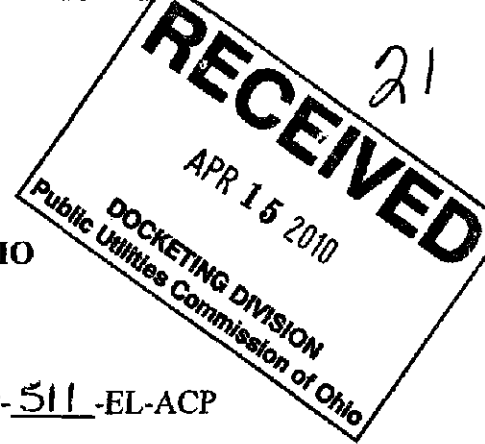


FILE

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**



IN THE MATTER OF THE REPORT
OF DUKE ENERGY OHIO, INC.
CONCERNING ITS ADVANCED AND
RENEWABLE ENERGY
BASELINE AND BENCHMARKS

)
) ✓ Case No. 10- 511 -EL-ACP
)
)
)

IN THE MATTER OF THE REQUEST BY
DUKE ENERGY OHIO, INC. FOR A ONE TIME
WAIVER OF RULE 4901:1-40-04(D)(1)

)
) Case No. 10 512 -EL-WVR
)

IN THE MATTER OF THE REQUEST FOR
FORCE MAJEURE DETERMINATION BY
DUKE ENERGY OHIO PURSUANT TO
RULE 4901:1-40-06

)
) Case No. 10 513 -EL-ACP
)
)

**DUKE ENERGY OHIO, INC.'S
ALTERNATIVE ENERGY PORTFOLIO STATUS REPORT**

I. INTRODUCTION

Duke Energy Ohio, Inc. (Duke Energy Ohio or Company) is an electric utility as that term is defined within Ohio Revised Code §4928.01(A)(11). Pursuant to Ohio Revised Code §4928.64 and Ohio Administrative Code §4901:1-40-05(A), all Ohio electric utilities are required to file, by April 15th of each year, an alternative energy portfolio status report analyzing all activities undertaken in the previous calendar year to meet the applicable portfolio benchmarks and/or explain how those benchmarks will be met in the future.

Consistent with rules approved by the Public Utilities Commission of Ohio (PUCO) on April 15, 2009, in Case No. 08-888-EL-ORD, and as subsequently modified by the Commission

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on June 17, 2009, June 24, 2009, October 15, 2009, and October 28, 2009, Duke Energy Ohio hereby:

- Submits this initial report in which it identifies its energy baseline and renewable energy credit (REC) and solar renewable energy credit (SREC) benchmarks;
- Seeks this Commission's adjustment of its energy baseline in order to appropriately reflect the dramatic increase in the level of shopping that occurred within the service territory of Duke Energy Ohio during the year 2009;
- Requests a limited, one time, waiver of Rules 4901:1-10-05(B) and 4901:1-40-04(D)(1) in order to allow Duke Energy Ohio to count toward compliance certain SRECs that Duke Energy Ohio acquired for the purpose of complying with anticipated 2009 Rules well in advance of its receipt of the final version of this Commission's rules;
- Demonstrates Duke Energy Ohio's compliance with year 2009 Initial Benchmarks, as adjusted;
- If this Commission deems it necessary, requests a one-time waiver of Rule 4901:1-40-03 to the extent required after this Commission has ruled on Duke Energy Ohio's requests for a baseline adjustment; and
- Outlines its Renewable Energy Compliance Strategies.

II. DUKE ENERGY OHIO'S BASELINE CALCULATION

A. The Unadjusted Energy Baseline Calculation

Ohio Rev. Code §4928.64(B) provides:

The baseline for a utility's or company's compliance with the alternative energy resource requirements of this section shall be the average of such total kilowatt hours it sold in the preceding three years, except that the commission may reduce a utility's or company's baseline to adjust for new economic growth in the utility's certified territory or, in the case of an electric services company, in the company's service area in this state.

Duke Energy Ohio's actual sales¹ (hereafter "Full Service Sales"), for each of the subject years, were:

2006 Full Service Sales	19,890,113 MWH
2007 Full Service Sales	21,497,216 MWH
2008 Full Service Sales	<u>20,752,561 MWH</u>
Full Service Sales	
Three-Year Rolling Average:	20,713,297 MWH

This figure of 20,713,297 MWH represents Duke Energy Ohio's initial (unadjusted) Renewable Compliance Baseline for MWH sales.

B. Duke Energy Ohio's Application Pursuant to Ohio Rev. Code §4928.64(B) and Ohio Administrative Code §4901:1-39-05(B) for a Reduction to its Initial Energy Baseline and Benchmarks.

