3 - Line 7)		(\$25,746 88)
9	Total Sales (Schedule 3 Line C)	(-)	313,825,140
10	Kentucky Jurisdictional Sales	(+)	<u>313,825,140</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)	(+)	(\$25,746 88)
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0 00
14	Total Company Over or (Under) Recovery		<u><u>(\$25,746.88)</u></u>

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

Expense Month:	October 2011 Dollars (\$)
A. Company Generation	
Coal Burned (+)	\$8,353,440.95
Oil Burned (+)	192,353.00
Gas Burned (+)	\$124,312.71
MISO Make Whole Payments (-)	241,020.67
Fuel (assigned cost during Forced Outage ^(a)) (+)	168,871.33
Fuel (substitute cost during Forced Outage ^(a)) (-)	4,613.10
Sub-Total	<u>\$8,593,344.22</u>
B. Purchases	
Economy Purchases (+)	\$793,538.96
Other Purchases (+)	-
Other Purchases (substitute for Forced Outage ^(a)) (-)	197,283.00
Less purchases above highest cost units (-)	-
Sub-Total	<u>\$596,255.96</u>
C. Non-Native Sales Fuel Costs	\$ 1,074,737.37
D. Total Fuel Costs (A + B - C)	<u>\$8,114,862.81</u>
E. Total Fuel Costs Previously Reported	\$8,120,633.92
F. Prior Period Adjustment	-
G. Adjustment due to MISO Resettlements	<u>(\$5,771.11)</u>

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



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Kelly Berg
Lead Rates Analyst

VIA OVERNIGHT DELIVERY

April 19, 2011

Mr. Jeff Derouen, Executive Director
Attention: Daryl Newby

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

RECEIVED
APR 20 2012
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 May 2012.

Please contact me if you have any questions.

Sincerely,

Kelly B. Berg

Enclosure

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APR 20 2012
FINANCIAL ANA

**DUKE ENERGY KENTUCKY
FUEL ADJUSTMENT CLAUSE SCHEDULE**

Expense Month: March 2012

Line No.	Description	Amount	Rate (¢/kWh)
1	Fuel F_m (Schedule 2, Line J)	\$9,673,806.64	
2	Sales S_m (Schedule 3, Line C)	303,385,178	3.1886
3	Base Fuel Rate (F_b/S_b) per PSC Order in Case No. 2010-00494	(-)	<u>2.5747</u>
4	Fuel Adjustment Clause Rate (Line 2 - Line 3)		<u><u>0.6139</u></u>

Effective Date for Billing:

May 1, 2012

Submitted by:

Kelly B. Brey

Title:

Lead Rates Analyst

Date Submitted:

April 19, 2012

**DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE**

Expense Month: March 2012

		<u>Dollars (\$)</u>
A Company Generation		
Coal Burned	(+)	2,141,090.38
Oil Burned	(+)	-
Gas Burned	(+)	143.74
PJM Balancing & Day Ahead Operating Reserve Credit	(-)	\$0.00
Fuel (assigned cost during Forced Outage ^(a))	(+)	-
Fuel (substitute cost during Forced Outage ^(a))	(-)	-
Sub-Total		<u>\$2,141,234.12</u>
B Purchases		
Economy Purchases	(+)	\$7,001,560.63
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	-
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$7,001,560.63</u>
C Non-Native Sales Fuel Costs		<u>-</u>
D Total Fuel Costs (A + B - C)	(+)	\$9,142,794.75 ^(b)
E Total Company Over or (Under) Recovery from Schedule 5, Line 14	(-)	(\$133,775.65)
F Adjustment indicating the difference in actual fuel cost for the month of February 2012 and the estimated cost originally reported		
reported \$8,708,524.79 - \$8,301,272.86	(+)	\$407,251.93
(actual) (estimate)		
G MISO Resettlements for prior periods from Schedule 6, Line G	(+)	(\$10,015.69)
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>\$9,673,806.64</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: March 2012

		<u>Kilowatt-Hours Current Month</u>
A Generation (Net)	(+)	76,862,000
<u>Purchases Including Interchange-In</u>	(+)	<u>241,819,910</u>
Sub-Total		<u>318,681,910</u>
 B Pumped Storage Energy	(+)	-
Non-Native Sales Including Interchange Out	(+)	-
<u>System Losses (318,681,910 KWH times 4.8%^(a))</u>	(+)	<u>15,296,732</u>
Sub-Total		<u>15,296,732</u>
 C Total Sales (A - B)		<u><u>303,385,178</u></u>

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

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Schedule 4
(revised)

DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE

Expense Month: February 2012

APR 26 2012

PUBLIC SERVICE
COMMISSION

Dollars (\$)

A. Company Generation		
Coal Burned	(+)	\$5,797,180.76
Oil Burned	(+)	216,309.00
Gas Burned	(+)	\$107.80
PJM Balancing & Day Ahead Operating Reserve Credit	(-)	-
Fuel (assigned cost during Forced Outage ^(a))	(+)	21,925.11
Fuel (substitute cost during Forced Outage ^(a))	(-)	-
<u>Sub-Total</u>		<u>\$6,035,522.67</u>
B. Purchases		
Economy Purchases	(+)	\$2,774,042.53
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	26,026.03
<u>Less purchases above highest cost units</u>	(-)	<u>-</u>
<u>Sub-Total</u>		<u>\$2,748,016.50</u>
C. Non-Native Sales Fuel Costs	\$	75,014.38
D. Total Fuel Costs (A + B - C)		<u>\$8,708,524.79</u>

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

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

Expense Month: January 2012

Line No.	Description		
1	FAC Rate Billed (¢/kWh)	(+)	0 2667
2	Retail kWh Billed at Above Rate	(x)	<u>301,498,580</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>\$804,096.71</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	351,658,176
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4- Line 5)		<u>351,658,176</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		\$937,872 36
8	Over or (Under) (Line 3 - Line 7)		(\$133,775 65)
9	Total Sales (Schedule 3 Line C)	(-)	303,385,178
10	Kentucky Jurisdictional Sales	(+)	<u>303,385,178</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)	(+)	(\$133,775 65)
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0 00
14	Total Company Over or (Under) Recovery		<u><u>(\$133,775.65)</u></u>

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

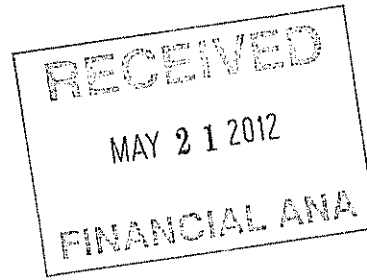
Expense Month:		November 2011 <u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	\$8,676,416.81
Oil Burned	(+)	78,279.00
Gas Burned	(+)	\$86,697.64
MISO Make Whole Payments	(-)	227,678.88
Fuel (assigned cost during Forced Outage ^(a))	(+)	13,713.43
Fuel (substitute cost during Forced Outage ^(a))	(-)	8,948.57
Sub-Total		<u>\$8,618,479.43</u>
B. Purchases		
Economy Purchases	(+)	\$245,487.26
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	15,171.87
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$230,315.39</u>
C. Non-Native Sales Fuel Costs		\$ 816,771.05
D. Total Fuel Costs (A + B - C)		<u>\$8,032,023.77</u>
E. Total Fuel Costs Previously Reported		\$8,042,039.46
F. Prior Period Adjustment		-
G. Adjustment due to MISO Resettlements		<u>(\$10,015.69)</u>

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



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Please contact me if you have any questions.

