

Duke Energy Kentucky, Inc.
1697-A Monmouth Street
Newport, Kentucky 41071

KY.P.S.C. Gas No. 2
Twelfth Revised Sheet No. 77
Cancelling and Superseding
Eleventh Revised Sheet No. 77
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RIDER GCAT

GAS COST ADJUSTMENT TRANSITION RIDER

APPLICABILITY

Applicable to all customers served under Rate FT-L after the effective date of this tariff who paid gas supply costs through the Company's Gas Cost Adjustment (GCA) mechanism during the twelve month period immediately preceding the date on which the customer began receiving service under Rate FT-L.

GCA TRANSITION RIDER

A charge or credit shall be applied to all volumes transported pursuant to Rate FT-L in order to pass through to former GCA customers the Company's quarterly Actual Adjustment (AA), Balance Adjustment (BA), and Supplier Refund and Reconciliation Adjustment (RA) costs or credits during the first twelve months that the former sales customer participates in the Company's firm transportation program.

The amount of this charge or (credit) shall be \$0.0202 per 100 cubic feet. This rate shall be in effect during the month of September 2009 through November 2009 and shall be updated quarterly, concurrent with the Company's GCA filings.

Issued by authority of an Order of the Kentucky Public Service Commission dated August 25, 2009 in Case No. 2009-00332.

Issued: August 27, 2009

Effective: August 31, 2009

Issued by Julie Janson, President