1. Justification of the proposed adjustment.

Duke Energy Ohio respectfully seeks an adjustment of its 2009 baseline that reflects the increased level of switching in its service territory. This Commission possesses the authority to grant Duke Energy Ohio the relief it seeks pursuant to Ohio Rev. Code §4928.64(B) and Ohio Administrative Code §4901:1-39-05(B).

Duke Energy Ohio believes four major issues affected Duke Energy Ohio's 2009 renewable compliance efforts. These issues are:

- The impacts of customer choice, which resulted in significantly increased levels of switching in Duke Energy Ohio's service territory during the year 2009;
- Solar generation facilities within the state of Ohio are very few in number, and the corresponding market for SRECs has yet to fully develop;
- Regulatory uncertainty that existed until the Commission finalized its rules regarding REC acquisition, registration, metering, and project location; and

¹ See PUCO 5 Year EDU Sales Report, <http://www.puco.ohio.gov/PUCO/StatisticalReports/Report.cfm?id=9973>

- SB 221's failure to include specific mechanisms for utility cost recovery, impeding long term contracts and investments in renewable energy.

Although the baseline calculated in Section II(A) herein accurately reflects the use of a rolling average for the three years prior to 2009, the use of such a rolling three-year average is best suited to merely normalize small variances that might occur from year to year due to weather and business cycles. Such a rolling average is not well-suited to recognize sudden market-changing events within an electric utility's service territory and, as a result, when such market-changing events occur, the rolling three year average can not accurately reflect the intent of the Ohio General Assembly.

Presumably in recognition of this possibility, the Ohio General Assembly expressly authorized this Commission to reduce the baselines to which Ohio electric utilities are subject.² This Commission's rules reflect the authority granted it by the General Assembly,³ permitting this Commission to consider economic activity, including changes for reasons beyond the control of the utility in the numbers of customers, sales, and peak demand.

The four impediments identified above reflect two market-changing developments. The General Assembly presumably weighed the first of these developments – the enactment of Senate Bill 221 (SB 221) itself – as it crafted SB 221 and the benchmark compliance requirements.

The General Assembly could not foresee, however, the second of these market changing developments (the first impediment identified above). Over the course of 2009, switching increased from less than 5% in the first quarter of 2009 to nearly forty percent (40%) by the end

² Ohio Revised Code §49028.64(C).

³ Ohio Administrative Code §4901:1-39-05(B).

of 2009. Thus, "customer choice" significantly affected Duke Energy Ohio's Full Service Sales for 2009 in a manner that could not be reflected through the use of the 2006 – 2008 rolling three-year average.

As a result, Duke Energy Ohio respectfully seeks this Commission's approval of a reduction to its initial energy baseline in order to reflect the remarkable economic growth within its service territory of switching to suppliers of Certified Retail Electric Service (CRES) .

2. Duke Energy Ohio's Calculation of the Adjustment Needed to Account for Increased Switching in Duke Energy Ohio's Service Territory.

In order to properly adjust its baseline for shopping activity, Duke Energy Ohio proposes to utilize its actual 2009 Full Service Sales⁴ to calculate its 2009 REC baseline.

An adjustment based upon Duke Energy Ohio's actual full service sales reflects a conservative approach toward adjustments. While nearly forty percent (40%) of Duke Energy Ohio's customers became "switching customers" by the end of 2009,⁵ the actual impact of this switching throughout the course of the entire 2009 calendar year resulted in a reduction of Duke Energy Ohio's total Full Service Sales of approximately 17% as compared to the three-year rolling average – that is, Duke Energy Ohio's actual Full Service Sales fell to only 17,187,784 MWH during 2009 as compared to the average of 20,713,297 MWH during the years 2005 – 2008. Duke Energy Ohio is seeking a 2009 adjustment that reflects only a more accurate figure.

Furthermore, the use of 2009 Full Service Sales will allow the PUCO to "synchronize" renewable requirements for electric utilities and CRES providers for overall 2009 compliance. That is, at the end of day, Duke Energy Ohio's 2009 actual Full Service Sales, plus the total of

⁴ See Electric (KWH) Sales & Statistics for Duke Energy Ohio, attached hereto as Exhibit A.

⁵ See "Summary of Switch Rates from EDUs to CRES Providers in Terms of Sales For the Month Ending December 31, 2009", PUCO, Division of Market Monitoring and Assessment.

all actual 2009 CRES sales within its territory, will equal the total of all retail energy sales within its service territory. This is the total amount SB 221's renewable requirements are meant to achieve, both ultimately in 2025, and as benchmarks toward full compliance in the year 2025. Furthermore, using actual figures to synchronize the requirements, when appropriately justified, will permit this Commission to fairly distribute the burden of meeting these legislative benchmarks.