Sincerely,

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MAY 18 2012

PUBLIC SERVICE
COMMISSION

**DUKE ENERGY KENTUCKY
FUEL ADJUSTMENT CLAUSE SCHEDULE**

Expense Month: April 2012

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>	<u>Rate (¢/kWh)</u>
1	Fuel F_m (Schedule 2, Line J)	\$8,182,496.39	
2	Sales S_m (Schedule 3, Line C) ÷	273,025,641	2.9970
3	Base Fuel Rate (F_b/S_b) per PSC Order in Case No. 2010-00494	(-)	<u>2.5747</u>
4	Fuel Adjustment Clause Rate (Line 2 - Line 3)		<u><u>0.4223</u></u>

Effective Date for Billing: May 31, 2012

Submitted by: *Kelly B. Benz*

Title: Lead Rates Analyst

Date Submitted: May 17, 2012

**DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE**

Expense Month: April 2012

		<u>Dollars (\$)</u>
A Company Generation		
Coal Burned	(+)	2,997,490.53
Oil Burned	(+)	-
Gas Burned	(+)	161.71
PJM Balancing & Day Ahead Operating Reserve Credit	(-)	\$0.00
Fuel (assigned cost during Forced Outage ^(a))	(+)	1,156,621.29
Fuel (substitute cost during Forced Outage ^(a))	(-)	120,388.34
Sub-Total		<u>\$4,033,885.19</u>
B Purchases		
Economy Purchases	(+)	\$5,311,296.77
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	1,074,131.71
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$4,237,165.06</u>
C Non-Native Sales Fuel Costs		<u>264,985.58</u>
D Total Fuel Costs (A + B - C)	(+)	\$8,006,064.67 ^(b)
E Total Company Over or (Under) Recovery from Schedule 5, Line 14	(-)	(\$24,469.86)
F Adjustment indicating the difference in actual fuel cost for the month of March 2012 and the estimated cost originally reported		
\$9,295,494.84 - \$9,142,794.75	(+)	\$152,700.09
(actual) (estimate)		
G MISO Resettlements for prior periods from Schedule 6, Line G	(+)	(\$738.23)
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>\$8,182,496.39</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 2012

		<u>Kilowatt-Hours Current Month</u>
A Generation (Net)	(+)	98,772,000
<u>Purchases Including Interchange-In</u>	(+)	<u>196,872,000</u>
Sub-Total		<u>295,644,000</u>
 B Pumped Storage Energy	(+)	-
Non-Native Sales Including Interchange Out	(+)	8,852,360
<u>System Losses (286,791,640 KWH times 4.8%^(a))</u>	(+)	<u>13,765,999</u>
Sub-Total		<u>22,618,359</u>
 C Total Sales (A - B)		<u><u>273,025,641</u></u>

Note: ^(a) Average of prior 12 months

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: March 2012

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	\$1,864,222.07
Oil Burned	(+)	277,013.00
Gas Burned	(+)	\$0.00
PJM Balancing & Day Ahead Operating Reserve Credit	(-)	-
Fuel (assigned cost during Forced Outage ^(a))	(+)	-
Fuel (substitute cost during Forced Outage ^(a))	(-)	-
Sub-Total		\$2,141,235.07
B. Purchases		
Economy Purchases	(+)	\$7,154,259.77
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	-
Less purchases above highest cost units	(-)	-
Sub-Total		\$7,154,259.77
C. Non-Native Sales Fuel Costs		\$ -
D. Total Fuel Costs (A + B - C)		\$9,295,494.84

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

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

Expense Month: February 2012

Line No.	Description		
1	FAC Rate Billed (ϕ /kWh)	(+)	0.0754
2	Retail kWh Billed at Above Rate	(x)	<u>281,371,753</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>\$212,154.30</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	313,825,140
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4- Line 5)		<u>313,825,140</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		\$236,624.16
8	Over or (Under) (Line 3 - Line 7)		(\$24,469.86)
9	Total Sales (Schedule 3 Line C)	(-)	273,025,641
10	Kentucky Jurisdictional Sales	(+)	<u>273,025,641</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)	(+)	(\$24,469.86)
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0.00
14	Total Company Over or (Under) Recovery		<u><u>(\$24,469.86)</u></u>

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

Expense Month:		December 2011 Dollars (\$)
A. Company Generation		
Coal Burned	(+)	\$9,690,508.83
Oil Burned	(+)	170,943.00
Gas Burned	(+)	\$50,535.54
MISO Make Whole Payments	(-)	213,235.55
Fuel (assigned cost during Forced Outage ^(a))	(+)	78,495.40
Fuel (substitute cost during Forced Outage ^(a))	(-)	23,794.80
Sub-Total		\$9,753,452.42
B. Purchases		
Economy Purchases	(+)	\$436,938.91
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	73,579.55
Less purchases above highest cost units	(-)	-
Sub-Total		\$363,359.36
C. Non-Native Sales Fuel Costs		\$ 431,392.01
D. Total Fuel Costs (A + B - C)		\$9,685,419.77
E. Total Fuel Costs Previously Reported		\$9,686,158.00
F. Prior Period Adjustment		-
G. Adjustment due to MISO Resettlements		(\$738.23)

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



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JUN 19 2012

PUBLIC SERVICE
COMMISSION

139 East Fourth Street
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Cincinnati, Ohio 45201-0960
Tel: 513-287-2373
Fax: 513-287-2473
Kelly.Berg@duke-energy.com

Kelly Berg
Lead Rates Analyst

VIA OVERNIGHT DELIVERY

June 18, 2012

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:

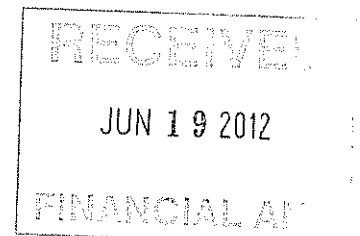
In compliance with KAR 807 5:056, enclosed for filing are the fuel adjustment clause schedules with supporting sales and fuel cost schedules supporting Duke Energy Kentucky's fuel adjustment factor applicable to billings for retail sales in July 2012.

Please contact me if you have any questions.

Sincerely,

Kelly B. Berg

Enclosure



**DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE**

Expense Month: May 2012

		<u>Dollars (\$)</u>
A Company Generation		
Coal Burned	(+)	8,178,290 31
Oil Burned	(+)	-
Gas Burned	(+)	178,664 33
PJM Balancing & Day Ahead Operating Reserve Credit	(-)	\$0 00
Fuel (assigned cost during Forced Outage ^(a))	(+)	591,494 09
Fuel (substitute cost during Forced Outage ^(a))	(-)	16,550.55
Sub-Total		<u>\$8,931,898.18</u>
B Purchases		
Economy Purchases	(+)	\$2,308,494 27
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	602,676 87
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$1,705,817.40</u>
C Non-Native Sales Fuel Costs		<u>647,866.84</u>
D Total Fuel Costs (A + B - C)	(+)	\$9,989,848 74 ^(b)
E Total Company Over or (Under) Recovery from Schedule 5, Line 14	(-)	(\$65,503 67)
F Adjustment indicating the difference in actual fuel cost for the month of April 2012 and the estimated cost originally reported		
reported \$8,065,292 50 - \$8,006,064 67	(+)	\$59,227 83
(actual) (estimate)		
G MISO Resettlements for prior periods from Schedule 6, Line G	(+)	(\$33,203 16)
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>\$10,081,377.08</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: May 2012

