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PUCO

2012 NOV 28 AM 8:50

RECEIVED-DOCKETING DIV

VIA OVERNIGHT DELIVERY

November 27, 2012

The Public Utilities Commission of Ohio
Docketing – 13th Floor
180 East Broad Street
Columbus, OH 43255-0573

Re: In the Matter of the Application of Duke Energy Ohio, Inc., for an Increase in Gas Rates,
Case No. 12-1685-GA-AIR

In the Matter of the Application of Duke Energy Ohio, Inc., for Tariff Approval,
Case No. 12-1686-GA-ATA

In the Matter of the Application of Duke Energy Ohio, Inc., for Approval of an
Alternative Rate Plan for Gas Distribution Service, Case No. 12-1687-GA-ALT

In the Matter of the Application of Duke Energy Ohio, Inc., for Approval to Change
Accounting Methods, Case No. 12-1688-GA-AAM

Dear Sir or Madam:

Enclosed please find the newspaper notices and affidavits from the publishers verifying publication of Duke Energy Ohio's proposed new rates. The notice was published as follows:

Newspaper	Publication Dates
The Wilmington News-Journal	October 17 & 24, 2012
The News Democrat-Brown County	October 18 & 25, 2012
The Times Gazette-Hillsboro	October 16 & 23, 2012
The Cincinnati Enquirer	October 16 & 23, 2012
Dayton Daily News	October 16 & 23, 2012
The People's Defender	October 17 & 24, 2012

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 AS Date Processed 11/28/12

Please date-stamp the two extra copies of this transmittal letter and return to me in the envelope provided.

Please feel free to contact me should you have any questions. Thank you for your consideration in this matter.

Sincerely,

A handwritten signature in cursive script, reading "Kristen Cocanougher". The signature is written in dark ink and is positioned above the printed name.

Kristen Cocanougher

cc: Parties of Record

PROOF OF PUBLICATION

The following newspaper The Wilmington News Journal agrees the scheduled ads were in accordance with the insertion instructions.

Client: 39618

Agency: Duke-Energy

Day/Date of Insertion:

10/17, 10/24

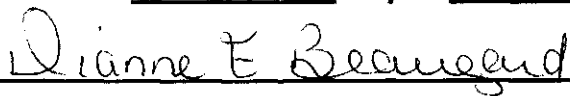
AFFIDAVIT COMPLETED:

Date: 10.30.12 **By:** 

Title: Publisher

NOTARY INFORMATION:

Affirmed before me this 30th day of October 2012



(Signature)

My commission expires: _____

Notary Stamp



DIANNE E. BEAUGARD
Notary Public, State of Ohio
My Commission Expires: Mar. 1, 2017
Recorded in Clinton County

The State of Ohio
Brown County, ss

Duke Energy

Steven Triplett, being duly sworn that he is the publisher of **THE NEWS DEMOCRAT**, a newspaper printed and in general circulation in said county, and that a notice, of which the annexed is true copy, was published in said Thursday of each week for

2 Consecutive weeks beginning on the 18 day of October, 2012.

2328786

Ad Number

Has Increase P1

Ad Description

Steven Triplett

Publisher

Sworn to and subscribed before me, this 25 day of October, 2012.

Julia A. Richmond

Notary

Printer Fee \$ 1753.92

Julia A. Richmond

Notary Public, State Of Ohio

My Commission Expires Nov. 11, 2013

The State of Ohio
Brown County, ss

Duke

Steven Triplett, being duly sworn that he is the publisher of **THE NEWS DEMOCRAT**, a newspaper printed and in general circulation in said county, and that a notice, of which the annexed is true copy, was published in said Thursday of each week for

2 Consecutive weeks beginning on the 18 day of October, 2012.

2328789

Ad Number

Has Increase P2

Ad Description

Steve Triplett

Publisher

Sworn to and subscribed before me, this 25 day of October, 2012.

Julia A. Richmond

Notary

Printer Fee \$ 1753.92

Julia A. Richmond
Notary Public, State Of Ohio
My Commission Expires Nov. 11, 2013

The State of Ohio
Brown County, ss

Duke

Steven Triplett, being duly sworn that he is the publisher of **THE NEWS DEMOCRAT**, a newspaper printed and in general circulation in said county, and that a notice, of which the annexed is true copy, was published in said Thursday of each week for

2 Consecutive weeks beginning on the 18 day of October, 2012.

2328793

Ad Number

Gas Increase PB

Ad Description

Steve Triplett

Publisher

Sworn to and subscribed before me, this 25 day of October, 2012.

Julia A. Richmond

Notary

Printer Fee \$ 1753.92

Julia A. Richmond
Notary Public, State Of Ohio
My Commission Expires Nov. 11, 2013

The State of Ohio
Brown County, ss

Duke

Steven Triplett, being duly sworn that he is the publisher of **THE NEWS DEMOCRAT**, a newspaper printed and in general circulation in said county, and that a notice, of which the annexed is true copy, was published in said Thursday of each week for

2 Consecutive weeks beginning on the 18 day of October, 2012.

2328801
Ad Number

Gas Increase P4
Ad Description

Steve Triplett
Publisher

Sworn to and subscribed before me, this 25 day of October, 2012.

Julia A. Richmond
Notary

Printer Fee \$ 1753.92

Julia A. Richmond
Notary Public, State Of Ohio
My Commission Expires Nov. 11, 2013

The State of Ohio
Brown County, ss

Duke

Steven Triplett, being duly sworn that he is the publisher of **THE NEWS DEMOCRAT**, a newspaper printed and in general circulation in said county, and that a notice, of which the annexed is true copy, was published in said Thursday of each week for

2 Consecutive weeks beginning on the 18 day of October, 2012.

2328818

Ad Number

Has Increase P5

Ad Description

Steve Triplett

Publisher

Sworn to and subscribed before me, this 25 day of October, 2012.

Julia A. Richmond

Notary

Printer Fee \$ 1753.92

Julia A. Richmond
Notary Public, State Of Ohio
My Commission Expires Nov. 11, 2013

NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

The average percentage increase in the total bill of customers under Rate IT, as applied to customers paying the same gas cost as GS-1 customers, should be increased by 1.5%.

PROPOSED RATE IT-1 FIRM TRANSPORTATION SERVICE — SMALL

FIRM TRANSPORTATION SERVICE — LARGE, SHEET NO. 52.3

AVAILABILITY
Firm, full requirements transportation service for an individual non-residential customer using 4,000 CCF or less during the prior calendar year or any premises, which is provided from the Company's city gas receipt points to the customer's City Gas Receipt Point (CGRP) to serve the customer. This service is available to all customers within the Company's intra-service territory, and at the customer's option, to serve the first service requirements of intercity transportation customers in conjunction with service under Rate IT or at non-residential customers except for City Gas Receipt Points where the service is provided from the time customer desires to utilize this service. The Company will terminate a customer's supply contract (or non-payment and return the customer to the Company's service only if the Supplier has made an alternative request for the Company to act as its agent to terminate customer contracts for non-payment; and (2) the Supplier has included in its customer contracts, a notice that the Company can terminate such contracts for non-payment. When the Supplier is performing its own billing of the gas supply, termination of the agreement will be at the discretion of the Supplier, as specified in the Supplier contracts for service. The Supplier or the Company shall pay no less than thirty (30) days' notice before the termination will be effected by the Supplier and agreed to by the Company unless the gas due amount is paid by the customer not scheduled for due date. If the gas due amount is paid by the customer not scheduled for due date, the customer will not be terminated by the Company and will remain with the Supplier. If the customer is terminated by the Company, it will send a copy of the notice to the customer's Supplier. Service shall be provided on demand from the Company's city gas receipt points to the customer's CGRP to serve the customer. Customer must enter into a "supply" agreement with a Supplier that meets the Company's requirements for participation in this pricing program, and must arrange for the delivery of gas into the Company's system.

Customers that believe that they will significantly increase throughput, from their historic firm service levels, shall so inform the Company. Gas transported under this tariff shall be for customer's use at one point of delivery where distribution mains are adjacent to the premises to be served. Any gas provided hereunder shall be provided by displacement.

NET MONTHLY BILL Computed in accordance with the following charges:

Firm Delivery Service Charge \$0.84

Plus a Usage-Based Charge per CCF for each CCF of gas transported for customer from Company's city gas receipt stations to the initial state of Company's meter used to measure delivery to the customer \$0.14378 per CCF

Plus, or minus, rate adjustments which may occur as a result of changes in the rates of interstate pipelines, or as a result of the rate of the Ohio Gas Service Company (OGSC) or the Federal Energy Regulatory Commission, and for which it is determined that all customers should be allocated some portion of the corresponding costs in relation.

In addition, the net monthly bill, as calculated herein, shall be adjusted by application of the current specified on Sheet No. 64, Rate CTR, Ohio Extra Fee Liability Rider, except that these charges are included in the computation of this net bill.

Customer and/or its Supplier shall be responsible for the collection and payment of taxes, fees, or similar taxes on the gas supplied that customer purchases from its Supplier.

The monthly minimum bill shall be the Firm Delivery Service Charge and applicable charge under Rate ID, Rate ADSP, Rate AL, and Rate ADSP shown above, plus the percentage specified in Rate CTR, Sheet No. 64, Ohio Extra Fee Liability Rider.

The average percentage increase in the total bill of customers under Rate IT-1, as applied to GS-1 customers, should be increased by 1.5%.

PROPOSED RATE ID-1 ECONOMIC DEVELOPMENT INCENTIVE RIDER

ECONOMIC DEVELOPMENT INCENTIVE RIDER, SHEET NO. 61

APPLICABILITY
Applicable to all retail jurisdictional customers in the Company's natural gas service territory.

GENERAL
Duke Energy Ohio shall implement a pilot program to encourage businesses to locate in Ohio, and/or to expand their existing operations in Ohio, by providing a incentive to fund these types of economic development projects. Funds may be used for product development, equipment, project design, and gas utility infrastructure in these instances where additional infrastructure has been identified as an impediment to commercial/industrial economic development.

The criteria for eligibility includes, but is not limited to, the following:
Jobs growth
Product development sites participating in Duke Energy Ohio's "Site Readiness" program either in market.
Revitalization of urban areas such as "Brownfields" redevelopment.
Development of natural gas vehicle transportation facilities.

The program will be managed and funded by the allocated and distributed by Duke Energy Ohio. Management of the program will include, but not be limited to, the development, review, and approval of requests for participation in the program. The program is created with recognition that this type of economic development has a corresponding effect on jobs and the economy in the region. Further, the funding mechanism recognized that the use of the Duke Energy Ohio customers will realize future benefits to the region's natural gas throughput.

The goal of the rider is to collect \$1 million per year towards the funding of economic development projects and activities in Duke Energy Ohio's service territory (Ohio CTR-DTR natural gas service territory). All funds will be used in a manner consistent with the terms of eligibility and criteria described herein. Any amount less than one year will not be used in the first year, however, the fund is not to exceed \$2 million. Annual adjustments, if necessary, will be made to the rider to keep the fund within the \$2 million cap.

DESCRIPTIONS AND ELIGIBILITY
Eligible Activities: Funds under this program may be used for the following:
1. Product Development/Site Readiness/Development: Willing to study sites for new development or expansion, prospective companies will be listed to other states with sites further along the development continuum. Grants will be available for the redevelopment of existing buildings served natural gas by the Company, or public sector speculation building development, gas infrastructure improvements, moving Greenfield and Brownfield sites closer to readiness for development, and business park developments. Funds may be used for the site surveying and promotion of existing sites. The Duke Energy Ohio Site Readiness program has been developed to assist in these efforts.

Projects under this section (1) shall be evaluated using one or more of the following criteria as a guide for qualification:

a. Project is in an area designated as being Jobbed Readiness, by the Duke Energy Ohio Readiness Advisory Group, which is comprised of business leaders from southeast Ohio.
b. Project involves development sites participating in Duke Energy Ohio's Site Readiness program either in market.
c. Project leads to revitalization of urban areas such as Brownfields redevelopment.

2. Project Disperses - Grants will be available to achieve economic development for relocation, expansion, or relocation of customers in OHIO. Grants will be awarded to those that give the best of primary jobs in Duke Energy's OHIO area. Secondary jobs will be placed on targeted clusters industries as identified by the regional cluster analysis. Grants may be used to enhance the incentive packages that local communities, regional governments, and/or localities provide to prospective companies, including site facility preparation and/or infrastructure improvements. Grants may not be used for infrastructure relocation of facilities and/or jobs (excluding from the Duke Energy Ohio's service territory in the Duke Energy Ohio's service area) unless a release is obtained from the original community. Applicable project criteria will be developed.

Infrastructure Improvements - Offsets costs associated with natural gas utility infrastructure improvements to support new location projects and existing company equipment. Grant amounts shall not exceed the actual costs incurred for approved projects, and be calculated using the cost reduction

analysis tool utilized for all gas rate increases that determine customer cost reductions required. Funds shall apply only to costs normally borne by the project. Project expenses include new construction.

To be eligible under this section (2), the project/facility should:

- a. be located within existing Duke Energy Ohio service territory, or an expansion thereof which occurs as a result of major relocation associated with the project;
- b. have an end use that may be classified in the North American Industry Classification System (NAICS) as one of the following: Manufacturing or Service Industry businesses:

1. Manufacturing (NAICS codes 31, 32, 33)
2. Agriculture
3. Automotive and transportation
4. Chemical and plastics
5. Machinery and equipment (Advanced manufacturing)
6. Plastics, Technology
7. Food and Beverage

8. Other non-manufacturing enterprises
9. Data Centers
10. Professional, scientific, or technical services (NAICS code 541)
11. Regional, National or World Headquarters
12. Natural Gas Vehicle Fueling Stations

(NAICS codes may be found at: <http://www.commerce.gov/naics/>.)

Projects under this section (2) shall be evaluated using one or more of the following criteria as a guide for qualification:

- a. Project is determined to be a large user of natural gas as evidenced by the following:
1. The proposed project/facility impacts or is likely to increase a gas demand or transportation demand of more than 150,000 CCF (equal to 100 cubic feet per year) per year; and/or
2. The facility's natural gas bills represent at least 1% of the facility's annual gross revenue from sales (total annual natural gas bill divided by annual gross sales); and/or 3. Ohio, Ohio, Ohio and/or Local Community participation.
- b. Project must show evidence of public participation in the form of incentives or other capital contribution to the project.
- c. Project is necessary to provide service to a natural gas vehicle fueling station that includes a point of access for public utilization.
- d. Projected Capital Investment at the project site exceeds \$2,000,000.
- e. There will be job creation or job retention at the site as a result of the project.
- f. Funds under this program cannot be used for a facility or equipment that is not a new addition to the facility. Funds may be used to provide utility infrastructure for such facilities or equipment.

An additional incentive will be provided to those qualifying projects that result in new or incremental gas load. Incremental gas load is defined as additional gas use and above an established baseline as determined by the Company. Said incremental gas use must be the direct result of the qualifying project.

The additional incentive will be in the form of a twenty-five percent (25%) discount applied to the monthly Firm Delivery Service Charge and the monthly Usage-Based Charge for gas delivered. The discount will not apply to the two specific components of the customer's gas bill and excludes any and all other charges including the Extra Fee Rider. The discount will be applied for a period of thirty-to-180 months. Funding for this additional incentive will be provided through the rider.

TERMS AND CONDITIONS
These funds are not available for removal of service following interruptions such as equipment failure, temporary plant shutdown, strike, or economic conditions. These funds are not available for loss shifted from one customer to another within the Company's service area.

The customer must enter into a Service Agreement with the Company that shall specify, among other things, a description of the amount and nature of the new load, and the basis on which the customer requests participation in this Rider. Duke Energy Ohio may file this Service Agreement with the Public Utilities Commission of Ohio for informational purposes only.

Following the effective date of the Service Agreement, the customer must maintain a minimum demand in accordance with this Service Agreement. Failure to do so will result in the customer's Service Agreement being terminated.

The Company is not obligated to extend, expand or increase its facilities if it determines that existing distribution facilities and/or adequate capacity to serve the customer's load.

The customer may request an effective date of the Service Agreement that is no later than twelve (12) months after Company's approval of the Service Agreement with the customer. A Service Agreement must be fully executed within thirty (30) days of taking the subject new service from the Company. All subsequent changes shall be at the appropriate full standard service tariff rates.

CHANGES
The ED rate to be applied to all residential customer bills beginning with the January 2013 revenue month is \$0.012500 per CCF (equal to 100 cubic feet).

The ED rate to be applied to all non-residential customer bills beginning with the January 2013 revenue month is \$1.50 per month.

PROPOSED RIDER J MAINTENANCE POLICY

MAINTENANCE POLICY, SHEET NO. 62.4

APPLICABILITY
Applicable to gas service supplied in accordance with provisions of the appropriate rate currently in effect, from the nearest available distribution main valve, in the opinion of the Company, it is necessary to extend such main.

EXTENSION PLAN
1. One Hundred Feet or Less.

An extension of one hundred (100) feet or less shall per service installation shall be made by the Company to an existing distribution main without charge to a prospective customer or customer who shall apply for and contract for gas service for one (1) year or more.

2. Excess of One Hundred Feet.
(a) Individual Service Installations.

The Company, at its sole discretion, may perform a net present value (NPV) analysis based upon total construction costs for the entire length of the extension, not just the costs of the extension in excess of 100 feet. The NPV analysis will take into account the revenues to be received from the customer. If the NPV calculation is positive, the customer will not be charged for the construction costs. If the NPV calculation is negative, the customer must deposit with the Company an amount equal to the net value of the NPV calculation prior to construction taking place. Any such deposit shall be eligible for a refund consistent with the terms and conditions of the main extension contract entered into between the Company and customer. Further, the customer must certify to receive gas service from the Company at the same service installation at premises in order to be eligible for a refund. Refunds shall not exceed the amount of the deposit and shall be limited to a period of ten (10) consecutive years following the effective date of the main extension contract.

For large commercial and industrial customers with process heat, Duke Energy Ohio may require a minimum customer usage commitment for a defined period of time not to exceed 180 days.

Net Multiple Service Installations.
(b) Existing Subdivisions, New Non-Joint Trench Subdivisions, and Existing New Subdivisions.

When an extension of the Company's main to serve an applicant amounts to more than one hundred (100) feet per service installation, the Company may require total cost of the extension in excess of 100 feet per customer to be deposited with the Company by the applicant based upon the installed cost per foot for main extension. Additionally, the Company, at its sole discretion, may perform a net present value (NPV) analysis based upon total construction costs for the entire length of the extension, and not just the costs of the extension in excess of 100 feet. The NPV analysis will take into account the revenues to be received from the customer. If the NPV calculation is positive, the applicant will not be charged for the construction

costs. If the NPV calculation is negative, the applicant must deposit with the Company an amount equal to the net value of the NPV calculation prior to construction taking place. Any such deposit shall be eligible for a refund consistent with the terms and conditions of the main extension contract entered into between the Company and applicant. Further, when the applicant is the customer, the customer must certify to receive gas service from the Company at the same service installation at premises in order to be eligible for a refund. Refunds shall not exceed the amount of the deposit and shall be limited to a period of ten (10) consecutive years following the effective date of the main extension contract.

(c) New Joint Trench Subdivisions

When an extension of the Company's approach under its main lines is necessary to serve a new subdivision, the Company will perform a net present value (NPV) analysis of total construction costs and the revenues to be received from each customer to be connected to the new mains. For purposes of the NPV calculation, the Company will assume that a complete build-out of the subdivision will occur in five (5) years. If the NPV calculation is positive, no deposit will be required for the new subdivision and the NPV results will be credited toward the calculation of the deposit requirement for any approach under that may be required. If the NPV calculation is negative, the amount of the NPV results must be deposited with the Company prior to the construction of the mains to serve the new subdivision. Any deposit under the NPV calculation is negative is eligible for a refund due to subsequent conditions or extensions consistent with the terms and conditions of the main extension contract entered into between the Company and applicant. Refunds shall not exceed the amount of the deposit and shall be limited to a period of ten (10) consecutive years following the effective date of the main extension contract.

3. Existing contained mains shall be constructed to prohibit the Company from existing extensions under different arrangements provided such arrangements have been approved by the Public Utilities Commission of Ohio.

4. Existing contained mains shall be constructed to prohibit the Company from existing, at its expense, greater extensions than those previously shown in its judgment to be necessary, provided the true extensions are made by other customers under similar conditions.

SERVICE REGULATIONS
The supplying of, and billing for, service and all conditions regarding thereto, are subject to the jurisdiction of the Public Utilities Commission of Ohio, and to Company's Service Regulations currently in effect, as filed with the Public Utilities Commission of Ohio, as provided by law.

PROPOSED RIDER AMP ACCELERATED MAIN REPLACEMENT PROGRAM RIDER

ACCELERATED MAIN REPLACEMENT PROGRAM RIDER, SHEET NO. 63.1

APPLICABILITY
Applicable to all customers receiving service under the Company's retail and transportation rate schedules.

ACCELERATED MAIN REPLACEMENT PROGRAM FACTORS
All customers receiving service under Rate RS, Rate RS - Low Income, Rate RT, Rate RT - Low Income, Rate GS - Small, Rate GS - Large, Rate FT and Rate DS, shall be assessed a monthly electricity fee in addition to the Customer Charge component of their standard bills to enable the Company to complete the accelerated main replacement program, the accelerated replacement program, and, where applicable, water replacement. Customers receiving service under Rate FT and Rate DS will be assessed a throughput charge in addition to their connectivity delivery charge for that purpose.

Rider AMP will be updated annually, in order to reflect the impact on the Company's revenue requirements of rate plan modifications in effect by operations and maintenance expense reductions during the next review period. Riders AMP and Rider DS shall be subject to the Public Utilities Commission of Ohio with the next billing cycle of May.

The charges for the respective gas service schedules are:

Rate RS and DS-L, Residential Service	\$ 0.00 per month
Rate RT and FT-L, Residential Service	\$ 0.00 per month
Rate GS-S and GS-L, General Service	\$ 0.00 per month
Rate DS-S, Industrial/Manufacturing Service	\$ 0.00 per month
Rate FT-S and FT-L, Water Transportation	\$ 0.00 per month
Rate RT-S, Water Transportation Service	\$ 0.00 per month
Rate DS-S, Gas Generation Interconnect	\$ 0.00 per month
Rate FT-S, Gas Generation Interconnect	\$ 0.00 per month
Rate DS-S, Gas Generation Interconnect	\$ 0.00 per month
Rate FT-S, Gas Generation Interconnect	\$ 0.00 per month

These monthly charges shall remain in effect until changed by order of the Public Utilities Commission of Ohio.

PROPOSED RIDER P FACILITY RELOCATION — MASS TRANSPORTATION

FACILITY RELOCATION — MASS TRANSPORTATION, SHEET NO. 69

APPLICABILITY
Applicable to a request and/or requirement for the construction, removal, modification, or relocation of facilities, equipment, or service piping related to the distribution or transmission of gas service within Duke Energy Ohio Company, except such request or requirement, would do otherwise, and where the recovery of additional program for such request and/or requirement is not otherwise provided for pursuant to agreement between the Company and requesting entity. This rider becomes applicable when the bid request/requirement is directly related to the construction and operation of any mode of mass transportation, including but not limited to, light rail, heavy rail, high-speed rail, street cars, subways, trams, buses or trolleys.

DESCRIPTION
CUSTOMER OR PRIVATE PARTY
When a customer or private party requests and/or requires the Company to construct, modify, relocate, or remove the Company's facilities, equipment, service piping, or any other Company-owned equipment, such requesting party shall pay all expenses related to such relocation regardless of the reason for the request and/or requirement.

GOVERNMENT ENTITY
A government entity (an Administrative Agency) includes but is not limited to any city, county, municipality, township or special district. It shall not include Federal or State government entities (as defined by the Administrative Code).

When a government entity (an Administrative Agency) requests the Company to construct, modify, relocate, or remove the Company's facilities, equipment, service piping, or any other Company-owned equipment, such requesting party shall pay all expenses related to such relocation regardless of the reason for the request and/or requirement.

1. Directly pay the Company all costs related to such relocation regardless of the reason for the request and/or requirement. Directly, or

2. Allow the Company to recover all cost related to such relocation regardless of the reason for the request and/or requirement from these customers residing in located within the geographical boundary of said governmental entity through a monthly charge (directly, or

3. Some combination thereof.

COST CALCULATION
The total cost to be recovered shall be computed as follows:

- a. If the requested/relocated facilities are in line of new facilities, the Company shall estimate the cost of the requested/relocated facilities and the cost of the facilities which otherwise would have been installed (estimated facilities). Any cost of requested/relocated facilities in excess of the estimated facilities shall be the basis for the charge.
- b. If the requested/relocated facilities replace existing facilities that Company would otherwise maintain or modify in place, the Company shall estimate the cost of the requested facilities and any planned modifications to existing facilities. Any cost of the requested facilities in excess of the cost of any planned modifications to existing facilities shall be the basis for the charge.
- c. If the requested/relocated facilities replace existing facilities that Company would not otherwise maintain or modify in place, the cost of the new facilities, plus the cost of removing the existing facilities plus their salvage value shall be the basis for the charge.
- d. Company's costs of planned and required facilities shall be as follows:
 - Costs of planned facilities shall include applicable material and labor costs, including allocation of indirect costs. Indirect costs are comprised of operation, engineering, transportation, material handling, and administration cost functions that support actual construction. The amount of the allocation of indirect costs is derived by application of said costs or allocation percentages, determined from historical experience.

NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

- b. Costs of requested/required facilities shall include the cost items identified in subparagraph (1) (a) above, plus all costs of complying with the requirements of the governmental subdivision including any application process of the governmental subdivision, including the cost of preparing the application, costs of developing alternatives not already studied by Company, cost of estimating the cost of alternatives not already studied by Company, the production of data for consideration in any hearing, and any other direct cost of compliance including any hearing held.
- c. Recoverable costs from the governmental subdivision and/or its customers will be reduced by the sum of any proceeds received from transportation improvement district funding, joint economic development district funding, tax increment funding, or similar quasi-public funding.

CHARGES

CUSTOMER OR PRIVATE PARTY

The customer or private party will pay in advance the entire estimated cost to construct, modify, relocate, and/or remove the Company's facilities mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment. If the actual cost of the work exceeds the estimate, the customer will be responsible to pay the difference. Similarly, the Company will refund any excess money collected should the estimate exceed the actual cost.

GOVERNMENT ENTITY

These options are available to the government entity for Administering Agency:

DIRECT

1. The government entity (or Administering Agency) will pay in advance the entire estimated cost to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment. If the actual cost of the work exceeds the estimate, the government entity (or Administering Agency) will be responsible to pay the difference. Similarly, the Company will refund any excess money collected should the estimate exceed the actual cost.

2. Alternatively, government entity (or Administering Agency) will pay the entire actual cost and the Company's associated cost of capital to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment. Said costs will be collected over a period extending no longer than twenty-four (24) months. The twenty four month period begins when either of the following occurs:

- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been modified, relocated or removed from service; or
- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been constructed and placed into service.

INDIRECT

Should the government entity (or Administering Agency) elect to do so, the entire actual cost and the Company's associated cost of capital to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment will be collected on a per customer basis, a per one hundred cubic foot (CCF) basis or some combination thereof. Said costs will be collected from all customers whose service address is located within the legal boundaries of said government entity. The cost will be collected in its entirety over a time period not to exceed twenty-four (24) months. The twenty-four (24) month period begins when either of the following occurs:

- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been modified, relocated or removed from service; or
- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been constructed and placed into service.

The charge shall be shown as a separate line item on the customer's bill.

At any time after the commencement of the charge, the charge may be reviewed and, if necessary, adjusted to reflect:

- The number of customers residing or located within the geographical boundary of said governmental entity; and/or
- The amount of energy used by customers residing or located within the geographical boundary of said governmental entity; and/or
- The actual cost of requested/required facilities.

Failure by any customer to pay the charge shall be grounds for disconnection of service to such customer in accordance with Company's Gas Terms and Conditions for Gas Service.

If the government entity (or Administering Agency) rescinds its requirements concerning requested/required facilities, the charge shall continue until the end of the term, twenty-four (24) months subject to any necessary review and adjustment as specified above.

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto, are subject to the jurisdiction of the Public Utilities Commission of Ohio, and to the Company's Service Regulations currently in effect, as filed with the Public Utilities Commission of Ohio.

PROPOSED RIDER ASRP

ACCELERATED SERVICE REPLACEMENT PROGRAM RIDER

ACCELERATED SERVICE REPLACEMENT PROGRAM RIDER, SHEET NO. 89

APPLICABILITY

Applicable to all customers receiving service under the Company's sales and transportation rate schedules.

ACCELERATED SERVICE REPLACEMENT PROGRAM FACTORS

All customers receiving service under Rates RS, RSLI, RFT, RFTLI, GS-S, GS-L, FT-S, FT-L and DGS shall be assessed a monthly charge in addition to the Customer Charge component of their applicable rate schedule that will enable the Company to replace pre-1971 coated steel main to curb and curb to meter service lines and unprotected metallic main to curb and curb to meter service lines. In addition and where applicable, the Company will move meters from inside a structure to an acceptable location outside a structure for these services being replaced in conjunction with the ASRP. Customers receiving service under Rates IT and GGT will be assessed a throughput charge in addition to their commodity delivery charge for that purpose.

Rider ASRP will be updated annually, in order to reflect the impact on the Company's revenue requirements of net plant additions as offset by operations and maintenance expense reductions during the most recent twelve months ended December. Such adjustments to the Rider will become effective with the first billing cycle of May.

The charges for the respective gas service schedules are:

Rate RS and RSLI, Residential Service	\$0.00 per month
Rate RFT and RFTLI, Residential Firm Transportation Service	\$0.00 per month
Rate GS-S and GS-L, General Service	\$0.00 per month
Rate DGS, Distributed Generation Service	\$0.00 per month
Rate FT-S and FT-L, Firm Transportation Service	\$0.00 per month
Rate IT, Interruptible Transportation Service	\$0.000000 per CCF
Rate GGT, Gas Generation Interruptible Transportation Rate	\$0.000000 per CCF

These monthly charges shall remain in effect until changed by order of the Public Utilities Commission of Ohio.

PROPOSED RIDER AU

ADVANCE UTILITY RIDER

ADVANCE UTILITY RIDER, SHEET NO. 88.3

APPLICABILITY

Applicable to all customers receiving service under the Company's sales and transportation rate schedules.

The charges for the respective gas service schedules are:

Rate RS and RSLI, Residential Service	\$ 0.00 per month
Rate RFT and RFTLI, Residential Firm Transportation Service	\$ 0.00 per month
Rate GS-S and GS-L, General Service	\$ 0.00 per month
Rate DGS, Distributed Generation Service	\$ 0.00 per month
Rate FT-S and FT-L, Firm Transportation Service	\$ 0.00 per month
Rate IT, Interruptible Transportation Service	\$ 0.00 per month
Rate GGT, Spark Spread Interruptible Transportation Rate	\$ 0.00 per month

OTHER PROPOSED CHANGES

The Company proposes to make the following additional changes to its gas tariff:

- Section II – Supplying and Taking of Service, paragraph 8 – Right of Way.**
The following provision is changed as follows:

8. Right-of-Way

The customer shall furnish, without cost to the Company, all necessary rights of way upon or across property owned or controlled by the customer for any and all of the Company's facilities that are necessary or incidental to the supplying of service to the customer, or to continue service to the customer. Subsequent to the customer providing the Company with the necessary rights of way to serve the customer, the Company shall serve or continue to provide service to the customer in accordance with the terms and conditions for the taking of service as identified in P.U.C.O. Gas No. 18. Additionally, the customer shall likewise furnish, without cost to the Company, all necessary rights of way upon or across customer's property necessary or incidental to the supplying of service to other customers who are adjacent to or extend beyond the customer's property. The rights of way as required herein shall be in the form of the Company's Grant of Easement, or any other instrument customarily used by the Company for its facilities, or as otherwise determined by the Company, in its discretion, to be satisfactory to it.

- Charge for Reconnection of Service, Sheet No. 82.5.**

The following has been added:

Also, if gas service has been disconnected at the request of the customer and, within an eight (8) month period of that disconnection, the customer requests that service be reconnected at the same premises, the Company may refuse gas service to such customer, unless it shall first receive payment equivalent to the appropriate billing of the customer's Fixed Delivery Service Charge for the number of billing periods the service was disconnected, including any necessary prorated charges representing partial bill period/s. Where the billing amount reflects a period of more than one (1) month, those amounts shall be prorated based on the normal

scheduled meter reading dates and divided into increments of one (1) month, or less. If the increments represent less than one (1) month, the appropriate Fixed Delivery Service Charge will be billed as a prorated portion of the period as defined by the normal scheduled meter reading date. The appropriate Fixed Delivery Service Charge is defined by the rate under which the customer requested that the service be disconnected as is set forth in the following tariff sheets:

Sheet No. 30 Rate RS, Residential
Sheet No. 32 Rate GS-S, General Service – Small
Sheet No. 33 Rate RFT, Residential Firm Transportation
Sheet No. 34 Rate RSLI, Residential Low Income Pilot
Sheet No. 35 Rate GS-L, General Service – Large
Sheet No. 36 Rate RFTLI, Residential Firm Transportation Service – Low Income
Sheet No. 37 Rate FT-L, Firm Transportation Service – Large
Sheet No. 52 Rate FT-S, Firm Transportation Service – Small

The above proposed provisions, rates, and charges are subject to changes, including changes as to amount and form, by the Public Utilities Commission of Ohio following a public hearing on the filed application. Recommendations that differ from the filed application may be made by the Staff of the Public Utilities Commission of Ohio or by intervening parties and may be adopted by the Commission.

Any person, firm, corporation or association may file, pursuant to Section 4909.19 of the Revised Code, an objection to such proposed increased rates by alleging that such proposals are unjust and discriminatory or unreasonable.

Any person, firm, corporation or association may file a motion to intervene. Intervenor may obtain copies of the application and other filings made by the Company by contacting Ms. Dianne Kuhnelt at (513) 287-4337, Duke Energy Ohio, Inc.

WHEREFORE, since the rates, prices, charges, and other provisions in Duke Energy Ohio's current electric rate schedules do not yield just and reasonable compensation to Duke Energy Ohio for supplying electric distribution service to the customers to which they are applicable, do not yield a just and reasonable return to Duke Energy Ohio on the value of the property used for furnishing such electric distribution service to such customers, and result in the taking of Duke Energy Ohio's property for public use without compensation and without due process of law, Duke Energy Ohio respectfully prays that your Honorable Commission:

- Accept this Application for filing;
- Find that this Application and the attached Schedules filed herewith and incorporated herein, are in accordance with R. C. 4909.18 and the Rules of the Commission;
- Approve the Form of Notice in the attached Schedule S-3;
- Find that the current rates, prices, and charges for electric service are unjust, unreasonable and insufficient to yield reasonable compensation to Duke Energy Ohio for the electric distribution service rendered;
- Find that the proposed rates, prices, and charges are just and reasonable based upon the test period for the twelve months ending December 31, 2012, and approve such schedules in the form tendered herewith;
- Find that Duke Energy Ohio is in compliance with R. C. 4905.35;
- Approve Duke Energy Ohio's Application for an Increase in Gas Rates consistent with the Commission's approval of Duke Energy Ohio's proposed rates in Case No. 12-1685-GA-AIR;
- Approve Duke Energy Ohio's Application for Tariff Approval consistent with the Commission's approval of Duke Energy Ohio's proposed tariffs in Case No. 12-1686-GA-ATA;
- Approve Duke Energy Ohio's Application for Approval of an Alternative Rate Plan for Gas Distribution Service consistent with the Commission's approval of Duke Energy Ohio's proposed alternative rate plan in Case No. 12-1687-GA-ALT;
- Approve Duke Energy Ohio's Application for Approval to Change Accounting Methods consistent with the Commission's approval of Duke Energy Ohio's proposed deferrals in Case No. 12-1688-GA-AAM;
- Fix the date on or after which applicable services provided to non-residential customers are subject to the proposed rates at January 1, 2013; and
- Fix the date on or after which applicable services provided to residential customers are subject to the proposed rates at January 1, 2013.

Recommendations that differ from this application may be made by the Public Utilities Commission staff or by intervening parties and may be adopted by the Commission. Any person, firm, corporation, or association may file, pursuant to Section 4909.19 of the Ohio Revised Code, an objection to the proposed natural gas rate increases by alleging that such proposals are unjust and discriminatory or unreasonable.

A copy of the application is available for inspection at the main office of the Company at 139 East Fourth Street, Cincinnati, Ohio, or 844 Linn Street, Cincinnati, Ohio, or at the Public Utilities Commission of Ohio, 180 East Broad Street, Docketing Division, 11th floor, Columbus, Ohio 43215-3793. The application and supporting documents may also be viewed at the Commission's web page at <http://www.puco.ohio.gov>, by selecting DIS, inputting 12-1685 in the case lookup box, and selecting the date the application was filed.

DUKE ENERGY OHIO, INC.

received from customers as noted above will be made within five (5) business days after mid-month and end-of-month numbers are available.

NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

b. Costs of requested/required facilities shall include the cost items identified in subparagraph (1) (a) above, plus all costs of complying with the requirements of the governmental subdivision including any application process of the governmental subdivision, including the cost of preparing the application, costs of developing alternatives not already studied by Company, cost of estimating the cost of alternatives not already studied by Company, the production of data for consideration in any hearing, and any other direct cost of compliance including any hearing held.

c. Recoverable costs from the governmental subdivision and/or its customers will be reduced by the sum of any proceeds received from transportation improvement district funding, joint economic development district funding, tax increment funding, or similar quasi-public funding.

CHARGES

CUSTOMER OR PRIVATE PARTY

The customer or private party will pay in advance the entire estimated cost to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment. If the actual cost of the work exceeds the estimate, the customer will be responsible to pay the difference. Similarly, the Company will refund any excess money collected should the estimate exceed the actual cost.

GOVERNMENT ENTITY

These options are available to the government entity (or Administering Agency):

DIRECT

1. The government entity (or Administering Agency) will pay in advance the entire estimated cost to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment. If the actual cost of the work exceeds the estimate, the government entity (or Administering Agency) will be responsible to pay the difference. Similarly, the Company will refund any excess money collected should the estimate exceed the actual cost.

2. Alternatively, government entity (or Administering Agency) will pay the entire actual cost and the Company's associated cost of capital to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment. Said costs will be collected over a period extending no longer than twenty-four (24) months. The twenty-four month period begins when either of the following occurs:

- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been modified, relocated or removed from service; or
- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been constructed and placed into service.

INDIRECT

Should the government entity (or Administering Agency) elect to do so, the entire actual cost and the Company's associated cost of capital to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment will be collected on a per customer basis, a per one hundred cubic foot (CCF) basis or some combination thereof. Said costs will be collected from all customers whose service address is located within the legal boundaries of said government entity. The cost will be collected in its entirety over a time period not to exceed twenty-four (24) months. The twenty-four (24) month period begins when either of the following occurs:

- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been modified, relocated or removed from service; or
- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been constructed and placed into service.

The charge shall be shown as a separate line item on the customer's bill.

At any time after the commencement of the charge, the charge may be reviewed and, if necessary, adjusted to reflect:

- The number of customers residing or located within the geographical boundary of said governmental entity; and/or
- The amount of energy used by customers residing or located within the geographical boundary of said governmental entity; and/or
- The actual cost of requested/required facilities.

Failure by any customer to pay the charge shall be grounds for disconnection of service to such customer in accordance with Company's Gas Terms and Conditions for Gas Service.

If the government entity (or Administering Agency) rescinds its requirements concerning requested/required facilities, the charge shall continue until the end of the term, twenty-four (24) months subject to any necessary review and adjustment as specified above.

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto, are subject to the jurisdiction of the Public Utilities Commission of Ohio, and to the Company's Service Regulations currently in effect, as filed with the Public Utilities Commission of Ohio.

PROPOSED RIDER ASRP

ACCELERATED SERVICE REPLACEMENT PROGRAM RIDER

ACCELERATED SERVICE REPLACEMENT PROGRAM RIDER, SHEET NO. 89

APPLICABILITY

Applicable to all customers receiving service under the Company's sales and transportation rate schedules.

