

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)	
FILING OF DUKE ENERGY)	CASE NO.
KENTUCKY, INC.)	2016-00167

ORDER

On December 29, 2009, in Case No. 2009-00202,¹ the Commission approved rates for Duke Energy Kentucky, Inc. (“Duke”) and provided for their further adjustment in accordance with Duke’s Gas Cost Adjustment (“GCA”) clause.

On May 11, 2016, Duke filed its GCA to be effective June 1, 2016.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Duke’s notice includes rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Duke’s Expected Gas Cost (“EGC”) is \$3.462 per Mcf, which is an increase of \$.029 per Mcf from its previous EGC of \$3.433 per Mcf.
3. Duke’s notice sets out its current quarter Refund Adjustment (“RA”) of \$.000 per Mcf. Duke’s total RA is \$.000 per Mcf, which is no change from its previous total RA.

¹ Case No. 2009-00202, *Application of Duke Energy Kentucky, Inc. for an Adjustment of Rates* (Ky. PSC Dec. 29, 2009).

4. Duke's notice sets out its current quarter Actual Adjustment ("AA") of \$.201 per Mcf. Duke's total AA is \$.074 per Mcf, which is an increase of \$.185 per Mcf from its previous total AA of (\$.111) per Mcf.

5. Duke's notice sets out its current quarter Balance Adjustment ("BA") of \$.056 per Mcf. Duke's total BA is \$.039 per Mcf, which is an increase of \$.099 per Mcf from its previous total BA of (\$.060) per Mcf.

6. Duke's GCA is \$3.575 per Mcf, which is an increase of \$.313 per Mcf from its previous GCA of \$3.262 per Mcf.

7. Duke's notice sets out a Gas Cost Adjustment Transition ("GCAT") Rider rate of \$.0113 per 100 cubic feet. This GCAT rate will be applicable to customers who begin receiving Rate FT-L transportation service after the effective date of this Order who paid gas supply costs through the GCA during the 12-month period before they began receiving FT-L service.

8. The rates as proposed by Duke and set forth in the Appendix to this Order are fair, just, and reasonable and should be approved for final meter readings by Duke on and after June 1, 2016.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Duke and set forth in the Appendix to this Order are approved for final meter readings on and after June 1, 2016.

2. Within 20 days of the date of this Order, Duke shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets setting out the rate approved herein and reflecting that it was approved pursuant to this Order.

By the Commission

ENTERED
MAY 27 2016
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


Acting Executive Director

Case No. 2016-00167

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2016-00167 DATED **MAY 27 2016**

The following rates and charges are prescribed for the customers in the area served by Duke Energy Kentucky, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

GAS SERVICE RATES

RATE RS
RESIDENTIAL SERVICE

	<u>Base Rate</u>		<u>Gas Cost Adjustment</u>	<u>Total Rate</u>
Commodity Charge for All Ccf Consumed	\$.37213	plus	\$.3575	\$.72963

RATE GS
GENERAL SERVICE

	<u>Base Rate</u>		<u>Gas Cost Adjustment</u>	<u>Total Rate</u>
Commodity Charge for All Ccf Consumed	\$.20530	plus	\$.3575	\$.56280

RIDER GCAT
GAS COST ADJUSTMENT TRANSITION RIDER

The amount of this charge or (credit) shall be \$.0113 per 100 cubic feet. This rate shall be in effect during the months of June 2016 through August 2016 and shall be updated quarterly, concurrent with the Company's GCA filings.

*Dana Patten
Duke Energy Kentucky, Inc.
139 East Fourth Street
P. O. Box 960
Cincinnati, OH 45201

*John Linton
Duke Energy Kentucky, Inc.
139 East Fourth Street
P. O. Box 960
Cincinnati, OH 45201

*Julie Lee
Duke Energy Kentucky, Inc.
139 East Fourth Street
P. O. Box 960
Cincinnati, OH 45201

*Duke Energy Kentucky, Inc.
139 East Fourth Street
Cincinnati, OH 45202