		<u>Kilowatt-Hours Current Month</u>
A Generation (Net)	(+)	314,492,000
<u>Purchases Including Interchange-In</u>	(+)	<u>66,591,810</u>
Sub-Total		<u>381,083,810</u>
 B Pumped Storage Energy	(+)	-
Non-Native Sales Including Interchange Out	(+)	24,068,570
<u>System Losses (357,015,240 KWH times 4.9%^(a))</u>	(+)	<u>17,493,747</u>
Sub-Total		<u>41,562,317</u>
 C Total Sales (A - B)		<u><u>339,521,493</u></u>

Note: ^(a) Average of prior 12 months

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: April 2012

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	\$2,644,593.04
Oil Burned	(+)	352,901.00
Gas Burned	(+)	\$161.71
PJM Balancing & Day Ahead Operating Reserve Credit	(-)	-
Fuel (assigned cost during Forced Outage ^(a))	(+)	1,158,905.53
Fuel (substitute cost during Forced Outage ^(a))	(-)	125,618.90
Sub-Total		\$4,030,942.38
B. Purchases		
Economy Purchases	(+)	\$5,325,234.16
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	1,055,210.33
Less purchases above highest cost units	(-)	-
Sub-Total		\$4,270,023.83
C. Non-Native Sales Fuel Costs		\$ 235,673.71
D. Total Fuel Costs (A + B - C)		\$8,065,292.50

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

DUKE ENERGY KENTUCKY
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: March 2012

Line No.	Description		
1	FAC Rate Billed (ϕ /kWh)	(+)	0 6139
2	Retail kWh Billed at Above Rate	(x)	<u>292,715,090</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>\$1,796,977.94</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	303,385,178
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4- Line 5)		<u>303,385,178</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		\$1,862,481.61
8	Over or (Under) (Line 3 - Line 7)		(\$65,503.67)
9	Total Sales (Schedule 3 Line C)	(-)	339,521,493
10	Kentucky Jurisdictional Sales	(+)	<u>339,521,493</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)	(+)	(\$65,503.67)
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0.00
14	Total Company Over or (Under) Recovery		<u><u>(\$65,503.67)</u></u>

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

Expense Month:	January 2012 Dollars (\$)
A Company Generation	
Coal Burned (+)	\$7,684,251.33
Oil Burned (+)	246,599.00
Gas Burned (+)	\$104,357.82
PJM Balancing & Day Ahead Operating Reserve Credit (-)	14.50
Fuel (assigned cost during Forced Outage ^(a)) (+)	58,116.87
Fuel (substitute cost during Forced Outage ^(a)) (-)	20,599.48
Sub-Total	<u>\$8,072,711.04</u>
B Purchases	
Economy Purchases (+)	\$2,313,478.45
Other Purchases (+)	-
Other Purchases (substitute for Forced Outage ^(a)) (-)	61,379.93
Less purchases above highest cost units (-)	-
Sub-Total	<u>\$2,252,098.52</u>
C. Non-Native Sales Fuel Costs	\$ 192,744.09
D. Total Fuel Costs (A + B - C)	<u>\$10,132,065.47</u>
E Total Fuel Costs Previously Reported	\$10,165,268.63
F. Prior Period Adjustment	-
G. Adjustment due to MISO Resettlements	<u>(\$33,203.16)</u>

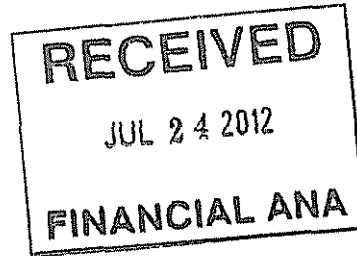
Note: ^(a) Forced Outage as defined in 807 KAR 5:056



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Kelly Berg
Lead Rates Analyst

VIA OVERNIGHT DELIVERY



July 19, 2012

Mr. Jeff Derouen, Executive Director
Attention: Daryl Newby

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

RECEIVED

JUL 20 2012

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 August 2012.

Please contact me if you have any questions.

Sincerely,

Kelly B. Berg

Enclosure

**DUKE ENERGY KENTUCKY
FUEL ADJUSTMENT CLAUSE SCHEDULE**

Expense Month: June 2012

Line No.	Description	Amount	Rate (¢/kWh)
1	Fuel F_m (Schedule 2, Line J)	\$9,777,021.02	
2	Sales S_m (Schedule 3, Line C)	÷ 363,729,076	2.6880
3	Base Fuel Rate (F_b/S_b) per PSC Order in Case No. 2010-00494	(-)	<u>2.5747</u>
4	Fuel Adjustment Clause Rate (Line 2 - Line 3)		<u><u>0.1133</u></u>

Effective Date for Billing: July 31, 2012

Submitted by: *Kelly B. Berg*

Title: Lead Rates Analyst

Date Submitted: July 19, 2012

**DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE**

Expense Month: June 2012

		<u>Dollars (\$)</u>
A Company Generation		
Coal Burned	(+)	8,534,643.59
Oil Burned	(+)	-
Gas Burned	(+)	294,444.11
PJM Balancing & Day Ahead Operating Reserve Credit	(-)	\$0.00
Fuel (assigned cost during Forced Outage ^(a))	(+)	627,991.16
Fuel (substitute cost during Forced Outage ^(a))	(-)	10,330.25
Sub-Total		<u>\$9,446,748.61</u>
B Purchases		
Economy Purchases	(+)	\$1,802,598.94
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	644,487.16
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$1,158,111.78</u>
C Non-Native Sales Fuel Costs		<u>305,170.38</u>
D Total Fuel Costs (A + B - C)	(+)	\$10,299,690.01 ^(b)
E Total Company Over or (Under) Recovery from Schedule 5, Line 14	(-)	\$294,129.21
F Adjustment indicating the difference in actual fuel cost for the month of May 2012 and the estimated cost originally reported		
\$9,792,822.24 - \$9,989,848.74	(+)	(\$197,026.50)
(actual) (estimate)		
G MISO Resettlements for prior periods from Schedule 6. Line G	(+)	(\$31,513.28)
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>\$9,777,021.02</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: June 2012

		<u>Kilowatt-Hours Current Month</u>
A	Generation (Net)	(+)
		341,244,000
	<u>Purchases Including Interchange-In</u>	(+)
		<u>52,372,850</u>
	Sub-Total	<u>393,616,850</u>
B	Pumped Storage Energy	(+)
		-
	Non-Native Sales Including Interchange Out	(+)
		10,340,690
	<u>System Losses (383,276,160 KWH times 5.1%^(a))</u>	(+)
		<u>19,547,084</u>
	Sub-Total	<u>29,887,774</u>
C	Total Sales (A - B)	<u>363,729,076</u>

Note: ^(a) Average of prior 12 months

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: May 2012

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	\$7,743,262.65
Oil Burned	(+)	435,021.00
Gas Burned	(+)	\$178,664.48
PJM Balancing & Day Ahead Operating Reserve Credit	(-)	46,338.98
Fuel (assigned cost during Forced Outage ^(a))	(+)	1,026,154.10
Fuel (substitute cost during Forced Outage ^(a))	(-)	17,605.11
Sub-Total		<u>\$9,319,158.14</u>
B. Purchases		
Economy Purchases	(+)	\$2,255,543.58
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	1,170,538.99
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$1,085,004.59</u>
C. Non-Native Sales Fuel Costs		\$ 611,340.49
D. Total Fuel Costs (A + B - C)		<u>\$9,792,822.24</u>

Note: ^(a) Forced Outage as defined in 807 KAR 5.056

DUKE ENERGY KENTUCKY
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month: April 2012