ACCELERATED SERVICE REPLACEMENT PROGRAM FACTORS

All customers receiving service under Rates RS, RSLI, RFT, RFTL, GS-S, GS-L, FT-S, FT-L and DGS shall be assessed a monthly charge in addition to the Customer Charge component of their applicable rate schedule that will enable the Company to replace pre-1971 coated steel main to curb and curb to meter service lines and unprotected metallic main to curb and curb to meter service lines. In addition and where applicable, the Company will move meters from inside a structure to an acceptable location outside a structure for those services being replaced in conjunction with the ASRP. Customers receiving service under Rates IT and GGT will be assessed a throughput charge in addition to their commodity delivery charge for that purpose.

Rider ASRP will be updated annually, in order to reflect the impact on the Company's revenue requirements of net plant additions as offset by operations and maintenance expense reductions during the most recent twelve months ended December. Such adjustments to the Rider will become effective with the first billing cycle of May.

The charges for the respective gas service schedules are:

Rate RS and RSLI, Residential Service	\$00.00 per month
Rate RFT and RFTL, Residential Firm Transportation Service	\$00.00 per month
Rate GS-S and GS-L, General Service	\$00.00 per month
Rate DGS, Distributed Generation Service	\$00.00 per month
Rate FT-S and FT-L, Firm Transportation Service	\$00.00 per month
Rate IT, Interruptible Transportation Service	\$0.006000 per CCF
Rate GGT, Gas Generation Interruptible Transportation Rate	\$0.000000 per CCF

These monthly charges shall remain in effect until changed by order of the Public Utilities Commission of Ohio.

PROPOSED RIDER AU

ADVANCE UTILITY RIDER

ADVANCE UTILITY RIDER, SHEET NO. 88.3

APPLICABILITY

Applicable to all customers receiving service under the Company's sales and transportation rate schedules.

The charges for the respective gas service schedules are:

Rate RS and RSLI, Residential Service	\$ 0.00 per month
Rate RFT and RFTL, Residential Firm Transportation Service	\$ 0.00 per month
Rate GS-S and GS-L, General Service	\$ 0.00 per month
Rate DGS, Distributed Generation Service	\$ 0.00 per month
Rate FT-S and FT-L, Firm Transportation Service	\$ 0.00 per month
Rate IT, Interruptible Transportation Service	\$ 0.00 per month
Rate GGT, Spark Spread Interruptible Transportation Rate	\$ 0.00 per month

OTHER PROPOSED CHANGES

The Company proposes to make the following additional changes to its gas tariff:

- Section II – Supplying and Taking of Service, paragraph 8 – Right of Way.
The following provision is changed as follows:

8. Right-of-Way

The customer shall furnish, without cost to the Company, all necessary rights of way upon or across property owned or controlled by the customer for any and all of the Company's facilities that are necessary or incidental to the supplying of service to the customer, or to continue service to the customer. Subsequent to the customer providing the Company with the necessary rights of way to serve the customer, the Company shall serve or continue to provide service to the customer in accordance with the terms and conditions for the taking of service as identified in P.U.C.O. Gas No. 18. Additionally, the customer shall likewise furnish, without cost to the Company, all necessary rights of way upon or across customer's property necessary or incidental to the supplying of service to other customers who are adjacent to or extend beyond the customer's property. The rights of way as required herein shall be in the form of the Company's Grant of Easement, or any other instrument customarily used by the Company for its facilities, or as otherwise determined by the Company, in its discretion, to be satisfactory to it.

- Charge for Reconnection of Service, Sheet No. 82.5.
The following has been added:

Also, if gas service has been disconnected at the request of the customer and, within an eight (8) month period of that disconnection, the customer requests that service be reconnected at the same premises, the Company may refuse gas service to such customer, unless it shall first receive payment equivalent to the appropriate billing of the customer's Fixed Delivery Service Charge for the number of billing periods the service was disconnected, including any necessary prorated charges representing partial bill periods. Where the billing amount reflects a period of more than one (1) month, those amounts shall be prorated based on the normal

scheduled meter reading dates and divided into increments of one (1) month, or less. If the increments represent less than one (1) month, the appropriate Fixed Delivery Service Charge will be billed as a prorated portion of the period as defined by the normal scheduled meter reading date. The appropriate Fixed Delivery Service Charge is defined by the rate under which the customer requested that the service be disconnected as is set forth in the following tariff sheets:

Sheet No. 30 Rate RS, Residential
Sheet No. 32 Rate GS-S, General Service – Small
Sheet No. 33 Rate RFT, Residential Firm Transportation
Sheet No. 34 Rate RSLI, Residential Low Income Pilot
Sheet No. 35 Rate GS-L, General Service – Large
Sheet No. 36 Rate RFTL, Residential Firm Transportation Service – Low Income
Sheet No. 37 Rate FT-L, Firm Transportation Service – Large
Sheet No. 52 Rate FT-S, Firm Transportation Service – Small

The above proposed provisions, rates, and charges are subject to changes, including changes as to amount and form, by The Public Utilities Commission of Ohio following a public hearing on the filed application. Recommendations that differ from the filed application may be made by the Staff of The Public Utilities Commission of Ohio or by intervening parties and may be adopted by the Commission.

Any person, firm, corporation or association may file, pursuant to Section 4909.19 of the Revised Code, an objection to such proposed increased rates by alleging that such proposals are unjust and discriminatory or unreasonable.

Any person, firm, corporation or association may file a motion to intervene. Interveners may obtain copies of the application and other filings made by the Company by contacting Ms. Dianne Huemmel at (513) 287-4337, Duke Energy Ohio, Inc.

WHEREFORE, since the rates, prices, charges, and other provisions in Duke Energy Ohio's current electric rate schedules do not yield just and reasonable compensation to Duke Energy Ohio for supplying electric distribution service to the customers to which they are applicable, do not yield a just and reasonable return to Duke Energy Ohio on the value of the property used for furnishing such electric distribution service to such customers, and result in the taking of Duke Energy Ohio's property for public use without compensation and without due process of law, Duke Energy Ohio respectfully prays that your Honorable Commission:

- Accept this Application for filing;
- Find that this Application and the attached Schedules filed herewith and incorporated herein, are in accordance with R. C. 4909.18 and the Rules of the Commission;
- Approve the Form of Notice in the attached Schedule S-3;
- Find that the current rates, prices, and charges for electric service are unjust, unreasonable and insufficient to yield reasonable compensation to Duke Energy Ohio for the electric distribution service rendered;
- Find that the proposed rates, prices, and charges are just and reasonable based upon the test period for the twelve months ending December 31, 2012, and approve such schedules in the form tendered herewith;
- Find that Duke Energy Ohio is in compliance with R. C. 4905.35;
- Approve Duke Energy Ohio's Application for an Increase in Gas Rates consistent with the Commission's approval of Duke Energy Ohio's proposed rates in Case No. 12-1685-GA-AIR;
- Approve Duke Energy Ohio's Application for Tariff Approval consistent with the Commission's approval of Duke Energy Ohio's proposed tariffs in Case No. 12-1686-GA-ATA;
- Approve Duke Energy Ohio's Application for Approval of an Alternative Rate Plan for Gas Distribution Service consistent with the Commission's approval of Duke Energy Ohio's proposed alternative rate plan in Case No. 12-1687-GA-ALT;
- Approve Duke Energy Ohio's Application for Approval to Change Accounting Methods consistent with the Commission's approval of Duke Energy Ohio's proposed deferrals in Case No. 12-1688-GA-AAM;
- Fix the date on or after which applicable services provided to non-residential customers are subject to the proposed rates at January 1, 2013; and
- Fix the date on or after which applicable services provided to residential customers are subject to the proposed rates at January 1, 2013.

Recommendations that differ from this application may be made by the Public Utilities Commission staff or by intervening parties and may be adopted by the Commission. Any person, firm, corporation, or association may file, pursuant to Section 4909.19 of the Ohio Revised Code, an objection to the proposed natural gas rate increases by alleging that such proposals are unjust and discriminatory or unreasonable.

A copy of the application is available for inspection at the main office of the Company at 139 East Fourth Street, Cincinnati, Ohio, or 644 Lin Street, Cincinnati, Ohio, or at the Public Utilities Commission of Ohio, 180 East Broad Street, Docketing Division, 11th floor, Columbus, Ohio 43215-3793. The application and supporting documents may also be viewed at the Commission's web page at <http://www.puc.ohio.gov>, by selecting DIS, inputting 12-1685 in the case lookup box, and selecting the date the application was filed.

DUKE ENERGY OHIO, INC.

NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

"Operational Flow Drivers" (OFD) are values issued by the Company via its electronic bulletin board (EBB) or fax transmission requiring Suppliers to adjust their daily deliveries into the Company's system to match, match or be less than, or match or be more than their Aggregated Total Supply Quantity for the Supplier's Pool of Customers receiving Firm Transportation Service. Suppliers shall be required to deliver natural gas, or to receive natural gas, as delivered, into the Company's specified oil/gas receipt points, if it is determined by the Company to be necessary and the specified receipt points and amounts are identified in the OFD notice posted on the EBB.

"Over-deliveries" or "Positive Imbalance Values" is the amount by which the sum of all volumes actually delivered to the Pool Customers during the period is less than the sum of the volumes available for delivery by the Company to the Pool during the same period.

"Pool" is a group of one or more customers receiving service pursuant to firm transportation facilities that have been joined together pursuant to Rule 6845, Full Requirements Aggregation Rules for energy management purposes. If PUP Customers are being served by a Supplier, a separate Pool must be composed entirely of PUP Customers.

"Pool Customer" means a recipient of Firm Transportation Service provided by the Company under Tariff Sheet Nos. 33, 36, 37 or 52 who receives gas supply from a Supplier as a member of a Pool.

"Pooling Program" refers to the services provided under Residential Firm Transportation Service (Rate REF - Sheet No. 33), Residential Firm Transportation Service - Low Income (Rate RLFI - Sheet No. 35), Firm Transportation Service - Large (Rate FLC - Sheet No. 37), Firm Transportation Service - Small (Rate FLS - Sheet No. 52), and Full Requirements Aggregation Service (Rate FRAS - Sheet No. 44).

"Pooling Service" means a service provided by the Company that allows Suppliers to deliver to the Company gas supplies needed to satisfy the usage requirements of the customers of the Supplier's Pool, in accordance with the rules established by the Company in its Tariff Sheet and Gas Supply Aggregation/Pooling Agreement.

"Positive Imbalance Value" or "Over-deliveries" is the amount by which the sum of all volumes actually delivered to the Pool Customers during the period is less than the sum of the volumes available for delivery by the Company to the Pool during the same period.

"Program" means the Company's Full Requirements Aggregation pooling service, which includes Rules 6845, 6846, 6847, 6848, 6849, 6850, 6851, 6852, 6853, 6854, 6855, 6856, 6857, 6858, 6859, 6860, 6861, 6862, 6863, 6864, 6865, 6866, 6867, 6868, 6869, 6870, 6871, 6872, 6873, 6874, 6875, 6876, 6877, 6878, 6879, 6880, 6881, 6882, 6883, 6884, 6885, 6886, 6887, 6888, 6889, 6890, 6891, 6892, 6893, 6894, 6895, 6896, 6897, 6898, 6899, 6900, 6901, 6902, 6903, 6904, 6905, 6906, 6907, 6908, 6909, 6910, 6911, 6912, 6913, 6914, 6915, 6916, 6917, 6918, 6919, 6920, 6921, 6922, 6923, 6924, 6925, 6926, 6927, 6928, 6929, 6930, 6931, 6932, 6933, 6934, 6935, 6936, 6937, 6938, 6939, 6940, 6941, 6942, 6943, 6944, 6945, 6946, 6947, 6948, 6949, 6950, 6951, 6952, 6953, 6954, 6955, 6956, 6957, 6958, 6959, 6960, 6961, 6962, 6963, 6964, 6965, 6966, 6967, 6968, 6969, 6970, 6971, 6972, 6973, 6974, 6975, 6976, 6977, 6978, 6979, 6980, 6981, 6982, 6983, 6984, 6985, 6986, 6987, 6988, 6989, 6990, 6991, 6992, 6993, 6994, 6995, 6996, 6997, 6998, 6999, 7000, 7001, 7002, 7003, 7004, 7005, 7006, 7007, 7008, 7009, 7010, 7011, 7012, 7013, 7014, 7015, 7016, 7017, 7018, 7019, 7020, 7021, 7022, 7023, 7024, 7025, 7026, 7027, 7028, 7029, 7030, 7031, 7032, 7033, 7034, 7035, 7036, 7037, 7038, 7039, 7040, 7041, 7042, 7043, 7044, 7045, 7046, 7047, 7048, 7049, 7050, 7051, 7052, 7053, 7054, 7055, 7056, 7057, 7058, 7059, 7060, 7061, 7062, 7063, 7064, 7065, 7066, 7067, 7068, 7069, 7070, 7071, 7072, 7073, 7074, 7075, 7076, 7077, 7078, 7079, 7080, 7081, 7082, 7083, 7084, 7085, 7086, 7087, 7088, 7089, 7090, 7091, 7092, 7093, 7094, 7095, 7096, 7097, 7098, 7099, 7100, 7101, 7102, 7103, 7104, 7105, 7106, 7107, 7108, 7109, 7110, 7111, 7112, 7113, 7114, 7115, 7116, 7117, 7118, 7119, 7120, 7121, 7122, 7123, 7124, 7125, 7126, 7127, 7128, 7129, 7130, 7131, 7132, 7133, 7134, 7135, 7136, 7137, 7138, 7139, 7140, 7141, 7142, 7143, 7144, 7145, 7146, 7147, 7148, 7149, 7150, 7151, 7152, 7153, 7154, 7155, 7156, 7157, 7158, 7159, 7160, 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NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

b. Costs of requested/required facilities shall include the cost items identified in subparagraph (1) (e) above, plus all costs of complying with the requirements of the governmental subdivision including any application process of the governmental subdivision, including the cost of preparing the application, costs of developing alternatives not already studied by Company, cost of estimating the cost of alternatives not already studied by Company, the production of data for consideration in any hearing, and any other direct cost of compliance including any hearing held.

c. Recoverable costs from the governmental subdivision and/or its customers will be reduced by the sum of any proceeds received from transportation improvement district funding, joint economic development district funding, tax increment funding, or similar quasi-public funding.

CHARGES

CUSTOMER OR PRIVATE PARTY

The customer or private party will pay in advance the entire estimated cost to construct, modify, relocate, and/or remove the Company's facilities mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment. If the actual cost of the work exceeds the estimate, the customer will be responsible to pay the difference. Similarly, the Company will refund any excess money collected should the estimate exceed the actual cost.

GOVERNMENT ENTITY

These options are available to the government entity for Administering Agency:

DIRECT

1. The government entity (or Administering Agency) will pay in advance the entire estimated cost to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment. If the actual cost of the work exceeds the estimate, the government entity (or Administering Agency) will be responsible to pay the difference. Similarly, the Company will refund any excess money collected should the estimate exceed the actual cost.

2. Alternatively, government entity (or Administering Agency) will pay the entire actual cost and the Company's associated cost of capital to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment. Said costs will be collected over a period extending no longer than twenty-four (24) months. The twenty-four month period begins when either of the following occurs:

- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been modified, relocated or removed from service; or
- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been constructed and placed into service.

INDIRECT

Should the government entity (or Administering Agency) elect to do so, the entire actual cost and the Company's associated cost of capital to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment will be collected on a per customer basis, a per one hundred cubic foot (CCF) basis or some combination thereof. Said costs will be collected from all customers whose service address is located within the legal boundaries of said government entity. The cost will be collected in its entirety over a time period not to exceed twenty-four (24) months. The twenty-four (24) month period begins when either of the following occurs:

- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been modified, relocated or removed from service; or
- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been constructed and placed into service.

The charge shall be shown as a separate line item on the customer's bill.

At any time after the commencement of the charge, the charge may be reviewed and, if necessary, adjusted to reflect:

- The number of customers residing or located within the geographical boundary of said governmental entity; and/or
- The amount of energy used by customers residing or located within the geographical boundary of said governmental entity; and/or
- The actual cost of requested/required facilities.

Failure by any customer to pay the charge shall be grounds for disconnection of service to such customer in accordance with Company's Gas Terms and Conditions for Gas Service.

If the government entity (or Administering Agency) rescinds its requirements concerning requested/required facilities, the charge shall continue until the end of the term, twenty-four (24) months subject to any necessary review and adjustment as specified above.

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto, are subject to the jurisdiction of the Public Utilities Commission of Ohio, and to the Company's Service Regulations currently in effect, as filed with the Public Utilities Commission of Ohio.

PROPOSED RIDER ASRP ACCELERATED SERVICE REPLACEMENT PROGRAM RIDER

ACCELERATED SERVICE REPLACEMENT PROGRAM RIDER, SHEET NO. 89

APPLICABILITY

Applicable to all customers receiving service under the Company's sales and transportation rate schedules.

ACCELERATED SERVICE REPLACEMENT PROGRAM FACTORS

All customers receiving service under Rates RS, RSL, RFT, RFTL, GS-S, GS-L, FT-S, FT-L and DGS shall be assessed a monthly charge in addition to the Customer Charge component of their applicable rate schedule that will enable the Company to replace pre-1971 coated steel main to curb and curb to meter service lines and unprotected metallic main to curb and curb to meter service lines, in addition and where applicable, the Company will move meters from inside a structure to an acceptable location outside a structure for those services being replaced in conjunction with the ASRP. Customers receiving service under Rates IT and GGT will be assessed a throughput charge in addition to their commodity delivery charge for that purpose.

Rider ASRP will be updated annually, in order to reflect the impact on the Company's revenue requirements of net plant additions as offset by operations and maintenance expense reductions during the most recent twelve months ended December. Such adjustments to the Rider will become effective with the first billing cycle of May.

The charges for the respective gas service schedules are:

Rate RS and RSL, Residential Service	\$0.00 per month
Rate RFT and RFTL, Residential Firm Transportation Service	\$0.00 per month
Rate GS-S and GS-L, General Service	\$0.00 per month
Rate DGS, Distributed Generation Service	\$0.00 per month
Rate FT-S and FT-L, Firm Transportation Service	\$0.00 per month
Rate IT, Interruptible Transportation Service	\$0.000000 per CCF
Rate GGT, Gas Generation Interruptible Transportation Rate	\$0.000000 per CCF

These monthly charges shall remain in effect until changed by order of the Public Utilities Commission of Ohio.

PROPOSED RIDER AU ADVANCE UTILITY RIDER

ADVANCE UTILITY RIDER, SHEET NO. 88.3

APPLICABILITY

Applicable to all customers receiving service under the Company's sales and transportation rate schedules.

The charges for the respective gas service schedules are:

Rate RS and RSL, Residential Service	\$ 0.00 per month
Rate RFT and RFTL, Residential Firm Transportation Service	\$ 0.00 per month
Rate GS-S and GS-L, General Service	\$ 0.00 per month
Rate DGS, Distributed Generation Service	\$ 0.00 per month
Rate FT-S and FT-L, Firm Transportation Service	\$ 0.00 per month
Rate IT, Interruptible Transportation Service	\$ 0.00 per month
Rate GGT, Spark Spread Interruptible Transportation Rate	\$ 0.00 per month

OTHER PROPOSED CHANGES

The Company proposes to make the following additional changes to its gas tariff:

1. Section II - Supplying and Taking of Service, paragraph 8 - Right of Way.

The following provision is changed as follows:

8. Right-of-Way

The customer shall furnish, without cost to the Company, all necessary rights of way upon or across property owned or controlled by the customer for any and all of the Company's facilities that are necessary or incidental to the supplying of service to the customer, or to continue service to the customer. Subsequent to the customer providing the Company with the necessary rights of way to serve the customer, the Company shall serve or continue to provide service to the customer in accordance with the terms and conditions for the taking of service as identified in P.U.C.D. Gas No. 18. Additionally, the customer shall likewise furnish, without cost to the Company, all necessary rights of way upon or across customer's property necessary or incidental to the supplying of service to other customers who are adjacent to or extend beyond the customer's property. The rights of way as required herein shall be in the form of the Company's Grant of Easement, or any other instrument customarily used by the Company for its facilities, or as otherwise determined by the Company, in its discretion, to be satisfactory to it.

2. Charge for Reconnection of Service, Sheet No. 82.5.

The following has been added:

Also, if gas service has been disconnected at the request of the customer and, within an eight (8) month period of that disconnection, the customer requests that service be reconnected at the same premises, the Company may refuse gas service to such customer, unless it shall first receive payment equivalent to the appropriate billing of the customer's Fixed Delivery Service Charge for the number of billing periods the service was disconnected, including any necessary prorated charges representing partial bill periods. Where the billing amount reflects a period of more than one (1) month, those amounts shall be prorated based on the normal

scheduled meter reading dates and divided into increments of one (1) month, or less. If the increments represent less than one (1) month, the appropriate Fixed Delivery Service Charge will be billed as a prorated portion of the period as defined by the normal scheduled meter reading date. The appropriate Fixed Delivery Service Charge is defined by the rate under which the customer requested that the service be disconnected as is set forth in the following tariff sheets:

Sheet No. 30 Rate RS, Residential
Sheet No. 32 Rate GS-S, General Service - Small
Sheet No. 33 Rate RFT, Residential Firm Transportation
Sheet No. 34 Rate RSL, Residential Low Income Pilot
Sheet No. 35 Rate GS-L, General Service - Large
Sheet No. 36 Rate RFTL, Residential Firm Transportation Service - Low Income
Sheet No. 37 Rate FT-L, Firm Transportation Service - Large
Sheet No. 52 Rate FT-S, Firm Transportation Service - Small

The above proposed provisions, rates, and charges are subject to changes, including changes as to amount and form, by the Public Utilities Commission of Ohio following a public hearing on the filed application. Recommendations that differ from the filed application may be made by the Staff of the Public Utilities Commission of Ohio or by intervening parties and may be adopted by the Commission.

Any person, firm, corporation or association may file, pursuant to Section 4909.19 of the Revised Code, an objection to such proposed increased rates by alleging that such proposals are unjust and discriminatory or unreasonable.

Any person, firm, corporation or association may file a motion to intervene. Intervenor may obtain copies of the application and other filings made by the Company by contacting Ms. Dianne Kuehnell at (513) 287-4337, Duke Energy Ohio, Inc.

WHEREFORE, since the rates, prices, charges, and other provisions in Duke Energy Ohio's current electric rate schedules do not yield just and reasonable compensation to Duke Energy Ohio for supplying electric distribution service to the customers to which they are applicable, do not yield a just and reasonable return to Duke Energy Ohio on the value of the property used for furnishing such electric distribution service to such customers, and result in the taking of Duke Energy Ohio's property for public use without compensation and without due process of law, Duke Energy Ohio respectfully prays that your Honorable Commission:

- Accept this Application for filing;
- Find that this Application and the attached Schedules filed herewith and incorporated herein, are in accordance with R. C. 4909.18 and the Rules of the Commission;
- Approve the Form of Notice in the attached Schedule S-3;
- Find that the current rates, prices, and charges for electric service are unjust, unreasonable and insufficient to yield reasonable compensation to Duke Energy Ohio for the electric distribution service rendered;
- Find that the proposed rates, prices, and charges are just and reasonable based upon the test period for the twelve months ending December 31, 2012, and approve such schedules in the form tendered herewith;
- Find that Duke Energy Ohio is in compliance with R. C. 4905.35;
- Approve Duke Energy Ohio's Application for an increase in Gas Rates consistent with the Commission's approval of Duke Energy Ohio's proposed rates in Case No. 12-1685-GA-AIR;
- Approve Duke Energy Ohio's Application for Tariff Approval consistent with the Commission's approval of Duke Energy Ohio's proposed tariffs in Case No. 12-1686-GA-A1A;
- Approve Duke Energy Ohio's Application for Approval of an Alternative Rate Plan for Gas Distribution Service consistent with the Commission's approval of Duke Energy Ohio's proposed alternative rate plan in Case No. 12-1687-GA-A1T;
- Approve Duke Energy Ohio's Application for Approval to Change Accounting Methods consistent with the Commission's approval of Duke Energy Ohio's proposed deferrals in Case No. 12-1688-GA-AAM;
- Fix the date on or after which applicable services provided to non-residential customers are subject to the proposed rates at January 1, 2013; and
- Fix the date on or after which applicable services provided to residential customers are subject to the proposed rates at January 1, 2013.

Recommendations that differ from this application may be made by the Public Utilities Commission staff or by intervening parties and may be adopted by the Commission. Any person, firm, corporation, or association may file, pursuant to Section 4909.19 of the Ohio Revised Code, an objection to the proposed natural gas rate increases by alleging that such proposals are unjust and discriminatory or unreasonable.

A copy of the application is available for inspection at the main office of the Company at 139 East Fourth Street, Cincinnati, Ohio, or 644 Linn Street, Cincinnati, Ohio, or at the Public Utilities Commission of Ohio, 180 East Broad Street, Docketing Division, 11th Floor, Columbus, Ohio 43215-3793. The application and supporting documents may also be viewed at the Commission's web page at <http://www.puc.ohio.gov> by selecting OIS, inputting 12-1685 in the case lookup box, and selecting the date the application was filed.

DUKE ENERGY OHIO INC.

NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

TO WHOM IT MAY CONCERN:

Pursuant to the requirements of Section 4906.19 of the Ohio Revised Code, Duke Energy Ohio, Inc. hereby gives notice that on July 9, 2012, it filed with The Public Utilities Commission of Ohio (the Commission) an application for authority to change its gas rates and charges in accordance with the requirements and the accompanying testimony within its service area, which includes all or part of Brown, Cuyahoga, Huron, Hamilton, Highland, Montgomery, Pickers, and Warren Counties in Ohio. Such application has been assigned Case No. 12-1685-GA-AM, 12-1686-GA-AM, 12-1687-GA-AM, and 12-1688-GA-AM by the Commission. The substance of the application follows:

The following is a description of the proposed gas rates:

PROPOSED RATE RS RESIDENTIAL SERVICE RESIDENTIAL SERVICE, SHEET NO. 36.1

APPLICABILITY
Applicable to gas service required for residential purposes when supplied at one point of delivery where distribution mains are adjacent to the premises to be served.

NET MONTHLY BILL
Computed in accordance with the following charges:

Fixed Delivery Service Charge per month \$13.03
Plus a Usage-Based Charge for:
First 400 CCF \$0.130477 per CCF
Additional CCF \$0.265897 per CCF

The monthly minimum bill shall be the monthly Fixed Delivery Service Charge and applicable charge under Rate RS, Rider A2, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 64, Ohio Excess Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate RS should the increase be granted is 0.11%.

PROPOSED RATE GS-1 GENERAL SERVICE - SMALL GENERAL SERVICE - SMALL, SHEET NO. 22.1

APPLICABILITY
Applicable to gas service required for any purpose by an individual non-residential customer using 4,000 CCF or less during the year calendar year at one premises when supplied at one point of delivery where distribution mains are adjacent to the premises to be served.

NET MONTHLY BILL
Computed in accordance with the following charges:

Fixed Delivery Service Charge per month \$91.64
Plus a Usage-Based Charge for:
All CCF delivered at: \$0.154370 per CCF

The monthly minimum bill shall be the monthly Fixed Delivery Service Charge and applicable charge under Rate GS, Rider A2, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 64, Ohio Excess Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate GS-1 should the increase be granted is 0.11%.

PROPOSED RATE RT RESIDENTIAL FIRM TRANSPORTATION SERVICE RESIDENTIAL FIRM TRANSPORTATION SERVICE, SHEET NO. 33.1A

APPLICABILITY
Firm transportation service for residential purposes, which is provided from the Company's city gate receipt points to the outlet side of the Company's main service line. Service is available to all residential customers, except for those customers whose utility service accounts are paid out of the three customer delivery to utility the service. The Company may terminate a customer's supply contract for non-payment and return the customer to the Company's sales service only if (1) the Supplier has made an alternative request for non-payment, and (2) the Supplier has indicated, in its customer contracts, a notice that the Company can terminate such contracts for non-payment. Where the Supplier is performing its own billing of the gas supply, termination of the agreement will be at the discretion of the Supplier, as specified in the Supplier contracts for service. In other cases, the Supplier of the gas supply, termination of the agreement will be at the discretion of the Supplier, as specified in the Supplier contracts for service.

Without notice that the customer will be switched from the Supplier and return to the Company unless the past due amount is paid by the customer's next scheduled bill due date. If the past due amount is not paid by the customer's next scheduled bill due date, the customer will not return to the Company and will remain with the Supplier. If the Company provides the late payment notice to the customer, it will send a copy of the notice to the customer's Supplier. A customer must enter into an agreement with a Supplier that meets the Company's requirements for participation in this pooling program pursuant to Rate FRAS, Sheet No. 44.

Gas transported under this tariff shall be for the customer's sole use at one point of delivery where distribution mains are adjacent to the premises to be served. Any gas provided hereunder shall be provided by displacement.

Residential customers who are enrolled in income payment plans pursuant to Rule 4901.1-10-0403 (Ohio Administrative Code (OAC) (PUP) Customers), shall be provided their alternative gas supply service exclusively through their own supply pool, for which gas is provided by a willing Supplier whose bid has been approved by the Public Utilities Commission of Ohio.

NET MONTHLY BILL
Computed in accordance with the following charges:

Fixed Delivery Service Charge per month \$43.03
Plus a Usage-Based Charge per CCF for each CCF of gas transported for customer from Company's city gate measuring station to the outlet side of Company's main service line to the customer's delivery to the customer at:

First 400 CCF \$0.130477 per CCF
Additional CCF \$0.265897 per CCF

Plus, or minus, rate adjustments that may occur as a result of changes in the rates of interstate pipelines, or of changes of the Public Utilities Commission of Ohio under the Federal Energy Regulatory Commission, and for which it is determined that all customers should be allocated some portion of the corresponding costs or refunds.

In addition, the net monthly bill, as calculated above, shall be adjusted by application of the percent specified on Sheet No. 64, Rider ETR, Ohio Excess Tax Liability Rider, except that finance charges are excluded in the computation of the net bill.

Customer and/or its Supplier shall be responsible for the collection and payment of excess taxes, revenue taxes, or similar taxes on the gas supplies that customer purchases from its Supplier.

The monthly minimum bill shall be the monthly Fixed Delivery Service Charge and applicable charge under Rate RT, Rider A2, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 64, Ohio Excess Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate RT, assuming RT customers pay the same gas cost as GS customers, should the increase be granted is 0.11%.

PROPOSED RATE RS-L RESIDENTIAL SERVICE LOW INCOME RESIDENTIAL SERVICE LOW INCOME, SHEET NO. 34.1

APPLICABILITY
Applicable to gas service required for residential purposes when supplied at one point of delivery where distribution mains are adjacent to the premises to be served. Eligible customers are non-PUP, low income residential customers verified at or below 175% of poverty level. The total number of customers that may receive service under Rate RS-L and Rate RT-L is 10,000.

NET MONTHLY BILL
Computed in accordance with the following charges:

Fixed Delivery Service Charge per month \$25.00
Plus a Usage-Based Charge for:
All CCF \$0.130542 per CCF

The monthly minimum bill shall be the monthly Fixed Delivery Service Charge and applicable charge under Rate RS-L, Rider A2, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 64, Ohio Excess Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate RS-L should the increase be granted is 0.11%.

PROPOSED RATE GS-L GENERAL SERVICE - LARGE GENERAL SERVICE - LARGE, SHEET NO. 25.1

APPLICABILITY
Applicable to gas service required for any purpose by an individual non-residential customer using more than 4,000 CCF during the year calendar year at one premises when supplied at one point of delivery where distribution mains are adjacent to the premises to be served.

NET MONTHLY BILL
Computed in accordance with the following charges:

Fixed Delivery Service Charge per month \$226.64
Plus a Usage-Based Charge for:
All CCF delivered at: \$0.130794 per CCF

The monthly minimum bill shall be the Fixed Delivery Service Charge and applicable charge under Rate GS-L, Rider A2, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 64, Ohio Excess Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate GS-L should the increase be granted is 0.11%.

PROPOSED RATE RT-L RESIDENTIAL FIRM TRANSPORTATION SERVICE - LOW INCOME RESIDENTIAL FIRM TRANSPORTATION SERVICE - LOW INCOME, SHEET NO. 36.3

APPLICABILITY
Firm transportation service for residential purposes, which is provided from the Company's city gate receipt points to the outlet side of the Company's main service line. Service is available to eligible residential customers, except for those customers whose utility service accounts are paid out of the three customer delivery to utility the service. Eligible customers are non-PUP, low income residential customers verified at or below 175% of poverty level. The total number of customers who may receive service under Rate RS-L and Rate RT-L is 10,000. The Company may terminate a customer's supply contract for non-payment and return the customer to the Company's sales service only if (1) the Supplier has made an alternative request for non-payment, and (2) the Supplier has indicated, in its customer contracts, a notice that the Company can terminate such contracts for non-payment. Where the Supplier is performing its own billing of the gas supply, termination of the agreement will be at the discretion of the Supplier, as specified in the Supplier contracts for service. In other cases, the Supplier of the gas supply, termination of the agreement will be at the discretion of the Supplier, as specified in the Supplier contracts for service.

Without notice that the customer will be switched from the Supplier and return to the Company unless the past due amount is paid by the customer's next scheduled bill due date. If the past due amount is not paid by the customer's next scheduled bill due date, the customer will not return to the Company and will remain with the Supplier. If the Company provides the late payment notice to the customer, it will send a copy of the notice to the customer's Supplier. A customer must enter into an agreement with a Supplier that meets the Company's requirements for participation in this pooling program pursuant to Rate FRAS, Sheet No. 44.

Gas transported under this tariff shall be for the customer's sole use at one point of delivery where distribution mains are adjacent to the premises to be served. Any gas provided hereunder shall be provided by displacement.

Residential customers who are enrolled in income payment plans pursuant to Rule 4901.1-10-0403 (Ohio Administrative Code (OAC) (PUP) Customers), shall be provided their alternative gas supply service exclusively through their own supply pool, for which gas is provided by a willing Supplier whose bid has been approved by the Public Utilities Commission of Ohio.

NET MONTHLY BILL
Computed in accordance with the following charges:

Fixed Delivery Service Charge per month \$229.03
Plus a Usage-Based Charge per CCF for each CCF of gas transported for customer from Company's city gate measuring station to the outlet side of Company's main service line to the customer's delivery to the customer at:

First 400 CCF \$0.130477 per CCF
Additional CCF \$0.265897 per CCF

The monthly minimum bill shall be the Fixed Delivery Service Charge and applicable charge under Rate RT-L, Rider A2, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 64, Ohio Excess Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate RT-L, assuming RT-L customers pay the same gas cost as GS-L customers, should the increase be granted is 0.11%.

PROPOSED RATE FT-L FIRM TRANSPORTATION SERVICE - LARGE FIRM TRANSPORTATION SERVICE - LARGE, SHEET NO. 21.1

APPLICABILITY
Firm transportation service for any purpose by an individual non-residential customer using more than 4,000 CCF during the year calendar year at one premises, which is provided from the Company's city gate receipt points to the outlet side of the Company's main service line. Service is available to all non-residential customers, except for those customers whose utility service accounts are paid out of the three customer delivery to utility the service. The Company may terminate a customer's supply contract for non-payment and return the customer to the Company's sales service only if (1) the Supplier has made an alternative request for non-payment, and (2) the Supplier has indicated, in its customer contracts, a notice that the Company can terminate such contracts for non-payment. Where the Supplier is performing its own billing of the gas supply, termination of the agreement will be at the discretion of the Supplier, as specified in the Supplier contracts for service. The Supplier of the company shall give notice to the customer that the customer will be switched from the Supplier and return to the Company unless the past due amount is paid by the customer's next scheduled bill due date. If the past due amount is not paid by the customer's next scheduled bill due date, the customer will not return to the Company and will remain with the Supplier. If the Company provides the late payment notice to the customer, it will send a copy of the notice to the customer's Supplier. A customer must enter into an agreement with a Supplier that meets the Company's requirements for participation in this pooling program pursuant to Rate FRAS, Sheet No. 44.

Gas transported under this tariff shall be for the customer's sole use at one point of delivery where distribution mains are adjacent to the premises to be served. Any gas provided hereunder shall be provided by displacement.

Residential customers who are enrolled in income payment plans pursuant to Rule 4901.1-10-0403 (Ohio Administrative Code (OAC) (PUP) Customers), shall be provided their alternative gas supply service exclusively through their own supply pool, for which gas is provided by a willing Supplier whose bid has been approved by the Public Utilities Commission of Ohio.

NET MONTHLY BILL
Computed in accordance with the following charges:

Fixed Delivery Service Charge per month \$226.64
Plus a Usage-Based Charge per CCF for each CCF of gas transported for customer from Company's city gate measuring station to the outlet side of Company's main service line to the customer's delivery to the customer at:

First 400 CCF \$0.130794 per CCF
Additional CCF \$0.265897 per CCF

Plus, or minus, rate adjustments that may occur as a result of changes in the rates of interstate pipelines, or of changes of the Public Utilities Commission of Ohio under the Federal Energy Regulatory Commission, and for which it is determined that all customers should be allocated some portion of the corresponding costs or refunds.

In addition, the net monthly bill, as calculated above, shall be adjusted by application of the percent specified on Sheet No. 64, Rider ETR, Ohio Excess Tax Liability Rider, except that finance charges are excluded in the computation of the net bill.

Customer and/or its Supplier shall be responsible for the collection and payment of excess taxes, revenue taxes, or similar taxes on the gas supplies that customer purchases from its Supplier.

The monthly minimum bill shall be the Fixed Delivery Service Charge and applicable charge under Rate FT-L, Rider A2, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 64, Ohio Excess Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate FT-L, assuming FT-L customers pay the same gas cost as GS-L customers, should the increase be granted is 0.11%.

PROPOSED RATE FRAS FULL REQUIREMENTS AGGREGATION SERVICE FULL REQUIREMENTS AGGREGATION SERVICE, SHEET NO. 44.1

APPLICABILITY
This service is available to Suppliers delivering gas to a firm basis to the Company's city gate receipt points on behalf of customers receiving Firm Transportation Service from the Company. The service provided hereunder allows Suppliers to deliver to the Company in an aggregated basis the natural gas supplies that are needed to satisfy the requirements of Customer Pool participating in the Company's firm transportation program.

CHARACTER OF SERVICE
This Tariff Sheet applies to the provision of pooling service for firm gas transportation customers. Suppliers under this Tariff Sheet shall supply the full requirements of their Pool Customers and agree to accept supply management responsibility. A Supplier shall specify, and Supplier shall deliver each day, the Target Supply Quantity for Supplier's Pool.

GAS SUPPLY AGGREGATION/CUSTOMER POOLING AGREEMENT
Prior to acting as a Supplier for Pool Customers receiving Firm Transportation Service, Supplier must enter into a Gas Supply Aggregation/Customer Pooling Agreement with the Company. An example of the Gas Supply Aggregation/Customer Pooling Agreement is attached to this Tariff Sheet.

SUPPLIER INVOICE
On a monthly basis, the Company will generate, and Supplier will pay, an invoice that includes the costs set forth below in this Tariff Sheet and in Sheet No. 45 hereon.

LATE PAYMENT CHARGE
Payment of the total amount due must be received by Company, or its authorized agent, by the due date shown on the Supplier's invoice. If the Supplier does not pay the total amount due by the due date, an additional amount equal to one and one-half percent (1.5%) of the total unpaid balance shall be due and payable.

RETURNED CHECK CHARGE
The Returned Check Charge set forth in Sheet No. 45 herein shall be added to the Supplier's account with the Company if a check is returned by the financial institution for insufficient funds.

MEASUREMENT OF CUSTOMER USAGE VOLUMES
The Company shall be responsible for all usage measurement at the point of delivery to the customer's facilities. Monthly volumes billed to Pool Customers shall be considered actual volumes consumed, whether the meter reading is actual or estimated.

QUALITY OF GAS DELIVERED BY SUPPLIER
The Supplier warrants that all gas delivered by it on behalf of Supplier for its Pool Customers under this Tariff Sheet shall meet the quality, pressure, heating value and other quality specifications of the applicable FERC Gas Tariff of the Interstate Gas Pipeline delivering said gas to the Company.

