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THE PUBLIC UTILITIES COMMISSION OF OHIO

PUCO

In the Matter of the Application of)
Duke Energy Ohio, Inc. for)
Authority to (1) Issue and Sell First) Case No. 11-1919-GE-AIS
Mortgage Bonds, Unsecured Debt,)
Long-Term Notes, (2) Execute and Deliver)
Long-Term Loan Agreements, (3) Enter Into)
Capital Lease Obligations, and (4) Enter Into)
Interest Rate Management Agreements)

**MOTION TO AMEND PAGE 3 AND 8 OF APPLICATION AND
MOTION TO SUPPLEMENT EXHIBIT C WITH PAGE 22 AND
MEMORANDUM IN SUPPORT**

To the honorable Public Utilities Commission of Ohio (Commission):

Duke Energy Ohio, Inc. (Duke Energy Ohio or the Company), a public utility as defined by R.C. 4905.02 and 4905.03, respectfully represents and requests, per 4901-1-06 of the Ohio Admin. Code, that the Commission permit the Company to amend its pages 3 and 8 and permit the Company to supplement Exhibit C with Page 2 of 3 in its application filed on March 31, 2011 to add additional clarifying information. The amendment is needed so as to clarify the following sections:

Page 3, II. Use of Proceeds; and

Page 8, Section B. The Authority Bonds:

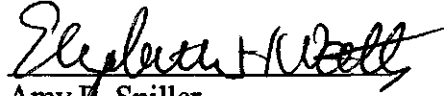
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Technician JD Date Processed 5-2-11

Respectfully submitted

DUKE ENERGY OHIO

A handwritten signature in black ink, appearing to read "Elizabeth H. Watts", written over a horizontal line.

Amy B. Spiller

Deputy General Counsel

Elizabeth H. Watts

Associate General Counsel

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Attorneys for Duke Energy Ohio

MEMORANDUM IN SUPPORT

Pursuant 4901-1-06 of the Ohio Admin. Code, Duke Energy Ohio requests to amend its application filed in the above-styled proceeding to add clarifying language to two sections. The proposed amendments and additions do not change the substance of the application, but merely provide further clarity and commitment to the Commission regarding the Company's intent and agreement to comply with applicable prior orders of this Commission. Specifically, Duke Energy Ohio seeks to add the following clarifying sentence to Page 3, Section II. Use of Proceeds:

"Duke Energy Ohio states that the issuance of the Debt Securities, Loan Agreements, Capital Leases, and Interest Rate Management Techniques will be in compliance with Commission Orders in Case Nos. 99-1658-EL-ETP and 08-920-EL-SSO approving Duke Energy Ohio's transition plan and electric security plan respectively."

Duke Energy Ohio also requests to add the following clarifying sentence to Page 8, Section B. The Authority Bonds: (paragraph 1)

"The letter of credit fees per annum will not exceed 3.50%."

Duke Energy Ohio also requests to supplement Page 22 to the filing (Attachment C – page 2 of 3) as attached. This page was inadvertently omitted in the filing due to a clerical error.

The Company requests the Commission to grant this amendment so as to provide further clarity regarding the Company's intent in its Application. All other aspects of the application filed on March 31, 2011 and the Amended Exhibit A filed on May 2, 2011 shall be incorporated into this Amended Application.

WHEREFORE, Duke Energy Ohio, Inc. respectfully requests that this Commission grant Duke Energy Ohio's request to amend its application and to issue an Order finding that:

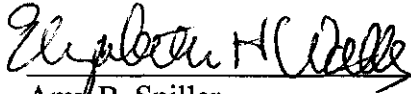
1. Applicant is a public utility as defined in Section 4905.02, Ohio Revised Code, and as such is subject to the jurisdiction of this Commission;
2. The Application is filed under provisions of Section 4905.41, Ohio Revised Code;
3. Applicant is authorized through April 30, 2011: (a) to sell and/or issue, from time to time up to \$500 million principal amount of first mortgage bonds (Bonds), senior unsecured debt securities or junior subordinated unsecured debt securities (collectively Debentures), or issue other long-term indebtedness (Long-Term Notes) or any combination thereof (Debt Securities), in the form of fixed or floating rate, in one or more series; (b) to borrow from time to time from the Ohio Air Quality Development Authority and/or the Ohio Water Development Authority, any statutory successor thereto or other authorized issuer of tax exempt bonds in the State of Ohio (collectively, the Authority), the proceeds of a maximum of \$400 million aggregate principal amount of the Authority's revenue bonds that may be issued in one or more series (Authority's Bonds) and to enter into one or more Loan Agreements with the Authority to evidence and secure its obligations to repay such loans; and, (c) to enter into from time to time additional capital lease transactions totaling in the aggregate up to \$100 million, to account for such transactions and to apply the proceeds from such transactions, all as proposed in this Application.
4. Applicant is authorized to enter into interest rate management agreements to manage the interest costs of its financial obligations (Interest Rate Management Agreements), and to account for such Interest Rate Management Agreements, all as proposed in this Application.
5. The issuance of the Debt Securities, the execution of the Loan Agreements, and the Capital Lease transactions are reasonably required and the money to be procured therefrom is necessary for Applicant's lawful corporate purposes; the use of Interest Rate Management Agreements is reasonably justified; and the Commission is satisfied that consent and authority should be granted accordingly.
6. When the transactions authorized by this Order have occurred, Applicant shall report to this Commission the terms and full particulars regarding each transaction or, in lieu of that where applicable, Applicant may submit

a copy of: (a) each prospectus as filed with the Securities and Exchange Commission setting forth each sale of the Debt Securities; (b) the Official Statement and Loan Agreement issued in connection with the issuance of the Authority's Bonds; or, (c) each Capital Lease agreement or summary that provides the terms and full particulars of the transaction.

7. The cash proceeds procured from the aforesaid transactions are to be used for the purposes specified in the Application as provided in Section 4905.40, Ohio Revised Code.
8. Applicant is hereby authorized to account for the transactions and the Interest Rate Management Agreements as specified in the Application.
9. Nothing in this Order shall be construed to imply any guaranty or obligation as to the transactions, Interest Rate Management Agreements, or the interest thereon, on the part of the State of Ohio.

Respectfully submitted this 2nd day of May 2011.

DUKE ENERGY OHIO



Amy B. Spiller

Deputy General Counsel

Elizabeth H. Watts

Associate General Counsel

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Attorneys for Duke Energy Ohio

Duke Energy Ohio, Inc.
Balance Sheet
As of December 31, 2010
(dollars in millions)

December 31,
2010

LIABILITIES AND COMMON STOCKHOLDER'S EQUITY

Current Liabilities

Accounts payable	\$ 467
Taxes accrued	153
Interest accrued	22
Current maturities of long-term debt	7
Other	99
Total current liabilities	748

Long-term Debt

2,557

Deferred Credits and Other Liabilities

Deferred income taxes	1,640
Investment tax credits	9
Accrued pension and other post-retirement benefit costs	207
Asset retirement obligations	27
Other	372
Total deferred credits and other liabilities	2,255

Commitments and Contingencies

Common Stockholder's Equity

Common Stock, \$8.50 par value, 120,000,000 shares authorized; 89,663,086 shares outstanding at December 31, 2010 and December 31, 2009	762
Additional paid-in capital	5,570
Accumulated deficit	(846)
Accumulated other comprehensive loss	(22)
Total common stockholder's equity	5,464
Total Liabilities and Common Stockholder's Equity	\$ 11,024