Line No.	Description		
1	FAC Rate Billed (ϕ /kWh)	(+)	0 4223
2	Retail kWh Billed at Above Rate	(x)	<u>342,674,991</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>\$1,447,116.49</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	273,025,641
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4- Line 5)		<u>273,025,641</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		\$1,152,987.28
8	Over or (Under) (Line 3 - Line 7)		\$294,129 21
9	Total Sales (Schedule 3 Line C)	(-)	363,729,076
10	Kentucky Jurisdictional Sales	(+)	<u>363,729,076</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)	(+)	\$294,129 21
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0 00
14	Total Company Over or (Under) Recovery		<u><u>\$294,129.21</u></u>

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

Expense Month:		February 2012 Dollars (\$)
A. Company Generation		
Coal Burned	(+)	\$5,797,180.76
Oil Burned	(+)	216,309.00
Gas Burned	(+)	\$107.80
PJM Balancing & Day Ahead Operating Reserve Credit	(-)	-
Fuel (assigned cost during Forced Outage ^(a))	(+)	21,899.82
Fuel (substitute cost during Forced Outage ^(a))	(-)	-
Sub-Total		<u>\$6,035,497.38</u>
B. Purchases		
Economy Purchases	(+)	\$2,743,467.79
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	25,999.09
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$2,717,468.70</u>
C. Non-Native Sales Fuel Costs		\$ 75,954.57
D. Total Fuel Costs (A + B - C)		\$8,677,011.51
E. Total Fuel Costs Previously Reported		\$8,708,524.79
F. Prior Period Adjustment		-
G. Adjustment due to MISO Resettlements		(\$31,513.28)

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



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Fax. 513-287-2473
Kelly.Berg@duke-energy.com

Kelly Berg
Lead Rates Analyst

VIA OVERNIGHT DELIVERY

August 16, 2012

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 2012.

Please contact me if you have any questions.

Sincerely,

Kelly B. Berg

Enclosure

RECEIVED

AUG 16 2012

PUBLIC SERVICE
COMMISSION

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AUG 17 2012
FINANCIAL ANA

**DUKE ENERGY KENTUCKY
FUEL ADJUSTMENT CLAUSE SCHEDULE**

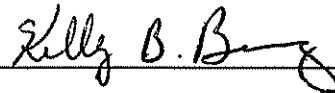
Expense Month: July 2012

Line No.	Description	Amount	Rate (¢/kWh)
1	Fuel F_m (Schedule 2, Line J)	\$12,422,568.20	
2	Sales S_m (Schedule 3, Line C)	÷ 438,411,518	2.8335
3	Base Fuel Rate (F_b/S_b) per PSC Order in Case No. 2010-00494	(-) 2.5747	<u>2.5747</u>
4	Fuel Adjustment Clause Rate (Line 2 - Line 3)		<u><u>0.2588</u></u>

Effective Date for Billing:

August 29, 2012

Submitted by:



Title:

Lead Rates Analyst

Date Submitted:

August 16, 2012

**DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE**

Expense Month: July 2012

Dollars (\$)

A Company Generation		
Coal Burned	(+)	7,268,084.92
Oil Burned	(+)	-
Gas Burned	(+)	324,672.56
PJM Balancing & Day Ahead Operating Reserve Credit	(-)	\$1,163,651.22
Fuel (assigned cost during Forced Outage ^(a))	(+)	3,061,398.02
Fuel (substitute cost during Forced Outage ^(a))	(-)	87,616.19
Sub-Total		<u>\$9,402,888.09</u>
 B Purchases		
Economy Purchases	(+)	\$9,047,589.56
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	5,559,873.46
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$3,487,716.10</u>
 C Non-Native Sales Fuel Costs		<u>(160,072.89)</u>
 D Total Fuel Costs (A + B - C)	(+)	\$13,050,677.08 ^(b)
 E Total Company Over or (Under) Recovery from Schedule 5, Line 14	(-)	\$279,760.27
 F Adjustment indicating the difference in actual fuel cost for the month of June 2012 and the estimated cost originally reported		
reported		\$9,990,132.07
(actual)		-
estimated		\$10,299,690.01
(estimate)		-
	(+)	(\$309,557.94)
 G MISO Resettlements for prior periods from Schedule 6, Line G	(+)	(\$38,790.67)
 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>\$12,422,568.20</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: July 2012

		<u>Kilowatt-Hours Current Month</u>
A	Generation (Net)	(+)
		281,403,990
	<u>Purchases Including Interchange-In</u>	(+)
		<u>181,769,040</u>
	Sub-Total	<u>463,173,030</u>
B	Pumped Storage Energy	(+)
		-
	Non-Native Sales Including Interchange Out	(+)
		2,656,730
	<u>System Losses (460,516,300 KWH times 4.8%^(a))</u>	(+)
		<u>22,104,782</u>
	Sub-Total	<u>24,761,512</u>
C	Total Sales (A - B)	<u><u>438,411,518</u></u>

Note: ^(a) Average of prior 12 months

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: June 2012

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	\$8,324,409.85
Oil Burned	(+)	210,232.00
Gas Burned	(+)	\$294,444.01
PJM Balancing & Day Ahead Operating Reserve Credit	(-)	166,337.28
Fuel (assigned cost during Forced Outage ^(a))	(+)	627,936.04
Fuel (substitute cost during Forced Outage ^(a))	(-)	3,030.68
Sub-Total		\$9,287,653.94
B. Purchases		
Economy Purchases	(+)	\$1,630,311.81
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	642,590.71
Less purchases above highest cost units	(-)	-
Sub-Total		\$987,721.10
C Non-Native Sales Fuel Costs		\$ 285,242.97
D Total Fuel Costs (A + B - C)		\$9,990,132.07

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

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

Expense Month: May 2012

Line No.	Description		
1	FAC Rate Billed (\$/kWh)	(+)	0 3946
2	Retail kWh Billed at Above Rate	(x)	<u>410,418,672</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>\$1,619,512.08</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	339,521,493
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4- Line 5)		<u>339,521,493</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		\$1,339,751.81
8	Over or (Under) (Line 3 - Line 7)		\$279,760.27
9	Total Sales (Schedule 3 Line C)	(-)	438,411,518
10	Kentucky Jurisdictional Sales	(+)	<u>438,411,518</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)	(+)	\$279,760.27
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0.00
14	Total Company Over or (Under) Recovery		<u><u>\$279,760.27</u></u>

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

Expense Month:		March 2012 Dollars (\$)
A Company Generation		
Coal Burned	(+)	\$1,864,222.07
Oil Burned	(+)	277,013.00
Gas Burned	(+)	\$0.00
PJM Balancing & Day Ahead Operating Reserve Credit	(-)	-
Fuel (assigned cost during Forced Outage ^(a))	(+)	-
Fuel (substitute cost during Forced Outage ^(a))	(-)	-
Sub-Total		<u>\$2,141,235.07</u>
B. Purchases		
Economy Purchases	(+)	\$7,115,469.10
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	-
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$7,115,469.10</u>
C. Non-Native Sales Fuel Costs		\$ -
D. Total Fuel Costs (A + B - C)		<u>\$9,256,704.17</u>
E. Total Fuel Costs Previously Reported		\$9,295,494.84
F. Prior Period Adjustment		-
G. Adjustment due to MISO Resettlements		<u>(\$38,790.67)</u>

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



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Tel: 513-287-2373
Fax: 513-287-2473
Kelly.Berg@duke-energy.com

Kelly Berg
Lead Rates Analyst

VIA OVERNIGHT DELIVERY

September 17, 2012

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 2012.