TITLE AND WARRANTY
Supplier warrants that it will, at its time and place of delivery, have good right and title to all volumes of gas delivered on its behalf, free and clear of all liens, encumbrances, and claims whatsoever, and that it will defend, indemnify, and hold the Company harmless for all suits, actions, debts, accounts, damages, costs, losses, or expenses (including reasonable attorney's fees) arising from or out of the adverse claims of any all persons relating to or affecting the gas delivered.

DEFINITIONS
"Adjusted MDG" means the Supplier's MDG less the Company's winter propane percentage, representing the Pool's allocation of the Company's propane peaking supplies.

"Adjusted Target Supply Quantity" (ATSG) means the Target Supply Quantity plus or minus any adjustments that the Company may require the Supplier to make to its daily delivery (i.e., Annual Reconciliation) reflected plus the daily firm (Rate FT) requirements of all customers being served by the Supplier under this Tariff.

"Aggregation Service" is a service provided by the Company that allows Suppliers to deliver to the Company, on an aggregated basis, those natural gas supplies that are needed to satisfy the full requirements of the one, or more, firm transportation customers that comprise the membership of the Supplier's Pool, as defined below, all in accordance with the rules established by the Company regarding delivery requirements, banking, billing and payments, and Supplier performance requirements.

"Arrangements" are any and all agreed amounts owed to the Company. A thirty-day advance notice with any portion of the previous month's bill is required if the time the current bill is issued. Customers having a thirty-day or more advance notice of \$500 or more are not eligible to participate in the Program. A customer who is current on a payment due for previously billed and unpaid bills is considered to have Arrangements when an electronic payment to the Company's firm transportation program is received from a Supplier.

"Billion Therms (BT) or "BTB" means the quantity of heat measured in units of BTU (purchased under a pool) was 100,000,000 BTU (purchased at or near its point of maximum density).

"CCF" means one hundred cubic feet.

"Commission" means the Public Utilities Commission of Ohio.

"Company" means Duke Energy Ohio.

"Customer" means a residential, non-aggregated, or commercial customer of the Company's Sales Service or Transportation Service.

"Default" means the failure of the Company or Supplier to fulfill a duty or obligation set forth in Duke Energy Ohio's tariffs, the Ohio Revised Code, the Ohio Administrative Code, or any agreement or contract between and among the Company and Supplier.

"Deliverable" or "BTB" means a unit of heating value equal to the (100 Therms or Million BTU (MMBTU)).

"Eligible Customer" is a customer who is eligible to participate in a Government Aggregation in accordance with section 4929.26 and 4929.27 of the Ohio Revised Code and does not include any of the following: a person that is both a distribution service customer and a merchant customer at the date of commencement of service to the Governmental Aggregator or the person because a distribution service customer after the service commencement date and is also a merchant customer; a person who is supplied with natural gas sales service pursuant to a contract with a Supplier that is in effect on the effective date of the ordinance or resolution authorizing the aggregation; a person who is supplied with natural gas sales service as part of the Percentage of Income Payment Plan (PIPP) program, as a customer who has failed to discharge, or enter into a plan to discharge, all existing Arrangements owed to or by the Company.

"Enrollment Processing Period" means the number of days required to process a customer's accepted enrollment in the Program pursuant to this Tariff. The process commences with the submission by the Supplier of Supplier of completed information for an eligible customer and ends with the termination of the customer's enrollment period. The process will take up to twelve (12) calendar days, and includes seven (7) business days from the date the Company sends the customer a notice indicating the customer may review its Program enrollment or change as Supplier.

"Firm Transportation Service" means service under Residential Firm Transportation Service (Rate RT - Sheet No. 33), Residential Firm Transportation Service - Low Income (Rate RT-L - Sheet No. 36), Firm Transportation Service - Large (Rate FT-L - Sheet No. 21) or Firm Transportation Service - Small (Rate FT-S - Sheet No. 22).

"Gas Supply Aggregation/Customer Pooling Agreement" is an agreement between the Company and Supplier that defines the mutual responsibilities and obligations of those parties relative to the Aggregation Service provided under Rate FRAS.

"Maximum Daily Quantity" (MDQ) means the expected peak day natural gas usage for a Supplier's Pool of Customers.

"Mcf" means one thousand cubic feet.

"Non-Eligible Customer" has the meaning set out in division (L) of section 4929.27 of the Ohio Revised Code. As summary, it means a customer that: (1) customers, other than for residential use, more than 5,000 CCF of natural gas per year at a single location or as part of an undertaking having more than 2 locations within or outside the state; and (2) that has not filed a declaration with the Commission.

"O.A.C." means the Ohio Administrative Code.

"OCC" means the Office of the Ohio Consumer's Counsel.

NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

"Operational Flow Orders" (OFOs) are notices issued by the Company via its electronic bulletin board (EBB) or fax transmission reaching Suppliers to adjust their daily deliveries into the Company's system to match, as closely as is best, their own needs to the most recent adjusted target supply schedule. The Supplier's Pool of Customers receiving Firm Transportation Service. Supplier shall be required to deliver natural gas, or to cause natural gas to be delivered, with the Company's specified city gate receipt points. It is determined by the Company to be necessary and the specified receipt points and amounts are identified in the OFO notice posted on the EBB.

"Over-deliveries" or "Positive Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool Customers during the period is less than the sum of the volumes available for delivery by the Company to the Pool during the same period.

"Pool" is a group of one or more customers receiving service pursuant to firm transportation service that have been jointly requested pursuant to Rule FRAS, Full Requirements Aggregation Service for the Supply and Delivery of Gas. PNP Customers are being served by a Supplier, a separate Pool must be comprised entirely of PNP Customers.

"Pool Customers" means a recipient of Firm Transportation Service provided by the Company under Tariff Sheet Nos. 31, 36, 37 or 52 who receives gas supply from a Supplier as a member of a Pool.

"Pooling Program" refers to the services provided under Residential Firm Transportation Service (Rate RT-1 - Sheet No. 33), Residential Firm Transportation Service - Large (Rate FTL - Sheet No. 36), Firm Transportation Service - Small (Rate FTL - Sheet No. 37), Firm Transportation Service - Small (Rate FTL - Sheet No. 38), and Full Requirements Aggregation Service (Rate FRAS - Sheet No. 40).

"Pooling Service" means a service provided by the Company that allows Suppliers to deliver to the Company gas supplies in order to satisfy the requirements of the Company's Pooling Program, and in accordance with the rules established by this Tariff Sheet and Gas Supply Aggregation/Pooling Agreement.

"Positive Imbalance Volume" or "Over-deliveries" is the amount by which the sum of all volumes actually delivered to the Pool Customers during the period is less than the sum of the volumes available for delivery by the Company to the Pool during the same period.

"Program" means the Company's firm transportation/fully aggregating customer choice program under Rule RT-1, Rule FTL, Rule FTL, and Rule FTL, and Rule FRAS, respectively.

"PUCO" or "Commission" means the Public Utilities Commission of Ohio.

"Sales Service" means services under Residential Firm Transportation Service (Rate RT-1 - Sheet No. 33), Residential Firm Transportation Service - Large (Rate FTL - Sheet No. 36), Firm Transportation Service - Small (Rate FTL - Sheet No. 37) or General Service - Large (Rate GS-L - Sheet No. 40).

"Supplier" is a qualified business entity that: (1) has been certified by the Commission to provide retail natural gas service; (2) has been chosen as a Supplier by a group of one or more customers that qualifies as a Pool; (3) agrees to accept responsibility for the gas supply obligations of the Pool; (4) meets the requirements for Supplier Participation as set forth in this Tariff Sheet; and (5) has executed a Gas Supply Aggregation/Pooling Agreement with the Company.

"Supply Contract" or "Contract" means a contract between the Pool Customer and its Supplier that defines the mutual responsibilities and obligations of these parties relative to customer's purchase and Supplier's sale of gas supplies for delivery to customer pursuant to this Tariff Sheet and the applicable Transportation Service Tariff Sheet.

"Target Supply Quantities" (TSQs) are defined as daily city gate delivery quantities determined from statistical models used to estimate the daily gas usage of the full requirements of a Supplier's Pool. These daily city gate usage estimates are adjusted for discrepancies by Gas Loss and corrected from volumetric to thermal quantities.

"Transportation Service" means service under Residential Firm Transportation Service (Rate RT-1 - Sheet No. 33), Residential Firm Transportation Service - Large (Rate FTL - Sheet No. 36), Firm Transportation Service - Small (Rate FTL - Sheet No. 37), Firm Transportation Service - Small (Rate FTL - Sheet No. 38), and Full Requirements Aggregation Service (Rate FRAS - Sheet No. 40).

"Unaccounted-for Gas Loss" is the difference between the total gas available gas commodity and the total gas commodity required for (provided as sales and transported volumes. The difference is comprised of factors including but not limited to: volumetric losses due to meter inaccuracies, Company use and loss of city gate, amount of gas lost and not billed.

"Unaccounted-for Percentage" means a percentage calculated by dividing the difference between: (1) the aggregate volume of gas received into Company's system from the Interstate pipelines plus the volume of imported gas; and (2) the aggregate volume consumed by all of Company's gas customers, stated in MCF, over that same period, by the MCF volume calculated in Item (1) above.

"Under-deliveries" or "Negative Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool Customers during the period exceeds the sum of the volumes available for delivery by the Company to the Pool during the same period.

REQUIREMENTS FOR SUPPLIER PARTICIPATION

Each Supplier desiring to receive Aggregation Service/Firm Transportation Service from the Company will be required to execute the following documents, request and maintain a record of its compliance with a Supplier. On the basis of this evaluation, a Supplier's participation may be limited to a level specified by the Company.

In order to assist the Company in performing its evaluation, Suppliers must do the following:

1. Provide proof of Commission Certification to the Company.
2. Complete and sign the Company's Credit Application form.
3. Complete and sign the Retail Natural Gas Supplier Registration form.
4. Pay a registration fee set forth in Rule 49.01 of the O.A.C.
5. Attend Company-sponsored training for Retail Natural Gas Suppliers.
6. Demonstrate a working understanding of the proper electronic communication capabilities necessary to conduct business with the Company.
7. Complete and sign the Company's Gas Supply Aggregation/Pooling Agreement.

Suppliers not meeting the necessary credit level will be required to provide additional security in a form and format specified by the Company.

Financial evaluations will be based on standard credit factors such as financial and credit ratings, trade references, bank information, sources of credit, Pool Customer payment history, and related financial information that have been substantiated and verified. The Company shall determine creditworthiness based on the above criteria, and will not deny a Supplier's participation in the Program without reasonable cause. A fee will be assessed to the Supplier for each financial evaluation, as set forth in Sheet No. 45 herein.

The Company reserves the right to conduct re-evaluations of Supplier's financial standing from time to time. Such re-evaluation may be initiated either by a request from the Supplier or by the Company. If the Company reasonably believes that the creditworthiness or operating environment of a Supplier may have changed, based on such re-evaluation, the Company may require the Supplier to increase the amount of its financial security. If the Supplier does not increase its security within five (5) business days of the Company's request or without additional time period specified by the Company, the Supplier's participation may be suspended or terminated in accordance with the consequences of Supplier's Failure to Perform Credit obligations set forth in the Tariff. The financial evaluation fee set forth in Sheet No. 45 herein will be assessed for such re-evaluations.

GENERAL PROVISIONS

All Suppliers and Governmental Aggregators shall not engage in unfair, misleading, deceptive, or unconscionable acts or practices related to, without limitation, the following activities:

1. Marketing, solicitation, or sale of a competitive retail natural gas service;
 2. Administration of contracts for such services;
 3. Provision of such service, including interchanges with customers.
- Suppliers shall maintain an employee and an office open for business in the state of Ohio.
- Suppliers and Governmental Aggregators shall not cause or attempt to cause the discontinuation of distribution service, or supply the threat of such actions, as a consequence of contract termination, customer nonpayment, or for any other reason.

Suppliers and Governmental Aggregators shall not change or authorize the changing of a customer's Supplier of competitive retail natural gas service without the customer's prior consent, as provided for under Rule 49.01-29.01 of the O.A.C. For the purpose of providing competitive retail natural gas services, this requirement does not apply to automatic Governmental Aggregation and for the PNP program.

All Suppliers and Governmental Aggregators shall provide the Commission's staff with a name, telephone number, and e-mail address of a contact person who will respond to Commission requests pertaining to customer complaints. If any of the required information relating to the contact person should change, the Supplier or Governmental Aggregator shall provide advance notice of such changes to the Commission.

RECORDS AND RETENTION

The Company shall provide retention related to competitive retail natural gas services, such as Supplier and each Governmental Aggregator shall establish and maintain records and data sufficient to:

1. Verify its compliance with the requirements of any applicable Commission rules; and
 2. Support any investigation of customer complaints.
- Unless otherwise prescribed, all required records shall be retained for no less than two years.
- Unless otherwise prescribed by the Commission or its authorized representatives, all required records required shall be provided to the Commission staff within three (3) business days of its request.

MARKETING AND SOLICITATION

Each Supplier and Governmental Aggregator shall engage in competitive retail natural gas service to customers shall provide, in marketing materials that include or accompany a sales contract, sufficient information for customers to make informed cost comparisons.

1. For each sales offer, such information shall, at minimum, include:
 - a) The cost per Ccf or MCF, whichever is consistent with the Company's current billing format, for natural gas supply;
 - b) The amount of any other recurring or nonrecurring Supplier or Governmental Aggregator charges; and
 - c) A statement that the Supplier's or Governmental Aggregator's rate is inclusive of all applicable state and local taxes and the Company's service and delivery charges.
2. For variable-rate offers, such information shall, at minimum, include:
 - a) A clear and understandable explanation of the factors that will cause the price to vary (including any related index) and how often the price can change;
 - b) The amount of any other recurring or nonrecurring Supplier or Governmental Aggregator charges; and
 - c) A statement that the Supplier's or Governmental Aggregator's rate is inclusive of all applicable state and local taxes and the Company's service and delivery charges.

A Supplier or Governmental Aggregator shall not engage in advertising or solicitation to provide to the Commission or its staff within three (3) business days of a request by the Commission or its staff.

No Supplier or Governmental Aggregator may engage in marketing, solicitation, sales acts, or practices which are unfair, misleading, deceptive, or unconscionable in the marketing, solicitation, or sale of a competitive retail natural gas service. Such unfair, misleading, deceptive, or unconscionable acts or practices include, but are not limited to, the following:

1. Soliciting customers for a competitive retail natural gas service:
 - a) Allow misleading, restrictive, or conditional representation of certification by the Commission;
 - b) After denial of certification by the Commission;
 - c) Failing to comply with paragraph (a) or (b) of this section;
 - d) Failing to provide in writing its advertisement and promotional materials that make an offer to sell a retail natural gas service under a number listed address for printed materials that the potential customer may call or write to request detailed information regarding the price, terms, conditions, limitations, and restrictions;
 - e) Soliciting via telephone calls initiated by the Supplier or Governmental Aggregator for its staff without first:
 - a) Obtaining the list of customers who have requested to be placed on a "do not call" list, which shall be created and maintained by the Commission; and
 - b) Obtaining monthly updates of the Commission-maintained "do not call" list.
2. Engaging in telephone solicitation of customers who have been placed on the "do not call" list maintained by the Commission;
3. Engaging in telephone solicitation to residential customers within 9:00 a.m. or after 5:00 p.m.
4. Engaging in direct solicitation in customers where the Supplier's or Governmental Aggregator's sales agent fails to wear and display a valid Supplier or Governmental Aggregator identification. The format for this identification shall be pre-approved by the Commission staff; and
5. Advertising or marketing offers that:
 - a) Claim that a specific price advantage, savings, or guarantee exists if the customer calls, or not if it is not;
 - b) Claim to provide a competitive retail natural gas service when such offer is not a bona fide offer to sell such services;
 - c) Offer a fixed price per Ccf or MCF, whichever is consistent with the Company's current billing format, for competitive retail natural gas service without disclosing all recurring and nonrecurring charges;
 - d) Offer a variable price per Ccf or MCF, whichever is consistent with the Company's current billing format, for competitive retail natural gas service without disclosing all recurring and nonrecurring charges; and
 - e) Fail to disclose all material limitations, conditions, and offer expiration dates.

OBIGATIONS TO THE COMPANY

Each Supplier participating in the Pooling Program shall:

1. Deliver gas to the Company on a firm basis on behalf of the Supplier's pool members in accordance with the requirements of the "Gas Supply Aggregation/Pooling Agreement";
 2. Establish and maintain a creditworthy financial position to enable the Supplier to indemnify the Company and the customers for the costs incurred in a result of any failure by Supplier to deliver gas in accordance with the requirements of the program and to ensure payment of any Commission-approved charges for any such failure;
 3. Make good faith efforts to resolve all disputes between Supplier and the Company and to cooperate with resolution of any joint issues with Company;
 4. Advise the Company in writing of any customer-specific billing, payment, and usage history within five (5) business days of the customer's approval to accept such information.
- Failure to fulfill any of these obligations may subject Supplier to consequences as set forth in the consequences of Supplier's Failure to Perform or comply section of this Tariff Sheet.

CUSTOMER INFORMATION LIST

Company shall make available to Suppliers an electronic list of customer information for customers who are eligible to participate in the Program. Such list shall be updated quarterly and shall, at a minimum, contain the following information regarding each customer: name, service and mailing address, meter read date or schedule, and the most recent twelve (12) months of consumption data. The fee for this customer information list is set forth in Sheet No. 45 herein.

GOVERNMENTAL AGGREGATION

Governmental Aggregators shall follow the Commission's rules for formation and operation of a Governmental Aggregation.

Upon the request of a Governmental Aggregator, the Company will provide, on a best efforts basis, an update list of eligible customers' names, service and mailing addresses, account numbers, and other confidential information data for all eligible customers residing within the Governmental Aggregator's boundaries. Except for the information for customers who have opted-out of the Company's customer information list for Suppliers and Company records, the customer information contained in such list shall be consistent with any customer information provided to Suppliers described herein. The Governmental Aggregator will pay a fee for a copy of said list, as set forth in Sheet No. 45 herein. The Governmental Aggregator shall not disclose or use a customer's account number or any customer information

regarding these customers who have opted-out of the Company's customer information list, without the customer's express written consent.

Prior to this Company including a customer's natural gas account in a Governmental Aggregation, the Governmental Aggregator shall provide each eligible customer written notice that their account will be automatically included in the aggregation unless within the customer affirmatively opt out of the aggregation. The Company shall select eligible customers, who have not opted out of the Governmental Aggregation, to be a Governmental Aggregation under the same processes described herein for Suppliers.

CUSTOMER SIGN-UP PROCEDURES

Customers desiring to participate in the Program must execute a written Supply Contract with a Supplier that states that the customer has agreed to the terms of the Program and which sets forth the terms and conditions of the customer's gas supply purchase. The Supplier may design the format of the Supply Contract, but at a minimum, it must comply with the applicable provisions specified in Rules 49.01-29.01 and 49.01-29.01 of the O.A.C.

In the alternative, customers desiring to participate in the Program may enroll with a Supplier via telephone or internet. Under these methods, the Supplier must retain proof of customer consent as required by the Commission.

The Supply Contract, or alternate proof of customer consent in the case of telephone or internet enrollment, will be used to resolve disputes if the validity of an account enrollment comes into question. If requested by the Company, Commission (in the case of Non-Marketplace Customers only) or OGC (in the case of marketplace customers), Supplier must provide a copy of a specific Supply Contract, or alternate proof of customer consent in the case of telephone or internet enrollment, within three (3) business days of any such request.

Regardless of the customer enrollment method used, within three (3) business days after completion of enrollment (unless a later date specified by a customer resident), Supplier will provide the Company with an electronic file in a format specified by the Company, containing a listing of all customers who Supplier has signed up or desires to drop place its first submission. This list shall include each Pool Customer's Company account number. The Company will evaluate the information provided for accuracy and customer eligibility, and provide Supplier with a confirmation report within three (3) business days. In the event more than one Supplier includes the same Pool Customer on their enrollment file to begin the same period, the customer will be assigned to the Supplier whose acceptable enrollment was first processed by the Company.

Once complete and accurate information supporting a customer joining or leaving a Supplier's Pool is received and confirmed by the Company, the change will be effective on the customer's next regularly scheduled meter read date provided that it is received by the Company at least twelve (12) days before the next regularly scheduled meter read date. If a customer requests their enrollment prior to commencing service with a Supplier, the Company shall notify the Supplier within two (2) business days of the customer's request. Customer will remain with its Supplier until: (1) the customer is referred to Sales Service due to non-payment or Supplier default; (2) the customer or Supplier notifies the Company that the customer should remain with the Company's Sales Service; (3) the customer uses the PNP program; or (4) the customer's name, service address and account number appear on another Supplier's electronic enrollment file listing. If a customer moves from one address to another within the Company's service territory, (a) nothing in this tariff shall be construed to limit the Supplier/Company contract by virtue of that move; (b) the Company's current billing system must be modified in order to facilitate Program participation with the Supplier because of the location change (in the Company's service territory); (c) in order to maintain Program participation with the Supplier, the Supplier must confirm enrollment via customer confirmation once the new distribution service address with the Company has been established; (d) when a customer changes their service address within the Company's service territory, the customer will be billed for Sales Service for a period of six months from the date of the change; (e) if, during that period, a timely enrollment notice is received from the Supplier; and (f) the customer and the Supplier may maintain the time the customer is billed under Sales Service by promptly providing the Company with the new enrollment notice. If the customer's current Supplier initiates customer's enrollment in the Program, the Company shall issue a written notification to the customer informing customer of such change. Customers, who on their own initiative, decide to terminate their participation in the Program will be permitted to do so without the Company making any determination regarding whether the customer is contractually permitted to make such move. The Company shall not be liable to the Supplier or customer for allowing the customer to terminate their participation in the Program without the Company's notification that the customer will not be enrolled or enrollment will be delayed, along with the associated deadline.

If the Company rejects a customer from enrollment, the Supplier shall notify the customer within three (3) business days from the Company's notification of rejection that the customer will not be enrolled or enrollment will be delayed, along with the associated deadline. The Company will accept an enrollment from another Supplier for a customer who is currently with a Supplier, without the current Supplier first submitting an electronic drop notification to the Company. In enrollment situations where a customer is already being served by a Supplier or the customer is currently receiving Sales Service, the Company shall, prior to commencing competitive retail natural gas service with the subsequent Supplier, make the customer a confirmation notice stating:

1. The Company has received a request to enroll the customer for competitive retail natural gas service with the named Supplier, and, in the case of an enrollment request for a customer who is currently with another Supplier, a statement that Company's records reflect that customer is currently enrolled with another Supplier; along with an advertisement that customer should review the terms and conditions of the subsequent Supplier's contract for customer's obligations under said contract;
 2. The date such service is expected to begin;
 3. The customer has seven (7) business days from the postmark date on the notice to contact the Company telephonically, in writing or via the internet to rescind the enrollment request or notify the Company that the change of the Supplier was not requested by the customer; and
 4. The Company's approximate contact information, including, but not limited to, the Company's toll-free telephone number.
- If the customer rescinds their enrollment, the Company will initiate said rescission and notify the Supplier or Governmental Aggregator.
- Any customer referring to Sales Service, as a result of Supplier default, nonpayment, Supplier abandonment, or Supplier certification rescission will not be liable for any costs associated with the switch.

ENROLLMENT OF CUSTOMERS

Suppliers may enroll customers by mail, facsimile, direct solicitation, telephone, and the internet. When soliciting and/or enrolling Non-Marketplace customers, Supplier must adhere to the requirements set forth in Rules 49.01-29.01 and 49.01-29.01 of the O.A.C.

CONFIRMATION/REGISTRATION AND GENERAL NOTICES

Supplier must adhere to the contract, nonrenewal and renewal requirements for Non-Marketplace customers set forth in Rule 49.01-29.01 of the O.A.C.

POOL CUSTOMER BILLING OPTIONS

Supplier may elect one of the following two billing options for its Pool Customers that do not participate in PNP:

Option 1 - Company Consolidated Billing

The Pool Customer shall receive one bill from the Company that includes the name of the Supplier from whom the customer is receiving its gas supply and includes an amount for the Supplier's gas supply charges in accordance with the pricing arrangements agreed upon between the Supplier and the customer, including any fees for which the Supplier must collect. The Company's consolidated bill may provide the basic amounts and the balance, payments applied, credits, late charges, and total amount due on a consolidated basis only. A Supplier that elects this billing option will be provided, at its charge, as many as twenty-five (25) active volume codes to which a customer may be assigned by the Supplier and billed by the Company. Additional active volume codes will be provided by the Company for a fee set forth in Sheet No. 45 of this Tariff. Each Supplier will be limited to a total of forty (40) active volume codes for which the Supplier may submit to the Company a price change each month for each code. Price changes must be submitted to the Company no later than the 20th day each month for bills rendered the next month. In the event that a Supplier desires retroactive billing option changes, the Supplier shall be charged for the cost of implementing such changes, as set forth in Sheet No. 45 of this Tariff.

The Pool Customer will be responsible for making payment to the Company for its bills as stated above on the bill, including both the Company's and the Supplier's charges. In the event that a customer wants to the Company less than the full payment due, the payment received shall first be applied to the Company's charges shown on the bill plus any amounts relating to such Company charges from previous billing periods, and the residual amount shall be applied to the Supplier's portion of the bill, including the taxes thereon. Supplier shall be promptly notified of any payments received from customers who opt-out of the Supplier's portion of the bill. Payment to Supplier for payments received from customers as noted above will be made within five (5) business days after end-month and end-of-month numbers are available.

NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

Where Supplier has elected service under Rate ADR, Accounts Receivable Management Service, the Company shall remit to the Supplier, by wire transfer or otherwise, payment of gas bills to the Supplier's customers by the Company on Supplier's behalf, including those attributable to Supplier's portion of the bill based on the terms contained in the respective Supplier's ADR agreement.

Supplier shall be responsible for disclosing the appropriate billing authorities in any form that is attributable to Supplier's portion of the bill.

In the event, and to the extent, that a customer in the Company less than the amount which would be attributable to the Company's charges and Arrangements included on the bill, the customer shall be subject to the same late charges and disconnection procedures which would be applicable to the customer were the Company the Supplier.

Option 2 - Dual Billing

The customer shall receive two bills as follows:

A. The meter and, to the extent, that a customer in the Company less than the amount which would be attributable to the Company's charges and Arrangements included on the bill, the customer shall be subject to the same late charges and disconnection procedures which would be applicable to the customer were the Company the Supplier.

M. Supplier shall be responsible for billing and collecting its part of the bill including any past due amounts that are due from Supplier's own prior billings. To facilitate Supplier's portion of the bill being sent to the Company, the Company will provide each Supplier with an electronic notification of the monthly meter readings of all customers within Supplier's Pool that have been billed by the Company. Such bill data will be transmitted to the meter reading date on which the Company issued its bill for transmission to Supplier. A Supplier may forward gas bills to any Pool Customer for non-payment and recover the customer from its Pool in accordance with the procedures for recovering customers from a Supplier's Pool pursuant to this Tariff Sheet.

CUSTOMER DISCOUNT

The Company may discount service to a customer for non-payment of its regulated utility charges. The Supplier is not permitted to physically disconnect a customer's gas service for non-payment of the Supplier's charges.

CUSTOMER ACCESS AND COMPLAINT HANDLING

Each Supplier shall cooperate with the Company, the Commission, and the OCC in the case of residential customers to answer inquiries and resolve disputes. The following procedures shall be applicable to customer access and complaint handling:

A. Customer access

- 1) Each Supplier or Governmental Aggregator shall ensure customers a reasonable access to its service representatives to make inquiries and complaints, address charges on customer bills, handle customer complaints, and conduct any other pertinent business.
- 2) Telephone access shall be toll-free and afford customers prompt answer times during normal business hours.
- 3) Each Supplier or Governmental Aggregator shall provide a twenty-four (24) hour customer telephone access hot-line/call center to report any service interruptions or natural gas emergencies to the Company.

B. Customer complaints

- 1) Each Supplier or Governmental Aggregator (and/or its agent) shall investigate customer complaints (including customer complaints referred by the Company) and provide a status report within 30 business days following receipt of the complaint to:
 - a) the customer, when the complaint is made directly to the Supplier or Governmental Aggregator;
 - b) the customer and Commission staff, when a complaint is referred to the Supplier or Governmental Aggregator by the Commission staff.
- 2) The Governmental Aggregator may choose to have the Supplier perform certain functions on the Commission's behalf, e.g., however, the Governmental Aggregator is still responsible for ensuring that the requirements of these rules are met.
- 3) If an investigation is completed within ten (10) business days, the Supplier or Governmental Aggregator (and/or its agent) shall provide status reports to the customer, and, if applicable, to the customer and Commission staff. Such status reports shall be provided within three (3) business days following receipt of the investigation is completed, unless the action that must be taken will require more than three (3) business days and the customer has been so notified.
- 4) The Supplier or Governmental Aggregator (and/or its agent) shall inform the customer, or the customer and Commission staff, of the results of the investigation, orally or in writing, no later than three (3) business days after completion of the investigation. The customer or Commission staff may request the report in writing.
- 5) If a customer disputes the Supplier's or Governmental Aggregator's (and/or its agent's) report, the Supplier or Governmental Aggregator shall inform the customer that the Commission staff is available to mediate complaints. The Supplier or Governmental Aggregator (and/or its agent) shall provide the customer with the address, local toll-free telephone number, and TOLL/11 telephone number of the Commission's public interest center.
- 6) Each Supplier or Governmental Aggregator shall retain records of customer complaints, investigations, and complaint resolutions for ten (10) years after the completion of such complaints and shall provide such records to the Commission staff within three (3) business days of request.
- 7) Each Supplier or Governmental Aggregator shall make good faith efforts to resolve disputes and cooperate with the resolution of any joint issues with the Company.

C. If customers contact the Company concerning competitive retail natural gas service issues, the Company shall:

- 1) Review the issue with the customer to determine whether it also involves the Company.
- 2) Cooperate with the resolution of any joint issues with the Supplier or Governmental Aggregator and
- 3) Refer the customer to the appropriate Supplier or Governmental Aggregator in those instances where the issue falls Company involvement.

D. Sharing Complaints

- 1) A complaint completed is a customer's allegation that the customer's Supplier or Governmental Aggregator has been switched without the customer's authorization.
- 2) If a customer contacts the Company, Supplier or Governmental Aggregator alleging that the customer's Supplier has been switched without the customer's authorization, the Company, Supplier or Governmental Aggregator shall:
 - a) Provide the customer an evidence relating to the customer's complaint;
 - b) Refer the customer to the Commission's public interest center;
 - c) Provide the customer with the toll-free, toll-free telephone number of the Commission's customer service department; and
 - d) Cooperate with the Commission staff in any subsequent investigations of the complaint.
- 3) Except as otherwise provided in Chapter 4901-1-29 of the O.A.C. if the Supplier or Governmental Aggregator cannot provide such documentation confirming that the customer authorized the switch, there shall be a rebuttable presumption that the customer was switched without authorization. Such documentation shall include one of the following, in accordance with the requirements of Rule 4901-1-29-06 of the O.A.C.:
 - a) A signed contract, in the case of direct enrollment;
 - b) An audio recording, in the case of telephone enrollment; or
 - c) Electronic consent, in the case of internet enrollment.
- 4) In the event that the customer was switched from one Supplier or Governmental Aggregator to a different Supplier or Governmental Aggregator without authorization, the customer's previous Supplier or Governmental Aggregator shall be liable to the customer without penalty other than the customer's request for redress for the duration of the original term and used the Company's electronic enrollment request.

If the original Supplier or Governmental Aggregator is unable to release the customer to the original contract price, the original Supplier or Governmental Aggregator may release the customer to a new contract price at the discretion of the Company. If the O.A.C. or the Commission may elect a new Supplier or refer to the Company's GCR commodity service.

- 5) In the event that a customer was switched from Sales Service to a Supplier or Governmental Aggregator without authorization, the Company shall switch the customer back to Sales Service without penalty.

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must ensure their own upstream firm interstate pipeline capacity required to meet Supplier's Firm Transportation Service pool's aggregate Adjusted MDO less the firm interstate pipeline capacity assigned to the Supplier by the Company. Assignments and recalls of interstate pipeline capacity are mandatory for MDO in excess of the Supplier's Firm Transportation Service pool's aggregate Adjusted MDO as of April 1, 2001. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with federal interstate pipeline facilities and to maintain the Company's system integrity, the Company reserves the right to direct such Supplier to proportionally reduce, with respect to the Company's network and certain interstate pipeline receipt points, the Supplier's daily peak requirements. Specific delivery requirements will be electronically posted by the Company.

A Supplier, whose aggregate Pool MDO exceeds 5,000 Dth/day and who adds 2,000 Dth of additional MDO to the Supplier's MDO as of April 1, 2001, shall be assigned a proportionate amount of the Company's interstate pipeline firm transportation capacity by the Company on a seasonal basis. The MDO criteria will be reviewed by the Company semi-annually based on the MDO as of September 30th with any increase becoming effective November 1st through March 31st, and on the MDO as of February 28th, with any release becoming effective the following April 1st through October 31st. Suppliers will be notified of any change to their release capacity by October 31st for winter capacity and by March 15th for summer capacity.

The assignment shall be structured as a release of capacity. The posted rate will be the rate for which the Company has contracted with the relevant pipeline. Any capacity with a discounted rate will be needed open to bids, with the Supplier being the preferred bidder. All other capacity will be posted at the pipeline's maximum rate with the Supplier being the preferred bidder.

The Company shall assign interstate pipeline firm transportation capacity consistent with its delivery northwards allocation program and as a pro-rata basis to the Company's total capacity in the designated capacity pool. During the summer months of April through October, the Company's Firm Transportation capacity shall be reduced by the Company's maximum daily injection rights on Columbia Gas Transmission's Firm Storage Service for purposes of determining the pro-rata share for suppliers that have elected Firm Retaining Service (FRS) rather than Enhanced Firm Retaining Service (EFRS).

Capacity will be assigned to the Supplier on a "recall and report" basis. The Company shall release the capacity with the appropriate pipeline company's electronic bulletin board and the Supplier shall operate the service agreements as generated by the pipeline less the capacity for the end of the week to enable the Supplier to maintain gas supplies under the service agreements for the following month. If the Supplier fails to release the service agreements the charges for the released capacity will be added to the Supplier's Pool balance for the month.

Prior to the capacity release process, the Supplier shall comply with the appropriate pipeline's credit review and establish itself on the pipeline's Approved Bidder List (as defined in the interstate pipeline company's tariff).

The Company, as releasing ships under a recallable release, remains liable to the pipeline for restoration charges. The Supplier will provide sufficient security to the Company of its ability to pay peak delivery charges, unless the applicable pipeline company releases the Company from liability for the Supplier's pipeline restoration charges.

The Company reserves the right to change the type of interconnect required as well as the interconnect facility to comply with the requirements of the interstate pipeline company.

There will be no restrictions on the Supplier's use of the released capacity at such times that it is not required to deliver gas to the Company's system.

The Supplier may re-release or a portion of the capacity to a replacement customer who meets the requirements to which the Supplier is subject including but not limited to the Company's right of recall. A release shall not release the Supplier of its obligations under the pipeline of the capacity release by the Company.

The Supplier retaining assignment shall pay the pipeline's directly for all charges associated with the use of released capacity, including (without limitation) demand charges, credit and release charges, taxes, royalties, fuel allowances, imbalances and metering charges, and available.

The Supplier shall not receive and delivery points at the interstate pipeline company's firm transportation capacity released by the Company, without written consent from the Company. The Supplier will be responsible for operating the assigned capacity consistent with the terms and conditions set forth in the tariffs of the Company and the applicable pipeline company.

DAILY BALANCING

The Company will provide and charge the Supplier for balancing services, which will be used to manage differences between the Company's required daily Supplier delivery and the actual customer's consumption. There will be an annual election each year for Suppliers whose peak MDO is greater than 1,000 Dth/day to elect, on or before January 15th each year, either Rider FRS (Firm Retaining Service), Rider FRS or Rider EFRS (Enhanced Firm Retaining Service). Rider FRS will be in effect on April 1st each year. A Supplier that elects FRS will be subject to the recall and report as set forth in Rider FRS. A Supplier whose peak MDO is less than 1,000 Dth/day will receive balanced service under the Company tariff Rider FRS. Suppliers that elect Rider FRS and Suppliers whose peak MDO is less than 1,000 Dth/day will be billed the full cost of the FRS as set forth in Rider FRS on all volumes consumed by the Supplier's Pool.

- a) Target Supply Quantities must be delivered each day based on the Company's forecasted temperatures and the aggregate demand curve for each Customer Pool, as more fully described within the "Gas Supply Aggregation/Customer Pooling Agreement" between the Company and Supplier. Any Supplier that fails to deliver the volumes in accordance with that agreement may be penalized from further participation in the program.
- b) Suppliers are subject to Operational Flow Orders issued by the Company as described below. The Company may request from this program any Supplier that does not comply with an Operational Flow Order.
- c) Suppliers shall have the ability to make daily/monthly inter-pool trades under the Company tariff Rider GTS, Gas Trading Service.

MEASUREMENT OF CONSUMPTION VOLUMES

The Company will electronically provide each Supplier with a listing of the monthly meter readings and actual gas consumption within the Supplier's system and meter reading and data will be transmitted to the Company's consumption data which the Company's local delivery service. Monthly volumes billed to participating customers shall be calculated actual volumes consumed, whether the meter reading is actual or calculated.

ANNUAL RECONCILIATION

The Company will reconcile imbalances on an annual basis, for each Supplier, through determination of the difference between: (1) the Supplier's deliveries for the previous year; and (2) the actual consumption plus the Company's Unaccounted-for Deliveries in the Supplier's aggregate Customer Pool. Such calculations of net gas, adjusted for reconciliation of all adjustments applicable to the previous year.

Suppliers will eliminate the imbalances through the exchange of gas with the Company via a charge inventory transfer, an adjustment to flow Rider FRS, bank balance, or delivery over the next thirty (30) days or longer if mutually agreed by Supplier and Company.

OPERATIONAL FLOW ORDERS

Suppliers are subject to the Company's issuance of operational flow orders, which will direct each Supplier to adjust scheduled volumes to match the Customer's actual consumption. For Suppliers that have elected Rider FRS as their balancing option, the difference between scheduled deliveries from the interstate pipeline companies and the estimated Pool usage will be met by the FRS. In the event that the Company's storage service provider has reduced access to storage capabilities and a Supplier receives Rider FRS's MDO or MDO less than the Supplier's Pool MDO, the Supplier will be required to comply with the Operational Flow Order (OFO). However, on days with

projected temperatures colder than the design winter peak day temperature, the Supplier will have two options. The Supplier may: (1) deliver to the Company the volume of gas equal to the Adjusted Target Supply Quantity, or (2) deliver to the Company only that volume of gas equal to their Adjusted MDO and pay the Company to acquire the incremental volume, i.e., the difference between their Adjusted Target Supply Quantity and their Adjusted MDO. If the Supplier selects the second option, the Supplier will pay the Company for each the Company incurs in obtaining the incremental supply and for the cost of the replacement with both its buying supply and MDO. Failure of the Supplier to deliver volumes in accordance with its selected option may result in suspension or termination from further participation in the Company's firm transportation program.

Failure to comply with an Operational Flow Order, which is defined as the difference between the daily OFD volume and actual daily deliveries, will result in the action and/or billing of the following charges:

Under-deliveries

- 1) the payment of a gas cost equal to the highest incremental cost paid by the Company on the date of non-compliance;
- 2) two month's deferred charges on the OFD shortfall. This charge shall not be imposed more frequently than once in any thirty day period; and
- 3) the payment of all other charges incurred by Company including, but not limited to pipeline penalty charges on the date of the OFD shortfall.

Over-deliveries

- 1) Any over-amount delivered by Supplier will be confiscated by the Company and used for its general supply requirements, without compensation to Supplier.
- 2) Company shall bill and Supplier shall pay all charges incurred by Company including but not limited to penalty charges from the interstate pipeline for such excess deliveries, provided such penalties can be attributed to Supplier's over-amount.

SCHEDULING

Supplier must make all necessary arrangements for scheduling natural gas deliveries to Company.

