



Why your bill might be higher this summer

Summer brings hot weather to Kentucky, which can bring more energy use and higher energy bills. In addition, the market cost of fuel has increased dramatically, driving up the cost of purchasing or supplying power. Duke Energy does not charge a markup on these higher fuel costs; customers pay what we pay. Our programs, tips and other assistance can help you navigate these challenges and better manage your energy use and spending.

WHY IS YOUR ENERGY BILL INCREASING?

Several factors can impact your bill. It's important to know that:

- The Fuel Adjustment Clause (FAC), also called the Electric Fuel Adjustment, will increase with June bills. The FAC is the charge for fuel and/or purchased power used to supply electricity to your home or business and can fluctuate widely over relatively short periods.
- We work hard to minimize our costs while ensuring that we deliver reliable power to your home or business. There are times when we must purchase power from the market. When this occurs, Duke Energy buys at the best possible price. Then, after a Kentucky Public Service Commission (KPSC) review, we pass this cost directly to customers with no markup.
- Even though your natural gas usage is usually lower in the summer than in the winter, you may still see increases in your natural gas bill because of these higher market prices.
- Market fuel costs* included in your bill are set by financial markets that are influenced by national and international events such as weather events, exports and changes in supply and demand. Duke Energy does not control the market cost of purchased electricity or natural gas and does not make a profit on it.
- Duke Energy purchases energy at the best possible price and then passes this cost directly to customers.

**Market fuel costs are the cost of electricity and natural gas that you use to power your home or business.*

ASSISTANCE MAY BE AVAILABLE

We understand that unexpected changes to your electric bill can make budgeting difficult. For residential customers who may need assistance paying their bill, help may be available from one of the following sources:

- Installment plans provide more flexibility to pay back balances over longer periods of time. You can request a few extra days or restructure your entire balance into a monthly payment plan. Learn more about the options available by visiting duke-energy.com/MoreTime or calling us at **800.544.6900**.
- Local, state and federal assistance programs may be available for eligible customers. Learn more by visiting <https://www.duke-energy.com/home/billing/special-assistance>.
- Emergency funds may be available for utility bills through the Northern Kentucky Community Action Commission. Visit <https://www.nkcaccovington.org/> for more information.
- Duke Energy's Share the Light Fund may be able to offer financial assistance. Kentucky customers can apply for up to \$300 in assistance throughout the program year. Learn more at duke-energy.com/MakeADifference.
- United Way can refer you to other organizations that may provide assistance with utility bills or other needs. Learn more by visiting 211.org or calling **211**.

Customers may also find a variety of helpful resources on our Special Assistance webpage and tips to reduce energy usage at duke-energy.com/SummerBills.

FAC QUESTIONS & ANSWERS

What is the Fuel Adjustment Clause?

The Fuel Adjustment Clause (FAC) is the charge for fuel and/or power purchased from the market used to supply electricity to your home or business and can rise and fall significantly over a short time span. It can be found in the “Billing Details – Electric” portion of your bill.

Why is the FAC necessary?

Fuel costs make up a significant portion of the cost of generating electricity. Fuel prices can fluctuate widely over relatively short periods, as can the price of purchased power. Utilities are permitted to reflect those fluctuations in their electric rates without having to request changes in their base rates, which is more beneficial to customers.

How often does the FAC change?

The FAC changes monthly to reflect the fuel costs incurred two months earlier.

How did maintenance to East Bend Station impact my bill?

East Bend Station is Duke Energy’s primary source for electric energy in Northern Kentucky. The plant was taken offline for required maintenance in the spring of 2022. As a result, Duke Energy had to purchase power from the market to meet our customers’ electric needs. Costs for fuel purchases appear on customers’ electric bills about two months after they are incurred. In this instance, costs for market purchases made in the spring will appear on bills beginning in June through the end of July.

Does Duke Energy earn a profit on the FAC?

No. The FAC serves simply as a mechanism for reflecting the cost of fuel and purchased power that is passed through to customers on a dollar-for-dollar basis with no markup.

Does the KPSC review the FAC amounts for each utility?

Yes. The monthly FAC filings are reviewed for accuracy. A more detailed review is conducted every six months.

How does the KPSC know if the FAC accurately reflects fuel costs for a utility?

Utilities are required to fully document all their fuel costs. This includes submitting fuel purchase contracts and other materials to the KPSC. The KPSC may, based on that information, determine whether a utility has done everything it reasonably can do to keep fuel costs as low as possible, while maintaining a reliable fuel supply.

Need more information?

We hope this information helps you to better understand recent charges on your electric bill. If you have any questions, please contact us at [800.544.6900](tel:800.544.6900).

ADDITIONAL COMMUNITY RESOURCES

Community Action Agencies – Emergency funds may be available for utility bills through Northern Kentucky Community Action Commissions. Find out more by calling the agency in your area.

Boone County, 859.586.9250

Grant County, 859.824.4768

Campbell County, 859.431.4177

Kenton County, 859.655.2959

Gallatin County, 859.567.4660

Pendleton County, 859.654.4054

United Way – United Way can refer you to other organizations that may provide assistance with utility bills or other needs. Learn more by visiting 211.org.

The following agencies may also be able to provide assistance.

Brighton Center: 859.491.8303

The Salvation Army: 859.261.0835

Boone County: 859.586.9250

Find more information to help you manage summer bills at duke-energy.com/SummerBills.

Find helpful energy efficiency tips on our [Facebook](#) page and [Twitter](#) feed.



BUILDING A SMARTER ENERGY FUTURE®