Please contact me if you have any questions.

Sincerely,

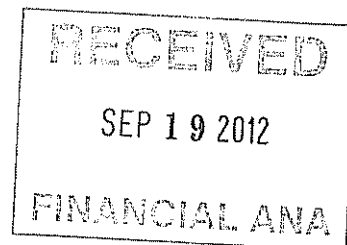
Kelly B. Berg

Enclosure

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**DUKE ENERGY KENTUCKY
FUEL ADJUSTMENT CLAUSE SCHEDULE**

Expense Month: August 2012

Line No.	Description	Amount	Rate (¢/kWh)
1	Fuel F_m (Schedule 2, Line J)	\$11,152,729.70	
2	Sales S_m (Schedule 3, Line C)	+ 392,536,057	2.8412
3	Base Fuel Rate (F_b/S_b) per PSC Order in Case No. 2010-00494	(-)	<u>2.5747</u>
4	Fuel Adjustment Clause Rate (Line 2 - Line 3)		<u><u>0.2665</u></u>

Effective Date for Billing: September 28, 2012

Submitted by: *Sally B. Benz*

Title: Lead Rates Analyst

Date Submitted: September 17, 2012

**DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE**

Expense Month: August 2012

		<u>Dollars (\$)</u>
A Company Generation		
Coal Burned	(+)	8,338,050 94
Oil Burned	(+)	-
Gas Burned	(+)	182,349 79
PJM Balancing & Day Ahead Operating Reserve Credit	(-)	\$1,419 28
Fuel (assigned cost during Forced Outage ^(a))	(+)	1,444,665 54
Fuel (substitute cost during Forced Outage ^(a))	(-)	73,835.57
Sub-Total		<u>\$9,889,811.42</u>
B Purchases		
Economy Purchases	(+)	\$2,870,722 09
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	1,574,465 78
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$1,296,256.31</u>
C Non-Native Sales Fuel Costs		<u>115,760.72</u>
D Total Fuel Costs (A + B - C)	(+)	\$11,070,307 01 ^(b)
E Total Company Over or (Under) Recovery from Schedule 5, Line 14	(-)	\$31,547 30
F Adjustment indicating the difference in actual fuel cost for the month of July 2012 and the estimated cost originally reported		
reported \$13,010,619 87 - \$13,050,677 08	(+)	(\$40,057 21)
(actual) (estimate)		
G MISO Resettlements for prior periods from Schedule 6, Line G	(+)	\$154,027 20
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>\$11,152,729.70</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: August 2012

		<u>Kilowatt-Hours Current Month</u>
A	Generation (Net)	(+) 330,716,000
	<u>Purchases Including Interchange-In</u>	(+) <u>86,487,810</u>
	Sub-Total	<u>417,203,810</u>
B	Pumped Storage Energy	(+) -
	Non-Native Sales Including Interchange Out	(+) 4,007,960
	<u>System Losses (413,195,850 KWH times 5.0%^(a))</u>	(+) <u>20,659,793</u>
	Sub-Total	<u>24,667,753</u>
C	Total Sales (A - B)	<u><u>392,536,057</u></u>

Note: ^(a) Average of prior 12 months

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: July 2012

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	\$6,970,330.66
Oil Burned	(+)	297,754.00
Gas Burned	(+)	\$324,672.26
PJM Balancing & Day Ahead Operating Reserve Credit	(-)	1,165,763.78
Fuel (assigned cost during Forced Outage ^(a))	(+)	3,028,805.25
Fuel (substitute cost during Forced Outage ^(a))	(-)	93,031.01
Sub-Total		\$9,362,767.38
B. Purchases		
Economy Purchases	(+)	\$8,983,804.68
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	5,425,281.52
Less purchases above highest cost units	(-)	-
Sub-Total		\$3,558,523.16
C. Non-Native Sales Fuel Costs		\$ (89,329.33)
D. Total Fuel Costs (A + B - C)		\$13,010,619.87

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

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

Expense Month: June 2012

Line No.	Description		
1	FAC Rate Billed (ϕ /kWh)	(+)	0.1133
2	Retail kWh Billed at Above Rate	(x)	<u>391,573,116</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>\$443,652.34</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	363,729,076
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4- Line 5)		<u>363,729,076</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		\$412,105.04
8	Over or (Under) (Line 3 - Line 7)		\$31,547.30
9	Total Sales (Schedule 3 Line C)	(-)	392,536,057
10	Kentucky Jurisdictional Sales	(+)	<u>392,536,057</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)	(+)	\$31,547.30
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0.00
14	Total Company Over or (Under) Recovery		<u><u>\$31,547.30</u></u>

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

Expense Month:		April 2012 Dollars (\$)
A Company Generation		
Coal Burned	(+)	\$2,644,593.04
Oil Burned	(+)	352,901.00
Gas Burned	(+)	\$161.71
PJM Balancing & Day Ahead Operating Reserve Credit	(-)	-
Fuel (assigned cost during Forced Outage ^(a))	(+)	1,158,905.53
Fuel (substitute cost during Forced Outage ^(a))	(-)	125,618.90
Sub-Total		<u>\$4,030,942.38</u>
B Purchases		
Economy Purchases	(+)	\$5,471,369.44
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	1,055,210.33
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$4,416,159.11</u>
C Non-Native Sales Fuel Costs		\$ 227,781.79
D Total Fuel Costs (A + B - C)		<u>\$8,219,319.70</u>
E Total Fuel Costs Previously Reported		\$8,065,292.50
F Prior Period Adjustment		-
G Adjustment due to MISO Resettlements		<u>\$154,027.20</u>

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



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Fax: 513-287-2473
Kelly.Berg@duke-energy.com

Kelly Berg
Lead Rates Analyst

VIA OVERNIGHT DELIVERY

October 18, 2012

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 2012.

Please contact me if you have any questions.

Sincerely,

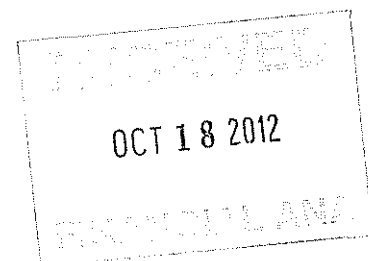
Kelly B. Berg

Enclosure

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**DUKE ENERGY KENTUCKY
FUEL ADJUSTMENT CLAUSE SCHEDULE**

Expense Month: September 2012

Line No.	Description	Amount	Rate (¢/kWh)
1	Fuel F_m (Schedule 2, Line J)	\$9,174,169.67	
2	Sales S_m (Schedule 3, Line C) ÷	316,941,971	2.8946
3	Base Fuel Rate (F_b/S_b) per PSC Order in Case No. 2010-00494	(-)	<u>2.5747</u>
4	Fuel Adjustment Clause Rate (Line 2 - Line 3)		<u><u>0.3199</u></u>

Effective Date for Billing: October 29, 2012

Submitted by: 