III. DUKE ENERGY OHIO'S CALCULATION OF ITS 2009 RENEWABLE BENCHMARKS, USING ITS ADJUSTED 2009 BASELINE.

Using 17,187,784 MWH as its adjusted 2009 baseline, Duke Energy Ohio's calculation of its renewable and solar compliance requirements for the year 2009 is depicted below:

Adjusted 2009 Baseline		17,187,784 MWH
Total Renewable and Solar Requirement – 2009	(0.25%)	42,969 MWH
Solar Requirement	(0.004%)	688 MWH
2009 Renewable Requirement (Total Less Solar)		42,181 MWH
<hr/>		
2009 Renewable Requirements By Jurisdiction (Total Less solar)		42,181 MWH
Ohio	50%	21,141 MWH
Out of State	50%	21,140 MWH
2009 Solar Requirements		688 MWH
Ohio	50%	344 MWH
Out of State	50%	344 MWH

IV. DUKE ENERGY OHIO'S DEMONSTRATION OF COMPLIANCE WITH THE 2009 RENEWABLE ENERGY BENCHMARKS

A. Duke Energy Ohio Has Fully Met Its Non-Solar Renewable Benchmark.

- 1. Duke Energy Ohio provided one half of its total non-solar renewable power requirements through in-state, non-solar, renewable energy credits.**

As described in section III above, the 2009 benchmark for in-state, non-solar, renewable power that Duke Energy Ohio must meet is 21,141 MWH. As depicted on Exhibit B, Duke Energy Ohio acquired 21,141 MWH of non-solar, in-state RECs, an amount sufficient to fully satisfy its 2009 renewable energy obligation for this category, as adjusted in the manner requested herein. It obtained these non-solar, in-state renewable energy credits by means of market purchases through brokers, and through responses to requests for proposals (RFPs).

- 2. Duke Energy Ohio provided one half of its total non-solar renewable power requirements through non-solar, renewable energy credits purchased from adjacent states.**

Duke Energy Ohio met the total 2009 benchmark of 42,282 MWH of non-solar, renewable power through use of up to 21,140 MWH of RECs from adjacent states. By means of market purchases through brokers, Duke Energy Ohio was able to obtain 21,140 MWH of non-solar, adjacent state RECs and thereby fully satisfy its 2009 REC obligations. See Exhibit B.

B. Duke Energy Ohio Has Substantially Complied with Its Solar Renewable Benchmarks.

1. Duke Energy Ohio's use of out-of-state solar renewable energy credits.

Duke Energy Ohio is permitted to meet the total 2009 benchmark for solar renewable power by using SRECs associated with solar power installations in adjacent states. By means of market purchases through brokers, Duke Energy Ohio was able to obtain 344 adjacent state SRECs, thereby meeting one half of its total SREC benchmark. See Exhibit B.

2. Duke Energy Ohio's use of in-state solar renewable energy credits.

a. Request for one-time waiver of Rule 4901:1-40-04(D)(1).

Duke Energy Ohio seeks the aid of this Commission in meeting its in-state solar renewable requirement by asking this Commission to address one aspect of the manner in which regulatory uncertainty affected its 2009 compliance efforts. This Commission has the authority to grant Duke Energy Ohio the relief it seeks pursuant to Rule 4901:1-40-02(B).

Sections 4901:1-10-05(B) and 4901:1-40-04(D)(1) of this Commission's rules expressly disqualify otherwise acceptable solar facilities from certification for renewable energy credits unless a "utility-grade" meter is installed in conjunction with the facility. Those rules, however, were drafted during 2009, were not finalized until December 2009, and did not become effective until December 10, 2009.

Long before this Commission's rules were finalized and effective, and in anticipation of its obligations to comply with future legislation requiring it provide electric power through solar generation, Duke Energy Ohio donated solar power equipment to the Cincinnati Zoo, Cincinnati's Eden Park, and the Findley Market, located within Cincinnati's Over-the-Rhine

region. In addition, Duke Energy Ohio donated solar power equipment to the Twenhofel Middle School, located in Kenton County, Kentucky. Those facilities generated a total of 57 in-state SRECs from the Zoo, Eden Park and Findlay Market and 21 out-of-state SRECs from Twenhofel. Duke Energy Ohio also contracted to acquire an additional 17 in-state SRECs that used inverter readings.

