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In the Matter of the Application of )  
Duke Energy Ohio to Update its ) Case No. 10-981-EL-RDR  
Transmission Cost Recovery Rider )

**Contingency Reserve Deployment Failure Charge Amount**

This cost represents a charge incurred by generation or demand response resources in certain circumstances. This charge cannot be completely avoided because of factors such as outages, derates, equipment limitations, and Midwest ISO commercial model limitations. However, Duke Energy Ohio endeavors to mitigate the costs through the use of the Energy Management Systems Automatic Generation Control.

Respectfully submitted,



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**CERTIFICATE OF SERVICE**

I hereby certify that, on this 17<sup>th</sup> day of August 2010, the foregoing Supplemental Report has been served via electronic mail to the following persons:

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