



Duke Energy Corporation  
139 East Fourth Street  
P.O. Box 960  
Cincinnati, Ohio 45201-0960

RECEIVED-DOCKETING DIV

2012 FEB 10 AM 9:12

PUCO

February 10, 2012

12-218-GA-GCR  
89-8002-GA-TRF

Public Utilities Commission of Ohio  
ATTN: Docketing Division  
13<sup>th</sup> Floor  
180 East Broad Street  
Columbus, Ohio 43215-3793

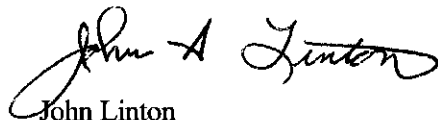
Docketing Division:

Enclosed for filing are ten (10) copies of Duke Energy Ohio ("Duke") gas cost recovery (GCR) report, as required by Section 4901:1-14, O.A.C., for the month commencing March 2012. This filing is based on supplier tariff rates expected to be in effect on March 1, 2012 and the NYMEX close of February 7, 2012 for the month of March 2012.

Duke's GCR rate effective March 2012 is \$4.543 per MCF, which represents a decrease of \$0.658 per MCF from the current GCR rate in effect for February 2012.

Please time-stamp the extra copy that I have enclosed and return for our file. Thank you for your timely assistance in this regard.

Very truly yours,

  
John Linton

Enclosure

cc: Ms. Carolyn Tyson  
Mr. R. J. Lehman  
Mr. Robert Clark  
L. Schmidt

r:\gcr/restored\cge/Monthly OHGCRLTR.doc

This is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business.  
Technician je Date Processed FEB 10 2012

www.duke-energy.com

COMPANY NAME: DUKE ENERGY OHIO

## GAS COST RECOVERY RATE CALCULATIONS

PARTICULARS	UNIT	AMOUNT
EXPECTED GAS COST (EGC)	\$/MCF	5.074
SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT (RA)	\$/MCF	(0.016)
ACTUAL ADJUSTMENT (AA)	\$/MCF	(0.515)
GAS COST RECOVERY RATE (GCR) = EGC + RA + AA + BA	\$/MCF	<u>4.543</u>

GAS COST RECOVERY RATE EFFECTIVE DATES: March 1, 2012 THROUGH March 29, 2012

## EXPECTED GAS COST CALCULATION

DESCRIPTION	UNIT	AMOUNT
TOTAL EXPECTED GAS COST COMPONENT (EGC)	\$/MCF	5.074

## SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTERLY SUPPLIER REFUND & RECONCILIATION ADJUSTMENT	\$/MCF	(0.004)
PREVIOUS QUARTERLY REPORTED SUPPLIER REFUND & RECONCILIATION ADJUSTMENT	\$/MCF	(0.004)
SECOND PREVIOUS QUARTERLY REPORTED SUPPLIER REFUND & RECONCILIATION ADJUSTMENT	\$/MCF	(0.004)
THIRD PREVIOUS QUARTERLY REPORTED SUPPLIER REFUND & RECONCILIATION ADJUSTMENT	\$/MCF	(0.004)
SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT (RA)	\$/MCF	<u>(0.016)</u>

## ACTUAL ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTERLY ACTUAL ADJUSTMENT	\$/MCF	0.281
PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	0.104
SECOND PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT (1)	\$/MCF	(0.342)
THIRD PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	(0.558)
ACTUAL ADJUSTMENT (AA)	\$/MCF	<u>(0.515)</u>

THIS QUARTERLY REPORT FILED PURSUANT TO ORDER NO. 76-515-GA-ORD  
OF THE PUBLIC UTILITIES COMMISSION OF OHIO, DATED OCTOBER 18, 1979.DATE FILED: February 10, 2012BY: DON WATHENTITLE: VICE-PRESIDENT, RATES

PURCHASED GAS ADJUSTMENT

SCHEDULE I

COMPANY NAME: DUKE ENERGY OHIO

EXPECTED GAS COST RATE CALCULATION

DETAILS FOR THE EGC RATE IN EFFECT AS OF MARCH 1, 2012  
PROJECTED VOLUME FOR THE TWELVE MONTH PERIOD ENDED FEBRUARY 28, 2013

<u>DEMAND COSTS</u>	<u>DEMAND EXPECTED GAS COST AMT (\$)</u>	<u>MISC EXPECTED GAS COST AMT (\$)</u>	<u>TOTAL DEMAND EXPECTED GAS COST AMT (\$)</u>
INTERSTATE PIPELINE SUPPLIERS (SCH. I-A)			
Columbia Gas Transmission Corp.	15,383,201	0	15,383,201
Duke Energy Kentucky	600,696	0	600,696
Columbia Gulf Transmission Co.	7,010,772	0	7,010,772
Texas Gas Transmission Corp.	7,918,861	0	7,918,861
K O Transmission Company	786,048	0	786,048
PRODUCER/MARKETER (SCH. I - A)	116,730	0	116,730
SYNTHETIC (SCH. I - A)			
OTHER GAS COMPANIES (SCH. I - B)			
OHIO PRODUCERS (SCH. I - B)			
SELF-HELP ARRANGEMENTS (SCH. I - B)			
SPECIAL PURCHASES (SCH. I - B)		(6,305,839)	(6,305,839)
TOTAL DEMAND COSTS:	31,816,308	(6,305,839)	\$25,510,469

PROJECTED GAS SALES LESS SPECIAL CONTRACT IT PURCHASES:

30,599,143 MCF

DEMAND (FIXED) COMPONENT OF EGC RATE:

\$0.834 /MCF

COMMODITY COSTS:

GAS MARKETERS  
GAS STORAGE  
COLUMBIA GAS TRANSMISSION  
TEXAS GAS TRANSMISSION  
PROPANE  
STORAGE CARRYING COSTS  
COMMODITY COMPONENT OF EGC RATE:

\$2.277 /MCF  
\$1.727 /MCF  
\$0.178 /MCF  
\$0.007 /MCF  
\$0.051 /MCF  
\$4.240 /MCF

TOTAL EXPECTED GAS COST:

\$5.074 /MCF

## PURCHASED GAS ADJUSTMENT

SCHEDULE I - A  
PAGE 1 OF 8

COMPANY NAME: DUKE ENERGY OHIO

## PRIMARY GAS SUPPLIER / TRANSPORTER

DETAILS FOR THE EGC IN EFFECT AS OF MARCH 1, 2012 AND THE PROJECTED  
VOLUME FOR THE TWELVE MONTH PERIOD ENDED FEBRUARY 28, 2013

SUPPLIER OR TRANSPORTER NAME Columbia Gas Transmission, LLC  
TARIFF SHEET REFERENCE Fourth Revised Volume No. 1 V.9/V.8 Version 6.0.0  
EFFECTIVE DATE OF TARIFF 02/1/2012 / 02/1/2012 RATE SCHEDULE NUMBER FSS/SST

TYPE GAS PURCHASED X NATURAL        LIQUIFIED        SYNTHETIC  
UNIT OR VOLUME TYPE        MCF        CCF        OTHER        DTH  
PURCHASE SOURCE X INTERSTATE        INTRASTATE

## INCLUDABLE GAS SUPPLIERS

PARTICULARS	UNIT RATE (\$ PER)	TWELVE MONTH VOLUME	EXPECTED GAS COST AMOUNT (\$)
<b>DEMAND</b>			
CONTRACT DEMAND - FSS MDSQ	1.5090	2,598,168	3,920,636
CONTRACT DEMAND - FSS SCQ	0.0289	110,928,948	3,205,847
CONTRACT DEMAND - SST (Oct-Mar)	4.2372 *	1,299,084	5,504,479
CONTRACT DEMAND - SST (Apr-Sep)	4.2372	649,542	2,752,239
<b>TOTAL DEMAND</b>			<b>15,383,201</b>
<b>COMMODITY</b>			
COMMODITY			
OTHER COMMODITY (SPECIFY)			
<b>TOTAL COMMODITY</b>			<b>-</b>
<b>MISCELLANEOUS</b>			
TRANSPORTATION	-	-	-
OTHER MISCELLANEOUS (SPECIFY)	-	-	-
<b>TOTAL MISCELLANEOUS</b>			<b>-</b>
<b>TOTAL EXPECTED GAS COST OF PRIMARY SUPPLIER/TRANSPORTER</b>			<b>15,383,201</b>

NOTE: IF ANY RATE SHOWN ABOVE IS DIFFERENT THAN THE UNIT RATE REPORTED IN PREVIOUS QUARTERLY REPORT,  
INDICATE WITH AN ASTERISK (\*) AND ATTACH COPY OF SUPPLIER TARIFF SHEET. IF TARIFF SHEET IS NOT  
AVAILABLE, THEN PROVIDE A DETAILED EXPLANATION.