Each morning, by 9:00 A.M. E.S.T., the Company will post on its EBS an "Adjusted Target Supply Quantity" that the Supplier will be required to deliver into the Company's designated city gate receipt points during the following gas day. For purposes of the Company's firm transportation program, the Adjusted Target Supply Quantity is defined as the Target Supply Quantity, plus or minus any adjustments that Supplier may be required to make to its daily deliveries, plus the daily firm requirements of all customers being served by Supplier under both Rate 1 and Rate 2, as specified within Supplier's Firm Transportation Service Interconnectable Transportation customers contracts. The quantities so calculated will then be adjusted for Unaccounted-for Gas Loss back to the Company's city gate, and converted to Dth. By 1:00 P.M. E.S.T. each day, Supplier shall notify the Company through the EBS of its total city gate nominations for the next day, by Company Rate Schedule, for each pipeline company delivering gas into the Company's system.

The Adjusted Target Supply Quantity that will be used to define the Supplier's next day delivery obligations shall also be the quantities against which the Supplier's pipeline confirmed daily deliveries into the Company's system, combined with quantities to flow Supplier's Rider EFRS balancing service, if applicable, will be compared in order to determine Supplier's daily over/under-deliveries. Daily over/under-deliveries volumes determined in this manner shall form the basis for daily "cash-out" OFD charges, daily pipeline penalty charges, through-puts, and any other charges under any of the Company's applicable tariffs, that are levied based on Supplier's failure to deliver the Adjusted Target Supply Quantity of gas into the Company's system.

During the months of November through March, Company shall reserve a portion of its required peak capacity for Supplier Pools, based on the period of each Pool's firm applicable MDO and the percentage of the Company's total system design capacity needed to be released to the Supplier for the upcoming months of November through March. The percentage reserved shall be applied as a reduction to the MDO that will result in the Supplier's Adjusted MDO.

When the Supplier's Adjusted Target Supply Quantity exceeds the volume of Supplier's Adjusted MDO and the Supplier elects not to deliver the incremental volume of natural gas in excess of its Adjusted MDO, then the Company shall supply the Pool's gas needs in excess of the Supplier's Adjusted MDO with over-the-pipe or alternate pipeline supplies. The fully allocated costs of the program of alternate peak supply provided by the Company hereunder shall be billed directly to Supplier.

By July 31st of each year, and when there is a material change in Company's peak capacity, Company shall indicate the maximum of Supplier Pool's Maximum Daily Quantity that will be met with Company's required program, or alternate peak supply, allocated by Company to such Pool.

OTHER RULES AND REGULATIONS

Except to the extent expressed herein, the Company's Rules and Regulations Governing the Distribution and Sale of Gas and such other Company rules as are applicable shall apply to all gas transportation services provided hereunder.

CONSEQUENCES OF SUPPLIER'S FAILURE TO PERFORM OR COMPLY

If a Supplier fails to deliver gas in accordance with its full service requirements of its Pool Customers, the Company shall supply gas to the affected Pool Customers and shall bill Supplier the higher of the following: (1) the full market price for that period; or (2) the highest incremental cost of gas for that period that the Company actually paid for gas supplies, including transportation and all other applicable costs. The Company shall have the right to immediately and unilaterally suspend Suppliers' letter of credit, parental guarantee, or any other collateral posted by the Supplier in order to enforce recovery from Supplier of the cost of these replacement supplies.

If a Supplier fails to deliver gas in accordance with the full service requirements of the Gas Supply Aggregation/Customer Pooling Agreement, or otherwise fails to comply with the provisions of this Tariff Sheet, including those specified in the Obligations to the Company section, the Company shall have the discretion to increase the prices to suspend temporarily or terminate the Supplier's further Program participation. In addition, the Company shall serve a written notice of such failure in reasonable detail and with a proposed remedy to the Supplier and the Commission, as set forth in Rule 4901-1-27-12(b) of the O.A.C.

On or after the date said notice has been served, the Company may file with the Commission a written request for authorization to terminate or suspend the Supplier from participation in the Company's Program. Except for failure due to under-delivery or non-delivery, if the Commission, or any Attorney General, does not issue an order to suspend or reject the action proposed by the Company within ten (10) business days after receipt of the request, the Company is requested to terminate or suspend the Supplier's participation in the program (EBS) business day. If the Supplier's failure is due to under-delivery or non-delivery and, if the Commission, or an Attorney General, does not act within ten (10) business days after receipt of the request, the Company's request to terminate or suspend shall be deemed authorized on the sixth (6th) business day.

If the Supplier is suspended or terminated from the Program, customers in such Pool shall revert to Company's Sales Service, unless and until said customer's pool another Supplier's Pool. Any termination or suspension of the Gas Supply Aggregation/Customer Pooling Agreement by the Company or this section shall be without prejudice to any remedy, whether or not, in equity, to which the party not in default otherwise may be entitled by breach of the Agreement.

ALTERNATIVE DISPUTE RESOLUTION

Alternative Dispute Resolution shall be utilized by Suppliers and the Company or a means to address disputes and differences that may arise under the tariff. Alternative Dispute Resolution shall be conducted in accordance with the Commission rules or as agreed upon among the applicable parties. Making herein shall not deprive any party of its legal rights in a jurisdictional matter.

FORCE MAJEURE

If either Supplier or Company is unable to fulfill its obligations under this Tariff Sheet due to an event or circumstance that is beyond the control of such party and which prevents such performance, such party shall be excused from and will not be liable for damages related to non-performance during the continuation of such unavailability of performance. Neither of the following shall be considered a force majeure condition: (1) changes in market conditions that affect the acquisition or transportation of natural gas; or (2) failure of Supplier to deliver to Pool Customers its contracted scheduled gas volumes.

The party claiming force majeure will use the diligence to remove the cause of the force majeure condition and resume delivery or consumption of gas previously suspended. Gas withheld from the Supplier or Pool Customers during a force majeure condition will be delivered on the next day of such condition as soon as practicable.

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NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

b. Costs of repeated/repaired facilities shall include the cost items identified in subparagraph (a) above, plus all costs of complying with the requirements of the governmental jurisdiction including any application process of the governmental jurisdiction, including the cost of preparing the application, costs of developing alternatives not already studied by Company, cost of estimating the cost of alternatives not already studied by Company, the purchase of data for consideration in any hearing, and any other direct cost of compliance including any hearing fee.

c. Recoverable costs from the governmental jurisdiction include its customers will be reduced by the sum of any proceeds received from transportation improvement district funding, local economic development district funding, tax increment funding, or similar quasi-public funding.

CUSTOMERS

CUSTOMER OR PRIVATE PARTY

The customer or private party will pay in advance the entire estimated cost to construct, modify, relocate, and/or remove the Company's facilities, means, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment. If the actual cost of the work exceeds the estimate, the customer will be responsible to pay the difference. Similarly, the Company will refund any excess money collected should the estimate exceed the actual cost.

GOVERNMENT ENTITY

These options are available to the government entity for Administrative Agency:

DIRECT

1. The government entity for Administrative Agency will pay in advance the entire estimated cost to construct, modify, relocate, and/or remove the Company's facilities, means, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment. If the actual cost of the work exceeds the estimate, the government entity for Administrative Agency will be responsible to pay the difference. Similarly, the Company will refund any excess money collected should the estimate exceed the actual cost.

2. Alternatively, government entity for Administrative Agency will pay the entire actual cost and the Company's associated cost of capital to construct, modify, relocate, and/or remove the Company's facilities, means, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment. Said costs will be collected over a period extending no longer than twenty-four (24) months. The twenty-four month period begins when either of the following occurs:

- After the facilities, means, service piping and/or equipment is any part of said facilities, means, service piping and/or equipment has been modified, relocated or removed from service;
- After the facilities, means, service piping and/or equipment or any part of said facilities, means, service piping and/or equipment has been constructed and placed into service.

INDIRECT

Should the government entity for Administrative Agency elect to do so, the entire actual cost and the Company's associated cost of capital to construct, modify, relocate, and/or remove the Company's facilities, means, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment will be collected as a per customer basis, per one hundred cubic feet (CCF) basis or some combination thereof. Said costs will be collected from all customers whose service address is located within the legal boundaries of said government entity. The cost will be collected in its entirety over a time period not to exceed twenty-four (24) months. The twenty-four (24) month period begins when either of the following occurs:

- After the facilities, means, service piping and/or equipment or any part of said facilities, means, service piping and/or equipment has been modified, relocated or removed from service;
- After the facilities, means, service piping and/or equipment or any part of said facilities, means, service piping and/or equipment has been constructed and placed into service.

The charge shall be shown as a separate line item on the customer's bill.

At any time after the commencement of the charge, the charge may be reviewed and, if necessary, adjusted to reflect:

- The number of customers residing or located within the geographical boundary of said government entity; and/or
- The amount of energy used by customers residing or located within the geographical boundary of said government entity; and/or
- The actual cost of repeated/repaired facilities.

Failure by any customer to pay the charge shall be grounds for disconnection of service to such customer in accordance with Company's Gas Terms and Conditions for Gas Service.

If the government entity for Administrative Agency requests its requirements concerning repeated/repaired facilities, the charge shall continue until the end of the term. Twenty-four (24) months subject to any necessary review and adjustment as specified above.

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto, are subject to the jurisdiction of the Public Utilities Commission of Ohio, and to the Company's Service Regulations currently in effect, as filed with the Public Utilities Commission of Ohio.

PROPOSED RIDER ASPP ACCELERATED SERVICE REPLACEMENT PROGRAM RIDER, SHEET NO. 80

APPLICABILITY
Applicable to all customers receiving service under the Company's rates and transportation rate schedules.

ACCELERATED SERVICE REPLACEMENT PROGRAM FACTORS

All customers receiving service under Rates RS, RSL, RFE, RTFL, GS-S, GS-L, FFS, FT-L and DCS shall be assessed a monthly charge in addition to the Customer Charge component of their applicable rate schedule that will enable the Company to replace pre-1974 casted steel main to cast and duct to meter service lines and unreported metallic main to cast and duct to meter service lines. In addition and where applicable, the Company will move meters from metallic to duct in an acceptable location replace a ductive for these services being replaced in compliance with the ASPP. Customers receiving service under Rates FT and GDT will be assessed a throughput charge in addition to their community delivery charge for that purpose.

Rider ASPP will be updated annually, in order to reflect the impact on the Company's revenue requirements of net plant additions as effect by operations and maintenance customer reductions during the most recent twelve months ended December. Such adjustments to the Rider will become effective with the first billing cycle of May.

The charges for the respective gas service schedules are:

Rate RS and RSL, Residential Service	\$0.00 per month
Rate RFE and RTFL, Residential Firm Transportation Service	\$20.00 per month
Rate GS-S and GS-L, General Service	\$60.00 per month
Rate DCS, Distributed Generation Service	\$20.00 per month
Rate FT-L and FT-L, Firm Transportation Service	\$100.00 per month
Rate GDT, Special Special Interim Transportation Rate	\$0.000000 per CCF

These monthly charges shall remain in effect until changed by order of the Public Utilities Commission of Ohio.

PROPOSED RIDER AN ADVANCE UTILITY RIDER, SHEET NO. 80.3

APPLICABILITY
Applicable to all customers receiving service under the Company's rates and transportation rate schedules.

The charges for the respective gas service schedules are:

Rate RS and RSL, Residential Service	\$ 0.00 per month
Rate RFE and RTFL, Residential Firm Transportation Service	\$ 0.00 per month
Rate GS-S and GS-L, General Service	\$ 0.00 per month
Rate DCS, Distributed Generation Service	\$ 0.00 per month
Rate FT-L and FT-L, Firm Transportation Service	\$ 0.00 per month
Rate GDT, Special Special Interim Transportation Rate	\$ 0.00 per month

OTHER PROPOSED CHANGES

The Company proposes to make the following additional changes to its gas tariff:

- Section 8 - Supplying and Taking of Service, paragraph 8 - Right of Way.
The following provision is changed as follows:

8. Right of Way
The customer shall furnish, without cost to the Company, all necessary rights of way upon or across property owned or controlled by the customer for any and all of the Company's facilities that are necessary or incidental to the supplying of service to the customer, or to the taking of service from the customer. Subsequent to the customer receiving the Company's facilities, the necessary rights of way to serve the customer, the Company shall serve or continue to provide service to the customer in accordance with the terms and conditions for the taking of service as identified in F.U.C.D. Case No. 18. Additionally, the customer shall furnish, without cost to the Company, all necessary rights of way upon or across customer's property necessary or incidental to the supplying of service to other customers who are adjacent to or below the customer's property. The rights of way to serve the customer shall be in the form of the Company's Grant of Easement, or any other instrument customarily used by the Company for its facilities, or as otherwise determined by the Company, in its discretion, to be satisfactory to it.

- Change for Reconnection of Service, Sheet No. 82.3.
The following has been added:

Also, if gas service has been disconnected at the request of the customer and, within an eight (8) month period of that disconnection, the customer requests that service be reconnected at the same premises, the Company may refuse gas service to such customer, unless it shall first receive payment equivalent to the appropriate billing of the customer's Fixed Delivery Service Charge for the number of billing periods the service was disconnected, including any necessary prorated charges representing gas bill periods. Where the billing amount reflects a period of more than one (1) month, these amounts shall be prorated based on the normal scheduled meter reading dates and divided into increments of one (1) month, or less. If the increments represent less than one (1) month, the appropriate Fixed Delivery Service Charge will be billed as a prorated portion of the period as defined by the normal scheduled meter reading date. The appropriate Fixed Delivery Service Charge is defined by the rate under which the customer requested that the service be disconnected as is set forth in the following tariff sheets:

SHEET NO. 30 Rate RS, Residential
SHEET NO. 32 Rate GS-S, General Service - Small
SHEET NO. 33 Rate GS-L, Residential Firm Transportation
SHEET NO. 34 Rate RSL, Residential Low Income Rate
SHEET NO. 35 Rate GS-L, General Service - Large
SHEET NO. 36 Rate RT-L, Residential Firm Transportation Service - Low Income
SHEET NO. 37 Rate FT-L, Firm Transportation Service - Large
SHEET NO. 32 Rate FT-S, Firm Transportation Service - Small

The above proposed provisions, rates, and charges are subject to change, including changes as to amount and term, by the Public Utilities Commission of Ohio following a public hearing on the filed application. Recommendations that differ from the filed application may be made by the Staff of the Public Utilities Commission of Ohio or by intervening parties and may be adopted by the Commission.

Any person, firm, corporation or association may file, pursuant to Section 4906.15 of the Revised Code, an objection to such proposed increased rates by filing such objection as subject and disallowable or unnecessary.

Any person, firm, corporation or association may file a motion to intervene. Interveners may obtain copies of the application and other filings made by the Company by contacting Mr. Duane Hainault at (614) 287-4337, Duke Energy Ohio, Inc.

WHEREFORE, since the rates, prices, charges, and other provisions in Duke Energy Ohio's current electric rate schedule do not yield just and reasonable compensation to Duke Energy Ohio for supplying electric distribution service to the customers to which they are applicable, do not yield a just and reasonable return to Duke Energy Ohio on the value of the property used for furnishing such electric distribution service to such customers, and, in the taking of Duke Energy Ohio's property for public use without compensation and without due process of law, Duke Energy Ohio respectfully prays that your Honorable Commission:

(a) Accept this Application for filing;

(b) Find that this Application and the attached Schedules filed herewith and incorporated herein, are in accordance with R. C. 4906.18 and the Rules of the Commission;

(c) Approve the Form of Notice in the attached Schedule S-1;

(d) Find that the current rates, prices, and charges for electric service are just, reasonable and sufficient to yield reasonable compensation to Duke Energy Ohio for the electric distribution service rendered;

(e) Find that the proposed rates, prices, and charges are just and reasonable based upon the last period for the twelve months ending December 31, 2012, and approve such schedules in the form furnished herewith;

(f) Find that Duke Energy Ohio is in compliance with R. C. 4906.35;

(g) Approve Duke Energy Ohio's Application for an increase in Gas Rates requested with the Commission's approval of Duke Energy Ohio's proposed rates in Case No. 12-1050-GA-04a;

(h) Approve Duke Energy Ohio's Application for Approval of an Alternative Rate Plan for Gas Distribution Service consistent with the Commission's approval of Duke Energy Ohio's proposed alternative rate plan in Case No. 12-1050-GA-04a;

(i) Approve Duke Energy Ohio's Application for Approval to Change Accounting Methods consistent with the Commission's approval of Duke Energy Ohio's proposed alternatives in Case No. 12-1050-GA-04a;

(j) Fix the dates on or after which applicable services provided to non-residential customers are subject to the proposed rates at January 1, 2013; and

(k) Fix the dates on or after which applicable services provided to residential customers are subject to the proposed rates at January 1, 2013.

Recommendations that differ from this application may be made by the Public Utilities Commission staff or by intervening parties and may be adopted by the Commission. Any person, firm, corporation, or association may file, pursuant to Section 4906.15 of the Ohio Revised Code, an objection to the proposed rates of gas rate increases by filing that such proposals are unjust and disallowable or unnecessary.

A copy of this application is available for inspection at the main office of the Company at 139 East Fourth Street, Cincinnati, Ohio, or 544 Main Street, Cincinnati, Ohio, or at the Public Utilities Commission of Ohio, 100 East Broad Street, Columbus, Ohio 43215-3919. The application and supporting documents may also be viewed at the Commission's web page at <http://www.puc.ohio.gov>, by selecting DCS, scrolling 12-1045 in the case lookup bar, and selecting the date the application was filed.

DUKE ENERGY OHIO, INC.

PROOF OF PUBLICATION

The following newspaper The Times-Gazette agrees the scheduled ads were in accordance with the insertion order instructions.

Client: Duke-Energy
Agency: acct. #39618

Day/Date of Insertion: Gas Rates:
Tuesday, Oct 16TH @ 23RD 2012

AFFIDAVIT COMPLETED:

Date: 10/24/12 **By:** Mickey Parrott
Title: Advertising Director

NOTARY INFORMATION:

Affirmed before me this _____ day of _____

(Signature)

My commission expires: _____

Notary Stamp



JANICE POWELL
Notary Public, State of Ohio
My Commission Exp. March 29, 2015
Recorded in Clinton County

NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

TO WHOM IT MAY CONCERN:

Pursuant to the requirements of Section 4909.15 of the Ohio Revised Code, Duke Energy Ohio, Inc., hereby gives notice that on October 23, 2012, it filed with the Public Utilities Commission of Ohio ("Commission") an application for authority to change its gas rates and charges in incorporated communities and the unincorporated territory within its service area, which includes all or part of Brown, Butler, Clinton, Cleveland, Hamilton, Huron, Lorain, Montgomery, Preble, and Warren Counties in Ohio. Such application has been assigned Case No. 12-1653-GA-AIA, 12-1658-GA-AIA, 12-1657-GA-AIA, and 12-1658-GA-AIA by the Commission. The substance of the application follows.

The following is a description of the proposed gas rates.

PROPOSED RATE RS-1 RESIDENTIAL SERVICE

RESIDENTIAL SERVICE, SHEET NO. 30.17

APPLICABILITY

Applicable to gas service required for residential purposes when supplied at one point of delivery where distribution losses are adjusted to the services to be served.

NET MONTHLY BILL

Computed in accordance with the following charges:

Fixed Delivery Service Charge per month	\$33.03
Plus a Usage-Based Charge for	
First 400 CCF	\$0.130477 per CCF
Additional CCF	\$0.359597 per CCF

The monthly minimum bill shall be the monthly Fixed Delivery Service Charge and applicable charges under Rider ARNP, Rider AII, and Rider ASPP shown above, plus the percentages specified in Rider ETR, Sheet No. 64, Ohio Excess Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate RS should the increase be granted in full is 8.8%.

PROPOSED RATE RS-5 GENERAL SERVICE - SMALL

GENERAL SERVICE - SMALL, SHEET NO. 32.3

APPLICABILITY

Applicable to gas service required for any purpose by an individual non-residential customer using more than 1,000 CCF during the prior calendar year at one point of delivery where distribution losses are adjusted to the premises to be served.

NET MONTHLY BILL

Computed in accordance with the following charges:

Fixed Delivery Service Charge per month	\$50.54
Plus a Usage-Based Charge for	
All CCF delivered at	\$0.154370 per CCF

The monthly minimum bill shall be the monthly Fixed Delivery Service Charge and applicable charges under Rider ED, Rider ARNP, Rider AII, and Rider ASPP shown above, plus the percentages specified in Rider ETR, Sheet No. 64, Ohio Excess Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate RS-5 should the increase be granted in full is 3.3%.

PROPOSED RATE RT-1 RESIDENTIAL FIRM TRANSPORTATION SERVICE

RESIDENTIAL FIRM TRANSPORTATION SERVICE, SHEET NO. 33.14

APPLICABILITY

Firm transportation services for residential purposes, which is provided from the Company's city gate receipt points to the outlet side of Company's meter. Service is available to all residential customers, except for those customers where utility service contracts are paid less than the time customer desires to utilize this service. The Company may terminate a customer's supply contract for non-payment and return the customer to the Company's sales service only if (1) the Supplier has made an affirmative request for the Company to act as its agent to terminate customer contracts for non-payment; and (2) the Supplier has included in its customer contracts, a notice that the Company can terminate such contracts for non-payment. Where the Supplier is performing its own billing of the gas supply, termination of the agreement will be at the discretion of the Supplier, as specified in the Supplier contracts for service. In either case, the Supplier or the Company shall give no less than 30 days written notice that the customer will be switched from the Supplier and revert to the Company unless the customer is paid by the customer's next scheduled bill due date. If the past due amount is paid by the next scheduled bill due date, the customer will not revert to the Company and will remain with the Supplier. If the Company provides the bill payment notice to the customer, it will send a copy of the notice to the customer's Supplier. A customer cannot enter into an agreement with a Supplier that meets the Company's requirements for participation in this pooling program pursuant to Rate FRAS, Sheet No. 64.

Gas transported under this tariff shall be for customer's safe use at one point of delivery where distribution losses are adjusted to the gas to be served. Any gas provided hereunder shall be provided by displacement.

Residential customers who are enrolled in income payment plans pursuant to Rate FRAS, 12-1640(G), Ohio Administrative Code (OAC) (PPV) customers shall be provided the alternative gas supply service exclusively through their own supply point, for which gas is provided by a willing Supplier who has been approved by the Public Utilities Commission of Ohio.

NET MONTHLY BILL

Computed in accordance with the following charges:

Fixed Delivery Service Charge per month	\$33.03
Plus a Usage-Based Charge per CCF for each CCF of gas transported for customer from Company's city gate measuring station to the outlet side of Company's meter used to measure deliveries to customer at:	
First 400 CCF	\$0.130477 per CCF
Additional CCF	\$0.359597 per CCF

Plus, or minus, rate adjustments that may occur as a result of changes in the rates of interstate pipelines, or at rulings of the Public Utilities Commission of Ohio under the Federal Energy Regulatory Commission, and for which it is determined that all customers should be allocated some portion of the corresponding costs or refunds.

In addition, the net monthly bill, as calculated above, shall be adjusted by application of the percent specified on Sheet No. 64, Rider ETR, Ohio Excess Tax Liability Rider, except that income charges are excluded in the computation of the net bill.

Customer under this Supplier shall be responsible for the collection and payment of excise taxes, revenue taxes, or similar taxes on the gas supplies that customer purchases from the Supplier.

The monthly minimum bill shall be the Fixed Delivery Service Charge and applicable charges under Rider ARNP, Rider AII, and Rider ASPP shown above, plus the percentages specified in Rider ETR, Sheet No. 64, Ohio Excess Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate RT-1, assuming RT-1 customers pay the same gas cost as RS customers, should the increase be granted in full is 11.6%.

PROPOSED RATE RL-1 RESIDENTIAL SERVICE LOW INCOME

RESIDENTIAL SERVICE LOW INCOME, SHEET NO. 34.3

APPLICABILITY

Applicable to gas service required for residential purposes when supplied at one point of delivery where distribution losses are adjusted to the premises to be served. Eligible customers are non-PPV, low income residential customers enrolled at or below 125% of poverty level. The total number of customers that may receive service under Rate RSL and Rate RL-1 is 10,000.

NET MONTHLY BILL

Computed in accordance with the following charges:

Fixed Delivery Service Charge per month	\$25.03
Plus a Usage-Based Charge for	
All CCF	\$0.130624 per CCF

The monthly minimum bill shall be the monthly Fixed Delivery Service Charge and applicable charges under Rider ED, Rider ARNP, Rider AII, and Rider ASPP shown above, plus the percentages specified in Rider ETR, Sheet No. 64, Ohio Excess Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate RSL should the increase be granted in full is 8.4%.

PROPOSED RATE GS-1 GENERAL SERVICE - LARGE

GENERAL SERVICE - LARGE, SHEET NO. 35.3

APPLICABILITY

Applicable to gas service required for any purpose by an individual non-residential customer using more than 1,000 CCF during the prior calendar year at one point of delivery where distribution losses are adjusted to the premises to be served.

NET MONTHLY BILL

Computed in accordance with the following charges:

Fixed Delivery Service Charge per month	\$226.64
Plus a Usage-Based Charge for	
All CCF delivered at	\$0.139784 per CCF

The monthly minimum bill shall be the Fixed Delivery Service Charge and applicable charge under Rider ED, Rider ARNP, Rider AII, and Rider ASPP shown above, plus the percentages specified in Rider ETR, Sheet No. 64, Ohio Excess Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate GS-1 should the increase be granted in full is 3.5%.

PROPOSED RATE RF-1 RESIDENTIAL FIRM TRANSPORTATION SERVICE - LOW INCOME

RESIDENTIAL FIRM TRANSPORTATION SERVICE - LOW INCOME, SHEET NO. 36.3

APPLICABILITY

Firm transportation service for residential purposes, which is provided from the Company's city gate receipt points to the outlet side of Company's meter. Service is available to eligible residential customers, except for those customers where utility service contracts are paid less than the time customer desires to utilize this service. Eligible customers are non-PPV, low income residential customers enrolled at or below 125% of poverty level. The total number of customers who may receive service under Rate RSL and Rate RL-1 is 10,000. The Company may terminate a customer's supply contract for non-payment and return the customer to the Company's sales service only if (1) the Supplier has made an affirmative request for the Company to act as its agent to terminate customer contracts for non-payment; and (2) the Supplier has included in its customer contracts, a notice that the Company can terminate such contracts for non-payment. Where the Supplier is performing its own billing of the gas supply, termination of the agreement will be at the discretion of the Supplier, as specified in the Supplier contracts for service. In either case, the Supplier or the Company shall give no less than 30 days written notice that the customer will be switched from the Supplier and revert to the Company unless the customer is paid by the customer's next scheduled bill due date. If the past due amount is paid by the next scheduled bill due date, the customer will not revert to the Company and will remain with the Supplier. If the Company provides the bill payment notice to the customer, it will send a copy of the notice to the customer's Supplier. A customer cannot enter into an agreement with a Supplier that meets the Company's requirements for participation in this pooling program pursuant to Rate FRAS, Sheet No. 64.

Gas transported under this tariff shall be for customer's safe use at one point of delivery where distribution losses are adjusted to the premises to be served. Any gas provided hereunder shall be provided by displacement.

Residential customers who are enrolled in income payment plans pursuant to Rate FRAS, 12-1640(G), Ohio Administrative Code (OAC) (PPV) customers shall be provided the alternative gas supply service exclusively through their own supply point, for which gas is provided by a willing Supplier who has been approved by the Public Utilities Commission of Ohio.

NET MONTHLY BILL

Computed in accordance with the following charges:

Fixed Delivery Service Charge per month	\$23.93
Plus a Usage-Based Charge per CCF for each CCF of gas transported for customer from Company's city gate measuring station to the outlet side of Company's meter used to measure deliveries to customer at:	
All CCF	\$0.130624 per CCF

The monthly minimum bill shall be the Fixed Delivery Service Charge and applicable charge under Rider ED, Rider ARNP, Rider AII, and Rider ASPP shown above, plus the percentages specified in Rider ETR, Sheet No. 64, Ohio Excess Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate RF-1, assuming RF-1 customers pay the same gas cost as RSL customers, should the increase be granted in full is 3.5%.

PROPOSED RATE FT-1 FIRM TRANSPORTATION SERVICE - LARGE

FIRM TRANSPORTATION SERVICE - LARGE, SHEET NO. 37.3

APPLICABILITY

Firm full requirements transportation service for an individual non-residential customer using more than 4,000 CCF during the prior calendar year of use purposes, which is provided from the Company's city gate receipt points to the outlet side of Company's meter used to serve the customer. This service is available under the Company's sales service territory, and at the customer's option, to serve the firm service requirements of intermunicipal transportation customers in coordination with service under Rate FT-1 to all non-residential customers except for those customers where utility service contracts are paid less than the time customer desires to utilize this service. The Company may terminate a customer's supply contract for non-payment and return the customer to the Company's sales service only if (1) the Supplier has made an affirmative request for the Company to act as its agent to terminate customer contracts for non-payment; and (2) the Supplier has included in its customer contracts, a notice that the Company can terminate such contracts for non-payment. Where the Supplier is performing its own billing of the gas supply, termination of the agreement will be at the discretion of the Supplier, as specified in the Supplier contracts for service. The Supplier or the Company shall give no less than 30 days written notice that the customer will be switched from the Supplier and revert to the Company unless the customer is paid by the customer's next scheduled bill due date. If the past due amount is paid by the next scheduled bill due date, the customer will not revert to the Company and will remain with the Supplier. If the Company provides the bill payment notice to the customer, it will send a copy of the notice to the customer's Supplier. Service shall be provided on demand from the Company's city gate receipt points to the outlet side of Company's meter used to serve the customer. Customer must enter into a "pooling" agreement with a Supplier that meets the Company's requirements for participation in the pooling program, and must arrange for the delivery of gas into Company's system.

Customers who believe that they will significantly increase throughput, from their historic firm service levels, shall so inform the Company.

Except as provided under Company Rider RSL, gas transported under this tariff shall be for customer's safe use at one point of delivery where distribution losses are adjusted to the premises to be served. Any gas provided hereunder shall be provided by displacement.

NET MONTHLY BILL

Computed in accordance with the following charges:

Fixed Delivery Service Charge	\$225.64
Plus a Usage-Based Charge per CCF for each CCF of gas transported for customer from Company's city gate measuring station to the outlet side of Company's meter used to measure deliveries to customer at:	
All CCF	\$0.139784 per CCF

Plus, or minus, rate adjustments that may occur as a result of changes in the rates of interstate pipelines, or at rulings of the Public Utilities Commission of Ohio under the Federal Energy Regulatory Commission, and for which it is determined that all customers should be allocated some portion of the corresponding costs or refunds.

In addition, the net monthly bill, as calculated above, shall be adjusted by application of the percent specified on Sheet No. 64, Rider ETR, Ohio Excess Tax Liability Rider, except that income charges are excluded in the computation of the net bill.

Customer under this Supplier shall be responsible for the collection and payment of excise taxes, revenue taxes, or similar taxes on the gas supplies that customer purchases from the Supplier.

The monthly minimum bill shall be the Fixed Delivery Service Charge and applicable charge under Rider ED, Rider ARNP, Rider AII, and Rider ASPP shown above, plus the percentages specified in Rider ETR, Sheet No. 64, Ohio Excess Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate FT-1, assuming FT-1 customers pay the same gas cost as GS-1 customers, should the increase be granted in full is 4.4%.

PROPOSED RATE FRAS FULL REQUIREMENTS AGGREGATION SERVICE

FULL REQUIREMENTS AGGREGATION SERVICE, SHEET NO. 44.11

APPLICABILITY

This service is available to Suppliers delivering gas on a firm basis to the Company's city gate receipt point on behalf of customers receiving Firm Transportation Service from the Company. The service provided hereunder allows Suppliers to deliver to the Company or an aggregated entity those natural gas supplies that are needed to satisfy the requirements of Customer Pools participating in the Company's firm transportation programs.

CHARACTER OF SERVICE

This Tariff Sheet applies to the provision of pooling service for firm gas transportation customers. Suppliers under this Tariff Sheet shall supply the full requirements of the Pool Customers and agree to accept supply management responsibility. Company shall supply, and Supplier shall deliver each day, the Target Supply Quantity for Supplier's Pool.

GAS SUPPLY AGGREGATION/CUSTOMER POOLING AGREEMENT

Prior to acting as a Supplier for Pool Customers receiving Firm Transportation Service, Supplier must enter into a Gas Supply Aggregation/Customer Pooling Agreement with the Company. An example of the Gas Supply Aggregation/Customer Pooling Agreement is attached to this Tariff Sheet.

SUPPLIER NOTICE

On a monthly basis, the Company will generate, and Supplier will sign, at Service that includes the costs set forth below in this Tariff Sheet and in Sheet No. 45 hereof.

LATE PAYMENT CHARGE

Payment of this total amount due must be received by Company, or its authorized agent, by the due date shown on the Supplier's invoice. If the Supplier does not pay the total amount due by the due date, an installment amount equal to one and one-half percent (1.5%) of the total amount due shall become due and payable.

RETURNED CHECK CHARGE

The Returned Check Charge set forth in Sheet No. 45 hereof shall be added to the Supplier's account each time a check is returned by the financial institution for insufficient funds.

MEASUREMENT OF CUSTOMER USAGE VOLUMES

The Company shall be responsible for all usage measurement of the point of delivery to the customer's facilities. Monthly volumes shall be Pool Customers shall be calculated actual volumes consumed, whether the meter reading is actual or estimated.

QUALITY OF GAS DELIVERED BY SUPPLIER

The Supplier warrants that all gas delivered by or on behalf of Supplier for its Pool Customers under this Tariff Sheet shall meet the quality, pressure, heating value and other quality specifications of the applicable FERC Gas Test at the interstate gas pipeline delivering said gas to the Company.

TITLE AND WARRANTY

Supplier warrants that it will, at the time and place of delivery, have good right and title to all volumes of gas delivered as its behalf, free and clear of all fees, encumbrances, and claims whatsoever, and that it will defend, indemnify, and hold the Company harmless for all suits, claims, debts, accounts, damages, costs, losses, or expenses (including reasonable attorneys' fees) arising from or out of the adverse claims of any or all persons relating to or arising from said gas.

DEFINITIONS

"Adjusted Btu's" means the Supplier's Btu's less the Company's winter propane percentage, representing the Pool's allocation of the Company's propane peaking supplies.

"Adjusted Target Supply Quantities" (ATSQ) means the Target Supply Quantities plus or minus any adjustments that the Company may require the Supplier to make in its daily deliveries (i.e., Annual Incentive Volume) plus the daily firm Btu's (1) requirements of all customers being served by the Supplier under Rate FT.

"Aggregation Service" is a service provided by the Company that allows Suppliers to deliver to the Company, on an aggregated basis, those natural gas supplies that are needed to satisfy the full firm requirements of the one, or more, firm transportation customers that are members of the Supplier's Pool, as defined below, and in accordance with the rules established by the Company regarding delivery requirements, banking, billing and payments, and Supplier performance requirements.

"Averages" are past due and unpaid amounts owed to the Company. A thirty-day notice must be given any portion of the previous month's bill is impacted at the time the contract bill is issued. Customers having a thirty-day or more amount of \$25.00 or more are not eligible to participate in the Program. A customer who is current on a payment plan for previously billed and unpaid charges is not considered to have Averages when an electronic remittance to the Company's firm transportation program is received from a Supplier.

"British Thermal Unit" or "Btu" means the quantity of heat required to raise one (1) pound of water (liquid) one (1) degree Fahrenheit at or near its point of maximum density.

"CCF" means one hundred cubic feet.

"Commission" means the Public Utilities Commission of Ohio.

"Company" means Duke Energy Ohio.

"Customer" means a residential, non-commercial, or commercial recipient of the Company's Sales Service or Transportation Service.

"Default" means the failure of the Company or Supplier to fulfill a duty or obligation set forth in Duke Energy Ohio's Tariffs, the Ohio Revised Code, the Ohio Administrative Code, or any agreement or contract between and among the Company and Supplier.

"Deliveries" or "Btu's" means a unit of heating value equal to one (1) Therms or Million Btu's (1 MMBtu).

"Eligible Customer" is a customer who is eligible to participate in a Governmental Aggregation in accordance with sections 4929.26 and 4929.27 of the Ohio Revised Code and does not satisfy any of the following: a person that is both a distribution service customer and a non-distribution customer at the date of commencement of service to the Governmental Aggregator or the person becomes a distribution service customer after the service commencement date and is also a non-distribution customer; a person who is supplied with natural gas sales service pursuant to a contract with a Supplier that is in effect on the effective date of the agreement or contract authorizing the aggregation; a person who is supplied with natural gas sales service as part of the Percentage of Income Payment Plan (PPV) program; or a customer who has a petition to discharge, or order into a plan to discharge, all existing Averages owed to or billed by the Company.

"Enrollment Processing Period" means the number of days required to process a customer's accepted enrollment in the Program pursuant to this Tariff. This process commences with the submission to Company by Supplier of appropriate information for an eligible customer and ends with the termination of the customer's existing service. The process will take no more than 122 calendar days, and includes seven (7) business days from the date the Company sends the customer a letter indicating the customer may receive its Program enrollment or change in Supplier.

"Firm Transportation Service" means service under Residential Firm Transportation Service (Rate RT-1 - Sheet No. 33), Residential Firm Transportation Service - Low Income (Rate RL-1 - Sheet No. 34), Firm Transportation Service - Large (Rate FT-1 - Sheet No. 37) or Firm Transportation Service - Small (Rate FS-1 - Sheet No. 32).

"Gas Supply Aggregation/Customer Pooling Agreement" is an agreement between the Company and Supplier that defines the mutual responsibilities and obligations of the two parties relative to the Aggregation Service provided under Rate FRAS.

"Maximum Daily Quantity" (MDQ) means the expected peak daily natural gas usage for a Supplier's Pool of Customers.

"Mcf" means one thousand cubic feet.

"Maximum Incentive Volume" or "Incentive Volume" is the amount by which the sum of all volumes actually delivered to the Pool Customers during the period exceeds the sum of the volumes available for delivery by the Company in the Pool during the same period.

"O.A.C." means the Ohio Administrative Code.

"OCC" means the Office of the Ohio Consumers' Counsel.

LOCAL

NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

- b. Costs of requested/required facilities shall include the cost items identified in subparagraph (1) (a) above, plus all costs of complying with the requirements of the governmental subdivision including any application process of the governmental subdivision, including the cost of preparing the application, costs of developing alternatives not already studied by Company, cost of estimating the cost of alternatives not already studied by Company, the production of data for consideration in any hearing, and any other direct cost of compliance including any hearing held.
- c. Recoverable costs from the governmental subdivision and/or its customers will be reduced by the sum of any proceeds received from transportation improvement district funding, joint economic development district funding, tax increment funding, or similar quasi-public funding.

CHARGES

CUSTOMER OR PRIVATE PARTY

The customer or private party will pay in advance the entire estimated cost to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment. If the actual cost of the work exceeds the estimate, the customer will be responsible to pay the difference. Similarly, the Company will refund any excess money collected should the estimate exceed the actual cost.

GOVERNMENT ENTITY

These options are available to the government entity (or Administering Agency):

DIRECT

- The government entity (or Administering Agency) will pay in advance the entire estimated cost to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment. If the actual cost of the work exceeds the estimate, the government entity (or Administering Agency) will be responsible to pay the difference. Similarly, the Company will refund any excess money collected should the estimate exceed the actual cost.
- Alternatively, government entity (or Administering Agency) will pay the entire actual cost and the Company's associated cost of capital to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment. Said costs will be collected over a period extending no longer than twenty-four (24) months. The twenty-four month period begins when either of the following occurs:

- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been modified, relocated or removed from service; or
- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been constructed and placed into service.

INDIRECT

Should the government entity (or Administering Agency) elect to do so, the entire actual cost and the Company's associated cost of capital to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment will be collected on a per customer basis, a per one hundred cubic foot (CCF) basis or some combination thereof. Said costs will be collected from all customers whose service address is located within the legal boundaries of said government entity. The cost will be collected in its entirety over a time period not to exceed twenty-four (24) months. The twenty-four (24) month period begins when either of the following occurs:

- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been modified, relocated or removed from service; or
- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been constructed and placed into service.

The charge shall be shown as a separate line item on the customer's bill.

At any time after the commencement of the charge, the charge may be reviewed and, if necessary, adjusted to reflect:

- The number of customers residing or located within the geographical boundary of said governmental entity; and/or
- The amount of energy used by customers residing or located within the geographical boundary of said governmental entity; and/or
- The actual cost of requested/required facilities.