These solar power installations were not constructed with utility grade metering in place, but instead were constructed to rely upon meters that measured the activity of the solar inverters associated with each project. Duke Energy Ohio utilized an independent third-party, Third Sun Solar and Wind (TSSW), Athens, Ohio, to verify the power generated by each installation. TSSW photographed the installed meters at the end of 2008 and again at the end of 2009 to permit an accurate calculation of the power generated by the facilities. Duke Energy Ohio's calculation of 57 in-state and 21 out-of-state SRECs associated with these installations is based upon the work of this independent third-party.

Following the finalization of this Commission's rules during the first quarter of 2010, Duke Energy Ohio retrofitted each of these facilities with utility grade meters, again at the expense of its shareholders.

b. Duke Energy Ohio's substantial compliance with the in-state, SREC benchmark.

By means of the requested baseline adjustment, the requested one-time waiver of Rule 4901:1-40-04(D)(1), and through the numerous means discussed in Section V hereof in which Duke Energy Ohio discusses its compliance strategy, Duke Energy Ohio has been able to obtain a total of 264 SRECs toward its 2009 compliance benchmark of 344 in-state SRECs. See

Exhibits B and C. This figure includes 57 SRECs associated with solar installations donated by Duke Energy Ohio, plus another 17 in-state SRECs for which Duke Energy contracted that were similarly metered at the inverter.

These 264 SRECs represent all in-state SRECs available to Duke Energy Ohio. Accordingly, Duke Energy Ohio offers to substitute 80 Ohio-certified Pennsylvania SRECs in place of the 80 in-state SRECs that have proven to be unavailable by any means. Such a substitution would permit this Commission to find Duke Energy Ohio in full compliance with its 2009 alternative energy benchmarks.

3. Request For A Force Majeure Determination Pursuant To Rule 4901:1-40-06.

Duke Energy Ohio has pursued all reasonable compliance options, and it has fully complied with all applicable benchmarks except the benchmark for in-state SRECs. Despite its best efforts, Duke Energy Ohio was unable to locate sufficient in-state solar projects to fully comply with that benchmark, although it pursued every SREC it was able to identify. Duke Energy Ohio does not own any solar electricity generation facilities, although it does control a total of 74 SRECs associated with the solar demonstration projects that it has funded and for which it entered into purchase contracts. Those 74 SRECs are obviously insufficient to meet its total needs of 344 SRECs.

Duke Energy Ohio submits that it has substantially complied with the benchmark for in-state SRECs, and that it was unable to obtain the remaining, requisite, in-state SRECs solely because insufficient liquidity exists in the Ohio market for SRECs, and very few SRECs are available through bilateral contracts.

In the event this Commission does not accept its proffered 80 Ohio-certified Pennsylvania SRECs as substitute performance, Duke Energy Ohio must request a force majeure determination. This Commission has already determined that a force majeure condition exists as to the availability of SRECs for Columbus Southern Power, Ohio Power Company, Ohio Edison Co., Cleveland Electric Illuminating Co., Toledo Edison Co., and Dayton Power & Light Co., and granted waivers of the 2009 solar energy benchmarks to these utilities.⁶ Duke Energy Ohio joins the other Ohio utilities to request that – to the extent this Commission deems it necessary – this Commission provide it with a force majeure determination regarding its 2009 benchmark for electricity generated from solar energy resources. Because it substantially complied with this benchmark by acquiring 264 SRECs – all that proved available – Duke Energy Ohio also requests that the Commission grant it a waiver regarding the remaining 80 SRECs that it fell short of the solar energy benchmark for 2009.

Ohio Rev. Code §4928.64(C)(4)(a) empowers the Commission to make a force majeure determination with respect to an electric utility's ability to meet its solar energy benchmark requirement. The Commission is further permitted, pursuant to Ohio Rev. Code § 4928.64(C)(4)(c) and Ohio Admin. Code §4901:1-40-06, to modify an electric utility's benchmark to accommodate a finding that SRECs are not reasonably available.

V. SUMMARY OF DUKE ENERGY OHIO'S COMPLIANCE STRATEGY

A. 2009 and 2010 Compliance Strategy

Duke Energy Ohio began planning its compliance with the alternative energy portfolio standards of SB 221 even before Governor Strickland signed the act on May 1, 2008. Duke

⁶ Case Nos. 09-987-EEC, 09-988-EEC 09-1922-EL-ACP, and 09-1989-EL-ACP.

Energy Ohio initially expected that it would be able to obtain any RECs it may need to satisfy the 2009 benchmarks through market brokers. Duke Energy Ohio quickly determined, however, that this expectation would not be realized in the case of in-state SRECs.