Currently Effective Rates  
Applicable to Rate Schedule FSS  
Rate Per Dth

	Base Tariff Rate 1/	Transportation Cost		Electric Power		Annual Charge Adjustment 2/	Total Effective Rate	Daily Rate
		Current	Surcharge	Current	Surcharge			
Rate Schedule FSS								
Reservation Charge 3/ \$	1.509	-	-	-	-	-	1.509	0.0496
Capacity 3/ ¢	2.89	-	-	-	-	-	2.89	2.89
Injection ¢	1.53	-	-	-	-	-	1.53	1.53
Withdrawal ¢	1.53	-	-	-	-	-	1.53	1.53
Overrun 3/ ¢	10.91	-	-	-	-	-	10.91	10.91

1/ Excludes Account 858 expenses and Electric Power Costs which are recovered through Columbia's Transportation Costs Rate Adjustment (TCRA) and Electric Power Costs Adjustment (EPCA), respectively.

2/ ACA assessed where applicable pursuant to Section 154.402 of the Commission's Regulations.

3/ In addition to the above reflected Base Tariff Reservation Charge (MDSQ) and Capacity (SCQ) Rate, shippers utilizing the Eastern Market Expansion (EME) facilities for FSS service will pay an additional incremental reservation charge of \$2.625 per Dth per month, for a total FSS MDSQ reservation charge of \$4.130 and an additional 3.91 cents per Dth per month, for a total FSS SCQ capacity rate of 6.80 cents. If EME customers incur an overrun for FSS services that is provided under their EME Project service agreements, they will pay an additional 12.54 cents for such overruns, for a total FSS overrun rate of 23.44 cents. The additional EME demand charges and EME overrun charges can be added to the Total Effective Rate above to develop the EME Total Effective Rate.

Currently Effective Rates  
Applicable to Rate Schedule SST  
Rate Per Dth

Rate Schedule SST	Base Tariff Rate 1/	Transportation Cost Rate Adjustment		Electric Power Costs Adjustment		Annual Charge Adjustment 2/	Total Effective Rate	Daily Rate
		Current	Surcharge	Current	Surcharge			
Reservation Charge 3/4/ \$	5.467	0.386	0.005	0.057	0.005	-	5.920	0.1947
Commodity								
Maximum	¢	0.80	0.25	0.76	0.20	0.18	3.21	3.21
Minimum	¢	0.80	0.25	0.76	0.20	0.18	3.21	3.21
Overrun 4/	¢	2.07	0.27	0.95	0.22	0.18	22.68	22.68

*discounted to 4.2372*

$$.0102 + .0080 + .0025 + .0076 + .0020 = .0303 \text{ w/d}$$

1/ Excludes Account 858 expenses and Electric Power Costs which are recovered through Columbia's Transportation Costs Rate Adjustment (TCRA) and Electric Power Costs Adjustment (EPCA), respectively. For rates by function, see Section 5.15.

2/ ACA assessed where applicable pursuant to Section 154.402 of the Commission's Regulations.

3/ Minimum reservation charge is \$0.00.

4/ In addition to the above reflected Base Tariff SST Demand Rate, shippers utilizing the Eastern Market Expansion (EME) facilities for Rate Schedule SST service will pay an additional demand charge of \$12.186 per Dth per month, for a total SST reservation charge of \$17.625. If EME customers incur an overrun for SST services that is provided under their EME Project service agreements, they will pay an additional 40.07 cents for such overruns, for a total overrun rate of 58.97 cents. The applicable EME demand charge and EME overrun charge can be added to the Total Effective Rate above to calculate the EME Total Effective Rates.

$$\begin{aligned} &.0303 \\ &+.0018 \\ &\hline &.0321 \text{ inj. rate} \end{aligned}$$



# NiSource Gas Transmission & Storage

5151 San Felipe, Suite 2500  
Houston, Texas 77056

August 18, 2009

Mr. James L. Turner  
Group Executive, President & COO  
US FEG  
139 East Fourth Street  
EM025  
Cincinnati, OH 45202

RE: Revision 2 to SST Service Agreement No. 79971  
Discount Letter Agreement

Dear Mr. Turner:

This letter shall serve as an amendment to the SST Service Agreement between Columbia Gas Transmission, LLC (Transporter) and Duke Energy Ohio, Inc. (Shipper) designated as Transporter's Contract No. 79971.

A) Transporter and Shipper hereby agree that Section 3 of the above-referenced contract number shall be amended to include the following additional language:

- 1) The rate for service, for the period from 11/01/09 to 3/31/10, shall include a discounted demand rate, inclusive of the base rate and all demand surcharges, of \$3.963 for deliveries to the primary delivery points: CIN Gas & Electric OP-7 (14), CINC Gas & Electric – 10 (13-10), CINC Gas & Electric - 11 (13-11), KOT DEO MLI (833949) and the following primary receipt points: MRTCO – Master Receipt TCO / RP Storage Point TCO. Shipper shall also provide the then-existing Retainage and shall pay the then-existing maximum commodity charge plus commodity surcharges as set forth in Transporter's FERC Gas Tariff from time to time.
- 2) The rate for service, for the period from 4/01/10 to 3/31/12, shall include a discounted demand rate, inclusive of the base rate and all demand surcharges, of \$4.2372 for deliveries to the primary delivery points: CIN Gas & Electric OP-7 (14), CINC Gas & Electric – 10 (13-10), CINC Gas & Electric -11 (13-11), KOT DEO MLI (833949) and the following primary receipt points: MRTCO – Master Receipt TCO / RP Storage Point TCO. Shipper shall also provide the then-existing Retainage and shall pay the then-existing maximum commodity charge plus commodity surcharges as set forth in Transporter's FERC Gas Tariff from time to time.

RETAINAGE PERCENTAGES

Transportation Retainage	2.229% ✓ SST fuel %
Gathering Retainage	0.601%
Storage Gas Loss Retainage	0.030% FSS fuel %
Ohio Storage Gas Lost Retainage	0.060%
Columbia Processing Retainage/1	0.000%

1/ The Columbia Processing Retainage shall be assessed separately from the processing retainage applicable to third party processing plants set forth in Section 25.3 (f) of the General Terms and Conditions.