Failure by any customer to pay the charge shall be grounds for disconnection of service to such customer in accordance with Company's Gas Terms and Conditions for Gas Service.

If the government entity (or Administering Agency) rescinds its requirements concerning requested/required facilities, the charge shall continue until the end of the term, twenty-four (24) months subject to any necessary review and adjustment as specified above.

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto, are subject to the jurisdiction of the Public Utilities Commission of Ohio, and to the Company's Service Regulations currently in effect, as filed with the Public Utilities Commission of Ohio.

PROPOSED RIDER ASRP ACCELERATED SERVICE REPLACEMENT PROGRAM RIDER

ACCELERATED SERVICE REPLACEMENT PROGRAM RIDER, SHEET NO. 89

APPLICABILITY

Applicable to all customers receiving service under the Company's sales and transportation rate schedules.

ACCELERATED SERVICE REPLACEMENT PROGRAM FACTORS

All customers receiving service under Rates RS, RSLI, RFT, RFTL, GS-S, GS-L, FT-S, FT-L and DGS shall be assessed a monthly charge in addition to the Customer Charge component of their applicable rate schedule that will enable the Company to replace pre-1971 coated steel main to curb and curb to meter service lines and unprotected metallic main to curb and curb to meter service lines. In addition and where applicable, the Company will move meters from inside a structure to an acceptable location outside a structure for those services being replaced in conjunction with the ASRP. Customers receiving service under Rates FT and GGT will be assessed a throughput charge in addition to their commodity delivery charge for that purpose.

Rider ASRP will be updated annually, in order to reflect the impact on the Company's revenue requirements of net plant additions as offset by operations and maintenance expense reductions from the most recent twelve months ended December. Such adjustments to the rider will become effective with the first billing cycle of May.

The charges for the respective gas service schedules are:

Rate RS and RSLI, Residential Service	\$0.00 per month
Rate RFT and RFTL, Residential Firm Transportation Service	\$0.00 per month
Rate GS-S and GS-L, General Service	\$0.00 per month
Rate DGS, Distributed Generation Service	\$0.00 per month
Rate FT-S and FT-L, Firm Transportation Service	\$0.00 per month
Rate IT, Interruptible Transportation Service	\$0.000000 per CCF
Rate GGT, Gas Generation Interruptible Transportation Rate	\$0.000000 per CCF

These monthly charges shall remain in effect until changed by order of the Public Utilities Commission of Ohio.

PROPOSED RIDER AU ADVANCE UTILITY RIDER

ADVANCE UTILITY RIDER, SHEET NO. 88.3

APPLICABILITY

Applicable to all customers receiving service under the Company's sales and transportation rate schedules.

The charges for the respective gas service schedules are:

Rate RS and RSLI, Residential Service	\$ 0.00 per month
Rate RFT and RFTL, Residential Firm Transportation Service	\$ 0.00 per month
Rate GS-S and GS-L, General Service	\$ 0.00 per month
Rate DGS, Distributed Generation Service	\$ 0.00 per month
Rate FT-S and FT-L, Firm Transportation Service	\$ 0.00 per month
Rate IT, Interruptible Transportation Service	\$ 0.00 per month
Rate GGT, Spark Spread Interruptible Transportation Rate	\$ 0.00 per month

OTHER PROPOSED CHANGES

The Company proposes to make the following additional changes to its gas tariff:

- Section II – Supplying and Taking of Service, paragraph 8 – Right of Way.

The following provision is changed as follows:

8. Right-of-Way

The customer shall furnish, without cost to the Company, all necessary rights of way upon or across property owned or controlled by the customer for any and all of the Company's facilities that are necessary or incidental to the supplying of service to the customer, or to continue service to the customer. Subsequent to the customer providing the Company with the necessary rights of way to serve the customer, the Company shall serve or continue to provide service to the customer in accordance with the terms and conditions for the taking of service as identified in P.U.C.O. Gas No. 18. Additionally, the customer shall likewise furnish, without cost to the Company, all necessary rights of way upon or across customer's property necessary or incidental to the supplying of service to other customers who are adjacent to or extend beyond the customer's property. The rights of way as required herein shall be in the form of the Company's Grant of Easement, or any other instrument customarily used by the Company for its facilities, or as otherwise determined by the Company, in its discretion, to be satisfactory to it.

- Charge for Reconnection of Service, Sheet No. 82.5.

The following has been added:

Also, if gas service has been disconnected at the request of the customer and, within an eight (8) month period of that disconnection, the customer requests that service be reconnected at the same premises, the Company may refuse gas service to such customer, unless it shall first receive payment equivalent to the appropriate billing of the customer's Fixed Delivery Service Charge for the number of billing periods the service was disconnected, including any necessary prorated charges representing partial bill periods. Where the billing amount reflects a period of more than one (1) month, those amounts shall be prorated based on the normal

scheduled meter reading dates and divided into increments of one (1) month, or less. If the increments represent less than one (1) month, the appropriate Fixed Delivery Service Charge will be billed as a prorated portion of the period as defined by the normal scheduled meter reading date. The appropriate Fixed Delivery Service Charge is defined by the rate under which the customer requested that the service be disconnected as is set forth in the following tariff sheets:

Sheet No. 30 Rate RS, Residential
Sheet No. 32 Rate GS-S, General Service – Small
Sheet No. 33 Rate RFT, Residential Firm Transportation
Sheet No. 34 Rate RSLI, Residential Low Income Pilot
Sheet No. 35 Rate GS-L, General Service – Large
Sheet No. 36 Rate RFTL, Residential Firm Transportation Service – Low Income
Sheet No. 37 Rate FT-L, Firm Transportation Service – Large
Sheet No. 52 Rate FT-S, Firm Transportation Service – Small

The above proposed provisions, rates, and charges are subject to changes, including changes as to amount and form, by The Public Utilities Commission of Ohio following a public hearing on the filed application. Recommendations that differ from the filed application may be made by the Staff of the Public Utilities Commission of Ohio or by intervening parties and may be adopted by the Commission.

Any person, firm, corporation or association may file, pursuant to Section 4909.19 of the Revised Code, an objection to such proposed increased rates by alleging that such proposals are unjust and discriminatory or unreasonable.

Any person, firm, corporation or association may file a motion to intervene. Intervenor may obtain copies of the application and other filings made by the Company by contacting Ms. Dianne Kuhnelt at (513) 287-4337. Duke Energy Ohio, Inc.

WHEREFORE, since the rates, prices, charges, and other provisions in Duke Energy Ohio's current electric rate schedules do not yield just and reasonable compensation to Duke Energy Ohio for supplying electric distribution service to the customers to which they are applicable, do not yield a just and reasonable return to Duke Energy Ohio on the value of the property used for furnishing such electric distribution service to such customers, and result in the taking of Duke Energy Ohio's property for public use without compensation and without due process of law, Duke Energy Ohio respectfully prays that your Honorable Commission:

- Accept this Application for filing;
- Find that this Application and the attached Schedules filed herewith and incorporated herein, are in accordance with R. C. 4909.18 and the Rules of the Commission;
- Approve the Form of Notice in the attached Schedule S-3;
- Find that the current rates, prices, and charges for electric service are unjust, unreasonable and insufficient to yield reasonable compensation to Duke Energy Ohio for the electric distribution service rendered;
- Find that the proposed rates, prices, and charges are just and reasonable based upon the test period for the twelve months ending December 31, 2012, and approve such schedules in the form tendered herewith;
- Find that Duke Energy Ohio is in compliance with R. C. 4905.35;
- Approve Duke Energy Ohio's Application for an Increase in Gas Rates consistent with the Commission's approval of Duke Energy Ohio's proposed rates in Case No. 12-1685-GA-AIR;
- Approve Duke Energy Ohio's Application for Tariff Approval consistent with the Commission's approval of Duke Energy Ohio's proposed tariffs in Case No. 12-1685-GA-ATA;
- Approve Duke Energy Ohio's Application for Approval of an Alternative Rate Plan for Gas Distribution Service consistent with the Commission's approval of Duke Energy Ohio's proposed alternative rate plan in Case No. 12-1687-GA-ALT;
- Approve Duke Energy Ohio's Application for Approval to Change Accounting Methods consistent with the Commission's approval of Duke Energy Ohio's proposed deferrals in Case No. 12-1688-GA-AAM;
- Fix the date on or after which applicable services provided to non-residential customers are subject to the proposed rates at January 1, 2013; and
- Fix the date on or after which applicable services provided to residential customers are subject to the proposed rates at January 1, 2013.

Recommendations that differ from this application may be made by the Public Utilities Commission staff or by intervening parties and may be adopted by the Commission. Any person, firm, corporation, or association may file, pursuant to Section 4909.19 of the Ohio Revised Code, an objection to the proposed natural gas rate increases by alleging that such proposals are unjust and discriminatory or unreasonable.

A copy of the application is available for inspection at the main office of the Company at 135 East Fourth Street, Cincinnati, Ohio, or 644 Linn Street, Cincinnati, Ohio, or at the Public Utilities Commission of Ohio, 180 East Broad Street, Deckling Division, 11th floor, Columbus, Ohio 43215-3793. The application and supporting documents may also be viewed at the Commission's web page at <http://www.pucio.ohio.gov> by selecting DIS, inputting 12-1685 in the case lookup box, and selecting the date the application was filed.

DUKE ENERGY OHIO, INC.

NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

COMPANY STANDARDS OF CONDUCT WITH RESPECT TO MARKETING AFFILIATES

In connection of its first transportation program, the Company will adhere to the following Standards of Conduct for Marketing Affiliates:

- 1) Company must apply any tariff provision relating to transportation services in that same manner to low-cost gas as delivery-related persons if there is discrimination in the application of the provision.
- 2) Company must strictly enforce a tariff provision for which there is no discrimination in the application of the provision.
- 3) Company may not, through a tariff provision or otherwise, give any Supplier including its marketing affiliate an exclusive right to supply including its affiliate, preference over any other gas Supplier or their customers in matters, rates, information, or charges relating to transportation services including, but not limited to, scheduling, balancing, marketing, storage, standby service, or gas delivery policy. For purposes of the Company's first transportation program, any affiliate services provided by Company, e.g., billing and overhead service, that are not tariffed will be priced and made equally available to all.
- 4) Company must process all affiliate requests for transportation in the same manner and within the same approximate period of time.
- 5) Company shall not disclose to anyone other than a Company employee any information regarding an existing or proposed gas transportation arrangement that Company receives from (a) a customer or Supplier, (b) a potential customer or Supplier, (c) any agent of such customer or potential customer, or (d) a Supplier or potential customer, or (e) any agent of a customer or potential customer, unless such customer, agent, or Supplier authorizes disclosure of such information.
- 6) If a customer requests information from Suppliers, Company shall provide a list of all Suppliers operating on its system, but shall not enforce any Supplier not indicate that any Supplier will receive a preference because of a corporate relationship.
- 7) Before making customer lists available to any Supplier, including any company marketing affiliate, Company will post in its CDD a notice of its intent to make such customer list available. The notice shall describe the data the customer list will be made available, and the method by which the customer list will be made available to all Suppliers.
- 8) The Company will, to the extent practicable, separate the activities of its operating employees from its affiliate marketing employees in areas where their failure to maintain appropriate boundaries may have the effect of harming customers or unfairly disadvantage marketing affiliates of Suppliers under the Company's transportation program.
- 9) Company shall not condition its its agreements for gas supply or for the release of interstate pipeline capacity to any agreement by a gas Supplier, customer or other third party in which its marketing affiliate is involved.
- 10) Company and its marketing affiliate shall keep separate books of accounts and records.
- 11) Neither the Company nor its marketing affiliate personnel shall communicate to any customer, Supplier or third party the last name advantage might accrue for each customer, Supplier or third party in the case of a Company's service as a result of that customer's, Supplier's or other third party's dealing with any Supplier including its marketing affiliate.
- 12) The Company's complaint procedure for issues concerning compliance with these standards of conduct shall be as follows: All complaints, whether written or verbal, shall be referred to the Company's designated affiliate. The Company's designated affiliate shall only acknowledge the complaint within five (5) working days of receipt. The complaint must only discuss a violation of the standards of conduct that could cause the name of the complainant and a detailed factual report of the complaint, including all relevant dates, witnesses involved, responses received, and specific claims. The Company's designated affiliate shall communicate the results of the preliminary investigation to the complainant in writing within thirty (30) days after the complaint was received following a determination of any course of action which was taken. If no course of action is taken, the complainant shall be notified for a period of not less than three (3) years.
- 13) The Company shall not offer its affiliate Supplier a discount or fee waiver for transportation services, balancing, storage or meter installation, storage, standby service or any other service that would advantage the Company's affiliate Supplier.
- 14) The Company will not use its name and logo in its marketing affiliate promotional materials, including the promotional materials of its affiliate. Logo or similar images on the first page or the first page after the Company's name and logo appear, that its marketing affiliate is and the same only as the Company. The Company is prohibited from participating in customer marketing activities with any Supplier, including its affiliate, such as advertising, marketing, sales calls or joint proposals to any existing or potential customers.

COMPANY STANDARDS OF CONDUCT WITH RESPECT TO MARKETING AFFILIATES

- 1) Company must apply any tariff provision relating to transportation services in that same manner to low-cost gas as delivery-related persons if there is discrimination in the application of the provision.
- 2) Company must strictly enforce a tariff provision for which there is no discrimination in the application of the provision.
- 3) Company may not, through a tariff provision or otherwise, give any Supplier including its marketing affiliate an exclusive right to supply including its affiliate, preference over any other gas Supplier or their customers in matters, rates, information, or charges relating to transportation services including, but not limited to, scheduling, balancing, marketing, storage, standby service, or gas delivery policy. For purposes of the Company's first transportation program, any affiliate services provided by Company, e.g., billing and overhead service, that are not tariffed will be priced and made equally available to all.
- 4) Company must process all affiliate requests for transportation in the same manner and within the same approximate period of time.
- 5) Company shall not disclose to anyone other than a Company employee any information regarding an existing or proposed gas transportation arrangement that Company receives from (a) a customer or Supplier, (b) a potential customer or Supplier, (c) any agent of such customer or potential customer, or (d) a Supplier or potential customer, or (e) any agent of a customer or potential customer, unless such customer, agent, or Supplier authorizes disclosure of such information.
- 6) If a customer requests information from Suppliers, Company shall provide a list of all Suppliers operating on its system, but shall not enforce any Supplier not indicate that any Supplier will receive a preference because of a corporate relationship.
- 7) Before making customer lists available to any Supplier, including any company marketing affiliate, Company will post in its CDD a notice of its intent to make such customer list available. The notice shall describe the data the customer list will be made available, and the method by which the customer list will be made available to all Suppliers.
- 8) The Company will, to the extent practicable, separate the activities of its operating employees from its affiliate marketing employees in areas where their failure to maintain appropriate boundaries may have the effect of harming customers or unfairly disadvantage marketing affiliates of Suppliers under the Company's transportation program.
- 9) Company shall not condition its its agreements for gas supply or for the release of interstate pipeline capacity to any agreement by a gas Supplier, customer or other third party in which its marketing affiliate is involved.
- 10) Company and its marketing affiliate shall keep separate books of accounts and records.
- 11) Neither the Company nor its marketing affiliate personnel shall communicate to any customer, Supplier or third party the last name advantage might accrue for each customer, Supplier or third party in the case of a Company's service as a result of that customer's, Supplier's or other third party's dealing with any Supplier including its marketing affiliate.
- 12) The Company's complaint procedure for issues concerning compliance with these standards of conduct shall be as follows: All complaints, whether written or verbal, shall be referred to the Company's designated affiliate. The Company's designated affiliate shall only acknowledge the complaint within five (5) working days of receipt. The complaint must only discuss a violation of the standards of conduct that could cause the name of the complainant and a detailed factual report of the complaint, including all relevant dates, witnesses involved, responses received, and specific claims. The Company's designated affiliate shall communicate the results of the preliminary investigation to the complainant in writing within thirty (30) days after the complaint was received following a determination of any course of action which was taken. If no course of action is taken, the complainant shall be notified for a period of not less than three (3) years.
- 13) The Company shall not offer its affiliate Supplier a discount or fee waiver for transportation services, balancing, storage or meter installation, storage, standby service or any other service that would advantage the Company's affiliate Supplier.
- 14) The Company will not use its name and logo in its marketing affiliate promotional materials, including the promotional materials of its affiliate. Logo or similar images on the first page or the first page after the Company's name and logo appear, that its marketing affiliate is and the same only as the Company. The Company is prohibited from participating in customer marketing activities with any Supplier, including its affiliate, such as advertising, marketing, sales calls or joint proposals to any existing or potential customers.

COMPANY STANDARDS OF CONDUCT WITH RESPECT TO MARKETING AFFILIATES

- 1) Company must apply any tariff provision relating to transportation services in that same manner to low-cost gas as delivery-related persons if there is discrimination in the application of the provision.
- 2) Company must strictly enforce a tariff provision for which there is no discrimination in the application of the provision.
- 3) Company may not, through a tariff provision or otherwise, give any Supplier including its marketing affiliate an exclusive right to supply including its affiliate, preference over any other gas Supplier or their customers in matters, rates, information, or charges relating to transportation services including, but not limited to, scheduling, balancing, marketing, storage, standby service, or gas delivery policy. For purposes of the Company's first transportation program, any affiliate services provided by Company, e.g., billing and overhead service, that are not tariffed will be priced and made equally available to all.
- 4) Company must process all affiliate requests for transportation in the same manner and within the same approximate period of time.
- 5) Company shall not disclose to anyone other than a Company employee any information regarding an existing or proposed gas transportation arrangement that Company receives from (a) a customer or Supplier, (b) a potential customer or Supplier, (c) any agent of such customer or potential customer, or (d) a Supplier or potential customer, or (e) any agent of a customer or potential customer, unless such customer, agent, or Supplier authorizes disclosure of such information.
- 6) If a customer requests information from Suppliers, Company shall provide a list of all Suppliers operating on its system, but shall not enforce any Supplier not indicate that any Supplier will receive a preference because of a corporate relationship.
- 7) Before making customer lists available to any Supplier, including any company marketing affiliate, Company will post in its CDD a notice of its intent to make such customer list available. The notice shall describe the data the customer list will be made available, and the method by which the customer list will be made available to all Suppliers.
- 8) The Company will, to the extent practicable, separate the activities of its operating employees from its affiliate marketing employees in areas where their failure to maintain appropriate boundaries may have the effect of harming customers or unfairly disadvantage marketing affiliates of Suppliers under the Company's transportation program.
- 9) Company shall not condition its its agreements for gas supply or for the release of interstate pipeline capacity to any agreement by a gas Supplier, customer or other third party in which its marketing affiliate is involved.
- 10) Company and its marketing affiliate shall keep separate books of accounts and records.
- 11) Neither the Company nor its marketing affiliate personnel shall communicate to any customer, Supplier or third party the last name advantage might accrue for each customer, Supplier or third party in the case of a Company's service as a result of that customer's, Supplier's or other third party's dealing with any Supplier including its marketing affiliate.
- 12) The Company's complaint procedure for issues concerning compliance with these standards of conduct shall be as follows: All complaints, whether written or verbal, shall be referred to the Company's designated affiliate. The Company's designated affiliate shall only acknowledge the complaint within five (5) working days of receipt. The complaint must only discuss a violation of the standards of conduct that could cause the name of the complainant and a detailed factual report of the complaint, including all relevant dates, witnesses involved, responses received, and specific claims. The Company's designated affiliate shall communicate the results of the preliminary investigation to the complainant in writing within thirty (30) days after the complaint was received following a determination of any course of action which was taken. If no course of action is taken, the complainant shall be notified for a period of not less than three (3) years.
- 13) The Company shall not offer its affiliate Supplier a discount or fee waiver for transportation services, balancing, storage or meter installation, storage, standby service or any other service that would advantage the Company's affiliate Supplier.
- 14) The Company will not use its name and logo in its marketing affiliate promotional materials, including the promotional materials of its affiliate. Logo or similar images on the first page or the first page after the Company's name and logo appear, that its marketing affiliate is and the same only as the Company. The Company is prohibited from participating in customer marketing activities with any Supplier, including its affiliate, such as advertising, marketing, sales calls or joint proposals to any existing or potential customers.

COMPANY STANDARDS OF CONDUCT WITH RESPECT TO MARKETING AFFILIATES

- 1) Company must apply any tariff provision relating to transportation services in that same manner to low-cost gas as delivery-related persons if there is discrimination in the application of the provision.
- 2) Company must strictly enforce a tariff provision for which there is no discrimination in the application of the provision.
- 3) Company may not, through a tariff provision or otherwise, give any Supplier including its marketing affiliate an exclusive right to supply including its affiliate, preference over any other gas Supplier or their customers in matters, rates, information, or charges relating to transportation services including, but not limited to, scheduling, balancing, marketing, storage, standby service, or gas delivery policy. For purposes of the Company's first transportation program, any affiliate services provided by Company, e.g., billing and overhead service, that are not tariffed will be priced and made equally available to all.
- 4) Company must process all affiliate requests for transportation in the same manner and within the same approximate period of time.
- 5) Company shall not disclose to anyone other than a Company employee any information regarding an existing or proposed gas transportation arrangement that Company receives from (a) a customer or Supplier, (b) a potential customer or Supplier, (c) any agent of such customer or potential customer, or (d) a Supplier or potential customer, or (e) any agent of a customer or potential customer, unless such customer, agent, or Supplier authorizes disclosure of such information.
- 6) If a customer requests information from Suppliers, Company shall provide a list of all Suppliers operating on its system, but shall not enforce any Supplier not indicate that any Supplier will receive a preference because of a corporate relationship.
- 7) Before making customer lists available to any Supplier, including any company marketing affiliate, Company will post in its CDD a notice of its intent to make such customer list available. The notice shall describe the data the customer list will be made available, and the method by which the customer list will be made available to all Suppliers.
- 8) The Company will, to the extent practicable, separate the activities of its operating employees from its affiliate marketing employees in areas where their failure to maintain appropriate boundaries may have the effect of harming customers or unfairly disadvantage marketing affiliates of Suppliers under the Company's transportation program.
- 9) Company shall not condition its its agreements for gas supply or for the release of interstate pipeline capacity to any agreement by a gas Supplier, customer or other third party in which its marketing affiliate is involved.
- 10) Company and its marketing affiliate shall keep separate books of accounts and records.
- 11) Neither the Company nor its marketing affiliate personnel shall communicate to any customer, Supplier or third party the last name advantage might accrue for each customer, Supplier or third party in the case of a Company's service as a result of that customer's, Supplier's or other third party's dealing with any Supplier including its marketing affiliate.
- 12) The Company's complaint procedure for issues concerning compliance with these standards of conduct shall be as follows: All complaints, whether written or verbal, shall be referred to the Company's designated affiliate. The Company's designated affiliate shall only acknowledge the complaint within five (5) working days of receipt. The complaint must only discuss a violation of the standards of conduct that could cause the name of the complainant and a detailed factual report of the complaint, including all relevant dates, witnesses involved, responses received, and specific claims. The Company's designated affiliate shall communicate the results of the preliminary investigation to the complainant in writing within thirty (30) days after the complaint was received following a determination of any course of action which was taken. If no course of action is taken, the complainant shall be notified for a period of not less than three (3) years.
- 13) The Company shall not offer its affiliate Supplier a discount or fee waiver for transportation services, balancing, storage or meter installation, storage, standby service or any other service that would advantage the Company's affiliate Supplier.
- 14) The Company will not use its name and logo in its marketing affiliate promotional materials, including the promotional materials of its affiliate. Logo or similar images on the first page or the first page after the Company's name and logo appear, that its marketing affiliate is and the same only as the Company. The Company is prohibited from participating in customer marketing activities with any Supplier, including its affiliate, such as advertising, marketing, sales calls or joint proposals to any existing or potential customers.

If, as applicable, all delivered gas shall be subject to an adjustment per CCF as set forth on:

- 1) Sheet No. 42, Rider ECF, Natural Gas Vehicle Fueling Rider
- 2) Sheet No. 61, Rider ECF, Commercial Development Incentive Rider
- 3) Sheet No. 62, Rider AHP, Accelerated Rate Replacement Program Rider
- 4) Sheet No. 63, Rider ECF, Gas Service Fee Rider
- 5) Sheet No. 64, Rider ECF, State Tax Rider
- 6) Sheet No. 65, Rider ECF, Facility Fee Rider - Mass Transportation Rider
- 7) Sheet No. 66, Rider AHP, Advanced Utility Rider
- 8) Sheet No. 67, Rider AHP, Accelerated Service Replacement Program Rider

In addition, customer's net monthly bill, including gas costs and related fees that are billed to the customer by supplier, shall be adjusted by application of the percent specified on Sheet No. 64, Rider ECF, Ohio Excess Tax Liability Rider, except that finance charges are excluded in the computation of the net bill.

MONTHLY BILL PROVISION

Customer will be subject to a monthly "Minimum Bill" stated in the Monthly Administrative Charge and Facilities Charge, as stated above, plus applicable rates and taxes, as may be amended and approved by the Public Utilities Commission of Ohio from time to time.

UNAUTHORIZED DELIVERIES

In the event customer fails to interrupt transportation deliveries at Company's request, any excess deliveries received by customer's meter will be considered unauthorized deliveries that are subject to the flow-through of pipeline penalty charges to the extent that they are incurred by the Company, and in addition thereto, shall be paid for as specified under the "Charges for Unauthorized Deliveries" portion of this rate schedule. The charges for such unauthorized deliveries shall be billed directly to the customer. However, Company may, at its sole discretion, physically disconnect service to the customer if customer refuses to interrupt service when requested by Company. Further, Company may temporarily or permanently discontinue service if customer fails to agree to accordance with the Company's directives and limitations regarding service under this tariff.

CHARGES FOR UNAUTHORIZED DELIVERIES

Any customer taking unauthorized deliveries shall be billed an amount reflecting the general service rate, Rate GS-5, Sheet No. 32, including the expected gas cost component of that gas cost recovery rate or Company's highest cost gas, and two months' demand charges on the volume difference (this charge shall not be imposed more frequently than once in any thirty-day period), unless the cost of operating the Company's pipeline peak-shaving plant, under, if required to be closed in compliance with the interutility provisions of this schedule, the cost incurred by the Company to make up the gas. In any event, customer shall reimburse the Company for any pipeline capacity charges resulting from such unauthorized deliveries.

DISCONNECTING

For purposes of this tariff, a "point" shall be defined as one or more customers taking service under Rate GS4 that are joined together for supply management purposes. If "point operator" has a contractual responsibility to the appropriate gas supply management of all the Rate GS4 customers that comprise its point. All supply management responsibilities of individual customers are transferred to the point operator once a customer becomes a part of a point, as the aggregated balancing requirements of all point members are met under that tariff as though they were a single customer with its own supply management responsibilities. Because of the large hourly and daily usage likely to flow under this tariff, the point operator is required to contract with the pipeline designated by the Company for hourly and daily deliveries that correspond to their actual hours of gas delivered under this tariff.

LATE PAYMENT CHARGE

Payment of the total amount due must be received in the Company's office by the due date shown on the bill. When not so paid, an additional amount equal to one and one-half percent (1 1/2%) of the unpaid balance is due and payable.

TERMS AND CONDITIONS

The customer shall enter into a written Service Agreement with the Company. Such Service Agreement shall include specific arrangements as to the transportation services provided, the level of firm gas required by customer, Monthly Facilities Charge, the minimum bill calculation, and any other circumstances relevant to the individual customer.

The Company's "best efforts" are defined on this date, at any time, to equal to the maximum level of service and transportation of gas under this tariff to the extent of the Company's contractual obligations as necessary to enable the Company to maintain deliveries to other priority customers or to respond to any emergency.

The Point operator agrees, upon request by Company, to practice, in a timely manner, prior to the purchase of the natural gas transported, any necessary regulatory approvals and any and all transportation arrangements with all interutility pipelines, interutility pipelines, or others involved in transporting the gas gas supplies.

Company will be liable for any costs and/or penalties charged for violations, or supplies, because of point operator's over- or under-deliveries into the pipeline, as point customers' failure to take deliveries through customers' meters. In the aggregate, such loss amount of gas transported by the point operator to the Company's city gate.

The Company will provide customer meter as designated pool operator by metering data on gas delivered to individual customers and for the company pool on an hourly and daily basis. Hourly/daily operational information shall include meter on-hourly/daily gas flows provided for balancing the gas flows. Reading (AMR), equipment, inventory or any other means the Company has available to provide the customer or its designated pool operator with its best estimate of hourly/daily gas deliveries for individual customer's and the pool's seasonal accounts.

In order to administer the provisions of this tariff and monitor customer's compliance with its obligations, the Company will install remote metering equipment on customer's meter site to continuously monitor gas used for seasonal volumes that qualify for this rate. Customer will be responsible for payment of the cost of such electronic equipment, either through a lump sum payment, or all the Company's copies, or a monthly facilities charge (included in the Monthly Facilities Charge) for the cost of such equipment. Customer will also be responsible for providing the Company with access to a telephone service for metering data, and such other equipment or facilities that may be necessary, and shall also be responsible for the monthly charges for such telephone service and/or other necessary equipment or facilities.

The primary term of contract shall be a minimum of five (5) years. After completion of the primary term, said contract shall continue month to month unless cancelled by either party by giving thirty (30) days written notice.

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto are subject to the jurisdiction of the Public Utilities Commission of Ohio, and to the Company's Service Regulations currently in effect, as filed with the Public Utilities Commission of Ohio, as provided by law.

PROPOSED RIDER NEW

NATURAL GAS VEHICLE FUELING RIDER

NATURAL GAS VEHICLE FUELING RIDER, SHEET NO. 47

APPLICABILITY

Applicable to additional natural gas facilities owned by the following:

1. Retail customers and non-residential facilities receiving natural gas service from the Company.
2. Commercial NGV fueling stations in the business of selling natural gas to the general public for the purpose of fueling NGVs.

(The NGV fueling station(s) must be located in the Company's natural gas service territory.

Service under the terms of this Rider NGV is subject to the following qualifications:

1. A privately owned NGV fueling station is a NGV fueling station owned by a residential or non-residential customer of Duke Energy Ohio. The private NGV fueling station must be located at the customer's residential or primary business location. The natural gas to be transported by the Company and processed by the NGV fueling station must be used for the primary and limited purposes of fueling a customer-owned NGV. The natural gas provided under the terms of this Rider for a private NGV fueling station may not be for resale or use by another individual, entity or NGV.

2. A commercial NGV fueling station must be in the business of selling natural gas for public consumption. A commercial NGV fueling station may not be located at a private residence or commercial facility that is not in the business of providing fuel for the general public consumption. The natural gas to be supplied by the Company and processed by the NGV fueling station must be used for the primary and limited purpose of fueling NGVs.

Customers taking service under this tariff must register with the Company as either a privately owned or commercial NGV fueling station.

CHARACTER OF SERVICE

Service provided under this schedule shall be firm service.

RATES AND CHARGES

Privately Owned NGV Fueling Station Customers: Natural gas service will be provided by the Company in accordance with the applicable rate schedule under which the customer receives other natural gas service.

Commercial Fueling Station Customers: Natural gas service will be provided by the Company in accordance with Rate F-1. Due to the requirement that Duke Energy Ohio cannot supply natural gas for resale, the commercial fueling station customer must always have a valid agreement with a Company-approved natural gas supplier for the natural gas consumed, and must rely solely on this contracted supply of natural gas for their resale supply. In the event a fueling station is used for both private and commercial NGV fueling purposes, the entire fueling station shall be considered a commercial fueling station and natural gas service will be provided by the Company in accordance with Rate F-1.

Additional Gas Privately Owned and Commercial Fueling Station Customers: The cost of any additional facilities, equipment and/or relocation of existing Company facilities associated with the provision of natural gas delivery under this tariff shall be borne by the customer. The determination of need for any such relocation or rearrangement shall be at the sole discretion of the Company.

It is the customer's responsibility to:

1. Perform any fuel usage testing that may be required, and
2. Pay any federal, state, or local road use or any other taxes that may be required.

The customer will bear all costs associated with the permitting, installation, maintenance, operation, and receipt of gas service for customers-owned NGV fueling stations, as well as to include but not be limited to NGV fuel taxes.

In addition, responsibilities of a commercial fueling station shall include all licenses and other governmental approvals necessary to operate a public fueling station, and shall be liable for all taxes (such as a result of sales to the public).

SPECIAL TERMS AND CONDITIONS

The introduction of pipeline quality gas and/or propane-gas into the Company's distribution system may be incompatible with the operation of NGVs and fueling equipment. The Company shall not be liable for any damages, including, but not limited to, property and equipment damage or lost revenue, caused by the use of pipeline quality gas, the introduction of propane-air mixes, or any combination thereof.

To maintain natural gas delivery system integrity and pressures, the Company may, at any time, introduce propane into the Company's distribution system.

Any private or commercial fueling station customer whose natural gas firing operations may be affected by changes in the composition of natural gas due to the introduction of propane-air mixes is required to notify the Company. The Company will be responsible for the commercially available equipment to attempt to give the customer advance notice as to when the propane-air mixes will be introduced into the gas delivery system. However, the Company shall not be liable for damages that the customer may sustain due to the introduction of propane-air mixes into the Company's distribution system. Therefore, the Company recommends that the customer have steps to mitigate potential damage to the NGV equipment, including the possible installation of adjustable particulate equipment so as to prevent the introduction of propane-air mixes into the customer's fueling equipment or NGVs.

To the fullest extent permitted by law, the customer shall defend, indemnify, and hold harmless Duke Energy Ohio and its officers, directors, employees, agents, affiliates and representatives (the "Indemnified Parties") from and against any and all claims, demands, suits, liabilities, causes of action, losses, damages, expenses, fines, penalties, costs, costs, reasonable attorneys' fees, and bodily injury and property damage claims (collectively, "Claims") arising out of or relating to the supply of natural gas and its quality or composition.

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto, is subject to the jurisdiction of the Public Utilities Commission of Ohio and to the Company's Service Regulations currently in effect, as filed with the Public Utilities Commission of Ohio, as provided by law.

PROPOSED RATE IS

INTERMEDIATE TRANSPORTATION SERVICE

INTERMEDIATE TRANSPORTATION SERVICE, SHEET NO. 51.5

AVAILABILITY

Available natural gas local delivery service available to any customer that: (1) signs a contract with this Company for service under Rate F; (2) makes a minimum of 10,000 CCF per month during each of the seven consecutive billing periods commencing with customer's first major trading meter on or after April 1, (3) has arranged for the delivery of gas into the Company's system, and (4) has a valid point of delivery meter. Distribution service is not to be provided to the customer, and (5) has become a member of a gas pool under Rate GS and elected interutility Monthly Balancing Service under Rate MBS. Any service requested that is provided by the customer and not a local distribution system. The Company reserves the right to decline requests to initiate or continue such service whenever, in the Company's judgment, member of the service would be detrimental to the operation of the Company's system or its ability to supply gas to customers receiving service under the provisions of Rates RS, RSL, RT, RTLL, GS-5, GS-1, FTS-1, FTS-2, FTS-3, and GS-5. This right shall not be provided to the customer with the Company's system, from entering into special arrangements that are designed to meet unique circumstances.

The service provided hereunder shall be seasonally transportation service from the Company's city gate receipt points to the outlet side of customer's meter. The Company, in season FTS, is unable to supply gas to customers receiving service under the provisions of Rates RS, RSL, RT, RTLL, GS-5, GS-1, FTS-1, FTS-2, FTS-3, and GS-5, shall have the right to suspend, and not necessary reasons, to designate the city gate receipt points where the customer is required to deliver its gas.

NET MONTHLY BILL

Computed in accordance with the following charges:

- Advanced usage Charges: \$0.18
- Demomony Charges: Company will deliver the amount for gas, less discounts which is equal to the Company's system average accounted for percentage, all at rate of: 0.000170 per CCF

Plus the throughput charge for the service level selected under Rate MBS, Intermediate Monthly Balancing Service.

Plus, if applicable, balancing related charges pursuant to Rate MBS if customer has elected to operate on its own pool for supply management purposes.

In addition, customer's net monthly bill, including gas costs and related fees that are billed to the customer or supplier, shall be adjusted by application of the percent specified on Sheet No. 64, Rider ECF, Ohio Excess Tax Liability Rider, except that finance charges are excluded in the computation of the net bill.

Minimum: Customer will be subject to a monthly minimum bill requirement (equivalent to the monthly Administrative Charge shown above), plus the Ohio Excess Tax Liability Rider, the Economic Development Incentive Rider, the Accelerated Utility Rider and the State Tax Rider, and in addition thereto during the seven consecutive billing periods beginning in April, a 10,000 CCF per month throughput-volume minimum.

If customer fails to take delivery of 10,000 CCF per month during the months of April through October, customer will be charged, in addition to the Administrative Charge and the charges for the delivered volume and the applicable Ohio Tax Rider and State Tax Rider, an amount equal to the difference between 10,000 CCF and the delivered volume valued at Rate GS-5, including all applicable taxes.

In the event that customer apparently and significantly fails to meet the minimum throughput requirement of this tariff, customer may, at the Company's option, be removed from this tariff and denied further service, or may be subjected to Rates GS-5, GS-1 or Rates FTS-1, FTS-2, FTS-3.

NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

Where Supplier has elected service under this AGM, Accounts Receivable Management Service, the Company shall remit to the Supplier, on its behalf or otherwise, payment for all gas billed to the Supplier's customers by the Company on Supplier's behalf, including taxes attributable to Supplier's portion of the bill based on the terms contained in the respective Supplier's AGM agreement.

Supplier shall be responsible for displaying to the appropriate billing website any data that is attributable to Supplier's portion of the bill.

In the event, and to the extent, that a customer renews its bill, the Company has the amount which would be attributable to the Company's charges and Arrears included on the bill, the customer shall be subject to the same late charges and disconnection procedures which would be applicable if the customer was receiving Sales Service.

Option 2 - Dual Billing

The customer shall receive two bills as follows:

a) The Company shall bill and collect for its portion of the bill that includes charges for gas transportation service and all applicable taxes. The Company's bill shall include the Supplier's name and a statement that the Supplier is responsible for billing Supplier's charges. In the event that a customer renews its bill, the amount included on the bill, the Company's bill, customer shall be subject to the same late charges and disconnection procedures that would be applicable if the customer was receiving Sales Service.

b) Supplier shall be responsible for billing and collecting its part of the bill including any and all amounts that are the Supplier's own prior billing. In the event that a customer renews its bill, the Company will provide each Supplier with an electronic notification of the monthly meter readings of all customers within Supplier's Pool that have been billed by the Company. Such billing data will be provided to the meter reading data which the Company passed its bill for transportation service. A Supplier may terminate gas sales to any Pool Customer for non-payment and deliver the customer from its Pool in accordance with the procedures for removing customers from a Supplier's Pool set forth in this "Lift-Off" Sheet.

CUSTOMER DISCONNECTION

The Company may disconnect service to a customer for non-payment of its regulated utility charges. The Supplier is not permitted to physically disconnect customer's gas service for non-payment of the Supplier's gas charges.

CUSTOMER ACCESS AND COMPLAINT HANDLING

Each Supplier shall cooperate with the Company, the Commission, and the OCC in the case of residential customer to ensure customer and resolve disputes. The following procedures shall be applicable to customer access and complaint handling:

A) Customer access

- Each Supplier or Governmental Aggregator shall ensure customer reasonable access to its service representative to make inquiries and complaints, except charges on customer bills, terminate competitive service, and treat any other pertinent business.
- Telephone access shall be toll-free and afford customers prompt answer times during normal business hours.
- Each Supplier or Governmental Aggregator shall provide a twenty-four (24) hour telephone telephone message indicating callers to report any service interruptions or safety gas emergencies to the Company.

B) Customer complaints

- Each Supplier or Governmental Aggregator (under its agent) shall investigate customer complaints (including customer complaints referred by the Company) and provide a status report within three (3) business days following receipt of the complaint to:
- The customer, when the complaint is made directly to the Supplier or Governmental Aggregator; or
- The customer and Commission staff, when a complaint is referred to the Supplier or Governmental Aggregator by the Commission staff.
- The Governmental Aggregator may choose to have the Supplier perform certain functions as the Governmental Aggregator's agent. However, the Governmental Aggregator is still responsible for ensuring that the requirements of these rules are met.
- If an investigation is not completed within ten (10) business days, the Supplier or Governmental Aggregator (under its agent) shall provide status reports to the customer, and if applicable, to the customer and Commission staff. Such status reports shall be provided at three (3) business days intervals until the investigation is complete, unless the action that must be taken will require more than three (3) business days and the customer has been so notified.