By December 2008, Duke Energy Ohio concluded that it was very unlikely that it would be able to locate sufficient Ohio solar projects through consulting entities such as SNL Financial, Pira Energy Group, or Ventyx. Further, it concluded there were no generally available written resources to which it could subscribe for such data.

As a result, during the first quarter of January 2009, Duke Energy Ohio spent approximately 200-300 hours dedicated to compiling a custom database of solar installations within Ohio, by using multiple publicly available datasets. Duke Energy Ohio ultimately located approximately 1,570 kW of previously unidentified solar capacity, and a theoretic total of 2,050 SRECs located within Ohio.

Duke Energy Ohio then attempted to purchase every SREC available.⁷ It contacted the owners of the 20 largest installations it had identified via telephone calls to the owners. At the same time, Duke Energy Ohio published a full page advertisement in Green Energy Ohio's state wide quarterly magazine, indicating its interest in acquiring SRECs, in order to market that interest to the readers of that Ohio green energy magazine, which were assumed to include the owners of some sixty (60) small, residential installations of <10kW or less that Duke Energy Ohio was able to identify. Duke Energy Ohio also posted notice of its interest in SRECs on Duke Energy Ohio's website.

⁷ A chart summarizing Duke Energy Ohio's efforts is attached hereto as Exhibit C.

Duke Energy Ohio also bid on three RFPs seeking purchasers of 2009 SRECs, winning one of its three bids. Duke Energy Ohio believed it had won a second bid which would have secured sufficient SRECs to permit it to meet the benchmark, however, the customer chose not to execute a contract but instead to utilize the SRECs for purposes of its own Leadership in Energy and Environmental Design (LEED) certification.

In addition, even before SB 221 was enacted, Duke Energy Ohio recognized that the potential existed that solar power might be legislatively required somewhere within its service territory. As a result, during 2005, 2006, and 2008, Duke Energy Ohio chose to invest shareholder dollars in high profile public and semi-public solar facilities within the Greater Cincinnati and Northern Kentucky area, in order to provide demonstration projects to the public,⁸ retaining any SRECs that might become associated with those demonstration projects for use in complying with future laws and regulations. Photographs of these projects are attached hereto as Exhibit D.

Through the combination of these efforts, Duke Energy Ohio was able to acquire a total of 264 SRECs for use in meeting its 2009 in-state solar REC commitment. Following the requested adjustment of Duke Energy Ohio's initial compliance baseline, this figure leaves Duke Energy Ohio 80 SRECs short of achieving its in-state SREC benchmark for the year 2009.

B. Future Compliance Strategies.

Through the efforts described above, Duke Energy Ohio has developed an internal, proprietary database of existing Ohio solar projects. It continues to work to expand that database to incorporate all new Ohio-based projects, as well as projects located in surrounding states. It

met all 2009 benchmarks except for the 2009 benchmark for in-state SRECs, and regarding that benchmark, Duke Energy Ohio has concluded:

- There are simply insufficient SRECs available at this time to permit Duke Energy Ohio to meet the 2009 in-state solar benchmark solely by means of SRECs; and
- Given that SB 221 did not become effective until August 2008, that this Commission's "green" rules were first promulgated in 2009 and were then modified throughout the year, and that those rules did not become effective until December 2009, there has been insufficient time to develop a compliance strategy based upon anything other than market purchases of the necessary RECs and SRECs, when available.

Through Ohio Administrative Code section 4901:1-40-03(C), this Commission has directed that each electric utility and electric service company file a plan for compliance with future annual advanced and renewable energy benchmarks. That plan is to use a ten-year planning horizon and include at least the following items:

- 1) Baseline for the current and future calendar years;
- 2) Supply portfolio projection, including both generation fleet and power purchases;
- 3) A description of the methodology used to evaluate compliance options; and
- 4) A discussion of any perceived impediments to achieving compliance with required benchmarks, as well as suggestions of or addressing any such impediments.

In response to these requirements, Duke Energy Ohio incorporates the remainder of this report, and adds that it is pursuing an aggressive renewable energy compliance strategy through all means available to it, including direct phone solicitations to facilities located within Ohio that possess solar arrays, responses to Requests for Proposals (RFPs), purchases of RECs and SRECs through brokers, meetings with the owners of a multitude of businesses and residences with both

solar and non-solar installations, and even the construction of high visibility solar facilities in Greater Cincinnati and Northern Kentucky.

This Commission's rules have, however, been in effect for barely four months. That amount of time is insufficient to permit Duke Energy Ohio to do more than describe, generally – as Duke Energy Ohio has attempted to do herein – the significant impediments toward compliance identified within this report. The most significant of these impediments is the dearth of available in-state SRECs at this point in time.