## PURCHASED GAS ADJUSTMENT

SCHEDULE I - A  
PAGE 2 OF 8

COMPANY NAME: DUKE ENERGY OHIO

## PRIMARY GAS SUPPLIER / TRANSPORTER

DETAILS FOR THE EGC IN EFFECT AS OF MARCH 1, 2012 AND THE PROJECTED  
VOLUME FOR THE TWELVE MONTH PERIOD ENDED FEBRUARY 28, 2013SUPPLIER OR TRANSPORTER NAME Duke Energy Kentucky

TARIFF SHEET REFERENCE \_\_\_\_\_

EFFECTIVE DATE OF TARIFF 12/9/08 retroactive to 7/25/08 RATE SCHEDULE NUMBER \_\_\_\_\_TYPE GAS PURCHASED ☒ NATURAL☐ LIQUIFIED☐ SYNTHETICUNIT OR VOLUME TYPE ☐ MCF☐ CCF☒ OTHER DTHPURCHASE SOURCE ☒ INTERSTATE☐ INTRASTATE

## INCLUDABLE GAS SUPPLIERS

PARTICULARS	UNIT RATE (\$ PER)	TWELVE MONTH VOLUME	EXPECTED GAS COST AMOUNT (\$)
DEMAND			
CONTRACT DEMAND	0.2781	2,160,000	600,696
_____			
_____			
_____			
_____			
_____			
TOTAL DEMAND			600,696
COMMODITY			
COMMODITY			
OTHER COMMODITY (SPECIFY)			
_____			
_____			
_____			
TOTAL COMMODITY			-
MISCELLANEOUS			
TRANSPORTATION	-	-	-
OTHER MISCELLANEOUS (SPECIFY)	-	-	-
_____			
_____			
_____			
_____			
TOTAL MISCELLANEOUS			-
TOTAL EXPECTED GAS COST OF PRIMARY SUPPLIER/TRANSPORTER			600,696

NOTE: IF ANY RATE SHOWN ABOVE IS DIFFERENT THAN THE UNIT RATE REPORTED IN PREVIOUS QUARTERLY REPORT,  
INDICATE WITH AN ASTERISK (\*) AND ATTACH COPY OF SUPPLIER TARIFF SHEET. IF TARIFF SHEET IS NOT  
AVAILABLE, THEN PROVIDE A DETAILED EXPLANATION.

FEDERAL ENERGY REGULATORY COMMISSION  
Washington, D.C. 20426

OFFICE OF ENERGY MARKET REGULATION

In Reply Refer To:  
Letter Order Pursuant to § 375.307  
Duke Energy Kentucky, Inc.  
Docket Nos. PR08-27-000 and  
PR08-27-001

Issued: 12/9/08

Duke Energy Kentucky, Inc.  
c/o Thompson Hine LLP  
1920 N Street NW, Suite 800  
Washington, DC 20036-1600

Attention: Peter C. Lesch  
Attorney for Duke Energy Kentucky, Inc.

Reference: Petition for Rate Approval

Dear Mr. Lesch:

1. On July 25, 2008, you submitted, on behalf of Duke Energy Kentucky, Inc. (DE-Kentucky),<sup>1</sup> a petition for rate approval pursuant to section 284.123(b)(2) and 284.224(e)(1) of the Commission's regulations.<sup>2</sup> DE-Kentucky proposes to charge a maximum monthly reservation charge of \$0.2781 per Dth and a commodity charge of \$0.000 per Dth for services performed under its Order No. 63 blanket certificate. In addition, on October 9, 2008, you submitted for filing, on behalf of DE-Kentucky, a revised Operating Statement to conform to previous Commission directives.<sup>3</sup>

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<sup>1</sup> DE-Kentucky was formally The Union Light, Heat and Power Company (Union Light).

<sup>2</sup> 18 C.F.R. § 284.123(b)(2) and 284.224(e)(1) (2008).

<sup>3</sup> DE-Kentucky states that during the course of preparing its response to a Staff data request DE-Kentucky discovered that revisions the Commission had directed be made in Docket No. PR99-9-000 (*See Union Light*, 87 FERC ¶ 61,320 at 62,248 (1999)) had not been made.

$$.2781 \times 180,000 = 50,058 \times 12 = 600,696$$

2. Based upon our review of the petition, we find DE-Kentucky's proposed transportation rates to be fair and equitable and not in excess of an amount which an interstate pipeline would be permitted to charge for comparable service. Therefore, DE-Kentucky's rate petition is accepted and approved, effective July 25, 2008, subject to the condition noted below.
3. The revisions in the revised Operating Statement filed October 9, 2008 are consistent with those directed by the Commission in Docket No. PR99-9-000. The revised Operating Statement is accepted for filing.
4. DE-Kentucky must file on or before July 25, 2011, an informational filing with cost, revenue and throughput data and other information to justify its rate. The informational filing should be sufficient to allow the Commission to determine whether any change in DE-Kentucky's rate pursuant to NGA section 5, which would apply prospectively, should be ordered. This cost and throughput data should be in the form specified in section 154.313 of the Commission's regulations.
5. This letter order does not relieve DE-Kentucky of its obligation to file the required reports under section 284 of the Commission's regulations. DE-Kentucky is reminded that it must submit the required filings on a timely basis, or face possible sanctions by the Commission.
6. Public notice of DE-Kentucky's July 25, 2008 filing was issued on August 5, 2008, with interventions and protests due on or before August 15, 2008. Public notice of DE-Kentucky's October 9, 2008 filing was issued on October 15, 2008, with interventions and protests due on or before October 27, 2008. No interventions, protests or adverse comments were filed. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.214 (2008)), all timely filed motions to intervene and any motions to intervene out-of-time filed before the issuance date of this order are granted.
7. This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 C.F.R. § 385.713 (2008).

Sincerely,

Larry D. Gasteiger, Director  
Division of Tariffs and Market  
Development – East

cc: All Parties  
Public File

## SERVICE AGREEMENT

No. 001

THIS AGREEMENT, made and entered into this 31<sup>st</sup> day of March, 2010, by and between DUKE ENERGY KENTUCKY, INC., a Kentucky corporation, (hereinafter referred to as "Transporter"), and DUKE ENERGY OHIO, INC (hereinafter referred to as "Shipper").

### WITNESSETH:

That in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

#### Section 1

Service to be Rendered. Transporter shall perform and Shipper shall receive service in accordance with the provisions of the applicable General Terms and Conditions of Transporter's Operating Statement on file with the Federal Energy Regulatory Commission (Commission), as the same may be amended or superseded in accordance with the rules and regulations of the Commission. The maximum obligation of Transporter to deliver gas hereunder to or for Shipper, the designation of the points of delivery at which Transporter shall deliver or cause gas to be delivered to or for Shipper, and the points of receipt at which Shipper shall deliver or cause gas to be delivered, are specified in Appendix A, as the same may be amended from time to time by agreement between Shipper and Transporter, or in accordance with the rules and regulations of the Commission. Service hereunder shall be provided subject to the provisions of Part 284.224 of the Commission's regulations. Shipper warrants that service hereunder is being provided on behalf of the shipper.

#### Section 2

Term. Service under this Agreement shall commence as of April 1, 2010 and shall continue in full force and effect until March 31, 2011 and from year-to-year thereafter unless terminated by either party upon thirty days written notice to the other party.

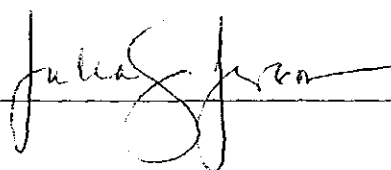
### Section 3

Rates. Shipper shall pay Transporter those charges as approved by the Commission, unless otherwise agreed to by the parties in writing and specified as an amendment to the Service Agreement.

### Section 4

Notices. Notices to Transporter under this Agreement shall be addressed to it at 139 East Fourth Street, Cincinnati, Ohio 45202, Attention: Patricia Walker, Senior Vice President. Notices to Shipper under this Agreement shall be addressed to it at 139 East Fourth Street, Cincinnati, Ohio 45202, Attention: Julie Janson, President.

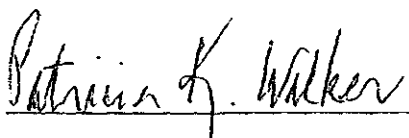
Shipper: Duke Energy Ohio, Inc.

By 

SJM

Title President

Duke Energy Kentucky, Inc.