Title: Lead Rates Analyst

Date Submitted: October 18, 2012

**DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE**

Expense Month: September 2012

		<u>Dollars (\$)</u>
A Company Generation		
Coal Burned	(+)	6,748,914.87
Oil Burned	(+)	-
Gas Burned	(+)	46,224.26
PJM Balancing & Day Ahead Operating Reserve Credit	(-)	\$78,324.22
Fuel (assigned cost during Forced Outage ^(a))	(+)	2,797,763.26
Fuel (substitute cost during Forced Outage ^(a))	(-)	538,629.32
Sub-Total		<u>\$8,975,948.85</u>
B Purchases		
Economy Purchases	(+)	\$2,989,846.33
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	2,421,721.37
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$568,124.96</u>
C Non-Native Sales Fuel Costs		<u>522,906.84</u>
D Total Fuel Costs (A + B - C)	(+)	\$9,021,166.97 ^(b)
E Total Company Over or (Under) Recovery from Schedule 5, Line 14	(-)	(\$200,468.92)
F Adjustment indicating the difference in actual fuel cost for the month of August 2012 and the estimated cost originally reported		
\$11,023,662.15 - \$11,070,307.01	(+)	(\$46,644.86)
(actual) (estimate)		
G MISO Resettlements for prior periods from Schedule 6, Line G	(+)	(\$821.35)
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>\$9,174,169.67</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: September 2012

		<u>Kilowatt-Hours Current Month</u>
A	Generation (Net)	(+)
		250,658,000
	<u>Purchases Including Interchange-In</u>	(+)
		<u>102,029,090</u>
	Sub-Total	<u>352,687,090</u>
B	Pumped Storage Energy	(+)
		-
	Non-Native Sales Including Interchange Out	(+)
		18,712,410
	<u>System Losses (333,974,680 KWH times 5.1%^(a))</u>	(+)
		<u>17,032,709</u>
	Sub-Total	<u>35,745,119</u>
C.	Total Sales (A - B)	<u>316,941,971</u>

Note: ^(a) Average of prior 12 months

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: August 2012

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	\$8,161,315.94
Oil Burned	(+)	176,735.00
Gas Burned	(+)	\$182,349.83
PJM Balancing & Day Ahead Operating Reserve Credit	(-)	244,917.70
Fuel (assigned cost during Forced Outage ^(a))	(+)	1,483,428.15
Fuel (substitute cost during Forced Outage ^(a))	(-)	27,588.07
Sub-Total		\$9,731,323.15
B. Purchases		
Economy Purchases	(+)	\$3,301,387.54
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	1,874,923.97
Less purchases above highest cost units	(-)	-
Sub-Total		\$1,426,463.57
C. Non-Native Sales Fuel Costs		\$ 134,124.57
D. Total Fuel Costs (A + B - C)		\$11,023,662.15

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

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

Expense Month: July 2012

Line No.	Description		
1	FAC Rate Billed (¢/kWh)	(+)	0 2588
2	Retail kWh Billed at Above Rate	(x)	<u>360,950,574</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>\$934,140.09</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	438,411,518
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4- Line 5)		<u>438,411,518</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		\$1,134,609 01
8	Over or (Under) (Line 3 - Line 7)		(\$200,468 92)
9	Total Sales (Schedule 3 Line C)	(-)	316,941,971
10	Kentucky Jurisdictional Sales	(+)	<u>316,941,971</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)	(+)	(\$200,468 92)
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0 00
14	Total Company Over or (Under) Recovery		<u><u>(\$200,468.92)</u></u>

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

Expense Month:		May 2012 Dollars (\$)
A. Company Generation		
Coal Burned	(+)	\$7,743,262.65
Oil Burned	(+)	435,021.00
Gas Burned	(+)	\$178,664.48
PJM Balancing & Day Ahead Operating Reserve Credit	(-)	48,497.19
Fuel (assigned cost during Forced Outage ^(a))	(+)	1,024,775.39
Fuel (substitute cost during Forced Outage ^(a))	(-)	17,507.31
Sub-Total		<u>\$9,315,719.02</u>
B. Purchases		
Economy Purchases	(+)	\$2,257,087.10
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	1,169,230.56
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$1,087,856.54</u>
C. Non-Native Sales Fuel Costs		\$ 611,574.67
D. Total Fuel Costs (A + B - C)		<u>\$9,792,000.89</u>
E. Total Fuel Costs Previously Reported		\$9,792,822.24
F. Prior Period Adjustment		-
G. Adjustment due to MISO Resettlements		<u><u>(\$821.35)</u></u>

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



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Kelly Bergl@duke-energy.com

Kelly Berg
Lead Rates Analyst

VIA OVERNIGHT DELIVERY

November 16, 2012

Mr. Jeff Derouen, Executive Director
Attention: Chris Whelan

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

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NOV 19 2012
PUBLIC SERVICE
COMMISSION

Dear Mr. Derouen and Ms. Whelan:

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 2012.

Please contact me if you have any questions.

Sincerely,

Kelly B. Berg

Enclosure

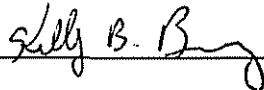
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**DUKE ENERGY KENTUCKY
FUEL ADJUSTMENT CLAUSE SCHEDULE**

Expense Month: October 2012

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>	<u>Rate (¢/kWh)</u>
1	Fuel F_m (Schedule 2, Line J)	\$9,460,576.00	
2	Sales S_m (Schedule 3, Line C) +	295,562,280	3.2009
3	Base Fuel Rate (F_b/S_b) per PSC Order in Case No 2010-00494	(-)	<u>2.5747</u>
4	Fuel Adjustment Clause Rate (Line 2 - Line 3)		<u><u>0.6262</u></u>

Effective Date for Billing: November 29, 2012

Submitted by: 

Title: Lead Rates Analyst

Date Submitted: November 16, 2012

**DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE**

Expense Month: October 2012

		<u>Dollars (\$)</u>
A Company Generation		
Coal Burned	(+)	8,292,871.43
Oil Burned	(+)	-
Gas Burned	(+)	27,493.47
PJM Balancing & Day Ahead Operating Reserve Credit	(-)	\$0.00
Fuel (assigned cost during Forced Outage ^(a))	(+)	1,543,640.37
Fuel (substitute cost during Forced Outage ^(a))	(-)	217,513.97
Sub-Total		\$9,646,491.30
B. Purchases		
Economy Purchases	(+)	\$2,190,689.79
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	1,638,990.87
Less purchases above highest cost units	(-)	-
Sub-Total		\$551,698.92
C Non-Native Sales Fuel Costs		1,142,850.87
D Total Fuel Costs (A + B - C)	(+)	\$9,055,339.35 ^(b)
E Total Company Over or (Under) Recovery from Schedule 5, Line 14	(-)	(\$289,704.05)
F Adjustment indicating the difference in actual fuel cost for the month of September 2012 and the estimated cost originally reported		
\$9,091,352.60 - \$9,021,166.97	(+)	\$70,185.63
(actual) (estimate)		
G MISO Resettlements for prior periods from Schedule 6, Line G	(+)	\$45,346.97
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)		\$9,460,576.00

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: October 2012

			<u>Kilowatt-Hours Current Month</u>
A Generation (Net)	(+)	291,306,000	
<u>Purchases Including Interchange-In</u>	(+)	<u>63,008,750</u>	
Sub-Total			<u>354,314,750</u>
 B Pumped Storage Energy	(+)	-	
Non-Native Sales Including Interchange Out	(+)	42,210,970	
<u>System Losses (312,103,780 KWH times 5.3%^(a))</u>	(+)	<u>16,541,500</u>	
Sub-Total			<u>58,752,470</u>
 C Total Sales (A - B)			<u><u>295,562,280</u></u>

