

Important Notice About Your Electric Rates

In late October, Duke Energy reached an agreement with the Kentucky Attorney General and other parties on an increase in electric base rates. The rate case was approved by the Kentucky Public Service Commission in December and represents the first increase in nearly 15 years.

The new rates for business and other nonresidential customers will take effect on January 1, 2007. On average, businesses can expect to see an increase of approximately 21 percent.

Reasons for the Increase:

- Duke Energy recently invested \$400 million to provide Kentucky customers with a dedicated and reliable supply of electricity.
- Since 1992, \$170 million has been invested in the electric delivery system to meet the energy requirements of a growing population.
- Coal, the primary source of fuel Duke Energy uses to generate electricity, increased by 33 percent over the past five years.

Energy Management Resources

We are committed to providing your business with options to help lower your Duke Energy bills. At www.duke-energy.com you will find a variety of resources available to aid in managing energy costs.

- The **Energy-Efficiency Incentive Program** provides rebates to businesses installing high-efficiency equipment and lighting.
- The **Business Energy Calculator** helps show how equipment and business practices affect monthly energy costs.
- The **Business Services Newsletter** is filled with ideas for improving efficiency and includes the interactive “Ask an Expert” communication resource.
- Our **Budget Billing** program makes managing your cash flow easier by providing a predictable monthly bill.

If you need assistance with any of our tools and programs or have questions about the rate increase, please contact our Business Service Center at 1.800.774.1202.