By 

Title Senior Vice President, Gas Operations

Revision 001

Appendix A to Service Agreement No. 001

Between Duke Energy Kentucky, Inc. (Transporter)  
and Duke Energy Ohio, Inc. (Shipper)

Transportation Quantity: 180,000 Dth/day

Primary Receipt Point: Cold Spring Station

Primary Delivery Point: Front & Rose Station  
Eastern Avenue Station  
Anderson Ferry Station

Shipper: Duke Energy Ohio, Inc.

By Julia S. Jan  
Its President  
Date March 26, 2010

Duke Energy Kentucky, Inc.

By Patricia K. Walker  
Its Senior Vice President, Gas Operations  
Date March 26, 2010

## PURCHASED GAS ADJUSTMENT

SCHEDULE I - A  
PAGE 3 OF 8

COMPANY NAME: DUKE ENERGY OHIO

## PRIMARY GAS SUPPLIER / TRANSPORTER

DETAILS FOR THE EGC IN EFFECT AS OF MARCH 1, 2012 AND THE PROJECTED  
VOLUME FOR THE TWELVE MONTH PERIOD ENDED FEBRUARY 28, 2013

SUPPLIER OR TRANSPORTER NAME Columbia Gulf Transmission Corp.  
TARIFF SHEET REFERENCE Third Revised Volume No. 1 V.1. Version 9.0.0  
EFFECTIVE DATE OF TARIFF 2/1/2012 RATE SCHEDULE NUMBER FTS-1

TYPE GAS PURCHASED ☒ NATURAL ☐ LIQUIFIED ☐ SYNTHETIC  
UNIT OR VOLUME TYPE ☐ MCF ☐ CCF ☒ OTHER ☐ DTH  
PURCHASE SOURCE ☒ INTERSTATE ☐ INTRASTATE

## INCLUDABLE GAS SUPPLIERS

PARTICULARS	UNIT RATE (\$ PER)	TWELVE MONTH VOLUME	EXPECTED GAS COST AMOUNT (\$)
DEMAND			
FTS-1 DEMAND (NOV-MAR)	4.2917	816,070	3,502,328
FTS-1 DEMAND (APR-OCT)	4.2917	782,495	3,358,234
FTS-1 DEMAND (NOV-MAR)	4.2917	35,000	150,210
TOTAL DEMAND			7,010,772
COMMODITY			
COMMODITY			
OTHER COMMODITY (SPECIFY)			
TOTAL COMMODITY			0
MISCELLANEOUS			
TRANSPORTATION	-	-	-
OTHER MISCELLANEOUS (SPECIFY)	-	-	-
TOTAL MISCELLANEOUS			-
TOTAL EXPECTED GAS COST OF PRIMARY SUPPLIER/TRANSPORTER			7,010,772

NOTE: IF ANY RATE SHOWN ABOVE IS DIFFERENT THAN THE UNIT RATE REPORTED IN PREVIOUS QUARTERLY REPORT,  
INDICATE WITH AN ASTERISK (\*) AND ATTACH COPY OF SUPPLIER TARIFF SHEET. IF TARIFF SHEET IS NOT  
AVAILABLE, THEN PROVIDE A DETAILED EXPLANATION.

Currently Effective Rates  
 Applicable to Rate Schedule FTS-1  
 Rates in Dollars per Dth

Rate Schedule FTS-1	<u>Base Rate</u> (1)	<u>Annual Charge</u> <u>Adjustment 1/</u> (2)	<u>Total Effective</u> <u>Rate</u> (3)	<u>Daily Rate</u> (4)
<u>Market Zone</u>				
Reservation Charge				
Maximum	4.2917	-	4.2917	0.1411
Minimum	0.000	-	0.000	0.000
Commodity				
Maximum	0.0109	0.0018	0.0127 ✓	0.0127
Minimum	0.0109	0.0018	0.0127	0.0127
Overrun				
Maximum	0.1520	0.0018	0.1538	0.1538
Minimum	0.0109	0.0018	0.0127	0.0127

1/ Pursuant to 18 C.F.R. § 154.402. Rate applies to all Gas delivered. When transportation involves more than one zone, rate will be applied only one time.



## PURCHASED GAS ADJUSTMENT

SCHEDULE I - A  
PAGE 4 OF 8

COMPANY NAME: DUKE ENERGY OHIO

## PRIMARY GAS SUPPLIER / TRANSPORTER

DETAILS FOR THE EGC IN EFFECT AS OF MARCH 1, 2012 AND THE PROJECTED  
VOLUME FOR THE TWELVE MONTH PERIOD ENDED FEBRUARY 28, 2013

SUPPLIER OR TRANSPORTER NAME Texas Gas Transmission, LLC  
 TARIFF SHEET REFERENCE Fourth Revised Volume No. 1 Section 4.4 Version 4.0.0  
 EFFECTIVE DATE OF TARIFF 10/1/2011 RATE SCHEDULE NUMBER NNS-4

TYPE GAS PURCHASED X NATURAL      LIQUIFIED      SYNTHETIC  
 UNIT OR VOLUME TYPE      MCF      CCF X OTHER DTH  
 PURCHASE SOURCE X INTERSTATE      INTRASTATE

## INCLUDABLE GAS SUPPLIERS

PARTICULARS	UNIT RATE (\$ PER)	TWELVE MONTH VOLUME	EXPECTED GAS COST AMOUNT (\$)
DEMAND			
CONTRACT DEMAND Nom&Unnom (Nov-Mar)	0.4190	4,750,000	1,990,250
CONTRACT DEMAND Nom&Unnom (April)	0.4190	798,210	334,450
CONTRACT DEMAND Nom (May-Sep)	0.4190	1,680,246	704,023
CONTRACT DEMAND Nom&Unnom (October)	0.4190	968,750	405,906
TOTAL DEMAND			3,434,629
COMMODITY			
COMMODITY			
OTHER COMMODITY (SPECIFY)			
TOTAL COMMODITY			-
MISCELLANEOUS			
TRANSPORTATION	-	-	-
OTHER MISCELLANEOUS (SPECIFY)	-	-	-
TOTAL MISCELLANEOUS			-
TOTAL EXPECTED GAS COST OF PRIMARY SUPPLIER/TRANSPORTER			3,434,629

NOTE: IF ANY RATE SHOWN ABOVE IS DIFFERENT THAN THE UNIT RATE REPORTED IN PREVIOUS QUARTERLY REPORT,  
 INDICATE WITH AN ASTERISK (\*) AND ATTACH COPY OF SUPPLIER TARIFF SHEET. IF TARIFF SHEET IS NOT  
 AVAILABLE, THEN PROVIDE A DETAILED EXPLANATION.

**Currently Effective Maximum Transportation Rates (\$ per MMBtu)  
 For Service Under Rate Schedule NNS**

	<b>Base Tariff Rates (1)</b>	<b>FERC ACA (2)</b>	<b>Currently Effective Rates (3)</b>
Zone SL			
Daily Demand	0.1800		0.1800
Commodity	0.0253	0.0018	0.0271
Overrun	0.2053	0.0018	0.2071
Zone 1			
Daily Demand	0.2782		0.2782
Commodity	0.0431	0.0018	0.0449
Overrun	0.3213	0.0018	0.3231
Zone 2			
Daily Demand	0.3088		0.3088
Commodity	0.0460	0.0018	0.0478
Overrun	0.3548	0.0018	0.3566
Zone 3			
Daily Demand	0.3543		0.3543
Commodity	0.0490	0.0018	0.0508
Overrun	0.4033	0.0018	0.4051
Zone 4			
Daily Demand	0.4190		0.4190
Commodity	0.0614	0.0018	0.0632
Overrun	0.4804	0.0018	0.4822

Minimum Rate: Demand \$-0-; Commodity - Zone SL 0.0163  
 Zone 1 0.0186  
 Zone 2 0.0223  
 Zone 3 0.0262  
 Zone 4 0.0308

**Notes:**

- The maximum reservation charge component of the maximum firm volumetric capacity release rate shall be the applicable maximum daily demand rate herein pursuant to Section 6.16 of the General Terms and Conditions.
- For receipts from Duke Field Services' Carthage Plant/Gulf South Pipeline Company, LP, Enbridge Pipelines, L.P./Gulf South Pipeline Company, LP, Energy Transfer Company/Gulf South Pipeline Company, LP, and Enterprise Texas Pipeline L.P./Gulf South Pipeline Company, LP interconnects in Panola County, Texas, Customer shall pay an incremental transportation charge of:
 

Daily Demand	\$0.1288
Commodity	\$0.0068
Overrun	\$0.1356

These receipt points are available to those customers agreeing to pay the incremental rate(s) applicable to such points and are not available for pooling under Rate Schedule TAPS.