6) The Supplier or Governmental Aggregator (under its agent) shall advise the customer or the customer and Commission staff, of the results of the investigation, orally or in writing, no later than three (3) business days after completion of the investigation. The customer or Commission staff may request the report in writing.

7) If a customer disputes the Supplier's or Governmental Aggregator's (under its agent) report, the Supplier or Governmental Aggregator shall inform the customer that it is available to resolve complaints. The Supplier or Governmental Aggregator (under its agent) shall provide the customer with the address, local, toll-free telephone number, and TOLL-FREE telephone number of the Commission's public interest center.

8) Each Supplier or Governmental Aggregator shall retain records of customer complaints, investigations, and responses (including responses for two (2) years after the occurrence of such complaints and shall provide such records to the Commission staff within three (3) business days of request.

9) Each Supplier or Governmental Aggregator shall make good faith efforts to resolve disputes and cooperate with the results of any prior review with the Company.

10) If customers contact the Company concerning competitive retail natural gas transactions, the Company shall:

- Review the issue with the customer to determine whether it also involves the Company;
- Cooperate with the resolution of any joint issues with the Supplier or Governmental Aggregator; and
- Refer the customer to the appropriate Supplier or Governmental Aggregator in those instances where the issue does not involve the Company.

C) Stopping Complaints

- A planning complaint to a customer's allegation that the customer's Supplier or Governmental Aggregator has been switched without the customer's authorization.
- If a customer contacts the Company, Supplier or Governmental Aggregator (under its agent) claiming that the customer's Supplier or Governmental Aggregator has been switched without the customer's authorization, the Company, Supplier or Governmental Aggregator shall:
- Provide the customer any evidence relating to the customer's complaint;
- Refer the customer to the Commission's public interest center;
- Provide the customer with the local/toll-free telephone number of the Commission's consumer service center; and
- Cooperate with the Commission staff in any subsequent investigations of the planning complaint.
- Except as otherwise provided in Chapter 4901.1-28 of the O.A.C., if the Supplier or Governmental Aggregator cannot produce such documentation confirming that the customer authorized the switch, there shall be a rebuttable presumption that the customer was switched without authorization. Such documentation shall include one of the following, in accordance with the requirements of Rule 4901.1-29-06 of the O.A.C.:

- A signed contract, in the case of direct enrollment;
- An audio recording, in the case of telephone enrollment; or
- Electronic consent, in the case of internet enrollment.

4) In the event that the customer was switched from one Supplier or Governmental Aggregator to a different Supplier or Governmental Aggregator without authorization, the customer's previous Supplier or Governmental Aggregator shall be deemed the customer's initial provider under such customer's original contract and for the duration of the original term and send the Company an electronic enrollment request.

If the original Supplier or Governmental Aggregator is unable to return the customer to the original contract prior to the effective date of the Governmental Aggregator may enroll the customer in a new contract pursuant to the provisions of this 4901.1-29-06 of the O.A.C., or the customer may select a new Supplier or return to the Company's GSR service.

5) In the event that a customer was switched from Sales Service to a Supplier or Governmental Aggregator without authorization, the Company shall switch the customer back to Sales Service without penalty.

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream firm interstate pipeline capacity required to meet Supplier's Firm Transportation Service needs. Aggregate Adjusted MQD less the firm interstate pipeline capacity assigned to the Supplier by the Company, Assignment and results of interstate pipeline capacity are mandatory for MQD in excess of the Supplier's Firm Transportation Service pool; aggregate Adjusted MQD as of April 1, 2007. Due to the physical configuration of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline laws and to maintain the Company's system integrity, the Company reserves the right to direct each Supplier to properly install devices, with respect to the Company's upstream interstate pipeline capacity, the Supplier's delivery and requirements. Specific delivery requirements will be determined by the Company.

A Supplier, whose aggregate Pool's MQD exceeds 6,000 Dth/day and who also 3,000 Dth/day of additional MQD over the supplier's MQD as of April 1, 2007, shall be assigned a proportionate amount of the Company's interstate pipeline firm transportation capacity to the Company at a separate pool. Such criteria will be reviewed by the Company semi-annually based on the MQD as of September 30th with any increase becoming effective the following November. Not later than March 31st, and on the MQD as of February 28th, with any increase becoming effective the following April 1st through October 31st. Suppliers will be notified of any changes to their released capacity by October 15th for winter capacity and by March 15th for summer capacity.

The assignment shall be structured as a release of capacity. The posted rate will be the rate for which the Company has contracted with two interstate pipelines. Any capacity with a discounted rate will be posted open to bids, with the Supplier being the preferred bidder. All other capacity will be posted at the pipeline's maximum rate with the Supplier being the preferred bidder.

The Company shall assign interstate pipeline firm transportation capacity consistent with its delivery and allocation percentages and on a pro-rata basis to the Company's total capacity for the designated pipelines and the parties may choose to voluntarily agree upon assigned capacity portfolio. During the summer months of April through October, the Company's Firm Transportation capacity shall be reduced by the Company's minimum daily injection needs in Columbia Gas Transmission's Firm Storage Service (FSS) for purposes of determining the pro-rata share for suppliers that time exceed Firm Balancing Service (FBS) rather than Enhanced Firm Balancing Service (EFBS).

Capacity will be assigned to the Supplier on a "break and report" basis. The Company shall reserve its capacity within the appropriate pipeline company's electronic bid board and the Supplier shall execute the service agreement as governed by the pipeline rules (1) days prior to the end of the month to enable the Supplier to execute its capacity under the service agreement for the following month. If the Supplier fails to execute the service agreement the charges for the released capacity will be added to the Supplier's Pool balance for the month.

Prior to the capacity release process, the Supplier shall comply with the appropriate pipeline's credit review and establish credit on the pipeline's Approved Bidder List for delivery in the interstate pipeline company's LIFO.

The Company, an releasing supplier under a regulatory release, remains liable to the pipeline for transportation charges. The Supplier will provide sufficient financial guaranty to the Company of its ability to pay such pipeline charges, unless the applicable pipeline company releases the Company from liability for the Supplier's pipeline transportation charges.

The Company reserves the right to change the type of information required as well as the amount of data to comply with the requirements of the interstate pipeline companies.

There will be no restrictions on the Supplier's use of the released capacity at such times that it is not required to deliver gas to the Company's system.

The Supplier may re-release all or a portion of the capacity to a replacement supplier who meets all the requirements to which the Supplier is subject including but not limited to the Company's right of recall. A re-release shall not relieve the Supplier of its obligations under the provisions of the capacity release by the Company.

The Supplier receiving assignment shall pay the pipeline directly for all charges associated with the gas of released capacity, including (but not limited to) interstate pipeline charges, contract charges, losses, transaction, fuel allowances, imbalances and overhead charges, and penalties.

The Supplier shall not receive credit and delivery points of the interstate pipeline company firm transportation capacity released by the Company, without written consent from the Company. The Supplier will be responsible for operating the assigned capacity consistent with the terms and conditions set forth in the tariffs of the Company and the applicable pipeline company.

DAILY BALANCING

The Company will provide and charge the Supplier for balancing service, which will be used to manage differences between the Company's regional daily Supplier delivery and the actual customer's consumption. There will be no daily settlement each year for Suppliers whose Pool MQD is greater than 1,000 Dth/day in effect, on or before January 15th each year, within Rider FBS (Pump Delivery Settlement), Sheet No. 75 or Rider EFBS (Enhanced Firm Balancing Settlement), Sheet No. 76, to the extent that the Supplier's Pool MQD is less than 1,000 Dth/day. A Supplier that elects Rider EFBS will be billed rates as set forth in Rider EFBS, Sheet No. 75. A Supplier whose Pool MQD is less than 1,000 Dth/day will receive balancing service under the Company's Rider FBS. Suppliers that elect Rider FBS and Suppliers whose Pool MQD is less than 1,000 Dth/day will be billed the balancing charge per MMBtu as set forth in Rider FBS on all volumes consumed by the Supplier's Pool.

a) Target Supply Quantities must be delivered each day based on the Company's forecasted temperatures and the aggregate demand curve for each Customer Pool, as well as hourly forecasted weather. The "Gas Supply Aggregation/Customer Pooling Agreement" between the Company and Supplier. Any Supplier that fails to deliver gas volumes in accordance with that Agreement may be terminated from further participation in the program.

b) Suppliers are subject to Operational Flow Orders issued by the Company as described below. The Company may suspend from this program any Supplier that does not comply with an Operational Flow Order.

c) Supplier shall have the ability to make daily/monthly meter pool trades under the Company's tariff Rule GTS, Gas Trading Service.

MEASUREMENT OF CONSUMED VOLUMES

The Company will electronically provide each Supplier with a ledger of the monthly meter readings and supply for all customers within the Supplier's pool. Such monthly meter readings and supply data will be averaged to the consumption data which the Company based its bill for local delivery service. Monthly volumes billed to participating customers shall be considered actual volumes consumed, whether the meter reading is actual or calculated.

ANNUAL RECONCILIATION

The Company will reconcile imbalances on an annual basis, for each Supplier, through determination of the difference between: (1) the Supplier's deliveries to the previous year; and (2) the actual consumption plus the Gas Supply Imbalance/Percentage on the Supplier's aggregate Customer Pool, both calculated at city gate, adjusted for recognition of all adjustments applicable to the previous year.

Suppliers will reconcile the imbalances through the exchange of gas with the Company via a storage inventory transfer, or adjustment to their Rider EFBS, double the delivery over the next five (5) days or longer if mutually agreed by Supplier and the Company.

OPERATIONAL FLOW ORDERS

Suppliers are subject to the Company's system of operational flow orders, which will direct each Supplier to deliver scheduled volumes to each of the Customer Pools it is assigned to. For Suppliers that have elected Rider EFBS on their balancing option, the difference between scheduled deliveries from the interstate pipeline companies and the actual Pool usage will be met by the FBS. In the event that the Company's storage service provider has restricted meter storage volumes and/or a Supplier exceeds Rider EFBS's MQD or MQD in excess quantities will be considered a failure to comply with the Operational Flow Order (OFO). However, on days with

projected temperatures colder than the design winter peak day temperatures, the Supplier will have no option. The Supplier may: (1) deliver to the Company the volume of gas equal to their Adjusted Target Supply Quantity; or (2) deliver to the Company only that volume equal to their Adjusted MQD and only on Company to secure the incremental volume, i.e., the difference between their Adjusted Target Supply Quantity and their Adjusted MQD. If the Supplier selects the second option, the Supplier will pay the Company for costs the Company incurs in obtaining the incremental supply and may meet the delivery requirement with both its existing supply and MQD. Failure of the Supplier to deliver volumes in accordance with its selected option may result in suspension or termination from further participation in the Company's firm transportation program.

Failure to comply with an Operational Flow Order, which is defined as the difference between the daily OFO volume and actual daily deliveries, will result in the action and/or billing of the following charges:

Under-deliveries

- The payment of a gas cost equal to the highest incremental cost paid by the Company on the date of non-compliance.
- One month's demand charges on the OFO shortfall. This charge shall not be imposed more frequently than once in any thirty day period; and
- The payment of all other charges incurred by the Company including but not limited to pipeline penalty charges on the date of the OFO shortfall.

Over-deliveries

- Any over-run delivered by Supplier will be considered by the Company and used for its general supply requirements, without compensation to Supplier.
- Company shall bill and Supplier shall pay all charges incurred by the Company including but not limited to penalty charges from the interstate pipelines for such excess deliveries, provided such penalties can be attributed to Supplier's over-run.

SCHEDULING

Supplier must make all necessary arrangements for scheduling natural gas deliveries to the Company.

Each morning, by 9:00 A.M. E.S.T., the Company will post on its EBS an "Adjusted Target Supply Quantity" that the Supplier will be required to deliver to the Company's system with acceptable margins during the following gas day. For purposes of the Company's firm transportation program, the "Adjusted Target Supply Quantity" is defined as the Target Supply Quantity, plus or minus any adjustments that Supplier may be required to make to its daily deliveries, plus the daily firm requirements of all customers being served by Supplier under both Rider FBS and Rider EFBS, as specified within Supplier's Firm Transportation Service for Interstate Pipeline Transportation services contracts. The quantities so calculated will then be adjusted for Unaccounted Gas Loss based to the Company's City gate, and converted to Btu. By 1:00 P.M. E.S.T. each day, Supplier shall notify the Company through the EBS of its total city gate nominations for the next day, in Company Rate Schedule, for each pipeline company delivering gas into the Company's system.

The Adjusted Target Supply Quantities that will be used to define the Supplier's next day delivery obligations shall also be the quantities against which the Supplier's pipeline confirmed daily deliveries are the Company's system, combined with quantities from Supplier's Rider EFBS balancing service, if applicable, will be compared in order to determine Supplier's daily over-run/under-run deliveries. Only over-run/under-run volumes determined in this manner shall form the basis for daily "cost" and OFO charges, daily pipeline penalty charges from the pipeline, and any other charges under any of the Company's applicable tariffs, that are imposed based on Supplier's failure to deliver the Adjusted Target Supply Quantities of gas into the Company's system.

During the month of November through March, Company shall reserve a portion of its scheduled pipeline capacity for Supplier Pools, based on the product of each Pool's then-applicable MQD and the percentage of the Company's total system design day needs forecasted to be met by regulated pipeline for the upcoming months of November through March. The percentage reserved shall be applied as a reduction to the MQD that will result in the Supplier's Adjusted MQD.

When the Supplier Pool's Adjusted Target Supply Quantity exceeds the volume of Supplier's Adjusted MQD and the Supplier elects not to deliver the incremental volume of natural gas in excess of its Adjusted MQD, then the Company shall supply the Pool's gas needs in excess of the Supplier's Adjusted MQD with regulated pipeline or otherwise, making certain. The fully allocated cost of the pipeline or otherwise making supply available to the Company (understand shall be billed directly to Supplier.

By the end of each year, and when there is a material change in Company's pipeline capacity, Company shall indicate the percentage of Supplier Pools Maximum Daily Deliveries that will be met with Company's regulated pipeline, or otherwise making supply, allocated by Company to each Pool.

OTHER RULES AND REGULATIONS

Except to the extent superseded herein, the Company's Rules and Regulations Governing the Distribution and Sale of Gas and such other Commission rules as are applicable shall apply to all gas transportation service provided hereunder.

CONSEQUENCES OF SUPPLIER'S FAILURE TO PERFORM ON COMPLY

If a Supplier fails to deliver gas in accordance with the full service requirements of its Pool Customers, the Company shall supply gas temporarily to the affected Pool Customers and shall bill Supplier the higher of the following: (1) the fair market price for the gas; or (2) the highest incremental cost of gas for that period that the Company actually paid for gas supplies, including transportation and all other applicable charges. The Company shall have the right to immediately and unilaterally revoke Suppliers' letters of credit, payment guarantees, or any other collateral posted by the Supplier in order to enforce recovery from Supplier at the cost of these replacement supplies.

If a Supplier fails to deliver gas in accordance with the full service requirements of the Gas Supply Aggregation/Customer Pooling Agreement, or otherwise fails to comply with the provisions of this Lift-Off Sheet, including those specified in the Regulations to the Company system, the Company shall have the discretion to terminate the process to suspend temporarily or terminate such Supplier's further Program participation. To initiate the process, the Company shall serve a written notice of such failure in reasonable detail and with proposed remedy to the Supplier and the Commission, as set forth in Rule 4901.1-27-32(b) of the O.A.C.

On or after the date said notice has been served, the Company may file with the Commission a written request for authorization to terminate or suspend the Supplier from participation in the Company's Program. Except for failure due to under-delivery or non-delivery, if the Commission, or any Regulatory Examiner, does not based on delivery to suspend or reject the action proposed by the Company within ten (10) business days after receipt of the request, the Company's request to terminate or suspend shall be deemed authorized on the eleventh (11th) business day. If the Supplier's failure is due to under-delivery or non-delivery and, if the Commission, or any Regulatory Examiner, does not based on delivery to suspend or reject the action proposed by the Company within ten (10) business days after receipt of the request, the Company's request to terminate or suspend shall be deemed authorized on the sixth (6th) business day.

If the Supplier is suspended or terminated from the Program, customers in such Pool shall receive the Company's Sales Service, unless and until said customer pays another Supplier's Pool. Any termination or suspension of the Gas Supply Aggregation/Customer Pooling Agreement under any provision of this section shall be without waiver of any remedy, whether at law or in equity, to which the party not in default otherwise may be entitled by the terms of the Agreement.

ALTERNATIVE DISPUTE RESOLUTION

Alternative Dispute Resolution shall be offered to Suppliers and the Company as a means to address disputes and differences that may arise under this tariff. Alternative Dispute Resolution shall be conducted in accordance with the Commission rules or as agreed upon among the applicable parties. Neither party shall be deemed to have any right to its rights in a jurisdictional forum.

FORCE MAJEURE

If either Supplier or Company is unable to fulfill its obligations under this tariff (Sheet) due to an event or circumstance which is beyond the control of such party and which prevents such party from performing its obligations to deliver gas and will not be liable for damages related to the non-performance during the continuation of such impossibility of performance. Neither of the following shall be considered a force majeure condition: (1) changes in market conditions that affect the availability or transportation of natural gas; or (2) failure of Supplier to deliver or Pool Customers to consume scheduled gas volumes.

The party claiming force majeure will use due diligence to remove the cause of the force majeure condition and resume delivery or consumption of gas promptly as possible. Gas withheld from the Supplier or Pool Customers being a force majeure condition will be delivered upon the end of such condition as soon as practicable.

NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

The average percentage increase in the total bill of customers under Rate FT, assuming 10 customers pay the same gas cost as GS-1 customers should be the increase to be granted in GS-1.

PROPOSED RATE FT-5 FIRM TRANSPORTATION SERVICE - SMALL FIRM TRANSPORTATION SERVICE - LARGE, SHEET NO. 52.3

APPLICABILITY
This bill requires transportation service for an individual non-residential customer using 4,000 CCF or less during the year calendar year end present, which is provided from the Company's city gate receipt points to the north side of the Company's meter and to serve the customer. This service is available within the Company's service territory, and at the customer's option, to serve the firm service requirements of incompressible liquid customers in combination with service under Rate FT-1 to all non-residential customers except for those customers whose utility service accounts are past due at the time of the customer's application for this service. The Company may terminate a customer's supply contract for non-payment and return the customer to the Company's service only if: (1) the Supplier has made an alternative request for the Company to act as its agent to terminate customer contracts for non-payment; and (2) the Supplier has included in its customer contracts, a notice that the Company can terminate such contracts for non-payment. Where the Supplier is providing its own billing of the gas supply, termination of the agreement will be at the discretion of the Supplier, as specified in the Supplier contracts for service. The Supplier on the Company shall give no less than 30 days (30 days) notice before the customer will be switched from the Supplier and revert to the Company unless the past due amount is paid by the customer's next scheduled bill due date. If the past due amount is paid by the next scheduled bill due date, the customer will not return to the Company and will remain with the Supplier. If the Company provides the late payment notice to the customer, it will send a copy of the notice to the customer's Supplier. Service shall be provided on demand from the Company's city gate receipt points to the north side of the Company's meter used to serve the customer. Customer must enter into a "supply" agreement with a Supplier that meets the Company's requirements for participation in the pooling program, and must arrange for the delivery of gas into the Company's system.

Customers that believe that they will significantly increase throughput, from their historic firm service levels, shall be between the Company.

Gas transported under this tariff shall be for customer's sole use on one point of delivery where distribution lines are adjacent to the provision to be served. Any gas provided transporter shall be subject to the distribution.

NET MONTHLY BILL

Computed in accordance with the following charges:

Firm Delivery Service Charge	\$11.64
Plus a charge based on CCF for each CCF of gas transported for customer from Company's city gate measuring station to the north side of Company's meter used to deliver gas to the customer.	\$0.14370 per CCF

Plus, or minus, rate adjustments which may occur as a result of changes in the rates of interstate pipelines, or of rulings of the Public Utilities Commission of Ohio under the Federal Energy Regulatory Commission, and for which it is determined that customers should be allocated some portion of the corresponding costs or savings.

In addition, the net monthly bill, as calculated above, shall be adjusted by application of the present specified on Sheet No. 64, Rate FT-5, Ohio Excess Gas Liability Rider, except that limited charges are excluded in the computation of the net bill.

Customer and/or its Supplier shall be responsible for the collection and payment of meter lease, revenue loss, or similar costs on the net supplies that customer provides from its Supplier.

The monthly minimum bill shall be the Firm Delivery Service Charge and applicable charge under Rate GS-1 (Rate GS-1) and Rate RSD (shown above), plus the percentage specified in Rate FT-5, Sheet No. 64, Ohio Excess Gas Liability Rider.

The average percentage increase in the total bill of customers under Rate FT-5, assuming 10 customers pay the same gas cost as GS-1 customers, should be the increase to be granted in GS-1.

PROPOSED RIDEH R ECONOMIC DEVELOPMENT INCENTIVE RIDER, SHEET NO. 51

APPLICABILITY
Applicable to all retail jurisdictional customers in the Company's natural gas service territory.

GENERAL
Duke Energy Ohio shall implement a pilot program to encourage businesses to locate in Ohio, and/or to expand their existing operations in Ohio, by providing a reduction in their monthly gas bills for economic development projects. Funds may be used for project development, promotion, project costs, and gas utility infrastructure in those instances when utility infrastructure has been identified as an impediment to economic/industrial economic development.

The extension for eligibility includes, but is not limited, to the following:

- Job growth: Pushing development sites participating in Duke Energy Ohio's "Site Readiness" program closer to market.
- Diversification of other asset such as "Thermally" redevelopment: Development of natural gas vehicle transportation facilities.

The program will be managed and funded will be allocated and distributed by Duke Energy Ohio. Management of the program will include, but not be limited to, the development, review, and approval of proposed projects under this program. The program is created with recognition that this type of economic development has a compelling effect on and the economy in the region. Further, the funding mechanism recognizes that over time, Duke Energy Ohio customers will realize future benefits as increases in the utility's natural gas throughput.

The goal of the rider is to collect \$2 million per year towards the funding of economic development projects and activities in Duke Energy Ohio's service territory. (Ohio CCR-000 natural gas service territory). All funds will be spent in a manner consistent with the terms of eligibility and criteria described below. Any amount funds from one year will roll over to the next year; however, the fund is not to exceed \$2 million. Annual funding will be necessary, if necessary, for the rider to keep the fund within the \$2 million cap.

DESCRIPTIONS AND ELIGIBILITY

Eligible activities: Funds under this program may be used for the following:

- Project Development/Job Readiness/Marketing - Without ready sites for new development or expansion, prospective companies will be lost to other states with sites in Ohio along the development corridors. Grants will be available for the redevelopment of existing buildings, secured natural gas by Duke Energy Ohio, public sector sponsoring building development, gas infrastructure improvements, moving Greenfield and brownfield sites closer to readiness for development, and business park developments. Funds may be used for the marketing and promotion of qualifying sites. The Duke Energy Ohio Readiness program has been developed to assist in these efforts.

Projects under this section (12) shall be evaluated using one or more of the following criteria as a guide for qualification:

- Project is in an area determined to qualify as Urban Revitalization, by the Duke Energy Urban Revitalization Advisory Team, which is comprised of business leaders from throughout Ohio.
- Project pushes development sites participating in Duke Energy Ohio's "Site Readiness" program closer to market.
- Project leads to revitalization of urban areas such as Greenfield redevelopment.
- Project creates - Grants will be available to achieve economic agreements for retention, expansion, or relocation of companies in SW-04. Grants will be awarded to those that give the state of primary jobs in Duke Energy Ohio's area. Specific companies will be placed on targeted checklists as identified by the regional cluster analysis. Grants may be used to enhance the incentive packages that local economies, regional authorities, and/or industrial provide to prospective companies, including site and facility acquisition and off-site infrastructure improvements. Grants may not be used for infrastructure relocation of facilities and/or site relocation from the Duke Energy Ohio territory to the Duke Energy Ohio territory unless a release is obtained from the original community. Applicant project criteria will be developed.

Infrastructure improvements - Offset costs associated with natural gas utility infrastructure improvements to support new industrial projects and existing company operations. Grant amounts shall not exceed the actual costs incurred for approved projects, and be calculated using the most extensive

analysis that utilized for all gas rate extensions that determine customer capabilities required. Funds shall apply only to costs necessary for the project development and/or new customer.

To be eligible under this section (12), the project/facility shall:

- be located within existing Duke Energy Ohio service territory, or an extension thereof which occurs as a result of new extension associated with the project;

- have an end use that may be classified in the North American Industry Classification System (NAICS) as one of the following: Manufacturing or Service Industry businesses;

- Manufacturing (NAICS codes 31, 32, & 33)
 - 1. Aerospace
 - 2. Automotive and Transport Vehicle
 - 3. Chemicals and Plastics
 - 4. Machinery and equipment (Advanced manufacturing)
 - 5. Pharma, Bio-technology
 - 6. Food and Beverage
- Other non-manufacturing operations
 - 1. Data Center
 - 2. Professional, scientific or technical services
 - 3. Information and Technology Services
 - 4. Retail (NAICS code 541)
 - 5. Support, National and World Headquarters
 - 6. Natural Gas Refining and Processing

(NAICS codes may be found at: <http://www.census.gov/ipeds/www/naics.html>)

Projects under this section (12) shall be evaluated using one or more of the following criteria as a guide for qualification:

- Project is determined to be a large area of natural gas as evidenced by the following:
 - 1. The proposed project/facility requires a facility to increase a job demand or replacement of demand of more than 100,000 CCF (units of 100 cubic feet) per year; and/or
 - 2. The facility's natural gas bills represent at least 5% of the facility's annual gross revenue from sales (total annual natural gas bill divided by annual gross sales) and/or jobs (Ohio, State under Local Community participation).
- Project must show evidence of public participation in the form of incentives or other capital contribution to the project.
- Project is necessary to provide service to a natural gas vehicle filling station that includes a point of access to the public utilization.
- Projected Capital Investment at the project site exceeds \$2,000,000.
- There will be job creation or job retention at the site as a result of the project.
- Funds under this program cannot be used for a facility or equipment that uses natural gas to generate electricity. Nor can they be used to provide utility infrastructure for such facilities or equipment.

An additional incentive will be provided to those qualifying projects that result in new or incremental gas load. Incremental gas load is defined as additional usage over and above the established baseline as determined by the Company. Such incremental usage must be the direct result of the qualifying project.

The additional incentive will be in the form of a twenty-five percent (25%) discount applied to the monthly Fixed Delivery Service Charge and the monthly Usage-Based Charge for gas delivered. The discount is only applied to these two specific components of the customer's gas bill and excludes any and all other charges including the Excess Gas Rider. The discount will be applied for a period of thirty-six (36) months. Funding for this additional incentive will be provided through the rider.

TERMS AND CONDITIONS

These funds are not available for renewal of service following interruptions such as equipment failure, temporary plant shutdowns, strike, or economic conditions. These funds are not available for loss shifted from one customer to another within the Company's service area.

The customer must enter into a Service Agreement with the Company that shall specify, among other things, a description of the amount and nature of the new load, and the basis on which the customer requests qualification for this rider. Duke Energy Ohio may file this Service Agreement with the Public Utilities Commission of Ohio for its review.

Following the effective date of the Service Agreement, the customer must maintain a minimum demand in accordance with the Service Agreement. Failure to do so will result in the customer's Service Agreement being terminated.

The Company is not obligated to extend, expand or restructure its facilities if it determines that existing distribution facilities are of adequate capacity to serve the customer's load.

The customer may request an effective date of the Service Agreement that is no later than twelve (12) months after the Company's approval of this Service Agreement with the customer. A Service Agreement must be filed with the utility (Ohio) days of taking the subject new service from the Company. All subsequent bills shall be at the appropriate full standard service tariff rate.

CHARGES

The ED rate to be applied in all residential customer bills beginning with the January 2013 revenue month is \$0.0052500 per CCF (units of 100 cubic feet).

PROPOSED RIDER R MAIN EXTENSION POLICY MAIN EXTENSION POLICY, SHEET NO. 62.4

APPLICABILITY

Applicable to gas service supplied in accordance with provisions of the applicable rate currently in effect, from the nearest available distribution main where, in the opinion of the Company, it is necessary to extend such main.

EXTENSION PLAN

- One Hundred Feet or Less.

An extension of one hundred (100) feet or less shall per service installation shall be made by the Company to an existing distribution main without charge to a productive customer or consumer who shall supply for and contract to use service for one (1) year or more.

- Excess of One Hundred Feet.

Individual Service Installations.

The Company, at its sole discretion, may perform a net present value (NPV) analysis based upon total construction costs for the entire length of the extension, and not just the costs of the extension in excess of 100 feet. The NPV analysis will take into account the revenues to be recovered from the customers. If the NPV calculation is positive, the extension will be charged for the construction costs. If the NPV calculation is negative, the customer must deposit with the Company an amount equal to the results of the NPV calculation prior to construction taking place. Any such deposit shall be eligible for a refund consistent with the terms and conditions of the main extension contract entered into between the Company and customer. Further, the customer must continue to receive gas service from the Company at the same service installation or premises in order to be eligible for a refund. Refunds shall not exceed the amount of the deposit and shall be limited to a period of ten (10) consecutive years following the effective date of the main extension contract.

For large commercial and industrial customers with premises here, Duke Energy Ohio may require a minimum customer usage commitment for a defined period of time not to exceed six (6) years.

Other Main Installations.

- Existing Subdivisions, New Main-Trench Subdivisions, and Existing Main-Subdivisions.

When an extension of the Company's main to serve an applicant amounts to more than one hundred (100) feet per service installation, the Company may require full cost of the facility in excess of 100 feet and not be charged to be deposited with the Company by the applicant based upon the estimated cost per foot for main extensions. Additionally, the Company, at its sole discretion, may perform a net present value (NPV) analysis based upon total construction costs for the entire length of the extension, and not just the costs of the extension in excess of 100 feet. The NPV analysis will take into account the revenues to be recovered from the customers to be connected. If the NPV calculation is positive, the applicant will not be charged for the construction

costs. If the NPV calculation is negative, the applicant must deposit with the Company an amount equal to the results of the NPV calculation prior to construction taking place. Any such deposit shall be eligible for a refund consistent with the terms and conditions of the main extension contract entered into between the Company and applicant. Further, where the applicant is the customer, the customer must continue to receive gas service from the Company at the same service installation or premises in order to be eligible for a refund. Refunds shall not exceed the amount of the deposit and shall be limited to a period of ten (10) consecutive years following the effective date of the main extension contract.

(N) New Joint Trench Subdivisions.

When an extension of the Company's approach ends within internal main necessary to serve a new subdivision, the Company will perform a net present value (NPV) analysis of total construction costs and the revenue to be received from such customer to be connected to the new main. For purposes of the NPV calculation, the Company will assume that a complete build-out of the subdivision will occur in five (5) years. If the NPV calculation is positive, no deposit will be required for the new subdivisions and the NPV results will be credited toward the calculation of the deposit requirement for any approach that may be required. If the NPV calculation is negative, the amount of the NPV results must be deposited with the Company prior to the construction of the main to serve the new subdivision. Any deposit shall be eligible for a refund consistent with the terms and conditions of the main extension contract entered into between the Company and applicant. Refunds shall not exceed the amount of the deposit and shall be limited to a period of ten (10) consecutive years following the effective date of the main extension contract.

- Nothing contained herein shall be construed to prohibit the Company from making extensions under different arrangements provided such arrangements have been approved by the Public Utilities Commission of Ohio.

- Nothing contained herein shall be construed as to prohibit the Company from making, at its expense, greater extensions than herein provided, should its judgment so dictate, provided the same extensions are made to other customers under similar conditions.

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto, are subject to the jurisdiction of the Public Utilities Commission of Ohio, and to Company's Service Regulations currently in effect, as filed with the Public Utilities Commission of Ohio, as provided for in:

PROPOSED RIDER AMP ACCELERATED MAIN REPLACEMENT PROGRAM RIDER

ACCELERATED MAIN REPLACEMENT PROGRAM RIDER, SHEET NO. 55.11

APPLICABILITY

Applicable to all customers receiving service under the Company's rates and transportation rate schedules.

ACCELERATED MAIN REPLACEMENT PROGRAM FACTORS

All customers receiving service under Rate RS, Rate RS - Low Income, Rate RT, Rate RT - Low Income, Rate GS - Small, Rate GS - Large, Rate FT and Rate DGS shall be assessed a monthly charge in addition to the Customer Charge component of their applicable rate schedule that will enable the Company to complete the main scheduled main replacement program, the main replacement program, and, where applicable, main relocation. Customers receiving service under Rate FT and Rate DGS will be assessed a three-month charge in addition to their existing delivery charge for that period.

Rider AMP will be updated annually, in order to reflect the impact on the Company's revenue requirements of rate-of-return adjustments as set by the operations and maintenance expense reductions during the most recent twelve months ended December. Such adjustments to the Rider will become effective with the first billing cycle of May.

The charges for the respective gas service schedules are:

Rate RS and RS-L Residential Service	\$0.000 per month
Rate RT and RT-L Residential Firm	\$0.000 per month
Transportation Service	\$0.000 per month
Rate GS - Small, General Service	\$0.000 per month
Rate DGS, Distributed Generation Service	\$0.000 per month
Rate FT-S and FT-L, Firm Transportation Service	\$0.000 per month
Rate L, Nonresidential Transportation Service	\$0.000 per month
Rate DGS, Gas Generation Interconnect	\$0.000 per month
Transportation Rate	\$0.000 per CCF

These monthly charges shall remain in effect until changed by order of the Public Utilities Commission of Ohio.

PROPOSED RIDER FRT FACILITY RELOCATION - MASS TRANSPORTATION

FACILITY RELOCATION - MASS TRANSPORTATION, SHEET NO. 65

APPLICABILITY

Applicable to a request and/or requirement for the construction, removal, modification, or relocation of facilities, equipment, main, or service piping related to the distribution or transmission of gas service within the Company's service territory, where the request and/or requirement, would be otherwise, and where the request or additional response for such request and/or requirement is not otherwise provided for pursuant to agreement between the Company and requesting utility. This rider becomes applicable when the said request or requirement is directly related to the construction and acquisition of any one of mass transportation, including but not limited to, light rail, heavy rail, high speed rail, street cars, subways, trolleys, trams or buses.

DESCRIPTION

CUSTOMER OR PRIVATE PARTY
When a customer or private party requests and/or requires the Company to construct, modify, relocate, and/or remove the Company's facilities, main, service piping, or any other Company-owned equipment, such requesting party shall pay all expenses related to such relocation regardless of the reason for the request and/or requirement.

GOVERNMENT ENTITY

A government entity (or Administrative Agency) includes but is not limited to any city, county, municipality, township or special district. It shall include Federal or State government entities (or Administrative Agencies). When a government entity (or Administrative Agency) requests the Company to construct, modify, relocate, and/or remove the Company's facilities, main, service piping, or any other Company-owned equipment, such requesting party shall pay all expenses related to such relocation regardless of the reason for the request and/or requirement.

- Directly pay the Company all costs related to such relocation regardless of the reason for the request and/or requirement (Direct); or
- Allow the Company to remove all cost related to such relocation regardless of the reason for the request and/or requirement from the customers residing or located within the geographical boundary of said governmental entity through a monthly charge (Indirect); or
- Some combination thereof.

COST CALCULATION

- The total cost(s) to be recovered shall be computed as follows:
 - If the requested/relocated facilities are in less than one facility, Company shall estimate the cost of the requested/relocated facilities and of the facilities which otherwise would have been installed (planned facilities). Any cost of requested/relocated facilities in excess of the planned facilities shall be the basis for the charge.
 - If the requested/relocated facilities replace existing facilities that Company would otherwise maintain or replace in place, Company shall estimate the cost of the required facilities and any planned modifications to existing facilities. Any cost of the required facilities in excess of the cost of any planned modifications to existing facilities shall be the basis for the charge.
 - If the requested/relocated facilities replace existing facilities that Company would otherwise maintain or replace in place, the cost of the required facilities, plus the cost of removing the existing facilities less their salvage value shall be the basis for the charge.
- Company's costs of planned and required facilities shall be as follows:
 - Costs of planned facilities shall include applicable material and labor costs, including allocation of indirect costs. Indirect costs are comprised of supervision, engineering, transportation, material handling, and administrative cost functions that pertain to actual construction. The amount of the allocation of indirect costs is derived by application of unit costs or allocation percentages, determined from historical experience.

NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

"Operational Flow Orders" (OFOs) are notices issued by the Company via its electronic delivery system (EDS) or fax transmission requiring Suppliers to adjust their daily deliveries into the Company's system to match, match or be less than, or match or be more than their Adjusted Target Supply Quantity for the Supplier's Pool of Customers receiving Firm Transportation Service. Supplier shall be required to deliver natural gas to be received into the Company's specified city gate receipt points. If it is determined by the Company to be necessary and the specified receipt points and amounts are identified in the OFO notice posted on the EDS.

"Over-deliveries" or "Positive Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool Customers during the period is less than the sum of the volumes available for delivery by the Company in the Pool during the same period.

"Pool" is a group of one or more customers receiving service pursuant to firm transportation tariffs that have been joined together pursuant to Rule FRAS, Full Requirements Aggregation Service for supply management purposes. If PVP Customers are being served by a Supplier, a separate Pool must be completed in the PVP Customers.

"Pool Customer" means a recipient of Firm Transportation Service provided by the Company under Tariff Sheet No. 33, 34, 35 or 36 whose service is supplied from a Supplier as a member of a Pool.

"Pricing Program" refers to the services provided under Residential Firm Transportation Service Rate (RFR) - Sheet No. 33, Residential Firm Transportation Service - Low Income (Rate RFLU) - Sheet No. 35, Firm Transportation Service - Large Rate (RFLU) - Sheet No. 37, Firm Transportation Service - Small (Rate FLS) - Sheet No. 39, and Full Requirements Aggregation Service (Rate FRAS) - Sheet No. 44.

"Pricing Service" means a service provided by the Company that allows Suppliers to deliver to the Company gas supplies needed to satisfy the sales requirements of the customers of the Supplier's Pool, all in accordance with the rates established by the Company in this Tariff Sheet and Gas Supply Aggregation/Customized Pricing Agreement.

"Positive Imbalance Volume" or "Over-deliveries" is the amount by which the sum of all volumes actually delivered to the Pool Customers during the period is less than the sum of the volumes available for delivery by the Company in the Pool during the same period.

"Program" means the Company's firm transportation supply aggregation customer choice program under Rate RFR, Rate RFLU, Rate FLS, and Rate FRAS, respectively.

"PUC" or "Commission" means the Public Utilities Commission of Ohio.

"Sales Service" means service under Residential Firm Transportation Service (Rate RFR) - Sheet No. 33, Residential Firm Transportation Service - Low Income (Rate RFLU) - Sheet No. 35, General Service - Small (Rate FLS) - Sheet No. 39 or General Service - Large (Rate RFLU) - Sheet No. 37.

"Supplier" is a qualified business entity that: (1) has been certified by the Commission to provide retail natural gas service; (2) has been chosen as a Supplier by a group of one or more customers that qualifies as a Pool; (3) agrees to accept responsibility for the gas supply management of the Pool; (4) meets the requirements for Supplier Participation set out in this Tariff Sheet, and (5) has executed a Gas Supply Aggregation/Customized Pricing Agreement with the Company.

"Supply Contract" or "Contract" means a contract between the Pool Customer and its Supplier that defines the mutual responsibilities and obligations of these parties relative to customer purchase and Supplier's sales of gas supplies for delivery to customer pursuant to this Tariff Sheet and the applicable Transportation Service Tariff Sheet.

"Target Supply Quantity" (TSQ) are defined as daily city gate delivery quantities determined from statistical models used to calculate the only gas stage of the full requirements firm customers in Supplier's Pool. These daily gas stage volumes are adjusted for Unaccounted-for Gas Losses and converted from volumetric to thermal quantities.