Furthermore, given the dramatic increase in switching within its service territory, Duke Energy Ohio cannot as yet predict even its baseline for future calendar years with any confidence or, except to note its anticipated reliance upon those RECs and SRECs available through market brokers in the immediate future, supply any realistically meaningful portfolio projections regarding its generation fleet and power purchases over the ten year horizon, as requested.

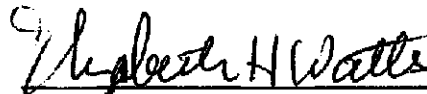
VI. CONCLUSION

Duke Energy Ohio respectfully requests that this Commission:

- Approve its request for an adjustment of its 2009 baseline;
- Approve its request for a one-time waiver of Rule 4901:1-40-04(D)(1) in order that it may include in its 2009 compliance figures a total of 74 SRECs generated in-state at facilities created as public demonstration projects by Duke Energy Ohio and through contracts for SRECs ;
- Find that Duke Energy Ohio has met its REC benchmarks for the year 2009;

- To the extent that the Commission finds that Duke Energy Ohio has not met fully met its benchmark for the 2009 year, to conclude that a condition of force majeure exists and to excuse the failure to meet that benchmark in its entirety;
- Find that Duke Energy Ohio has complied with all Portfolio Status Report Requirements; and
- Direct Duke Energy Ohio to move the necessary RECs and SRECs into its Generation Attributes Tracking System (GATS) reservation account, thereby permanently retiring all 2009 RECs that Duke Energy Ohio consumed in order to satisfy its benchmarks, as identified herein.

Respectfully submitted,



Elizabeth H. Watts (0031092)

Assistant General Counsel

DUKE ENERGY OHIO

155 East Broad Street

21st Floor

Columbus, Ohio 43215

Phone: 614-222-1330

Fax: 513-419-1846

Elizabeth.Watts@duke-energy.com

Electric (KWH) Sales & Statistics for Duke Energy Ohio

For the periods: Jan 2009 through Dec 2009

(In KWH except number of customers.)