## PURCHASED GAS ADJUSTMENT

SCHEDULE I - A  
PAGE 5 OF 8

COMPANY NAME: DUKE ENERGY OHIO

## PRIMARY GAS SUPPLIER / TRANSPORTER

DETAILS FOR THE EGC IN EFFECT AS OF MARCH 1, 2012 AND THE PROJECTED  
VOLUME FOR THE TWELVE MONTH PERIOD ENDED FEBRUARY 28, 2013

SUPPLIER OR TRANSPORTER NAME Texas Gas Transmission, LLC  
TARIFF SHEET REFERENCE N/A  
EFFECTIVE DATE OF TARIFF 9/15/2010 RATE SCHEDULE NUMBER FT

TYPE GAS PURCHASED X NATURAL LIQUIFIED SYNTHETIC  
UNIT OR VOLUME TYPE MCF CCF X OTHER DTH  
PURCHASE SOURCE X INTERSTATE INTRASTATE

## INCLUDABLE GAS SUPPLIERS

PARTICULARS	UNIT RATE (\$ PER)	TWELVE MONTH VOLUME	EXPECTED GAS COST AMOUNT (\$)
DEMAND			
FT - DEMAND Direct Assignment (Nov - Mar)	-	-	-
FT - DEMAND Direct Assignment (Apr - Oct)	-	-	-
FT - DEMAND (Gulf South)	0.4084	10,980,000	4,484,232
STF - DEMAND (Zone SL) (Nov-Mar)			0
TOTAL DEMAND			4,484,232
COMMODITY			
COMMODITY			
OTHER COMMODITY (SPECIFY)			
TOTAL COMMODITY			0
MISCELLANEOUS			
TRANSPORTATION	-	-	-
OTHER MISCELLANEOUS (SPECIFY)	-	-	-
TOTAL MISCELLANEOUS			-
TOTAL EXPECTED GAS COST OF PRIMARY SUPPLIER/TRANSPORTER			4,484,232

NOTE: IF ANY RATE SHOWN ABOVE IS DIFFERENT THAN THE UNIT RATE REPORTED IN PREVIOUS QUARTERLY REPORT,  
INDICATE WITH AN ASTERISK (\*) AND ATTACH COPY OF SUPPLIER TARIFF SHEET. IF TARIFF SHEET IS NOT  
AVAILABLE, THEN PROVIDE A DETAILED EXPLANATION.



**TEXAS GAS**  
TRANSMISSION, LLC

3800 Frederica Street  
P.O. Box 20008  
Owensboro, KY 42304-0008  
270/926-8686

FORM OF NEGOTIATED RATE AGREEMENT

September 16, 2009

Mr. Jim Henning  
Duke Energy Ohio, Inc.  
139 E 4<sup>th</sup> Street, #EM025  
Cincinnati, OH 45202-4003

Re: Negotiated Rate Agreement

Dear Jim:

Texas Gas Transmission, LLC (Texas Gas) and Duke Energy Ohio, Inc. (Duke) have agreed on negotiated transportation rate(s) for the time period(s) listed below. Accordingly, Texas Gas and Duke agree as follows:

Contract No.:	25573
Rate Schedule:	FT
Time Period(s):	October 1, 2009 through March 31, 2014
Quantity(ies):	30,000 MMBtu/d
Point(s):	
Qualified Primary Receipt Point(s):	Gulf South-Duke East TX/Meter No. 9085
Qualified Secondary Receipt Point(s):	Gulf South-Enbridge E TX/Meter No. 9086 Gulf South-ETC East Texas/Meter No. 9087 Gulf South-Enterprise ETX/Meter No. 9088 Texas Gas receipt points located in zones 1, 2, 3 and 4
Qualified Primary Delivery Point(s):	Duke Energy Ohio, Inc./Meter No. 1229
Eligible Secondary Delivery Point(s):	Duke Energy Kentucky/Meter No. 1872
Qualified Secondary Delivery Point(s):	Texas Gas delivery points located in zones 1, 2, 3 and 4
Negotiated Rate(s):	
Demand:	Components of demand charge: \$0.1242/MMBtu for firm Gulf South lease capacity \$0.2842/MMBtu for Texas Gas Zone 1-4 firm capacity \$0.4084/MMBtu total firm demand charge
Commodity:	\$0.0266/MMBtu for deliveries to the Primary Delivery Point and Eligible Secondary Delivery Point, plus applicable ACA surcharge. <div style="text-align: right;">.0266 + .0019 ----- = .0285</div>
Fuel Retention:	Duke shall pay the applicable fuel retention, including fuel attributable to the Gulf South lease, per Texas Gas' tariff.

KO Transmission Company, Tariffs, Rate Schedules and Service Agreements

Filing Category: Amendment  
 FERC Docket: RP11-02404-001  
 FERC Order: Delegated Letter Order  
 Effective Date: 10/01/2011  
 Part 3, Currently Effective Rates, 4.0.0

Filing Date:  
 FERC Action:  
 Order Date:  
 Status:

08/31/2011  
 Accept  
 09/15/2011  
 Effective

**CURRENTLY EFFECTIVE RATES  
 APPLICABLE TO RATE SCHEDULES FTS AND ITS**

**RATE LEVELS - RATE PER DTH**

	<b>Base Tariff Rate</b>	<b>Annual Charge Adjustment<sup>1/</sup></b>	<b>Total Effective Rate</b>
<b>RATE SCHEDULE FTS</b>			
Reservation Charge <sup>2/</sup>			
Maximum 1	\$0.3560	--	\$0.3560
Maximum 2	\$0.3560	--	\$0.3560
Daily Rate - Maximum 1	\$0.0117	--	\$0.0117
Daily Rate - Maximum 2	\$0.0117	--	\$0.0117
<b>Commodity</b>			
Maximum	\$0.0000	\$0.0018	\$0.0018
Minimum	\$0.0000	\$0.0018	\$0.0018
Overrun	\$0.0117	\$0.0018	\$0.0135
<b>RATE SCHEDULE ITS</b>			
<b>Commodity</b>			
Maximum	\$0.0117	\$0.0018	\$0.0135
Minimum	\$0.0000	\$0.0018	\$0.0018

<sup>1/</sup> ACA assessed where applicable pursuant to Section 154.402 of the Commission's regulations and will be charged pursuant to Section 23 of the General Terms and Conditions at such time that initial and successive annual ACA assessments applicable to Transporter are made.

<sup>2/</sup> Minimum reservation charge is \$0.00.

Transportation Retainage Adjustment 0.94%

NOTE: Utilizing GISB standards 5.3.22 and 5.3.23, Transporter's Rate Schedule FTS Reservation Charge can be converted to an applicable daily rate by dividing the above monthly rate by 30.4 days.