Note: ^(a) Average of prior 12 months

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: September 2012

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	\$6,408,699.29
Oil Burned	(+)	340,213.00
Gas Burned	(+)	\$46,224.10
PJM Balancing & Day Ahead Operating Reserve Credit	(-)	78,324.22
Fuel (assigned cost during Forced Outage ^(a))	(+)	2,822,353.33
Fuel (substitute cost during Forced Outage ^(a))	(-)	488,148.73
Sub-Total		\$9,051,016.77
B. Purchases		
Economy Purchases	(+)	\$3,707,233.46
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	3,136,718.37
Less purchases above highest cost units	(-)	-
Sub-Total		\$570,515.09
C. Non-Native Sales Fuel Costs		\$ 530,179.26
D. Total Fuel Costs (A + B - C)		\$9,091,352.60

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

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

Expense Month: August 2012

Line No.	Description		
1	FAC Rate Billed (¢/kWh)	(+)	0 2665
2	Retail kWh Billed at Above Rate	(x)	<u>283,829,097</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>\$756,404.54</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	392,536,057
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4- Line 5)		<u>392,536,057</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		\$1,046,108 59
8	Over or (Under) (Line 3 - Line 7)		(\$289,704 05)
9	Total Sales (Schedule 3 Line C)	(-)	295,562,280
10	Kentucky Jurisdictional Sales	(+)	<u>295,562,280</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)	(+)	(\$289,704 05)
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0 00
14	Total Company Over or (Under) Recovery		<u><u>(\$289,704.05)</u></u>

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

Expense Month:		June 2012 Dollars (\$)
A. Company Generation		
Coal Burned	(+)	\$8,324,409.85
Oil Burned	(+)	210,232.00
Gas Burned	(+)	\$294,444.01
PJM Balancing & Day Ahead Operating Reserve Credit	(-)	166,337.28
Fuel (assigned cost during Forced Outage ^(a))	(+)	627,936.49
Fuel (substitute cost during Forced Outage ^(a))	(-)	3,107.81
Sub-Total		<u>\$9,287,577.26</u>
B. Purchases		
Economy Purchases	(+)	\$1,654,216.40
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	642,590.96
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$1,011,625.44</u>
C. Non-Native Sales Fuel Costs		\$ 263,723.66
D. Total Fuel Costs (A + B - C)		<u>\$10,035,479.04</u>
E. Total Fuel Costs Previously Reported		\$9,990,132.07
F. Prior Period Adjustment		-
G. Adjustment due to MISO Resettlements		<u>\$45,346.97</u>

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



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COMMISSION

139 East Fourth Street
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Tel: 513-287-2373
Fax: 513-287-2473
Kelly.Berg@duke-energy.com

Kelly Berg
Lead Rates Analyst

VIA OVERNIGHT DELIVERY

December 20, 2012

Mr. Jeff Derouen, Executive Director
Attention: Chris Whelan

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

Dear Mr. Derouen and Ms. Whelan:

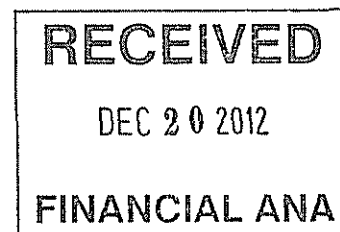
In compliance with KAR 807 5:056, enclosed for filing are the fuel adjustment clause schedules with supporting sales and fuel cost schedules supporting Duke Energy Kentucky's fuel adjustment factor applicable to billings for retail sales in January 2013.

Please contact me if you have any questions.

Sincerely,

Kelly B. Berg

Enclosure



DUKE ENERGY KENTUCKY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month: November 2012

Line No.	Description	Amount	Rate (¢/kWh)
1	Fuel F_m (Schedule 2, Line J)	\$10,415,675.85	
2	Sales S_m (Schedule 3, Line C)	÷ 305,086,940	3.4140
3	Base Fuel Rate (F_b/S_b) per PSC Order in Case No. 2010-00494		(-) 2.5747
4	Fuel Adjustment Clause Rate (Line 2 - Line 3)		<u>0.8393</u>

Effective Date for Billing: January 2, 2013

Submitted by: *Kelly B. Berg*

Title: Lead Rates Analyst

Date Submitted: December 20, 2012

**DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE**

Expense Month: November 2012

		<u>Dollars (\$)</u>
A Company Generation		
Coal Burned	(+)	8,755,701.62
Oil Burned	(+)	-
Gas Burned	(+)	32,161.28
PJM Balancing & Day Ahead Operating Reserve Credit	(-)	\$0.00
Fuel (assigned cost during Forced Outage ^(a))	(+)	1,485,878.73
Fuel (substitute cost during Forced Outage ^(a))	(-)	355,548.06
Sub-Total		<u>\$9,918,193.57</u>
B Purchases		
Economy Purchases	(+)	\$1,872,933.75
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	1,754,806.44
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$118,127.31</u>
C Non-Native Sales Fuel Costs		<u>1,384,036.96</u>
D Total Fuel Costs (A + B - C)	(+)	\$8,652,283.92 ^(b)
E Total Company Over or (Under) Recovery from Schedule 5, Line 14	(-)	(\$70,649.68)
F Adjustment indicating the difference in actual fuel cost for the month of October 2012 and the estimated cost originally reported		
reported \$8,990,925.53 - \$9,055,339.35	(+)	(\$64,413.82)
(actual) (estimate)		
G MISO Resettlements for prior periods from Schedule 6, Line G	(+)	\$1,757,156.07
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>\$10,415,675.85</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 2012

		<u>Kilowatt-Hours Current Month</u>
A	Generation (Net)	(+)
		325,164,000
	<u>Purchases Including Interchange-In</u>	(+)
		<u>48,646,810</u>
	Sub-Total	<u>373,810,810</u>
B	Pumped Storage Energy	(+)
		-
	Non-Native Sales Including Interchange Out	(+)
		51,649,310
	<u>System Losses (322,161,500 KWH times 5.3%^(a))</u>	(+)
		<u>17,074,560</u>
	Sub-Total	<u>68,723,870</u>
C.	Total Sales (A - B)	<u><u>305,086,940</u></u>

Note: ^(a) Average of prior 12 months

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: October 2012

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	\$7,903,434.60
Oil Burned	(+)	389,438.00
Gas Burned	(+)	\$27,493.63
PJM Balancing & Day Ahead Operating Reserve Credit	(-)	52,657.58
Fuel (assigned cost during Forced Outage ^(a))	(+)	1,543,774.89
Fuel (substitute cost during Forced Outage ^(a))	(-)	270,131.64
Sub-Total		<u>\$9,541,351.90</u>
B. Purchases		
Economy Purchases	(+)	\$2,266,664.81
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	1,685,599.24
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$581,065.57</u>
C. Non-Native Sales Fuel Costs		\$ 1,131,491.94
D. Total Fuel Costs (A + B - C)		<u>\$8,990,925.53</u>

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

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

Expense Month: September 2012

Line No.	Description		
1	FAC Rate Billed (¢/kWh)	(+)	0 3199
2	Retail kWh Billed at Above Rate	(x)	<u>294,857,045</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>\$943,247.69</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	316,941,971
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4- Line 5)		<u>316,941,971</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		\$1,013,897.37
8	Over or (Under) (Line 3 - Line 7)		(\$70,649.68)
9	Total Sales (Schedule 3 Line C)	(-)	305,086,940
10	Kentucky Jurisdictional Sales	(+)	<u>305,086,940</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)	(+)	(\$70,649.68)
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0 00
14	Total Company Over or (Under) Recovery		<u><u>(\$70,649.68)</u></u>