FULL SERVICE

RESIDENTIAL

BILLED	6,721,835,140
UNBILLED	(39,164,000)
	<hr/> 6,682,671,140

COMMERCIAL

BILLED	5,656,343,629
UNBILLED	(78,908,000)
	<hr/> 5,577,435,629

INDUSTRIAL

BILLED	3,371,410,974
UNBILLED	(65,673,000)
	<hr/> 3,305,737,974

STREET LIGHTING

BILLED	94,955,448
	<hr/> 94,955,448

OTHER PUBLIC AUTHORITY

BILLED	1,339,543,291
UNBILLED	(19,985,000)
	<hr/> 1,319,558,291

INTERDEPARTMENTAL

BILLED	3,695,164
	<hr/> 3,695,164

TOTAL FULL SERVICE

BILLED	17,187,783,646
UNBILLED	(203,730,000)
	<hr/> 16,984,053,646

TRANSPORTATION

RESIDENTIAL

BILLED	328,940,479
UNBILLED	28,902,000
	<hr/> 357,842,479

COMMERCIAL

BILLED	625,289,536
UNBILLED	67,966,000
	<hr/> 693,255,536

INDUSTRIAL

BILLED	1,349,128,192
UNBILLED	59,071,000
	<hr/> 1,408,199,192

STREET LIGHTING

BILLED	1,060,542
	<hr/> 1,060,542

OTHER PUBLIC AUTHORITY

BILLED	172,071,273
UNBILLED	16,905,000
	<hr/> 188,976,273

TOTAL TRANSPORTATION

BILLED	2,476,490,022
UNBILLED	172,844,000
	<hr/> 2,649,334,022

TOTAL RETAIL KWH SALES

BILLED	19,684,273,668
UNBILLED	(30,886,000)
	<hr/> 19,653,387,668

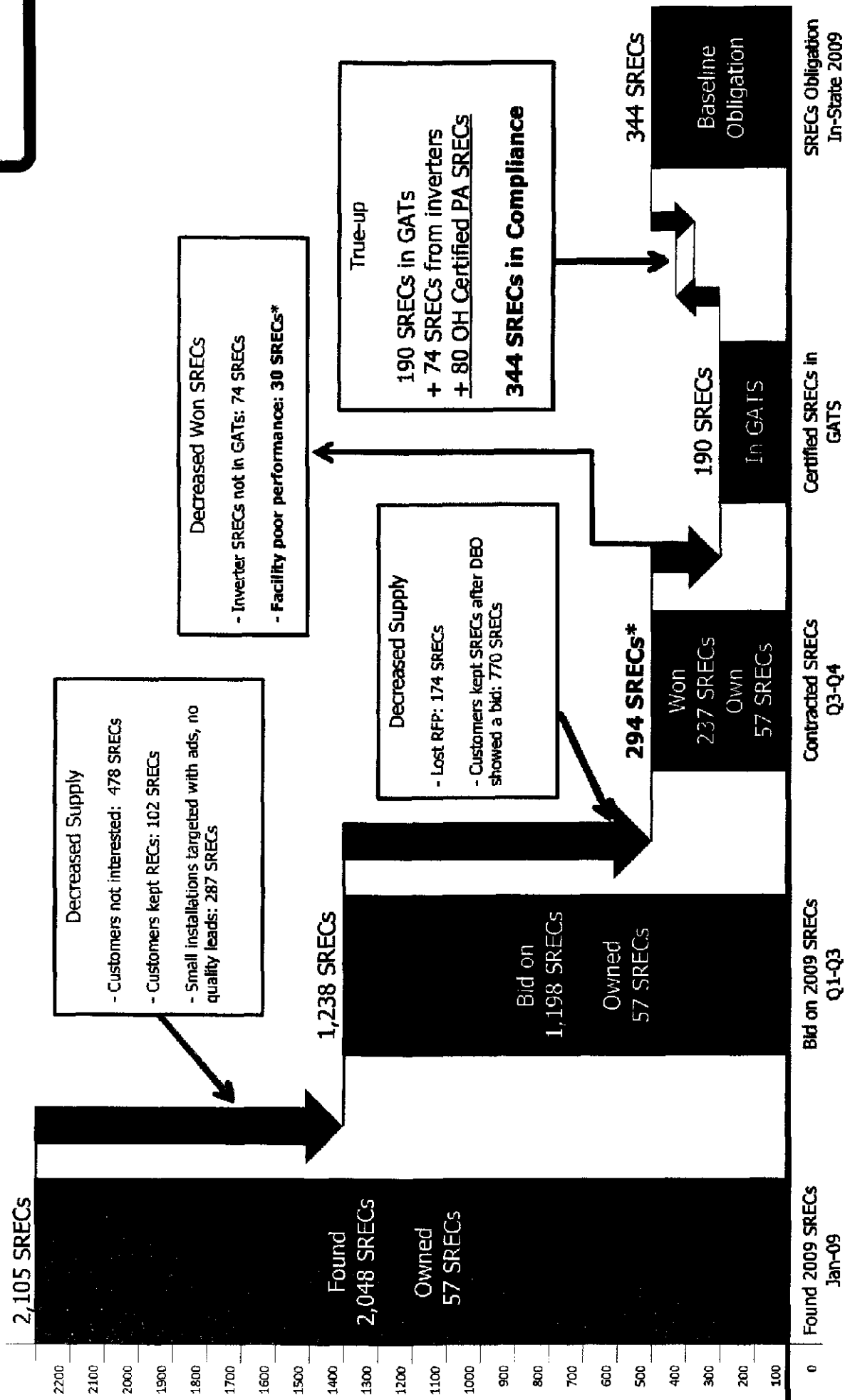
Duke Energy OhioDetermination of Renewable Energy
and Solar Energy Requirements for Calendar Year 2009

<u>Line No.</u>	<u>Description</u>		<u>2009 MWH</u>
			(a)
1	Total Duke Energy Ohio Full Service Billed Sales*		17,187,784
2	Renewable Requirement (less solar)	0.246%	42,281
3	Solar Requirement	0.004%	688
4	Total Renewable Requirement	0.25%	42,969
<u>Geographic REC Sourcing Parameters - 2009</u>			<u>Renewable Energy Credits</u>
5	In-State		344
6	Out-of-State		344
7	Total		688
8	In-State		21,141
9	Out-of-State		21,140
10	Total		42,281

* Internal DEO Report "Electric (kWH) Sales & Statistics for Duke Energy Ohio" - 2009