**Currently Effective Maximum Transportation Rates (\$ per MMBtu)  
 For Service under Rate Schedule STF**

	<u>Peak (Winter)-Demand</u>	<u>Off-Peak (Summer)-Demand</u>
	<u>Currently Effective Rates [1]</u>	<u>Currently Effective Rates [1]</u>
SL-SL	0.1188	0.0516
SL-1	0.2322	0.1009
SL-2	0.3172	0.1378
SL-3	0.3731	0.1621
SL-4	0.4701	0.2042
1-1	0.1873	0.0814
1-2	0.2723	0.1183
1-3	0.3282	0.1426
1-4	0.4252	0.1847
2-2	0.1992	0.0866
2-3	0.2551	0.1108
2-4	0.3492	0.1517
3-3	0.1766	0.0768
3-4	0.2707	0.1177
4-4	0.2056	0.0893

Backhaul rates equal forward haul rates from Zone SL to zone of delivery; provided, however, that intra-zone rates shall apply to intra-zone transportation, whether such intra-zone transportation is forward haul or backhaul.

**Notes:**

- The STF commodity rate is the applicable FT commodity rate in Section 4.1.  
 The STF overrun rate equals the daily demand rate plus applicable FT commodity rate.  
 Minimum rate: Demand \$-0- The minimum commodity rate is presented in Section 4.12.
- For receipts from Duke Field Services' Carthage Plant/Gulf South Pipeline Company, LP, Enbridge Pipelines, L.P./Gulf South Pipeline Company, LP, Energy Transfer Company/Gulf South Pipeline Company, LP, and Enterprise Texas Pipeline L.P./Gulf South Pipeline Company, LP interconnects in Panola County, Texas, Customer shall pay an incremental Daily Demand charge of \$0.1288. These receipt points are available to those customers agreeing to pay the incremental rate(s) applicable to such points and are not available for pooling under Rate Schedule TAPS.

## PURCHASED GAS ADJUSTMENT

SCHEDULE I - A  
PAGE 6 OF 8

COMPANY NAME: DUKE ENERGY OHIO

## PRIMARY GAS SUPPLIER / TRANSPORTER

DETAILS FOR THE EGC IN EFFECT AS OF MARCH 1, 2012 AND THE PROJECTED  
VOLUME FOR THE TWELVE MONTH PERIOD ENDED FEBRUARY 28, 2013

SUPPLIER OR TRANSPORTER NAME	<u>K O Transmission Company</u>		
TARIFF SHEET REFERENCE	<u>Part 3</u>		
EFFECTIVE DATE OF TARIFF	<u>10/1/2011</u>	RATE SCHEDULE NUMBER	<u>FTS</u>
TYPE GAS PURCHASED	<u>X</u> NATURAL	<u>    </u> LIQUIFIED	<u>    </u> SYNTHETIC
UNIT OR VOLUME TYPE	<u>    </u> MCF	<u>    </u> CCF	<u>X</u> OTHER DTH
PURCHASE SOURCE	<u>X</u> INTERSTATE	<u>    </u> INTRASTATE	

## INCLUDABLE GAS SUPPLIERS

PARTICULARS	UNIT RATE (\$ PER)	TWELVE MONTH VOLUME	EXPECTED GAS COST AMOUNT (\$)
DEMAND			
FT - DEMAND	0.3560	2,208,000	786,048
TOTAL DEMAND			786,048
COMMODITY			
TOTAL COMMODITY			0
MISCELLANEOUS			
TRANSPORTATION	-	-	-
OTHER MISCELLANEOUS (SPECIFY)	-	-	-
TOTAL MISCELLANEOUS			-
TOTAL EXPECTED GAS COST OF PRIMARY SUPPLIER/TRANSPORTER			786,048

NOTE: IF ANY RATE SHOWN ABOVE IS DIFFERENT THAN THE UNIT RATE REPORTED IN PREVIOUS QUARTERLY REPORT, INDICATE WITH AN ASTERISK (\*) AND ATTACH COPY OF SUPPLIER TARIFF SHEET. IF TARIFF SHEET IS NOT AVAILABLE, THEN PROVIDE A DETAILED EXPLANATION.

## PURCHASED GAS ADJUSTMENT

SCHEDULE I - A  
PAGE 7 OF 8

COMPANY NAME: DUKE ENERGY OHIO

## PRIMARY GAS SUPPLIER / TRANSPORTER

DETAILS FOR THE EGC IN EFFECT AS OF MARCH 1, 2012 AND THE PROJECTED  
VOLUME FOR THE TWELVE MONTH PERIOD ENDED FEBRUARY 28, 2013SUPPLIER OR TRANSPORTER NAME Various Producers / Marketers

TARIFF SHEET REFERENCE \_\_\_\_\_

EFFECTIVE DATE OF TARIFF \_\_\_\_\_

RATE SCHEDULE NUMBER \_\_\_\_\_

TYPE GAS PURCHASED ☒ NATURAL☐ LIQUIFIED☐ SYNTHETICUNIT OR VOLUME TYPE ☐ MCF☐ CCF☒ OTHER DTHPURCHASE SOURCE ☒ INTERSTATE☐ INTRASTATE

## INCLUDABLE GAS SUPPLIERS

PARTICULARS	UNIT RATE (\$ PER)	TWELVE MONTH VOLUME	EXPECTED GAS COST AMOUNT (\$)
DEMAND			
Various Producers/Marketers	-	29,153,144	60,765
Needle Peaking @ City Gate (Various Suppliers)	-	1,275,000	55,965
TOTAL DEMAND			116,730
COMMODITY			
See Commodity Costs sheet, Page 8 of 8.			
TOTAL COMMODITY			-
MISCELLANEOUS			
TRANSPORTATION	-	-	-
OTHER MISCELLANEOUS (SPECIFY)	-	-	-
TOTAL MISCELLANEOUS			0
TOTAL EXPECTED GAS COST OF PRIMARY SUPPLIER/TRANSPORTER			116,730

NOTE: IF ANY RATE SHOWN ABOVE IS DIFFERENT THAN THE UNIT RATE REPORTED IN PREVIOUS QUARTERLY REPORT, INDICATE WITH AN ASTERISK (\*) AND ATTACH COPY OF SUPPLIER TARIFF SHEET. IF TARIFF SHEET IS NOT AVAILABLE, THEN PROVIDE A DETAILED EXPLANATION.



## PURCHASED GAS ADJUSTMENT

SCHEDULE I - A  
PAGE 8 OF 8

COMPANY NAME: DUKE ENERGY OHIO

## PRIMARY GAS SUPPLIER / TRANSPORTER

DETAILS FOR THE EGC IN EFFECT AS OF MARCH 1, 2012 AND THE PROJECTED  
VOLUME FOR THE TWELVE MONTH PERIOD ENDED FEBRUARY 28, 2013

SUPPLIER OR TRANSPORTER NAME	<u>Commodity Costs</u>		
TARIFF SHEET REFERENCE	<u></u>		
EFFECTIVE DATE OF TARIFF	<u></u>		
	RATE SCHEDULE NUMBER <u></u>		
TYPE GAS PURCHASED	<u>X</u> NATURAL	<u></u> LIQUIFIED	<u></u> SYNTHETIC
UNIT OR VOLUME TYPE	<u></u> MCF	<u></u> CCF	<u></u> OTHER
PURCHASE SOURCE	<u>X</u> INTERSTATE	<u></u> INTRASTATE	

## GAS COMMODITY RATE FOR MARCH 2012:

## GAS MARKETERS :

WEIGHTED AVERAGE GAS COST @ CITY GATE (\$/Dth) (1):			\$3.3002	\$/Dth
DUKE ENERGY OHIO FUEL	1.000%	\$0.0330	\$3.3332	\$/Dth
DTH TO MCF CONVERSION	1.0077	\$0.0257	\$3.3589	\$/Mcf
ESTIMATED WEIGHTING FACTOR	67.800%		\$2.2773	\$/Mcf
<b>GAS MARKETERS COMMODITY RATE</b>			<b>\$2.277</b>	<b>\$/Mcf</b>