"Transportation Service" means service under Residential Firm Transportation Service (Rate RFR) - Sheet No. 33, Residential Firm Transportation Service - Low Income (Rate RFLU) - Sheet No. 35, Firm Transportation Service - Large (Rate FLS) - Sheet No. 37, Firm Transportation Service - Small (Rate FLS) - Sheet No. 39 or General Service - Large (Rate RFLU) - Sheet No. 37.

"Unaccounted-for Gas Loss" is the difference between the Company's total available gas commodity and the total gas commodity accepted by customers as sales and transported volumes. The difference is composed of factors including but not limited to leakage, distribution losses, and other losses. Company use and with the use of cycle billing, an amount of gas used but not billed.

"Unaccounted-for Percentage" means a percentage calculated by dividing the difference between: (1) the aggregate volume of gas received into the Company's system from the intermediate salesperson for the volume of accepted persons, all covered by the Pool; (2) the total accepted with such supply source; and (3) the aggregate volume consumed by all of the Company's gas customers, stated in MCF, over that same period, by the MCF volume calculated in item (1) above.

"Under-deliveries" or "Negative Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool Customers during the period exceeds the sum of the volumes available for delivery by the Company in the Pool during the same period.

REQUIREMENTS FOR SUPPLIER PARTICIPATION

Each Supplier desiring to receive Aggregation Service/Firm Transportation Service from the Company will be evaluated to ensure that it possesses the financial resources and sufficient experience to perform its responsibilities as a Supplier. On the basis of this evaluation, a Supplier's participation may be limited to a level specified by the Company.

In order to assist Company in performing its evaluation, Suppliers must do the following:

- Provide proof of Commission Certification to the Company.
- Complete and sign the Company's Credit Application Form.
- Complete and sign the Residential Gas Supplier Registration form.
- Pay a registration fee as set forth in Sheet No. 45 herein.
- Attend Company-sponsored training for Retail Natural Gas Suppliers.
- Demonstrate a working understanding of the proper electronic communication capabilities necessary to interact with the Company.
- Complete and sign the Company's Gas Supply Aggregation/Customized Pricing Agreement.

Suppliers not meeting the necessary credit level will be required to provide additional security in a form and format specified by the Company.

Financial evaluations will be based on standard credit factors such as financial and credit ratings, trade references, bank references, internal line of credit, Pool Customer payment history, and related financial information that have been independently audited. If available, the Company shall review credit references based on the above criteria, and will not deny a Supplier's participation in the Program without reasonable cause. A fee will be assessed to the Supplier for each financial evaluation, as set forth in Sheet No. 45 herein.

The Company reserves the right to conduct re-evaluations of Supplier's financial standing from time to time. Such re-evaluations may be initiated either by a request from the Supplier or by the Company. If the Company reasonably believes that the creditworthiness or operating environment of a Supplier may have changed, based on such re-evaluation, the Company may request the Supplier to increase the amount of its financial security. If the Supplier does not increase its security within 15 (fifteen) business days of the Company's request or within an additional time period specified by the Company, the Supplier's participation may be suspended or terminated in accordance with the Commission's Supplier Failure to Perform or comply with this Tariff Sheet. The financial evaluation fee set forth in Sheet No. 45 herein will be assessed for such re-evaluations.

GENERAL PROVISIONS

All Suppliers and Governmental Aggregators shall not engage in anti-competitive, deceptive, or unconscionable acts or practices related to, without limitation, the following activities:

- Marketing, solicitation, or sale of a competitive retail natural gas service.
- Advertisement of contracts to such services.
- Provision of such service, including interactions with customers.
- Suppliers shall maintain an employee and an office open for business in the State of Ohio.
- Suppliers and Governmental Aggregators shall not cause or arrange for the discontinuation of distribution service, or employ the threat of such actions, as a means of effecting contract termination, customer nonpayment, or for any other reason.

Suppliers and Governmental Aggregators shall not change or authorize the change of a customer's Supplier or competitive retail natural gas service without the customer's prior consent, as provided for under Rule 4901.1-29-02 of the O.A.C. For the purpose of procuring competitive retail natural gas services, this requirement does not apply to automatic Governmental Aggregation and to the PVP program.

All Suppliers and Governmental Aggregators shall provide the Company with staff with names, telephone number, and e-mail address of a contact person who will respond to Commission concerns pertaining to customer complaints. If any of the required information relating to the contact person should change, the Supplier or Governmental Aggregator shall provide advance notice of such changes to the Commission.

RECORDS AND RETENTION

The Company may request retention related to competitive retail natural gas services, and each Supplier and each Governmental Aggregator shall establish and maintain records and data sufficient to:

- Verify its compliance with the requirements of any applicable Commission rules; and
- Support any investigation of customer complaints.
- Unless otherwise prescribed, all required records shall be retained for no less than two years.
- Unless otherwise prescribed by the Commission or its authorized representatives, all required records required shall be provided to the Commission staff within three (3) business days of its request.

MARKETING AND SOLICITATION

Each Supplier and Governmental Aggregator that offers competitive retail natural gas service to customers shall provide, in its marketing materials that include or accompany a service contract, sufficient information for customers to make informed cost comparisons.

- For fixed-rate offers, such information shall, at minimum, include:
 - The cost per Ccf or Mcf, whichever is constant with the Company's current billing format, for natural gas supply;
 - The amount of any other recurring or nonrecurring Supplier or Governmental Aggregator charges; and
 - A statement that the Supplier's or Governmental Aggregator's rate is the sum of all applicable state and local taxes and the Company's service and delivery charges.
- For variable-rate offers, such information shall, at minimum, include:
 - A clear and understandable explanation of the factors that will cause the price to vary (including any related indices) and how often the price can change;
 - The amount of any other recurring or nonrecurring Supplier or Governmental Aggregator charges; and
 - A statement that the Supplier's or Governmental Aggregator's rate is the sum of all applicable state and local taxes and the Company's service and delivery charges.
- A Supplier's or Governmental Aggregator's promotional and advertising material shall be provided to the Commission or its staff within three (3) business days of a request by the Commission or its staff.

No Supplier or Governmental Aggregator may engage in marketing, solicitation, sales acts, or practices which are unfair, misleading, deceptive, or unconscionable in the marketing, solicitation, or sale of a competitive retail natural gas service. Such unfair, misleading, deceptive, or unconscionable acts or practices include, but are not limited to, the following:

- Soliciting customers for a competitive retail natural gas service:
 - After suspension, revocation, or conditional restoration of certification by the Commission; or
 - After denial of certification issued by the Commission.
- Failing to comply with paragraph (A) or (B) of this section.
- Failing to provide or with its advertisements and promotional materials that make an offer for sale, a full-cost telephone number (and address for printed material) that line potential customers may call or write to request detailed information regarding the price, terms, conditions, limitations, and restrictions.
- Soliciting via telephone calls initiated by the Supplier or Governmental Aggregator to its agent without first:
 - Obtaining the list of customers who have requested to be placed on a "do not call" list, which shall be created and maintained by the Commission; and
 - Obtaining monthly updates of the Commission-maintained "do not call" list.
- Engaging in telephone solicitation of customers who have been placed on the "do not call" list maintained by the Commission.
- Engaging in telephone solicitation to residential customers either before 9 a.m. or after 9 p.m.
- Engaging in direct solicitation to customers where the Supplier's or Governmental Aggregator's sales agent fails to wear and display a valid Supplier or Governmental Aggregator photo identification. The format of this identification shall be pre-approved by the Commission staff; and
- Advertising or marketing offers that:
 - Claim that a specific price advantage, savings, or guarantee exists if it does not, or may exist if it will not;
 - Claim to provide a competitive retail natural gas service when such offer is only a bona fide offer to sell such services;
 - State a fixed price per Ccf or MCF, whichever is consistent with the Company's current billing format, for competitive retail natural gas service without disclosing all recurring and nonrecurring charges; and
 - Offer a variable price per Ccf or MCF, whichever is consistent with the Company's current billing format, for competitive retail natural gas service without disclosing all recurring and nonrecurring charges; and
 - Fail to disclose all material limitations, restrictions, and other expiration dates.

Failure to follow any of these obligations may subject Supplier's or Governmental Aggregator's failure to perform to the Company section of this Tariff Sheet.

CUSTOMER INFORMATION LIST

Company shall make available to Suppliers an electronic list of customer information for customers who are eligible to participate in the Program. Such list shall be updated quarterly and shall, at a minimum, contain the following information regarding each customer: name, service and mailing addresses, email address or e-mail, and the most recent twelve (12) months of correspondence data. The fee for this customer information list set forth in Sheet No. 45 herein.

GOVERNMENTAL AGGREGATION

Governmental Aggregators shall follow the Commission's rules for formation and operation of a Governmental Aggregator.

Upon the request of a Governmental Aggregator, the Company will provide, on a confidential basis, an update list of eligible customers' names, service and mailing addresses, account numbers, and other customer information set data for all eligible customers residing within the Governmental Aggregator's boundaries. Except for the inclusion of information for customers who have opted out of the Company's information list, the Suppliers and Governmental Aggregators may, at their discretion, use this information in any way that complies with any customer information list provided to Suppliers described herein. The Governmental Aggregator will pay a fee for a copy of said list, set forth in Sheet No. 45 herein. The Governmental Aggregator shall not disclose or use a customer's account number or any customer information

regarding those customers who have opted-out of the Company's customer information list, without the customer's express written consent.

After the Company notifies a customer's natural gas account is a Governmental Aggregation, the Governmental Aggregator shall provide each eligible customer written notice that their account will be automatically included in the aggregation unless the customer affirmatively opts out of the aggregation. The Company shall notify eligible customers, who have not opted out of the Governmental Aggregation, later from a Governmental Aggregation under the same process described herein for Suppliers.

CUSTOMER SIGN-UP PROCEDURES

Customers desiring to participate in the Program must execute a written Supply Contract with a Supplier that states that the customer has agreed to participate in the Program and which sets forth the terms and conditions of the customer's gas supply purchase. The Supplier may design the format of the Supply Contract, but, at a minimum, it must comply with the applicable provisions specified in Rules 4901.1-29-02 and 4901.1-29-11 of the O.A.C.

In the alternative, customers desiring to participate in the Program may enroll with a Supplier via telephone or internet. Before such methods, the Supplier must retain proof of customer consent as required by the Commission.

The Supply Contract, or alternate proof of customer consent in the case of telephone or internet enrollment, will be used to resolve disputes of the validity of the account enrollment process later in question. If requested by the Company, Commission in the case of Non-Marketable Customers only or OGC in the case of residential customers only, Supplier must provide a copy of a specific Supply Contract, or alternate proof of customer consent in the case of telephone or internet enrollment, within three (3) business days of any such request.

Regardless of the customer enrollment method used, within three (3) business days after completion of enrollment (unless a later date agreed to by customer request), Supplier will provide the Company with an electronic list in a format specified by the Company, containing a listing of all customers who Supplier or signed up or declines to drop since its last submission. This list shall include each Pool Customer's Company account number. The Company will evaluate the information provided for accuracy and customer eligibility, and provide Supplier with a confirmation report within three (3) business days. In the event more than one Supplier includes the same Pool Customer on their enrollment list to begin the same period, the customer will be assigned to the Supplier whose acceptable enrollment was first processed by the Company.

Once complete and accurate information supporting a customer listing or joining a Supplier's Pool is received and confirmed by the Company, the change will be reflected on the customer's next regularly scheduled meter read date, provided that it is received by the Company at least 120 (120) days before the next regularly scheduled meter read date. If a customer reaches their enrollment prior to commencing service with a Supplier, the Company shall notify the Supplier within two (2) business days of the customer's decision.

Customers will remain with its Supplier until: (1) the customer is re-enrolled in Sales Service due to non-payment or Supplier default; (2) the customer or Supplier notifies the Company that the customer should be moved to the Company's Sales Service; (3) the customer joins the PVP program; or (4) the customer's name, service address and account number appear on another Supplier's electronic enrollment list. If a customer moves from one address to another within the Company's service territory (all billing in this tariff shall be considered to respect the Supplier/Customer contact by letter at that time); (5) the Company's current billing system needs confirmation to maintain Program participation with the Supplier because of the location change within the Company's service territory; (6) in order to maintain Program participation with the Supplier, the Supplier must confirm enrollment via customer authorization once the new distribution service account with the Company has been established; (7) when a customer changes their service address within the Company's service territory, the customer will be billed the Sales Service for a period of no more than one bill cycle plus eleven (11) days, provided that a timely enrollment notice is received from the Supplier; and (8) the customer and the Supplier may remove the link the customer is billed under Sales Service by promptly providing the Company with the new enrollment number. If the customer's request (Supplier initiates customer's termination in the Program, the Company shall issue a written notification to the customer informing customer of such change. Customers, when on their own initiative, decide to terminate their participation in the Program will be permitted to do so without the Company making any determination regarding whether the customer is contractually permitted to make such move. The Company shall be liable to the Supplier or customer for allowing the customer to re-enroll in Sales Service. The Company is not responsible for enforcing Supplier contract terms and conditions between Suppliers and customers and shall not be liable for any details of such contract.

If the Company rejects a customer from enrollment, the Supplier shall notify the customer within three (3) business days from the Company's notification of rejection that the customer will not be enrolled or enrollment will be delayed, along with the reason(s) therefore.

The Company will accept an enrollment from another Supplier for a customer who is currently with a Supplier, without the current Supplier first submitting an electronic notice notification to the Company. In enrollment situations where a customer is already being served by a Supplier or the customer is currently receiving Sales Service, the Company shall, prior to commencing competitive retail natural gas service with the subsequent Supplier, mail the customer a confirmation notice stating:

- The Company has received a request to enroll the customer for competitive retail natural gas service with the current Supplier; and, in the case of an enrollment request for a customer who is currently with another Supplier, a statement that Company's records reflect that customer is currently enrolled with another Supplier along with an acknowledgment that customer should review the terms and conditions of the incumbent Supplier's Contract for customer's obligations under said Contract;
- The date such service is expected to begin;
- The customer has seven (7) business days from the postmark date of the notice to contact the Company telephonically, in writing or via the internet to rescind the enrollment request or notify the Company that the change of the Supplier was not requested by the customer; and
- The Company's appropriate contact information, including, but not limited to, the Company's toll-free telephone number.

If the customer rescinds their enrollment, the Company will initiate said rescission and notify the Supplier or Governmental Aggregator.

Any customer referring to Sales Service as a result of Supplier default, termination, Supplier abandonment, or Supplier contract termination will not be liable for any costs associated with the switch.

ENROLLMENT OF CUSTOMERS

Suppliers may enroll customers by mail, facsimile, direct solicitation, telephone, and the internet. When soliciting outside pending Non-Marketable customers, Supplier must follow the requirements set out in Rules 4901.1-29-02 and 4901.1-29-06 of the O.A.C.

CONTRACT ADMINISTRATION AND RENEWAL NOTICES

Suppliers must adhere to the contract administration and renewal requirements for Non-Marketable customers set out in Rule 4901.1-29-02 of the O.A.C.

POOL CUSTOMER BILLING OPTIONS

Suppliers may elect one of the following two billing options for its Pool Customers that do not participate in PVP:

Option 1 - Company Consolidated Billing. The Pool Customer shall receive one bill from the Company that indicates the name of the Supplier from whom the customer is receiving its gas supply and includes an amount for the Supplier's gas supply charges in accordance with the pricing arrangement agreed upon between the Supplier and the customer, including any taxes for which the Supplier must collect. The Company's consolidated bill may provide the budget amounts, past due balances, payments applied, credits, late charges, and total amount owed on a consolidated basis only. A Supplier that elects this billing option will be provided, at no charge, as many as twenty-five (25) actively billed rate copies to a customer may be assigned by the Supplier and billed by the Company. Additional actively billed rate copies will be provided by the Company as a fee as set forth in Sheet No. 45 of this tariff. Each Supplier will be limited to a total of forty (40) actively billed rate copies that the Supplier may submit to the Company a price change each month for each rate copy. Price changes must be submitted to the Company within the 25th day of each month for bills rendered the next month. To the extent that a Supplier elects extraordinary billing system changes, the Supplier shall be charged for the cost of implementing such changes, as set forth in Sheet No. 45 of this tariff.

The Pool Customer will be responsible for making payment to the Company via the utility number shown on the bill, including both the Company's and the Supplier's charges. In the event that a customer pays to the Company less than the full amount due, the payment received shall first be applied to the Company's charges shown on the bill plus any amounts relating to such Company charges from previous billing periods, and the residual amount will be applied to the Supplier's portion of the bill, including the taxes thereon. Supplier shall be promptly notified of any payments received from customers attributable to Supplier's portion of the bill. Payment to Supplier by payments received from customers as set forth will be made within five (5) business days after each month and end-of-month numbers are available.

NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

When Supplier has elected service under Rate A.M., Accounts Receivable Management Service, the Company shall remit to the Supplier, for any transfer of volume, payment of gas bill to the Supplier's customers by the Company on Supplier's behalf, including taxes attributable to the Supplier's portion of the bill based on the terms contained in the respective Supplier's A.M. Agreement.

Supplier shall be responsible for displaying to the appropriate billing authorities any fee that is attributable to Supplier's portion of the bill. In the event, and to the extent, that a customer credits to the Company less than the amount which would be attributable to the Company's charges and discounts included on the bill, the customer shall be subject to the same fully charged and disconnected procedures which would be applicable if the customer were receiving Sales Service.

Option 2 - Dual Billing

The customer shall receive two bills as follows:

- The Company shall bill and collect for its portion of the bill that includes charges for gas transportation services and all applicable riders. The Company's bill shall include the Supplier's name and a statement that the Supplier is responsible for billing Supplier's charges. In the event that a customer credits to the Company less than the amount included on the Company's bill, customer shall be subject to the same late charges and discount rules that would be applicable if the customer were receiving Sales Service.
- Supplier shall be responsible for collecting its portion of the bill including any past due amounts that are due from Supplier's own prior billings. To facilitate Supplier's portion of the bill, the Company will provide each Supplier with an electronic notification of the monthly meter readings of all customers within Supplier's Pool that have been billed by the Company. Such billing data will correspond to the meter reading data on which the Company based its bill for gas transportation services. Suppliers may transmit gas sales to any Pool Customer for non-governed and remove the customer from its Pool in accordance with the procedures for dropping customers from a Supplier's Pool pursuant to this Tariff Sheet.

CUSTOMER DISCONNECTION

The Company may disconnect service to a customer for non-payment of its regulated utility charges. The Supplier is not permitted to physically disconnect customer's gas service for non-payment of the Supplier's gas charges.

CUSTOMER ACCESS AND COMPLAINT HANDLING

Each Supplier shall cooperate with the Company, the Commission, and the DCC (in the case of residential customers) to answer inquiries and resolve disputes. The following procedures shall be applicable to customer access and complaint handling:

A. Customer access

- Each Supplier or Governmental Aggregator shall ensure customers reasonable access to its service area by providing access to its service area and complaints, discuss charges on customer bills, inform customers of service, and transfer any other pertinent business.
- Telephone access shall be toll-free and attend customers prompt answer times during normal business hours.
- Each Supplier or Governmental Aggregator shall provide a twenty-four (24) hour automated telephone message instructing callers to report any service interruptions or natural gas emergencies to the Company.

B. Customer complaints

- Each Supplier or Governmental Aggregator (and/or its agent) shall investigate customer complaints including customer complaints referred by the Company and provide a status report within three (3) business days following receipt of the complaint to:
 - the customer, when the complaint is made directly to the Supplier or Governmental Aggregator, or
 - the customer and Commission staff, when a complaint is referred to the Supplier or Governmental Aggregator by the Commission staff.
- The Governmental Aggregator may choose to have the Supplier perform certain functions on the Supplier's behalf, including, but not limited to, the Governmental Aggregator is still responsible for ensuring that the requirements of these rules are met.
- If an investigation is not completed within ten (10) business days, the Supplier or Governmental Aggregator (and/or its agent) shall provide status reports to the customer, and if applicable, to the customer and Commission staff. Such status reports shall be provided at three (3) business days intervals until the investigation is complete, unless the action that must be taken will require more than three (3) business days and the customer has been notified.
- If the Supplier or Governmental Aggregator (and/or its agent) shall inform the customer, the customer and Commission staff, of the results of the investigation, orally or in writing, no later than three (3) business days after completion of the investigation. The customer or Commission staff may request the report in writing.

- If a customer disputes the Supplier's or Governmental Aggregator's (and/or its agent's) report, the Supplier or Governmental Aggregator shall inform the customer that the Commission staff will be available to mediate complaints. The Supplier or Governmental Aggregator (and/or its agent) shall provide the customer with the address, local toll-free telephone numbers, and TOLLFREE telephone number of the Commission's public interest center.

- Each Supplier or Governmental Aggregator shall retain records of customer complaints, investigations, and complaint resolutions for two (2) years after the occurrence of such complaint and shall provide such records to the Commission staff within three (3) business days of request.

- Each Supplier or Governmental Aggregator shall make good faith efforts to resolve disputes and cooperate with the resolution of any joint issues with the Company.

- When the issue with the customer to determine whether it also involves the Company.
- Cooperate with the resolution of any joint issues with the Supplier or Governmental Aggregator, and

- Refer the customer to the appropriate Supplier or Governmental Aggregator in those instances where the issue falls Company involvement.

Dispute Resolution

- A dispute is a complaint in a customer's allegation that the customer's Supplier or Governmental Aggregator has been switched without the customer's authorization.
- If a customer contacts the Company, Supplier or Governmental Aggregator alleging that the customer's Supplier has been switched without the customer's authorization, the Company, Supplier or Governmental Aggregator shall:
 - Provide the customer any evidence relating to the customer's work.
 - Refer the customer to the Commission's public interest center.
 - Provide the customer with the toll-free telephone number of the Commission's customer service department, and
 - Cooperate with the Commission staff in any subsequent investigation of the dispute.
- Except as otherwise provided in Chapter 4901.1-28 of the O.A.C., if the Supplier or Governmental Aggregator cannot provide valid documentation confirming that the customer authorized the switch, there shall be a rebuttable presumption that the customer was switched without authorization. Such documentation shall include one of the following, in conformance with the requirements of Rule 4901.1-29-45 of the O.A.C.:
 - A signed contract, in the case of direct ownership;
 - An audio recording, in the case of telephone ownership; or
 - An electronic record, in the case of internet ownership.
- In the event that the customer was provided from one Supplier or Governmental Aggregator to a different Supplier or Governmental Aggregator without authorization, the customer's previous Supplier or Governmental Aggregator shall re-credit the customer without penalty under such customer's original contract prior to the duration of the original term and send the Company an electronic acknowledgment.

If the original Supplier or Governmental Aggregator is unable to return the customer to the original contract price, the original Supplier or Governmental Aggregator may require the customer to move contract pursuant to the provisions of Rule 4901.1-29-06 of the O.A.C., or the customer may select a new Supplier or return to the Company's GCR commodity service.

- In the event that a customer was switched from Sales Service to a Supplier or Governmental Aggregator without notice or that the Company shall switch the customer back to Sales Service without penalty.

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream firm interstate pipeline capacity required to meet Supplier's firm transportation service pool's aggregate Adjusted MOQ less the firm interstate pipeline capacity assigned to the Supplier by the Company. Assignments and recalls of interstate pipeline capacity are mandatory for MOQ in excess of the Supplier's firm transportation service pool's aggregate Adjusted MOQ as of April 1, 2007. Due to the physical configuration of the Company's system, certain upstream interstate pipeline facilities, and to enable the Company to comply with level interstate pipeline tariffs under to maintain the Company's system integrity, the Company reserves the right to direct each Supplier to proportionately deliver, with respect to the Company's northern and southern interstate pipeline receipt points, the Supplier's daily pool requirements. Specific delivery requirements will be electronically posted by the Company.

A Supplier, when aggregate Pools' MOQ exceeds 6,000 Dth/day and who adds 3,000 Dth/day of additional MOQ over the supplier's MOQ as of April 1, 2007, shall be assigned a proportionate amount of the Company's interstate pipeline firm transportation capacity by the Company on a seasonal basis. This MOQ criterion will be reviewed by the Company semi-annually based on the MOQ as of September 30th with any increase becoming effective the following November 1st through March 31st, and on the MOQ as of February 28th, with any increase becoming effective the following April 1st through October 31st. Suppliers will be notified of any change to their minimum daily pool delivery MOQ for winter capacity and by March 15th for summer capacity.

The assignment shall be structured as a release of capacity. The posted rate will be the rate for which the Company has contracted with the interstate pipeline. Any capacity with a discounted rate will be posted open to bids, with the Supplier being the pre-qualified bidder. All other capacity will be posted at the pipeline's maximum rate with the Supplier being the pre-qualified bidder.

The Company shall assign interstate pipeline firm transportation capacity capacity to each Supplier in accordance with the allocation percentages and on a pro-rata basis to the Company's total capacity for the designated pipeline or pipelines. The Company may choose a mutually agreed-upon assigned capacity profile. During the summer months of April through October, the Company's firm transportation capacity shall be reduced by the Company's maximum daily intercompany or Columbia Gas Transmission's Firm Storage Service for purposes of determining the pro-rata share for suppliers that have elected Firm Balancing Service (FBS) rather than Enhanced Firm Balancing Service (EFBS).

Capacity will be assigned to the Supplier on a "recall and recall" basis. The Company will release the capacity to the Supplier's pipeline capacity to the Supplier's electronic bulletin board and the Supplier shall execute the service agreements as generated by the pipeline firm (2) days prior to the end of the week to enable the Supplier to invoice gas suppliers under the service agreements for the following month. If the Supplier fails to execute the service agreements the charges for the released capacity will be added to the Supplier's Pool invoice for the month.

Prior to the capacity release process, the Supplier shall comply with the appropriate pipeline's credit review and establish itself on the pipeline's Approved Bidder List (as defined by the interstate pipeline company's tariff).

The Company, in releasing capacity under a recallable release, remains liable to the pipeline for reservation charges. The Supplier will provide sufficient financial guarantee to the Company of its ability to pay such pipeline charges, unless the applicable pipeline company releases the Company from liability for the Supplier's pipeline reservation charges.

The Company reserves the right to change the type of information required as well as the notification deadline to comply with the requirements of the interstate pipeline companies.

There will be no restrictions on the Supplier's use of the released capacity at such times as it is not required to deliver gas to the Company's system.

The Supplier may re-instate all or a portion of the capacity to a replacement supplier who meets all the requirements to which the Supplier is subject, including but not limited to the Company's right of recall. A re-release shall not reflect the Supplier's obligations under the provisions of the capacity release to the Company.

The Supplier receiving assignment shall pay the pipeline's direct fee for all charges associated with the use of released capacity, including (without limitation) demand charges, capacity charges, taxes, surcharges, fuel charges, imbalance and contract charges, and penalties.

The Supplier shall not receive recall and delivery points of the interstate pipeline capacity firm transportation capacity released by the Company without written consent from the Company. The Supplier will be responsible for operating the assigned capacity consistent with all the terms and conditions set forth in the tariffs of the Company and the applicable pipeline company.

DAY-1 BALANCING

The Company will provide and charge the Supplier for balancing service, which will be to manage differences between the Supplier's required daily Supplier delivery and the actual customer's consumption. There will be an annual election each year for Suppliers whose Pools are greater than 1,000 Dth/day to elect, or at below January 1st each year, either FBS (Firm Balancing Service, Sheet No. 75 in Rider EFBS (Enhanced Firm Balancing Service), Sheet No. 74, to be effective on April 1st each year. A Supplier that elects FBS will be billed at the rate set forth in Rider EFBS, Sheet No. 75. A Supplier whose Pool MOQ is less than 1,000 Dth/day will receive balancing service under the Company tariff Rider FBS. Suppliers that elect Rider FBS and Suppliers whose Pool MOQ is less than 1,000 Dth/day will be billed the balancing charges as set forth in Rider FBS on all volumes consumed by the Supplier's Pool.

- Target Supply Quantities must be delivered each day based on the Company's forecasted temperatures and the aggregate demand curves for each Customer Pool, all as more fully described within the "Gas Supply Aggregation/Customer Pooling Agreement" between the Company and Supplier. Any Supplier that fails to deliver gas volumes in accordance with that agreement may be held liable from further participation in the program.

- Suppliers are subject to Operational Flow Orders issued by the Company as described below. The Company may suspend from this program any Supplier that does not comply with an Operational Flow Order.
- Suppliers shall have the ability to make daily/monthly inter-pool trades under the Company tariff Rider GTS, Gas Trading Service.

MEASUREMENT OF CONSUMED VOLUMES

The Company will electronically provide each Supplier with a listing of the monthly meter readings and usage for all customers within the Supplier's pool. Such monthly meter reading and usage data will correspond to the consumption data which the Company based its bill for gas transportation services. Monthly volumes billed to participating customers shall be considered actual volumes consumed, whether the meter reading is actual or calculated.

ANNUAL RECONCILIATION

The Company will reconcile imbalances on an annual basis, for each Supplier, through determination of the difference between: (1) the Supplier's deliveries for the previous year, and (2) the actual consumption plus the Company's Unaccounted-for Percentage on the Supplier's aggregate Customer Pool, both calculated at the gas gate, subject to recognition of all adjustments available to the previous year.

Suppliers will allocate the imbalance (either the shortage or gas with Company) as a storage inventory transfer, an adjustment to their Rider EFBS, balancing charges, or delivery over the next thirty (30) days or longer if mutually agreed by Supplier and Company.

OPERATIONAL FLOW ORDERS

Suppliers are subject to the Company's issuance of operational flow orders, which will direct each Supplier to adjust scheduled volumes to match the Customer Pool's estimated usage. For Suppliers that have elected Rider EFBS or are participating under the Company's firm transportation program, the difference between scheduled deliveries from the interstate pipeline companies and the estimated Pool usage will be sent by the EFBS. In the event that the Company's storage service provides has increased excess storage volume available and a Supplier elects Rider EFBS, MOQ or MOQ less than 1,000 Dth/day, the Supplier will be required to comply with the Operational Flow Order (OFO). However, on days with

projected temperatures colder than the design winter peak day temperature, the Supplier will have two options. The Supplier may: (1) deliver to the Company the volume of gas equal to their Adjusted Target Supply Quantity; or (2) deliver to Company only that volume equal to their Adjusted MOQ and rely on Company to acquire the incremental volume, i.e., the difference between their Adjusted Target Supply Quantity and their Adjusted MOQ. If the Supplier selects the second option, the Supplier will pay the Company for costs the Company incurs in obtaining the incremental supply and may meet the delivery requirement with both its flowing supply and MOQ. Failure of the Supplier to deliver volumes in accordance with its selected option may result in suspension or termination from further participation in the Company's firm transportation program.

Failure to comply with an Operational Flow Order, which is defined as the difference between the daily OFO volume and actual daily deliveries, will result in the action under either of the following charges:

Under-deliveries

- The payment of a gas cost equal to the highest incremental cost paid by Company on this date of non-compliance;
- one month's forward charges on the OFO shortfall. This charge shall not be imposed more frequently than once in any thirty day period; and
- the payment of all other charges incurred by Company including, but not limited to pipeline penalty charges on the date of the OFO shortfall.

Over-deliveries

- any over-run delivered by Supplier will be considered by the Company and used for its general supply requirements, without compensation to Supplier;
- Company shall bill and Supplier shall pay all charges incurred by Company including but not limited to penalty charges for the interstate pipeline for gas necessary deliveries, provided such penalties can be attributed to Supplier's over-run.

SCHEDULING

Supplier must make all necessary arrangements for scheduled natural gas deliveries to Company.

Each month, by 5:00 A.M. E.S.T., the Company will post on its ESB an "Adjusted Target Supply Quantity" that the Supplier will be required to deliver into the Company's designated city gate receipt points during the following gas day. For purposes of the Company's firm transportation program, the "Adjusted Target Supply Quantity" is defined as the Target Supply Quantity, plus or minus any adjustments that Supplier may be required to make to its daily deliveries, plus the daily firm requirements of all customers being served by Supplier under both Rule F and Rule T, as specified within Supplier's firm transportation service for interstate transportation contracts. The quantities as calculated will then be adjusted for Unaccounted-for Gas Loss back to the Company's city gate, and converted to Dth. By 4:00 P.M. E.S.T. each day, Supplier shall notify the Company through the ESB of its total city gate deliveries for the next day, by Company Rate Schedule, for each pipeline company delivering gas into the Company's system.

The Adjusted Target Supply Quantities that will be used to define the Supplier's next day delivery obligations shall also be the quantities against which the Supplier's pipeline contracted daily deliveries into the Company's system, combined with quantities between Supplier's other EFBS balancing services, if applicable, will be compared in order to determine Supplier's daily overruns/under-run volumes. Daily overruns/under-run volumes determined in this manner shall form the basis for daily "make-whole" OFO charges, daily pipeline penalty charges (see Item 10), and any other charges under any of the Company's applicable tariffs, that are levied based on Supplier's failure to deliver the Adjusted Target Supply Quantities of gas into the Company's system.

During the months of November through March, Company shall reserve a portion of its assigned pipeline capacity for Supplier Pools, based on the weighted of each Pool's then-applicable MOQ and the percentage of the Company's total system capacity gas needs forecasted to be met by capped capacity for the upcoming months of November through March. The percentage reserved shall be applied as a reduction to the MOQ that will result in the Supplier's Adjusted MOQ.

When the Supplier Pool's Adjusted Target Supply Quantity exceeds the volume of Supplier's Adjusted MOQ and the Supplier elects not to deliver the incremental volume of natural gas in excess of its Adjusted MOQ, then the Company shall supply the Pool's gas needs in excess of the Supplier's Adjusted MOQ with imported storage or alternate peaking supplies. The daily allocated costs of the storage or alternate peaking supply provided by the Company hereafter shall be billed directly to Supplier.

By July 1st of each year, and when there is a material change in the Company's proposed peaking capacity, Company shall indicate the percentage of Supplier Pool's Minimum Daily Quantity that will be met with Company's required storage, or alternate peaking supplies, allocated by Company to each Pool.

OTHER RULES AND REGULATIONS

Except to the extent superseded herein, the Company's Rules and Regulations Governing the Distribution and Sale of Gas and such other Commission rules as are applicable shall apply to all gas transportation services provided hereunder.

CONSEQUENCES OF SUPPLIER'S FAILURE TO PERFORM OR COMPLY

If a Supplier fails to deliver gas in accordance with this tariff, the Supplier's failure to deliver gas in accordance with this tariff shall result in the Company's taking temporary to limit affected Pool Customer and shall bill Supplier the higher of the following: (1) the fair market price for that period, or (2) the highest incremental cost of gas for that period that the Company actually paid for gas supplies, including transportation and all other applicable charges. The Company shall have the right to immediately and unilaterally issue Supplier's letter of credit, partial payment, or any other collateral posted by the Supplier under the terms of the Supplier's Pool of the Pool of these representative supplies.

If a Supplier fails to deliver gas in accordance with the full service requirements of the Gas Supply Aggregation/Customer Pooling Agreement, or otherwise fails to comply with the provisions of this Tariff Sheet, including those specified in the Obligations to the Company section, the Company shall have the discretion to initiate this process to suspend temporarily or terminate such Supplier's further Program participation. To initiate the process, the Company shall serve a written notice of such failure in reasonable detail and with a proposed remedy to the Supplier and the Commission, as set forth in Rule 4901.1-27-02 of the O.A.C.

On or after the date said notice has been served, the Company may file with the Commission a written request for authorization to terminate or suspend the Supplier from participation in the Company's Program. Except as set forth below to under-delivery or non-delivery, if the Commission, or any Attorney Examiner, does not issue an order to suspend or reject the action proposed by the Company within ten (10) business days after receipt of the request, the Company's request to terminate or suspend shall be deemed submitted on the eleventh (11th) business day. If the Supplier's failure is firm under-delivery or non-delivery and, if the Commission, or an Attorney Examiner, does not act within ten (10) business days after receipt of the request, the Company's request to terminate or suspend shall be deemed authorized on the sixth (6th) business day.

If the Supplier is suspended or terminated from the Program, customers in such Pool shall revert to Company's Sales Service, unless and until said customers join another Supplier's Pool. Any termination or suspension of the Gas Supply Aggregation/Customer Pooling Agreement pursuant to any provision of this section shall be without prejudice of any remedy, whether at law or in equity, to which the party not in default otherwise may be entitled for breach of the Agreement.

ALTERNATIVE DISPUTE RESOLUTION

Alternative Dispute Resolution shall be offered to Suppliers and the Company as a means to address disputes and differences that may arise under this tariff. Alternative Dispute Resolution shall be conducted in accordance with the Commission's rules or as agreed upon among the applicable parties. Nothing herein shall act to deprive any party of its legal rights in a jurisdictional forum.

FORCE MAJEURE

If either Supplier or Company is unable to fulfill its obligations under this tariff Sheet due to an event or circumstance which is beyond the control of such party and which prevents such performance, such party shall be excused from and will not be liable for damages related to non-performance during the continuation of such impossibility of performance. Whether or the following shall be considered a force majeure condition: (1) changes in market conditions that affect the acquisition or transportation of natural gas; or (2) failure of Supplier to deliver or Pool Customer to consume scheduled gas volume.

The party claiming force majeure will not due diligence to remove the cause of the force majeure condition and remove delivery or consumption of gas previously suspended. Gas withheld from the Supplier or Pool Customer's during a force majeure condition will be delivered upon the end of such condition as soon as practicable.

NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

The average percentage increase in the total bill of customers under Rate IT, assuming IT customers pay the same gas cost as GS-1 customers, should be the increase as granted in AGS 1.5%.

PROPOSED RATE IT-5 FIRM TRANSPORTATION SERVICE - SMALL

FIRM TRANSPORTATION SERVICE - LARGE, SHEET NO. 2.3

AVAILABILITY
Firm full requirements transportation service for an individual non-residential customer using 4,000 CCF or less during the prior calendar year at one premise, which is provided from the Company's city gas network pursuant to the natural gas of the Company's meter used to serve the customer. This service is available within the Company's meter service territory, and at the customer's option, to serve the firm service requirements of interruptible transportation customers in coordination with service under Rate IT-6 for non-residential customers except for those customers whose utility service accounts are paid due to the firm customer credits to offset this service. The Company may terminate a customer's regular contract for non-payment and return the customer to the Company's service only if (1) the Supplier has made an affirmative request for the Company to act as its agent to terminate customer contracts for non-payment, and (2) the Supplier has included in its customer contracts, a notice that the Company can terminate such contracts for non-payment when the Supplier is performing its part of the gas supply. Termination of the agreement will be at the discretion of the Supplier, as specified in the Supplier's contract for service. The Supplier as the customer shall give no less than 180 days' written notice that the customer will be switching to the Supplier and return to the Company using the past due amount is paid by the customer's next scheduled bill due date. If the past due amount is paid by the next scheduled bill due date, the customer will not return to the Company and will remain with the Supplier. If the Company receives the past due amount from the customer, it will send a copy of the notice to the customer's Supplier. Service shall be provided on demand from the Company's city gas network pursuant to the natural gas of the Company's meter used to serve the customer. Customer must enter into a "supply" agreement with a Supplier that meets the Company's requirements for participation in this pricing program, and must arrange for the delivery of gas into the Company's system.

Customers that believe that they will significantly increase throughput, from their historic firm service levels, shall be subject to the Company's firm service levels, shall be subject to the Company's firm service levels.

Gas transported under this tariff shall be for customer's use at one point of delivery where distribution mains are adjacent to the premises to be served. Any gas provided hereunder shall be provided by replacement.

NET MONTHLY BILL

Computed in accordance with the following charges:

Fixed Delivery Service Charge \$16.64
Plus a Charge-Based Charge per CCF for each CCF of gas requested for customer from the Company's city gas network station to the cubic foot of the Company's meter used to measure deliveries to the customer. \$1.54/100 CCF

Plus, in addition, rate adjustments which may occur as a result of changes in the rates of interstate pipelines, or of rulings of the Public Utilities Commission of Ohio under the Federal Energy Regulatory Commission, and for which it is determined that all customers should be allocated some portion of the corresponding costs or refunds.

In addition, the net monthly bill, as calculated above, shall be adjusted by application of the percent specified on Sheet No. 6.4, Rate IT-5, Ohio Gas Use Tax Liability Rider, except that income charges are excluded in the computation of the net bill.

Customer and/or Suppliers shall be responsible for the collection and payment of excise taxes, revenue taxes, or similar taxes on the gas supplies that customer purchases from its Supplier.