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

Expense Month:		July 2012 Dollars (\$)
A. Company Generation		
Coal Burned	(+)	\$6,970,330.66
Oil Burned	(+)	297,754.00
Gas Burned	(+)	\$324,672.26
PJM Balancing & Day Ahead Operating Reserve Credit	(-)	1,196,926.45
Fuel (assigned cost during Forced Outage ^(a))	(+)	1,129,846.35
Fuel (substitute cost during Forced Outage ^(a))	(-)	14,078.78
Sub-Total		\$7,511,598.04
B. Purchases		
Economy Purchases	(+)	\$8,980,178.47
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	1,809,498.04
Less purchases above highest cost units	(-)	-
Sub-Total		\$7,170,680.43
C. Non-Native Sales Fuel Costs		\$ (85,497.47)
D. Total Fuel Costs (A + B - C)		\$14,767,775.94
E. Total Fuel Costs Previously Reported		\$13,010,619.87
F. Prior Period Adjustment		-
G. Adjustment due to MISO Resettlements		\$1,757,156.07

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



139 East Fourth Street
P O Box 960
Cincinnati, Ohio 45201-0960
Tel: 513-287-2373
Fax: 513-287-2473
Kelly.Berg@duke-energy.com

Kelly Berg
Lead Rates Analyst

VIA OVERNIGHT DELIVERY

January 17, 2012

Mr. Jeff Derouen, Executive Director
Attention: Chris Whelan

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

Dear Mr. Derouen and Ms. Whelan:

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 2013.

Please contact me if you have any questions.

Sincerely,

Kelly B. Berg

Enclosure

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**DUKE ENERGY KENTUCKY
FUEL ADJUSTMENT CLAUSE SCHEDULE**

Expense Month: December 2012

Line No.	Description	Amount	Rate (¢/kWh)
1	Fuel F_m (Schedule 2, Line J)	\$7,778,467.37	
2	Sales S_m (Schedule 3, Line C)	+ 330,704,714	2.3521
3	Base Fuel Rate (F_b/S_b) per PSC Order in Case No. 2010-00494	(-)	<u>2.5747</u>
4	Fuel Adjustment Clause Rate (Line 2 - Line 3)		<u><u>(0.2226)</u></u>

Effective Date for Billing:

January 31, 2013

Submitted by:

Kelly B. Benz

Title:

Lead Rates Analyst

Date Submitted:

January 17, 2013

**DUKE ENERGY KENTUCKY
FUEL COST SCHEDULE**

Expense Month: December 2012

		<u>Dollars (\$)</u>
A Company Generation		
Coal Burned	(+)	6,773,107.94
Oil Burned	(+)	-
Gas Burned	(+)	11,598.51
PJM Balancing & Day Ahead Operating Reserve Credit	(-)	\$21,513.36
Fuel (assigned cost during Forced Outage ^(a))	(+)	1,607,633.97
Fuel (substitute cost during Forced Outage ^(a))	(-)	134,633.62
Sub-Total		<u>\$8,236,193.44</u>
B Purchases		
Economy Purchases	(+)	\$1,905,931.78
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	1,689,118.22
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$216,813.56</u>
C Non-Native Sales Fuel Costs		<u>567,823.03</u>
D Total Fuel Costs (A + B - C)	(+)	\$7,885,183.97 ^(b)
E Total Company Over or (Under) Recovery from Schedule 5, Line 14	(-)	\$208,822.55
F Adjustment indicating the difference in actual fuel cost for the month of November 2012 and the estimated cost originally reported		
reported \$8,727,826.49 - \$8,652,283.92	(+)	\$75,542.57
(actual) (estimate)		
G MISO Resettlements for prior periods from Schedule 6, Line G	(+)	\$26,563.38
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>\$7,778,467.37</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 2012

			<u>Kilowatt-Hours Current Month</u>
A Generation (Net)	(+)	311,613,000	
<u>Purchases Including Interchange-In</u>	(+)	<u>62,948,570</u>	
Sub-Total			<u>374,561,570</u>
 B Pumped Storage Energy	(+)	-	
Non-Native Sales Including Interchange Out	(+)	24,979,420	
<u>System Losses (349,582,150 KWH times 5.4%^(a))</u>	(+)	<u>18,877,436</u>	
Sub-Total			<u>43,856,856</u>
 C Total Sales (A - B)			<u><u>330,704,714</u></u>

Note: ^(a) Average of prior 12 months

**DUKE ENERGY KENTUCKY
FINAL FUEL COST SCHEDULE**

Expense Month: November 2012

		<u>Dollars (\$)</u>
A. Company Generation		
Coal Burned	(+)	\$8,476,163.52
Oil Burned	(+)	279,534.00
Gas Burned	(+)	\$32,161.17
PJM Balancing & Day Ahead Operating Reserve Credit	(-)	-
Fuel (assigned cost during Forced Outage ^(a))	(+)	1,498,569.00
Fuel (substitute cost during Forced Outage ^(a))	(-)	317,036.56
Sub-Total		\$9,969,391.13
B. Purchases		
Economy Purchases	(+)	\$1,881,483.54
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	1,760,680.08
Less purchases above highest cost units	(-)	-
Sub-Total		\$120,803.46
C. Non-Native Sales Fuel Costs		\$ 1,362,368.10
D. Total Fuel Costs (A + B - C)		\$8,727,826.49

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

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

Expense Month: October 2012

Line No.	Description		
1	FAC Rate Billed (ϕ /kWh)	(+)	0 6262
2	Retail kWh Billed at Above Rate	(x)	<u>328,909,862</u>
3	FAC Revenue/(Refund) (Line 1 * Line 2)		<u>\$2,059,633.55</u>
4	kWh Used to Determine Last FAC Rate Billed	(+)	295,562.280
5	Non-Jurisdictional kWh included in Line 4	(-)	<u>-</u>
6	Kentucky Jurisdictional kWh Included in Line 4 (Line 4- Line 5)		<u>295,562,280</u>
7	Recoverable FAC Revenue/(Refund) (Line 1 * Line 6)		\$1,850,811.00
8	Over or (Under) (Line 3 - Line 7)		\$208,822.55
9	Total Sales (Schedule 3 Line C)	(-)	330,704,714
10	Kentucky Jurisdictional Sales	(+)	<u>330,704,714</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)	(+)	\$208,822.55
13	Amount Over or (Under) Recovered in prior filings	(-)	\$0 00
14	Total Company Over or (Under) Recovery		<u><u>\$208,822.55</u></u>

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

Expense Month:		August 2012 Dollars (\$)
A Company Generation		
Coal Burned	(+)	\$8,161,315.95
Oil Burned	(+)	176,735.00
Gas Burned	(+)	\$182,349.83
PJM Balancing & Day Ahead Operating Reserve Credit	(-)	244,917.70
Fuel (assigned cost during Forced Outage ^(a))	(+)	1,555,753.06
Fuel (substitute cost during Forced Outage ^(a))	(-)	27,826.80
Sub-Total		<u>\$9,803,409.34</u>
B. Purchases		
Economy Purchases	(+)	\$3,323,351.85
Other Purchases	(+)	-
Other Purchases (substitute for Forced Outage ^(a))	(-)	1,942,144.58
Less purchases above highest cost units	(-)	-
Sub-Total		<u>\$1,381,207.27</u>
C. Non-Native Sales Fuel Costs		\$ 134,391.08
D Total Fuel Costs (A + B - C)		<u>\$11,050,225.53</u>
E. Total Fuel Costs Previously Reported		\$11,023,662.15
F. Prior Period Adjustment		-
G. Adjustment due to MISO Resettlements		<u>\$26,563.38</u>

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