## GAS STORAGE :

COLUMBIA GAS TRANS. - STORAGE INVENTORY RATE			\$5.8393	\$/Dth
COLUMBIA GAS TRANS. FSS WITHDRAWAL FEE		\$0.0153	\$5.8546	\$/Dth
COLUMBIA GAS TRANS. SST FUEL	2.229%	\$0.1305	\$5.9851	\$/Dth
COLUMBIA GAS TRANS SST COMMODITY RATE		\$0.0303	\$6.0154	\$/Dth
KO TRANS. COMMODITY RATE		\$0.0018	\$6.0172	\$/Dth
DUKE ENERGY OHIO FUEL	1.000%	\$0.0602	\$6.0774	\$/Dth
DTH TO MCF CONVERSION	1.0077	\$0.0468	\$6.1242	\$/Mcf
ESTIMATED WEIGHTING FACTOR	28.200%		\$1.7270	\$/Mcf
<b>GAS STORAGE COMMODITY RATE - COLUMBIA GAS</b>			<b>\$1.727</b>	<b>\$/Mcf</b>
TEXAS GAS TRANSMISSION - STORAGE INVENTORY RATE			\$4.4079	\$/Dth
TEXAS GAS COMMODITY RATE		\$0.0632	\$4.4711	\$/Dth
DUKE ENERGY OHIO FUEL	1.000%	\$0.0447	\$4.5158	\$/Dth
DTH TO MCF CONVERSION	1.0077	\$0.0348	\$4.5506	\$/Mcf
ESTIMATED WEIGHTING FACTOR	3.900%		\$0.1775	\$/Mcf
<b>GAS STORAGE COMMODITY RATE - TEXAS GAS</b>			<b>\$0.178</b>	<b>\$/Mcf</b>

## PROPANE :

WEIGHTED AVERAGE PROPANE INVENTORY RATE			\$0.44654	\$/Gal
GALLON TO MCF CONVERSION	15.38	\$6.4212	\$6.8677	\$/Mcf
ESTIMATED WEIGHTING FACTOR	0.100%		\$0.0069	\$/Mcf
<b>PROPANE COMMODITY RATE</b>			<b>\$0.007</b>	<b>\$/Mcf</b>

FOOTNOTE NO. (1) Weighted average cost of gas based on NYMEX prices on 2/07/12 and contracted hedging prices.

## PURCHASED GAS ADJUSTMENT

SCHEDULE I - B  
PAGE 1 OF 1

## OTHER PRIMARY GAS SUPPLIERS

DETAILS FOR THE EGC IN EFFECT AS OF MARCH 1, 2012 AND THE PROJECTED  
VOLUME FOR THE TWELVE MONTH PERIOD ENDED FEBRUARY 28, 2013

SUPPLIER NAME	UNIT RATE	TWELVE MONTH VOLUME	EXPECTED GAS COST AMOUNT
<u>OTHER GAS COMPANIES</u>			
TOTAL OTHER GAS COMPANIES			-
<u>OHIO PRODUCERS</u>			
TOTAL OHIO PRODUCERS			-
<u>SELF-HELP ARRANGEMENT</u>			
TRANSPORTATION			
OTHER MISCELLANEOUS (SPECIFY)			
Firm Balancing Service (FBS) Credit (1)	0.176 *	9,083,568	(1,598,708)
Contract Commitment Cost Recovery (CCCR) Credit (1)	-0.008 *	22,712,431	172,470
EFBS Demand Credit	6.13	756,000	(4,634,280)
EFBS Volumetric Credit (1)	0.018	13,628,863	(245,320)
TOTAL SELF-HELP ARRANGEMENT			(6,305,839)
<u>SPECIAL PURCHASES</u>			

FOOTNOTE NO. (1) Unit rate and volumes are in \$/Mcf and Mcf respectively.

PURCHASED GAS ADJUSTMENT  
DUKE ENERGY OHIO  
ATTACHMENT TO SCHEDULE I

INCLUDABLE PROPANE (PEAK SHAVING @ EASTERN AVE) :

BOOK COST OF INCLUDABLE PROPANE (\$/GAL)		0.44332
INCLUDABLE PROPANE FOR 12 MO. ENDED	<u>DECEMBER 31, 2011</u> (GALS)	184,056
	SUB TOTAL	<u>81,596</u>

INCLUDABLE PROPANE (PEAK SHAVING @ DICKS CREEK PLANTS) :

BOOK COST OF INCLUDABLE PROPANE (\$/GAL)		0.34839
INCLUDABLE PROPANE FOR 12 MO. ENDED	<u>DECEMBER 31, 2011</u> (GALS)	-
	SUB TOTAL	<u>-</u>

INCLUDABLE PROPANE (PEAK SHAVING @ ERLANGER PLANT) :

BOOK COST OF INCLUDABLE PROPANE (\$/GAL)		0.44920
INCLUDABLE PROPANE FOR 12 MO. ENDED	<u>DECEMBER 31, 2011</u> (GALS)	221,883
	SUB TOTAL	<u>99,670</u>

TOTAL DOLLARS 181,266

TOTAL GALLONS 405,939

See Commodity Costs sheet, Page 8 of 8.

WEIGHTED AVERAGE RATE \$0.44654

**PURCHASED GAS ADJUSTMENT  
COMPANY NAME: DUKE ENERGY OHIO**

**SUPPLEMENTAL MONTHLY REPORT**

**ESTIMATED COST OF GAS INJECTED AND WITHDRAWN FROM STORAGE**

Details for the EGC Rate in Effect as of March 1, 2012

<u>Month</u>	<u>Beginning Storage Inventory</u>	<u>Monthly Storage Activity</u>		<u>Ending Storage Inventory</u>
		<u>Injected</u>	<u>Withdrawn</u>	
January 2012	\$44,327,810	\$0	\$11,712,678	\$32,615,132
February 2012	\$32,615,132	\$0	\$1,760,000	\$30,855,132
March 2012	\$30,855,132	\$0	\$5,728,650	\$25,126,482

**PURCHASED GAS ADJUSTMENT  
COMPANY NAME: DUKE ENERGY OHIO**

**SUPPLEMENTAL MONTHLY REPORT**

**ESTIMATED CONTRACT STORAGE CARRYING COSTS**

Details for the EGC Rate in Effect as of March 1, 2012

Line No.	Ending Storage Balance Month	Estimated Ending Storage Inventory (Schedule I - C)	Average Monthly Storage Inventory Balance	Average Storage Balance times Monthly Cost of Capital (1)	Estimated Monthly MCF	\$/MCF
				0.8333%		
1	January 2012	\$32,615,132				
2	February 2012	\$30,855,132	\$31,735,132			
3	March 2012	\$25,126,482	\$27,990,807	\$233,247	4,529,793	\$0.051

Note (1): 10% divided by 12 months = 0.8333%

**PURCHASE GAS ADJUSTMENT  
DUKE ENERGY OHIO  
SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT  
DETAILS FOR THE THREE MONTH PERIOD ENDED November 30, 2011**

PARTICULARS			UNIT	AMOUNT
PROJECTED SALES: TWELVE MONTHS ENDED	February 28,	2013	MCF	28,921,882
TOTAL PROJECTED SALES: TWELVE MONTHS ENDED	February 28,	2013	MCF	28,921,882
RATIO OF JURISDICTIONAL SALES TO TOTAL SALES			RATIO	1.000
SUPPLIER REFUNDS RECEIVED AND RECONCILIATION ADJUSTMENTS ORDERED DURING THE THREE MONTH PERIOD	November 30,	2011	\$	<u>(110,732.38)</u>
JURISDICTIONAL SHARE OF SUPPLIER REFUNDS AND RECONCILIATION ADJUSTMENTS			\$	(110,732.38)
INTEREST FACTOR				1.0550
JURISDICTIONAL SHARE OF SUPPLIER REFUNDS AND RECONCILIATION ADJUSTMENTS, INCLUDING INTEREST			\$	(116,822.66)
JURISDICTIONAL SALES: TWELVE MONTHS ENDED	February 28,	2013	MCF	28,921,882
CURRENT SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT			\$/MCF	<u>(0.004)</u>