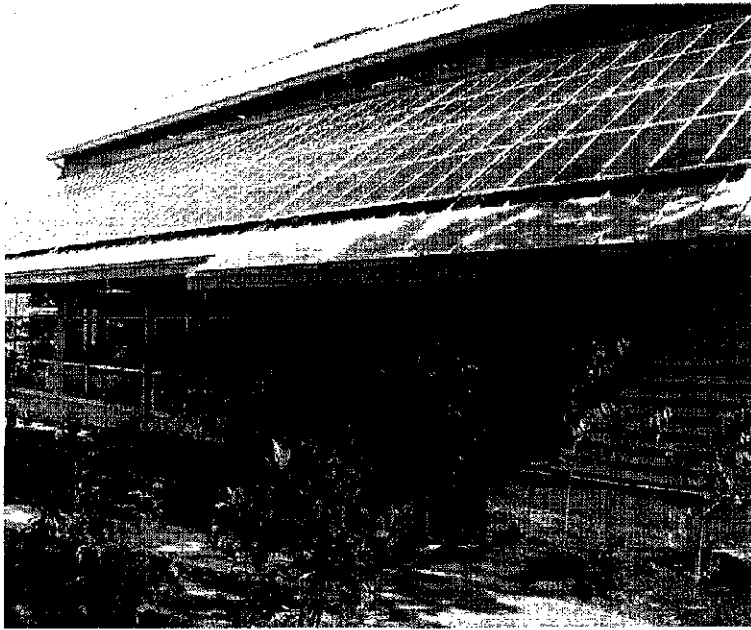
Exhibit C

Duke Energy Ohio In-State SREC Compliance Progression

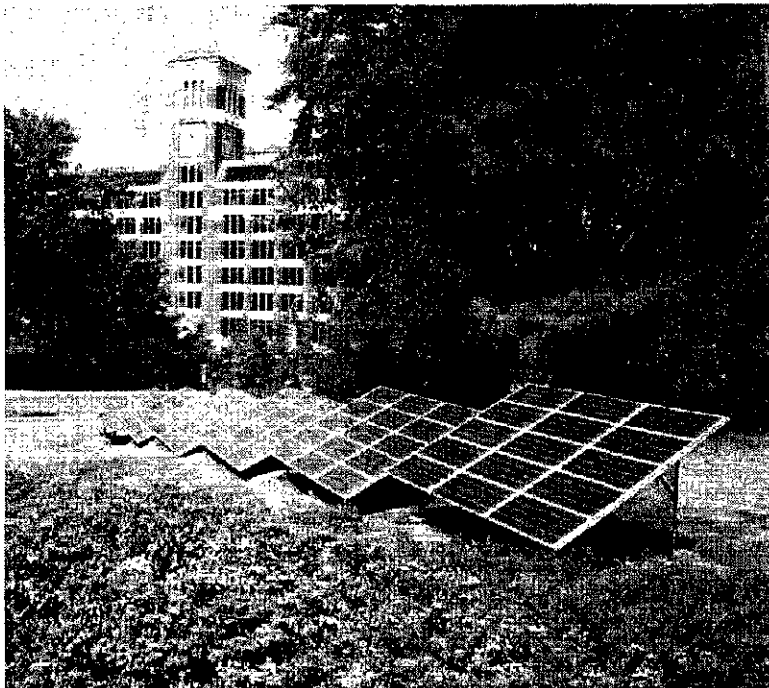


* 294 contracted SRECs - 30 less SRECs due to facility poor performance = 264 SRECs In-State 2009

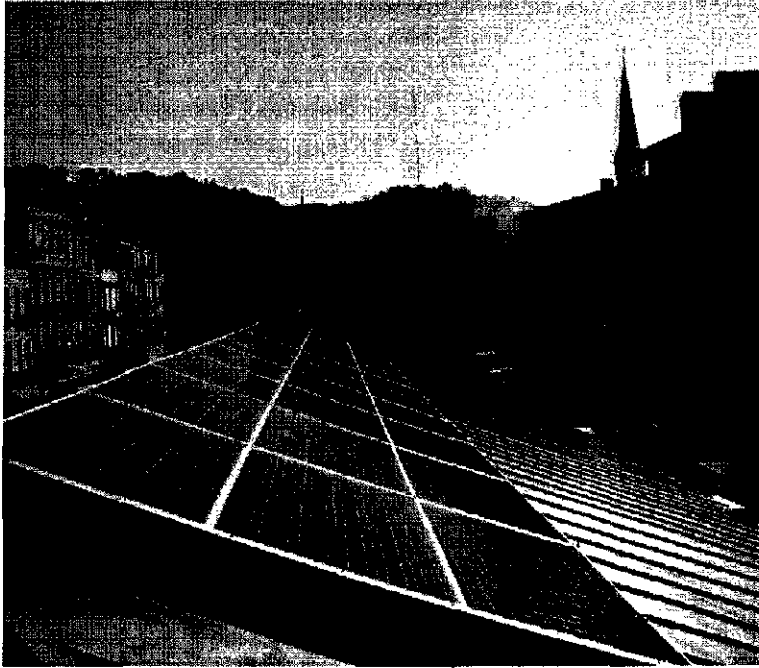
Cincinnati Zoo – Schott Education Center



Cincinnati Parks – Eden Park



City of Cincinnati's Over-the-Rhine Region – Findley Market



Kenton County School District – Twenhofel Middle School