**DETAILS OF REFUNDS / ADJUSTMENTS  
RECEIVED DURING THE THREE MONTH PERIOD ENDED November 30, 2011**

PARTICULARS (SPECIFY)			UNIT	AMOUNT
<u>SUPPLIER</u>				
Tennessee Gas Pipeline Refund - October 5, 2011				110,732.38
TOTAL REFUNDS APPLICABLE TO THE CURRENT GCR			\$	<u>110,732.38</u>

## PURCHASE GAS ADJUSTMENT

DUKE ENERGY OHIO  
ACTUAL ADJUSTMENT

DETAILS FOR THE THREE MONTH PERIOD ENDED

November 30, 2011

PARTICULARS	UNIT	SEPTEMBER	OCTOBER	NOVEMBER
<b>SUPPLY VOLUME PER BOOKS</b>				
PRIMARY GAS SUPPLIERS	MCF	666,958	1,519,994	2,313,001
UTILITY PRODUCTION	MCF	0	0	0
INCLUDABLE PROPANE	MCF	0	0	0
OTHER VOLUMES (SPECIFY) ADJUSTMENT	MCF	5,904	12,867	9,666
TOTAL SUPPLY VOLUMES	MCF	672,862	1,532,861	2,322,667
<b>SUPPLY COST PER BOOKS</b>				
PRIMARY GAS SUPPLIERS	\$	5,123,762	9,789,877	13,855,539
TRANSITION COSTS	\$	0	0	0
GAS STORAGE CARRYING COSTS	\$	401,324	428,338	418,772
INCLUDABLE PROPANE	\$	0	0	0
OTHER COSTS (SPECIFY):				
MANAGEMENT FEE	\$	(249,300)	(249,300)	(162,260)
CONTRACT COMMITMENT COSTS RIDER	\$	11,843	16,209	30,897
TRANSPORTATION GAS COST CREDIT	\$	0	0	0
RATE "IT" CREDIT	\$	0	0	0
FIRM TRANSPORTATION SUPPLIER COST	\$	(2,772)	(2,135)	(11,915)
CUSTOMER POOL USAGE COST	\$	(455,207)	(469,360)	(484,990)
LOSSES - DAMAGED LINES	\$	(1,223)	(140)	(129)
SALES TO REMARKETERS	\$	0	0	0
WEIGHTED AVERAGE PIPELINE COST REFUNDED/(BILLED) TO SUPPLIERS	\$	0	0	0
TOTAL SUPPLY COSTS	\$	4,828,427	9,513,489	13,645,914
<b>SALES VOLUMES</b>				
JURISDICTIONAL	MCF	554,978.6	863,842.5	1,905,467.6
NON-JURISDICTIONAL	MCF	0.0	0.0	0.0
OTHER VOLUMES (SPECIFY):	MCF	0.0	0.0	0.0
TOTAL SALES VOLUMES	MCF	554,978.6	863,842.5	1,905,467.6
UNIT BOOK COST OF GAS (SUPPLY \$ / SALES MCF)	\$/MCF	8.700	11.013	7.161
LESS: EGC IN EFFECT FOR THE MONTH	\$/MCF	6.303	6.201	5.796
DIFFERENCE	\$/MCF	2.397	4.812	1.365
TIMES: MONTHLY JURISDICTIONAL SALES	MCF	554,978.6	863,842.5	1,905,467.6
EQUALS MONTHLY COST DIFFERENCE	\$	1,330,283.70	4,156,810.11	2,600,963.27

PARTICULARS	UNIT	AMOUNT
TOTAL COST DIFFERENCE FOR THE THREE MONTH PERIOD	\$	8,088,057.08
BALANCE ADJUSTMENT FROM SCHEDULE IV	\$	31,998.46
TOTAL COST DIFFERENCE FOR USE IN THE CURRENT AA CALCULATION	\$	8,120,055.54
DIVIDED BY: 12 MONTH PROJECTED SALES ENDED February 28, 2013	MCF	28,921,882
EQUALS CURRENT QUARTERLY ACTUAL ADJUSTMENT	\$/MCF	0.281

PURCHASE GAS ADJUSTMENT  
DUKE ENERGY OHIO  
BALANCE ADJUSTMENT  
DETAILS FOR THE THREE MONTH PERIOD ENDED

November 30, 2011

PARTICULARS	UNIT	AMOUNT
COST DIFFERENCE BETWEEN BOOK AND EFFECTIVE EGC AS USED TO COMPUTE AA OF THE GCR IN EFFECT FOUR QUARTERS PRIOR TO THE CURRENTLY EFFECTIVE GCR (                      DECEMBER 1, 2010                      )	\$	739,222.32
LESS: DOLLAR AMOUNT RESULTING FROM THE AA OF \$                      0.024                      /MCF AS USED TO COMPUTE THE GCR IN EFFECT FOUR QUARTERS PRIOR TO THE CURRENTLY EFFECTIVE GCR TIMES THE JURISDICTIONAL SALES OF                      29,605,399                      MCF FOR THE PERIOD BETWEEN THE EFFECTIVE DATE OF THE CURRENT GCR RATE AND THE EFFECTIVE DATE OF THE GCR IN EFFECT APPROXIMATELY ONE YEAR PRIOR TO THE CURRENT RATE	\$	<u>710,529.56</u>
BALANCE ADJUSTMENT FOR THE AA	\$	<u>28,692.76</u>
DOLLAR AMOUNT OF SUPPLIER REFUNDS AND COMMISSION ORDERED RECONCILIATION ADJUSTMENTS AS USED TO COMPUTE RA OF THE GCR IN EFFECT FOUR QUARTERS PRIOR TO THE CURRENTLY EFFECTIVE GCR (                      DECEMBER 1, 2010                      )	\$	(55,907.15)
LESS: DOLLAR AMOUNT RESULTING FROM THE UNIT RATE FOR SUPPLIER REFUNDS AND RECONCILIATION ADJUSTMENTS OF \$                      (0.002)                      /MCF AS USED TO COMPUTE RA OF THE GCR IN EFFECT FOUR QUARTERS PRIOR TO THE CURRENTLY EFFECTIVE GCR TIMES THE JURISDICTIONAL SALES OF                      29,605,399                      MCF FOR THE PERIOD BETWEEN THE EFFECTIVE DATE OF THE CURRENT GCR RATE AND THE EFFECTIVE DATE OF THE GCR RATE IN EFFECT APPROXIMATELY ONE YEAR PRIOR TO THE CURRENT RATE	\$	<u>(59,210.85)</u>
BALANCE ADJUSTMENT FOR THE RA	\$	<u>3,303.70</u>
DOLLAR AMOUNT OF THE BALANCE ADJUSTMENT AS USED TO COMPUTE BA OF THE GCR IN EFFECT ONE QUARTER PRIOR TO THE CURRENTLY EFFECTIVE GCR (                      DECEMBER 1, 2010                      )	\$	0.00
LESS: DOLLAR AMOUNT RESULTING FROM THE BA OF \$                      0.000                      /MCF AS USED TO COMPUTE THE GCR IN EFFECT ONE QUARTER PRIOR TO THE CURRENTLY EFFECTIVE GCR TIMES THE JURISDICTIONAL SALES OF                      0                      MCF FOR THE PERIOD BETWEEN THE EFFECTIVE DATE OF THE CURRENT GCR RATE AND THE EFFECTIVE DATE OF THE GCR RATE IN EFFECT IMMEDIATELY PRIOR TO THE CURRENT RATE	\$	<u>0.00</u>
BALANCE ADJUSTMENT FOR THE BA	\$	<u>0.00</u>
TOTAL BALANCE ADJUSTMENT AMOUNT TO BE INCLUDED WITH CURRENT AA ON SCHEDULE III	\$	<u><u>31,996.46</u></u>

BA