The monthly minimum bill shall be the Fixed Delivery Service Charge and applicable charges under Rate IT-5, Rate IT-6, Rate IT-7, Ohio Gas Use Tax Liability Rider, except that income charges are excluded in the computation of the net bill.

The average percentage increase in the total bill of customers under Rate IT-5, assuming IT-5 customers pay the same gas cost as GS-1 customers, should be the increase as granted in AGS 1.5%.

PROPOSED RATE IT-6 ECONOMIC DEVELOPMENT INCENTIVE RIDER

ECONOMIC DEVELOPMENT INCENTIVE RIDER, SHEET NO. 6.4

APPLICABILITY
Applicable to all equal jurisdictional customers in the Company's natural gas service territory.

GENERAL
Duke Energy Ohio shall implement a pilot program to encourage businesses to locate in Ohio, and/or to expand their existing operations in Ohio, by providing a mechanism to fund these types of economic development projects. Funds may be used for project development, acquisition, project closure, and gas utility infrastructure in those instances where utility infrastructure has been identified as an impediment to commercial/industrial economic development.

The criterion for eligibility includes, but is not limited to, the following:

- Jobs growth.
- Public development sites participating in Duke Energy Ohio's "Site Remediation" program closer to market.
- Rehabilitation of urban areas such as "brownfields" redevelopment.
- Development of natural gas vehicle transportation facilities.

The program will be managed and funds will be allocated and distributed by Duke Energy Ohio. Disbursement of the program will not be limited to, the development, review, and approval of proposed projects under this program. The program is created with recognition that the type of economic development has a corresponding effect on jobs and the economy in the region. Further, the program recognizes that new gas use by Duke Energy Ohio customers will realize future benefits via increases in the utility's natural gas throughput.

The goal of the rider is to collect \$1 million per year towards the funding of economic development projects and activities in Duke Energy Ohio's southeastern Ohio GS-100 natural gas service territory. All funds will be spent in a manner consistent with the terms of eligibility and criteria described herein. Any unused funds from one year will carry over to the next year; however, the fund is not to exceed \$2 million. Annual adjustments, if necessary, will be made to the rider to keep the fund within the \$2 million cap.

DESCRIPTIONS AND ELIGIBILITY

Eligible Activities: Funds under this program may be used for the following:

1. Project Development/Site Remediation: - Brownfields sites for new development or expansion, prospective customers will be first to other states with sites further along the development continuum. Grants will be available for the development of existing buildings owned and/or operated by Duke Energy Ohio, public sector property building development, gas infrastructure improvements, existing brownfields and brownfields sites close to readiness for development, and business park developments. Funds may be used for the remediation and restoration of abandoned sites. The Duke Energy Ohio Readiness program has been developed to assist in these efforts.

Projects under this section (1) shall be evaluated using one or more of the following criteria as a guide for qualification:

- a. Project is in an area identified to qualify as Urban Revitalization, by the Duke Energy Urban Revitalization Advisory Team, which is comprised of business leaders from southeast Ohio.
- b. Project involves development sites participating in Duke Energy Ohio's Site Remediation program closer to market.
- c. Project leads to revitalization of urban areas such as brownfields redevelopment.

2. Project Closure - Grants will be available to achieve economic agreements for relocation, expansion, or relocation of companies in SPR-04. Grants will be awarded to those that have the base of primary jobs in Duke Energy's SPR-04 area. Specific analysis will be required on targeted cluster industries as identified by the regional cluster analysis. Grants may be used to enhance the incentive packages that local communities, regional partnerships, and/or localities provide for prospective companies, including site and facility acquisition and off-site infrastructure improvements. Grants may not be used for interstate relocation of facilities and/or jobs (including from the Duke Energy's Readiness program) to the Duke Energy Ohio territory where a revenue is obtained from the original community. Applicant project closure will be developed.

Infrastructure Improvements - Off-site costs associated with natural gas utility infrastructure improvements to support one local project and qualify company agreements. Grant amounts shall not exceed the actual costs incurred for approved projects, and be calculated using the actual estimates.

analysis and/or other all gas main extensions that determine customer characteristics remain. Funds shall apply only to costs normally borne by the project developer and/or new customer.

In addition to this section (2), the project/facility should:

- a. be located within existing Duke Energy Ohio service territory, or an extension thereof which occurs as a result of main extension associated with the project;
- b. have an end use that may be classified in the North American Industry Classification System (NAICS) as one of the following Manufacturing or Service Industry businesses:

1. Manufacturing (NAICS codes 31, 32, & 33)
 - A. Aerospace
 - B. Automotive and transportation
 - C. Chemicals and plastics
 - D. Machinery and equipment (Advanced manufacturing)
 - E. Plastics, Bio-technology
 - F. Food and Beverage
2. Other non-manufacturing operations
 - A. Data Centers
 - B. Professional, scientific or technical services (NAICS code 541)
 - C. Transport, National or World Headquarters
 - D. Natural Gas Vehicle Fueling Stations

NAICS codes may be found at: <http://www.census.gov/ipeds/www/naics.html>.

Projects under this section (2) shall be evaluated using one or more of the following criteria as a guide for qualification:

- a. Project is determined to be a large user of natural gas as evidenced by the following:
 1. The proposed project/facility impacts an area likely to become a gas load or significant demand of more than 150,000 CCF (cubic feet of 100 cubic feet per year) and/or;
 2. The facility's natural gas use represents at least 5% of the facility's annual gross revenue from sales that total annual natural gas bill divided by annual gross sales and/or; Jobs Ohio, State and/or Local Community participation.
- b. Project must show evidence of public participation in the form of incentives or other capital contribution to the project.
- c. Project is necessary to provide service to a natural gas vehicle filling station that includes a point of access for public utilization.
- d. Project Capital Investment at the project site exceeds \$2,000,000.
- e. There will be job creation or job retention at the site as a result of the project.

1. Funds under this program cannot be used for a facility or equipment that uses natural gas to generate electricity. Nor can they be used to provide utility infrastructure for such facilities or equipment.

An additional incentive will be provided to those qualifying projects that result in new or incremental gas load. Incremental gas load is defined as additional usage over and above an established baseline as determined by the Company. Such incremental usage must be to the direct result of the qualifying project.

The additional incentive will be in the form of a twenty-five percent (25%) discount applied to the monthly Fixed Delivery Service Charge and the monthly Charge-Based Charge for gas delivered. The discount is only available to those two specific components of the customer's gas bill and includes any and all other charges including the Excise Tax rider. The discount will be applied for a period of twelve (12) months. Funding for this additional incentive will be provided through the rider.

TERMS AND CONDITIONS

These funds are not available for renewal of service following interruptions such as equipment failure, temporary plant shutdown, strike, or economic conditions. These funds are not available for lost or stolen from one customer to another within the Company's service area.

The customer must enter into a Service Agreement with the Company that shall specify, among other things, a description of the amount and nature of the use, and the basis on which the customer requests qualification for this Rider. Duke Energy Ohio may file this Service Agreement with the Public Utilities Commission of Ohio for informational purposes only.

Following the effective date of the Service Agreement, the customer must maintain a minimum demand in accordance with the Service Agreement. Failure to do so will result in the customer's Service Agreement being terminated.

The Company is not obligated to extend, expand or rearrange its facilities if it determines that existing distribution facilities are of adequate capacity to serve the customer's need.

The customer may request an effective date of the Service Agreement that is no later than twelve (12) months after Company's approval of the Service Agreement with the customer. A Service Agreement must be fully executed within thirty (30) days of the date of the customer's request from the Company. All subsequent billings shall be at the applicable full standard service tariff rate.

CHARGES

The Rider rate to be applied to all residential customer bills beginning with the January 2013 revenue month is \$0.062900 per CCF (cubic foot of 100 cubic feet).

The Rider rate is applied to all non-residential customers who begin with the January 2013 revenue month is \$1.50 per month.

PROPOSED RIDER IT MAIN EXTENSION POLICY

MAIN EXTENSION POLICY, SHEET NO. 6.4

APPLICABILITY
Applicable to gas service supplied in accordance with provisions of the appropriate rate currently in effect, from the nearest available distribution main when, in the opinion of the Company, it is necessary to extend such main.

EXTENSION PLAN

1. One Standard Foot or Less.

An extension of one Standard Foot or less shall be provided without charge to be made by the Company in an existing distribution main without charge to a prospective customer or customers who shall not pay for and contract to use service for one (1) year or more.

2. Excess of One Standard Foot.

(a) Individual Service Installation.

The Company, at its sole discretion, may perform a net present value (NPV) analysis based upon total construction costs for the entire length of the extension, and pay the cost of the extension in excess of 100 feet. The NPV analysis will take into account the revenues to be received from the customer. If the NPV calculation is positive, the customer will not be charged for the construction costs. If the NPV calculation is negative, the customer must deposit with the Company an amount equal to the results of the NPV calculation prior to construction taking place. Any such deposit shall be eligible for a refund consistent with the terms and conditions of the main extension contract entered into between the Company and customer. Further, the customer must continue to receive gas service from the Company at the same service installation or premises in order to be eligible for a refund. Refunds shall not exceed the amount of the deposit and shall be limited to a period of ten (10) consecutive years following the effective date of the main extension contract.

For large commercial and industrial customers with process load, Duke Energy Ohio may require a minimum customer usage commitment for a defined period of time not to exceed six (6) years.

(b) Multiple Service Installations.

(c) Existing Subdivisions, New Joint-Trench Subdivisions, and Existing Non-Subdivisions.

When an extension of the Company's main to serve an applicant amounts to more than one Standard Foot per service installation, the Company may require total cost of the bridge in excess of 100 feet per customer to be deposited with the Company by the applicant based upon the estimated cost per foot for major pipelines. Additionally, the Company, at its sole discretion, may perform a net present value (NPV) analysis based upon total construction costs for the entire length of the extension, and not less than the cost of the extension in excess of 100 feet. The NPV analysis will take into account the revenues to be received from the customer. If the NPV calculation is positive, the applicant will not be charged for the construction

costs. If the NPV calculation is negative, the applicant must deposit with the Company an amount equal to the results of the NPV calculation prior to construction taking place. Any such deposit shall be eligible for a refund consistent with the terms and conditions of the main extension contract entered into between the Company and applicant. Further, where the applicant is the customer, the customer must continue to receive gas service from the Company at the same service installation or premises in order to be eligible for a refund. Refunds shall not exceed the amount of the deposit and shall be limited to a period of ten (10) consecutive years following the effective date of the main extension contract.

(d) New Joint-Trench Subdivisions.

When an extension of the Company's approach and/or internal mains is necessary to serve a new subdivision, the Company will perform a net present value (NPV) analysis of total construction costs and the revenue to be received from each customer to be connected to the new mains. For purposes of the NPV calculation, the Company will assume that a complete build-out of the subdivision will occur in five (5) years. If the NPV calculation is positive, no deposit will be required for the new subdivision and the NPV results will be credited toward the calculation of the deposit requirement for any approach main that may be required. If the NPV calculation is negative, the amount of the NPV results must be deposited with the Company prior to the construction of the mains to serve the new subdivision. Any deposit made when the NPV calculation is negative is eligible for a refund due to independent connections or extensions consistent with the terms and conditions of the main extension contract entered into between the Company and applicant. Refunds shall not exceed the amount of the deposit and shall be limited to a period of ten (10) consecutive years following the effective date of the main extension contract.

3. Nothing contained herein shall be construed to prohibit the Company from making extensions under different arrangements provided such arrangements have been approved by the Public Utilities Commission of Ohio.
4. Nothing contained herein shall be construed to prohibit the Company from making, at its request, greater extensions than herein prescribed, should its judgment so dictate, provided the same extensions are made to other customers under similar conditions.

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto, are subject to the jurisdiction of the Public Utilities Commission of Ohio, and to Company's Service Regulations currently in effect, as filed with the Public Utilities Commission of Ohio, as provided by law.

PROPOSED RIDER ANRP ACCELERATED MAIN REPLACEMENT PROGRAM RIDER

ACCELERATED MAIN REPLACEMENT PROGRAM RIDER, SHEET NO. 6.5.1

APPLICABILITY
Applicable to all customers receiving service under the Company's sales and transportation rate schedules.

ACCELERATED MAIN REPLACEMENT PROGRAM FACTORS

All customers receiving service under Rate GS-1, Rate GS-2, Low Income, Rate IT-5, Rate IT-6, Low Income, Rate GS-3, Small, Rate GS-4, Large, Rate IT-7, and Rate GS-5 shall be assessed a monthly charge in addition to the Customer Charge component of their applicable rate schedule that will enable the Company to complete the main replacement program, and when applicable, water customer. Customers receiving service under Rate IT-5 and Rate GS-1 will be assessed a throughput charge in addition to their commodity delivery charge for that purpose.

Rider ANRP will be updated annually, in order to reflect the impact on the Company's revenue requirements of not just additions at offset by cancellations and reallocations requests received during the next month's revenue month ending December. Such adjustments to the Rider will become effective with the first billing cycle of May.

The charges for the respective gas service schedules are:

Rate GS-1 and GS-2, Residential Service	\$ 0.00
Rate IT-5 and IT-6, Residential First	\$ 0.00
Transportation Service	\$ 0.00
Rate GS-3 and GS-4, General Service	\$ 0.00
Rate GS-5, Disposition Conversion Service	\$ 0.00
Rate IT-7 and IT-8, Firm Transportation	\$ 0.00
Service	\$ 0.00
Rate IT-5, Interruptible Transportation Service	\$ 0.00
Rate GS-1, Gas Operation Interruptions	\$ 0.00
Transportation Rate	\$ 0.00

These monthly charges shall remain in effect until changed by order of the Public Utilities Commission of Ohio.

PROPOSED RIDER FRT FACILITY RELOCATION - MASS TRANSPORTATION

FACILITY RELOCATION - MASS TRANSPORTATION, SHEET NO. 6.9

APPLICABILITY
Applicable to a request under requirement for the construction, removal, modification, or relocation of facilities, equipment, pipes, or service piping related to the distribution or transmission of gas service when Duke Energy Ohio (Company), absent such request or requirement, would do otherwise, and where the recovery of additional expenses for such request and/or requirement is not otherwise provided for pursuant to agreement between the Company and requesting entity. This rider becomes applicable when the said request/requirement is directly related to the construction and operation of any mode of mass transportation, including but not limited to, light rail, heavy rail, high speed rail, street cars, trolleys, trams or buses.

DESCRIPTION

CUSTOMER OR PRIVATE PARTY

When a customer or private party requests and/or requires the Company to construct, modify, relocate, and/or remove the Company's facilities, pipes, service piping, or any other Company-owned equipment, such requesting party shall pay all expenses related to such relocation regardless of the reason for the request and/or requirement.

GOVERNMENT ENTITY

A government entity or Administrative Agency includes but is not limited to any city, county, municipality, township or village district, it shall not include Federal or State government entities for Administrative Agency.

When a government entity or Administrative Agency requests the Company to construct, modify, relocate, and/or remove the Company's facilities, pipes, service piping, or any other Company-owned equipment, such requesting party must elect to either:

1. Directly pay the Company all costs related to such relocation regardless of the reason for the request and/or requirement; Directly, or
2. Allow the Company to recover all cost related to such relocation regardless of the reason for the request and/or requirement from those customers or entities or located within the geographical boundary of said governmental entity through a monthly charge (indirect), or
3. Some combination thereof.

COST CALCULATION

The total costs to be recovered shall be computed as follows:

- a. If the requested/relocated facilities are a new or existing facilities, the Company shall estimate the cost of the requested/relocated facilities and of the facilities whose utilization would have been installed (planned facilities). Any cost of requested/relocated facilities in excess of the planned facilities shall be the basis for the charge.
- b. If the requested/relocated facilities replace existing facilities that Company would otherwise maintain or modify in place, Company shall estimate the cost of the requested facilities and any planned modifications to existing facilities. Any cost of the requested facilities in excess of the cost of any planned modifications to existing facilities shall be the basis for the charge.
- c. If the requested/relocated facilities replace existing facilities that Company would not otherwise maintain or modify, the cost of the requested facilities, plus the cost of removing the existing facilities less their average value shall be the basis for the charge.

2. Company's costs of planned and required facilities shall be as follows:

- a. Costs of planned facilities shall include applicable material and labor costs, including allocation of indirect costs. Indirect costs are comprised of depreciation, engineering, transportation, material handling, and administrative costs less direct support actual construction. The amount of the allocation of indirect costs is derived by application of such costs or allocation percentages, determined from historical experience.

NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

"Operational Flow Orders" (OFOs) are notices issued by the Company via its electronic bulletin board (EBS) or the Commission requiring Suppliers to adjust their daily deliveries into the Company's system to match, within a two-hour span, or within a shorter time period, their assigned target supply quantity for the Supplier's Pool of Customers receiving Firm Transportation Service. Supplier will be required to deliver natural gas, or to receive natural gas to be delivered, with the Company's specified city gate receipt points, if it is determined by the Company to be necessary and the specified receipt points and amounts are identified in the OFO notice posted on the EBS.

"Over-deliveries" or "Positive Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool Customers during the period is less than the sum of the volumes available for delivery by the Company to the Pool during the same period.

"Pool" is a group of one or more customers receiving service pursuant to firm transportation facilities that have been joined together pursuant to Rule FRAS, Full Requirements Aggregation Service for supply management purposes. If PPT Customers are being served by a Supplier, a separate Pool must be completed solely of PPT Customers.

"Pool Customer" means a recipient of Firm Transportation Service provided by the Company under Tariff Sheet No. 12, 16, 17 or 32 who receives gas supply from a Supplier as a member of a Pool.

"Pooling Program" refers to the services provided under Residential Firm Transportation Service (Rate RT - Sheet No. 33), Residential Firm Transportation Service - Low Income (Rate RTLI - Sheet No. 33), Firm Transportation Service - Large (Rate FT-L - Sheet No. 37), Firm Transportation Service - Small (Rate FT-S - Sheet No. 32), and Full Requirements Aggregation Service (Rate FRAS - Sheet No. 44).

"Pooling Service" means a service provided by the Company that allows Suppliers to deliver to the Company gas supplies needed to satisfy the usage requirements of the customers of the Supplier's Pool, all in accordance with the rules established by the Company in this Tariff Sheet and Gas Supply Aggregation/Customers Pooling Agreement.

"Positive Imbalance Volume" or "Over-deliveries" is the amount by which the sum of all volumes actually delivered to the Pool Customers during the period is less than the sum of the volumes available for delivery by the Company to the Pool during the same period.

"Program" means the Company's firm transportation supply aggregation customer choice program under Rule RT, Rate RTLI, Rate FT-L and Rate FT-S, and Rate FRAS, respectively.

"PUCO" or "Commission" means the Public Utilities Commission of Ohio.

"Sales Service" means service under Residential Service (Rate RS - Sheet No. 30), Residential Service Low Income (Rate RSL - Sheet No. 34), General Service - Small (Rate GS-S - Sheet No. 32) or General Service - Large (Rate GS-L - Sheet No. 32).

"Supplier" is a qualified business entity that: (1) has been certified by the Commission to provide retail natural gas service; (2) has been added to the Company's list of qualified suppliers; (3) is a member of a Pool; (4) agrees to accept responsibility for the gas supply management of the Pool; (5) meets the requirements for Supplier Participation set out in this Tariff Sheet; and (6) has entered a Gas Supply Aggregation/Customers Pooling Agreement with the Company.

"Supply Contract" or "Contract" means a contract between the Pool Customer and its Supplier that defines the mutual responsibilities and obligations of these parties relative to customer's purchases and Supplier's role of gas supplies for delivery to customers pursuant to this Tariff Sheet and the applicable Transportation Service Tariff Sheet.

"Target Supply Quantity" (TSQ) is defined as daily city gate delivery quantities determined from calculated needs used to calculate the daily gas usage of the full requirements firm customers in Supplier's Pool. These daily gas usage estimates are adjusted for Unaccounted-for Gas Loss and converted from volumetric to thermal quantities.

"Transportation Service" means service under Residential Firm Transportation Service (Rate RT - Sheet No. 33), Residential Firm Transportation Service - Low Income (Rate RTLI - Sheet No. 33), Firm Transportation Service - Large (Rate FT-L - Sheet No. 37), Firm Transportation Service - Small (Rate FT-S - Sheet No. 32) or Firm Transportation Service (Rate FRAS - Sheet No. 44).

"Unaccounted-for Gas Loss" is the difference between the Company's total available gas commodity and the total gas commodity accounted for (required) on bills and transported volumes. The difference is composed of factors including but not limited to leaks, discrepancies due to meter inaccuracies, Company error and with the use of cycle billing, an amount of gas used but not billed.

"Unaccounted-for Percentage" means a percentage calculated by dividing the difference between (1) the aggregate volume of gas received into the Company's system from the full requirements firm customers of the Supplier's Pool, all in accordance with the rules established by the Company in this Tariff Sheet and Gas Supply Aggregation/Customers Pooling Agreement; and (2) the aggregate volume consumed by all of the Pool customers, stated in MCF, over that same period, by the MCF volume calculated in item (1) above.

"Under-deliveries" or "Negative Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool Customers during the period exceeds the sum of the volumes available for delivery by the Company to the Pool during the same period.

REQUIREMENTS FOR SUPPLIER PARTICIPATION

Each Supplier desiring to receive Aggregation Service/Firm Transportation Service from the Company will be required to ensure that it possesses the financial resources and sufficient resources to perform its responsibilities as a Supplier. On the basis of this evaluation, a Supplier's participation may be limited to a level specified by the Company.

In order to assist Company in performing its evaluation, Suppliers must do the following:

- Provide proof of Commission Certification to the Company;
- Complete and sign the Company's Credit Application form;
- Complete and sign the Retail Natural Gas Supplier Registration form;
- Pay a registration fee as set forth in Sheet No. 45 herein;
- Attend Company-sponsored training for Retail Natural Gas Suppliers;
- Demonstrate a working understanding of the program and the Company's capabilities necessary to be licensed to provide service to the Company;
- Complete and sign the Company's Gas Supply Aggregation/Customers Pooling Agreement.

Suppliers not meeting the necessary credit level will be required to provide additional security in a form and amount specified by the Company.

Financial evaluations will be based on standard credit factors such as financial and credit ratings, trade references, bank information, credit history of credit, Pool Customer payment history, and related information that have been independently audited, if available. The Company shall determine creditworthiness based on the above criteria, and will not deny a Supplier's participation in the Program without reasonable cause. A full assessment to the Supplier for each financial evaluation, as set forth in Sheet No. 45 herein.

The Company reserves the right to conduct re-evaluations of Supplier's financial standing from time to time. Such re-evaluation may be initiated either by a request from the Supplier or by the Company, if the Company reasonably believes that the creditworthiness or operating environment of a Supplier may have changed. Based on such re-evaluations, the Company may require the Supplier to increase the amount of its financial security. If the Supplier does not increase its security within five (5) business days of the Company's request or within an additional time period specified by the Company, the Supplier's participation may be suspended or terminated in accordance with the Commission's rules for Supplier's Failure to Perform or Comply with the Terms. The financial evaluation fee set forth in Sheet No. 45 herein will be assessed for such re-evaluations.

GENERAL PROVISIONS

- Suppliers and Governmental Aggregators shall not engage in unfair, deceptive, or unconscionable acts or practices related to, without limitation, the following activities:
 - altering, falsification, or sale of a competitive retail natural gas service;
 - administration of contracts for such service; or
 - provision of such service, including interactions with customers.
- Suppliers shall maintain an employee and an office open for business in the state of Ohio.
- Suppliers and Governmental Aggregators shall not cause or arrange for the discrimination of distribution service, or supply the third of such actions, as a consequence of contract termination, customer migration, or any other reason.

- Suppliers and Governmental Aggregators shall not change or withdraw the charge for a competitive retail natural gas service without the Commission's prior approval, as provided for under Rule 4901.1-29-05 of the O.A.C. For the purpose of procuring competitive retail natural gas services, this requirement does not apply to automatic Governmental Aggregation and for the PPT program.
- All Suppliers and Governmental Aggregators shall provide the Company with a name, telephone number, and e-mail address of a contact person who will respond to Commission requests pertaining to customer complaints. If any of the required information relating to the contact person should change, the Supplier or Governmental Aggregator shall provide advance notice of such changes to the Commission.

RECORDS AND RETENTION

- The Company will request retention related to competitive retail natural gas services; each Supplier and each Governmental Aggregator shall establish and maintain records and data selected to:
 - Verify its compliance with the requirements of any applicable Commission rules and
 - Support any investigation of customer complaints.
- Unless otherwise prescribed, all required records shall be retained for no less than two years.
- Unless otherwise prescribed by the Commission or its authorized representatives, all required records required shall be preserved in the Commission staff within three (3) business days of its request.

MARKETING AND SOLICITATION

- Each Supplier and Governmental Aggregator that offers competitive retail natural gas services for customers shall provide, in marketing materials that include an accompanying service contract, sufficient information for customers to make informed cost comparisons.
 - Fee-based rate offers, such information shall, at minimum, include:
 - The cost per Ccf or MCF, whichever is consistent with the Company's current billing format, for natural gas supply;
 - The amount of any other recurring or non-recurring Supplier or Governmental Aggregator charges; and
 - A statement that the Supplier's or Governmental Aggregator's rate is inclusive of all applicable state and local taxes and the Company's service and delivery charges.
 - For variable rate offers, such information shall, at minimum, include:
 - A clear and understandable explanation of the factors that will cause the price to vary (including any related indices) and how often the price can change;
 - The amount of any other recurring or Supplier or Governmental Aggregator charges; and
 - A statement that the Supplier's or Governmental Aggregator's rate is inclusive of all applicable state and local taxes and the Company's service and delivery charges.
- A Supplier's or Governmental Aggregator's promotional and advertising material shall be provided to the Commission at its staff within three (3) business days of a request by the Commission or its staff.
- Each Supplier or Governmental Aggregator may engage in marketing, solicitation, sales acts, or practices which are not misleading, deceptive, or unconscionable in the marketing, solicitation, or sale of a competitive retail natural gas service. Such unfair, misleading, deceptive, or unconscionable acts or practices include, but are not limited to, the following:
 - Inducing customers for a competitive retail natural gas service:
 - After suspension, rescission, or conditional rescission of certification by the Commission;
 - After denial of certification renewal by the Commission;
 - Failing to comply with paragraph (4) or (5) of this section;
 - Failing to provide or with its advertisements and promotional materials that make an offer for sale, a full-fledged telephone number (not a toll-free number) for printed materials that the potential customer may call or write to request detailed information regarding the price, terms, conditions, limitations, and restrictions;
 - Soliciting via telephone calls initiated by the Supplier or Governmental Aggregator for its agent without first:
 - Obtaining the list of customers who have requested to be placed on a "do not call" list, which shall be created and maintained by the Commission; and
 - Obtaining monthly updates of the Commission-maintained "do not call" list;
 - Engaging in telephone solicitation of customers who have been placed on the "do not call" list maintained by the Commission;
 - Engaging in telephone solicitation to residential customers either before 9 a.m. or after 9 p.m.;
 - Engaging in direct solicitation to customers where the Supplier's or Governmental Aggregator's sales staff fails to wear and display a valid Supplier or Governmental Aggregator photo identification, the form for this identification shall be pre-approved by the Commission staff; and
 - Advertising or marketing offers that:
 - Claim that a specific price advantage, savings, or guarantee exists if it does not, or may exist if it will not;
 - Claim to provide a competitive retail natural gas service when such offer is not a bona fide offer to sell such services;
 - Offer a false price per Ccf or MCF, whichever is consistent with the Company's current billing format, for competitive retail natural gas service without disclosing all recurring and non-recurring charges;
 - Offer a variable price per Ccf or MCF, whichever is consistent with the Company's current billing format, for competitive retail natural gas service without disclosing all recurring and non-recurring charges; and
 - Fail to disclose all material limitations, exclusions, and other terms and conditions.

OBLIGATIONS TO THE COMPANY

Each Supplier participating in the Pooling Program shall:

- Deliver gas to the Company on a firm basis on behalf of the Supplier's pool members in accordance with the requirements of the "Gas Supply Aggregation/Customers Pooling Agreement";
- Establish and maintain a creditworthiness level sufficient to enable the Supplier to indemnify the Company and the customers for costs incurred as a result of any failure by Supplier to deliver gas in accordance with the requirements of the program and to assure payment of any Commission-approved charges for gas not sold to the Company;
- Make good faith efforts to the resolution of disputes between Supplier and its Pool Customers and to cooperate with resolution of any pool issues with the Company;
- Refrain from requesting customer-specific billing, payment, and usage history without first having received the customer's approval to access such information;
- Follow a full set of these obligations may subject Supplier's compliance set forth in the Consequences of Supplier's Failure to Perform or Comply with the Terms of this Tariff Sheet.

CUSTOMER INFORMATION LIST

Company shall make available to Suppliers an electronic list of customer information for customers who are eligible to participate in the Program. Such list shall be updated quarterly and shall, at a minimum, contain the following information regarding each customer: name, service and mailing addresses, over-the-meter date of installation, and the most recent twelve (12) months of monthly natural gas usage. The fee for this customer information list is set forth in Sheet No. 45 herein.

GOVERNMENTAL AGGREGATION

Governmental Aggregators shall follow the Commission's rules for formation and operation of a Governmental Aggregator.

Upon the request of a Governmental Aggregator, the Company will provide, on a best efforts basis, an update list of eligible customers' names, service and mailing addresses, account numbers, and other customer information for data for all eligible customers residing within the Governmental Aggregator's jurisdiction. Except for the inclusion of information for customers who have opted out of the Supplier's customer information list for Suppliers and Company account numbers, the customer information contained in such list shall be consistent with any customer information list provided to Suppliers described herein. The Governmental Aggregator will pay a fee for a copy of said list, as set forth in Sheet No. 45 herein. The Governmental Aggregator shall not disclose or use a customer's account number or any customer information

regarding these customers who have opted out of the Company's customer information list, without the customer's express written consent. Prior to the Company including a customer's name in its account list, a Governmental Aggregator, the Governmental Aggregator shall provide each eligible customer written notice that their account will be automatically included in the aggregation unless the customer affirmatively opts out of the aggregation. The Company shall notify eligible customers, who have opted out of the Governmental Aggregator, or to form a Governmental Aggregator under the same processes described herein for Suppliers.

CUSTOMER SIGN-UP PROCEDURES

Customers desiring to participate in the Program must execute a written Supply Contract with a Supplier that states that the customer has agreed to participate in the Program and which sets forth the terms and conditions of the customer's gas supply purchase. The Supplier may design the format of the Supply Contract, but at a minimum, it must comply with the applicable provisions specified in Rules 4901.1-29-10 and 4901.1-29-11 of the O.A.C.

In the alternative, customers desiring to participate in the Program may enter into a Supplier via telephone or internet. Under these methods, the Supplier must retain proof of customer consent as required by the Commission.

The Supply Contract, or alternate proof of customer consent in the case of telephone or internet enrollment, will be used to resolve disputes if the validity of an account enrollment comes into question. It is necessary by the Company, Commission, or in the case of Non-Merchandise Customers only or DCC (in the case of residential customers only), Supplier must provide a copy of a specific Supply Contract, or alternate proof of customer consent in the case of telephone or internet enrollment, within three (3) business days of any such request.

Regardless of the customer enrollment method used, within three (3) business days after completion of enrollment (unless a later date agreed to by customer rescission), Supplier will provide the Company with an electronic file in a format specified by the Company, containing a listing of all customers who have signed up or desires to sign up to the Pooling Program. This list shall include each Pool Customer's Company account number. The Company will evaluate the information provided for accuracy and customer eligibility, and provide Supplier with a confirmation report within three (3) business days. In the event more than one Supplier includes the same Pool Customer on their enrollment list to begin the same period, the customer will be assigned to the Supplier whose acceptable enrollment was first processed by the Company.

Once complete and accurate information supporting a customer joining or leaving a Supplier's Pool is received and confirmed by the Company, the change will be effective on the customer's next regularly scheduled meter read date, provided that it is received by the Company at least twelve (12) days before the next regularly scheduled meter read date. If a customer rescinds their enrollment prior to commencing service with a Supplier, the Company shall notify the Supplier within two (2) business days of the customer's rescission.

Customer will remain with its Supplier until: (1) the customer is re-enrolled to Sales Service due to non-payment or Supplier default; (2) the customer or Supplier notifies the Company that the customer should revert to the Company's Sales Service; (3) the customer joins the PPT program; or (4) the customer's name, service address and account number appear on another Supplier's electronic enrollment list. If a customer moves from one address to another within the Company's service territory, all billing in this tariff shall be considered to transfer to the Supplier/Customer contract by virtue of that move. (5) the Company's current billing system needs confirmation in order to maintain Program participation with the Supplier because of the location change within the Company's service territory; (6) after the Supplier's participation with the Supplier, the Supplier must confirm enrollment via customer authorization once the new distribution service account with the Company has been established; (7) when a customer changes their service address within the Company's service territory, the customer will be billed for Sales Service for a period of no more than one billing cycle plus seven (7) days, provided that a timely enrollment notice is received from the Supplier; and (8) the customer and the Supplier may maintain the time the customer is billed for Sales Service by promptly providing the Company with the new enrollment notice. If the customer's current Supplier initiates customer's termination in the Program, the Company shall issue a written notification to the customer informing customer of such change. Customers, who on their own initiative, decide to terminate their participation in the Program will be permitted to do so without the Company making any determination regarding whether the customer is contractually permitted to make such move. The customer shall not be liable to the Supplier or customer for allowing the customer to revert to Sales Service. The Company is not responsible for tracking Supplier contract terms and conditions between Suppliers and customers and shall not be liable for any default of such contract.

If the Company receives a customer from enrollment, the Supplier shall notify the customer within three (3) business days from the Company's notification of rejection that the customer will not be enrolled or enrollment will be delayed, along with the reasons therefor. The Company will accept an enrollment from another Supplier for a customer who is currently with a Supplier, without the current Supplier first tabulating an electronic copy of customer information. In residential situations where a customer is already being served by a Supplier or the customer is currently receiving Sales Service, the Company shall, prior to commencing competitive retail natural gas service with the subsequent Supplier, notify the customer a confirmation notice stating:

- The Company has received a request to enroll the customer for competitive retail natural gas service with the named Supplier, and, in the case of an enrollment request for a customer who is currently with another Supplier, a statement that the Company's records reflect that customer is currently enrolled with another Supplier along with an acknowledgment that customer should review the terms and conditions of the incumbent Supplier's Contract for customer's obligations under said Contract;
- The date such service is expected to begin;
- The customer has seven (7) business days from the postmark date on the notice to contact the Company telephonically, in writing or via the internet to rescind the enrollment request or notify the Company that the change of the Supplier was not requested by the customer; and
- The Company's non-confidential contact information, including, but not limited to, the Company's toll-free telephone number.

If the customer rescinds their enrollment, the Company will initiate said rescission and notify the Supplier or Governmental Aggregator.

Any customer returning to Sales Service as a result of Supplier default, nonpayment, Supplier abandonment, or Supplier certification rescission will not be liable for any costs associated with the switch.

ENROLLMENT OF CUSTOMERS

Suppliers may enroll customers by mail, facsimile, direct solicitation, telephone, and the internet. When soliciting under existing Non-Merchandise customers, Supplier must adhere to the requirements set out in Rules 4901.1-29-05 and 4901.1-29-06 of the O.A.C.

CONTRACT ADMINISTRATION AND RENEWAL NOTICES

Supplier must adhere to the contract administration and renewal requirements for Non-Merchandise customers set out in Rules 4901.1-29-10 of the O.A.C.

POOL CUSTOMER BILLING OPTIONS

Suppliers may elect one of the following two billing options for its Pool Customers that do not participate in PPT:

Option 1 - **Consolidated Billing**
The Pool Customer shall receive one bill from the Company that delineates the name of the Supplier from whom the customer is receiving its gas supply and includes an amount for the Supplier's gas supply charges in accordance with the billing arrangement agreed upon between the Supplier and the customer, including any taxes for which the Supplier must collect. The Company's consolidated bill may provide the budget amounts, such as the following: arrears, credits, late charges, and total amount due on a consolidated basis only. A Supplier that elects this billing option will be provided, at its charge, as many as twenty-five (25) actively billed rate codes to which a customer may be assigned by the Supplier and billed by the Company. Additional actively billed rate codes will be provided by the Company for a fee as set forth in Sheet No. 45 of this tariff. Each Supplier will be limited to a total of forty (40) actively billed rate codes for which the Supplier may submit to the Company a price charge each month for each rate code. Price charges must be submitted to the Company no later than the 25th day each month for bills rendered the next month. In the event that a Supplier desires extraordinary billing system changes, the Supplier shall be charged for the cost of implementing such changes, as set forth in Sheet No. 45 of this tariff.

The Pool Customer will be responsible for making payment to the Company for the entire amount shown on the bill, including both the Company's and the Supplier's charges. In the event that a customer repays to the Company less than the full payment due, the payment received shall first be applied to the Company's charges shown on the bill plus any arrears relating to such Company charges from previous billing periods, and the residual amount shall be applied to the Supplier's portion of the bill, including the taxes thereon. Supplier shall be promptly notified of any payments received from customers attributable to Supplier's portion of the bill. Payment to Supplier for payments received from customers as noted above will be made within five (5) business days after mid-month and end-of-month numbers are available.

LOCAL

NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

b. Costs of requested/required facilities shall include the cost items identified in subparagraph (1) (a) above, plus all costs of complying with the requirements of the governmental subdivision including any application process of the governmental subdivision, including the cost of preparing the application, costs of developing alternatives not already studied by Company, cost of estimating the cost of alternatives not already studied by Company, the production of data for consideration in any hearing, and any other direct cost of compliance including any hearing held.

c. Recoverable costs from the governmental subdivision and/or its customers will be reduced by the sum of any proceeds received from transportation improvement district funding, joint economic development district funding, tax increment funding, or similar quasi-public funding.

CHARGES

CUSTOMER OR PRIVATE PARTY

The customer or private party will pay in advance the entire estimated cost to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment. If the actual cost of the work exceeds the estimate, the customer will be responsible to pay the difference. Similarly, the Company will refund any excess money collected should the estimate exceed the actual cost.

GOVERNMENT ENTITY

These options are available to the government entity (or Administrating Agency):

DIRECT

1. The government entity (or Administrating Agency) will pay in advance the entire estimated cost to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment. If the actual cost of the work exceeds the estimate, the government entity (or Administrating Agency) will be responsible to pay the difference. Similarly, the Company will refund any excess money collected should the estimate exceed the actual cost.

2. Alternatively, government entity (or Administrating Agency) will pay the entire actual cost and the Company's associated cost of capital to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment. Said costs will be collected over a period extending no longer than twenty-four (24) months. The twenty-four month period begins when either of the following occurs:

- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been modified, relocated or removed from service; or
- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been constructed and placed into service.

INDIRECT

Should the government entity (or Administrating Agency) elect to do so, the entire actual cost and the Company's associated cost of capital to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment will be collected on a per customer basis, a per one hundred cubic foot (CCF) basis or some combination thereof. Said costs will be collected from all customers whose service address is located within the legal boundaries of said government entity. The cost will be collected in its entirety over a time period not to exceed twenty-four (24) months. The twenty-four (24) month period begins when either of the following occurs:

- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been modified, relocated or removed from service; or
- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been constructed and placed into service.

The charge shall be shown as a separate line item on the customer's bill.

At any time after the commencement of the charge, the charge may be reviewed and, if necessary, adjusted to reflect:

- The number of customers residing or located within the geographical boundary of said governmental entity; and/or
- The amount of energy used by customers residing or located within the geographical boundary of said governmental entity; and/or
- The actual cost of requested/required facilities.

Failure by any customer to pay the charge shall be grounds for disconnection of service to such customer in accordance with Company's Gas Terms and Conditions for Gas Service.

If the government entity (or Administrating Agency) rescinds its requirements concerning requested/required facilities, the charge shall continue until the end of the term, twenty-four (24) months subject to any necessary review and adjustment as specified above.

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto, are subject to the jurisdiction of the Public Utilities Commission of Ohio, and to the Company's Service Regulations currently in effect, as filed with the Public

PROPOSED RIDER ASRP ACCELERATED SERVICE REPLACEMENT PROGRAM RIDER

ACCELERATED SERVICE REPLACEMENT PROGRAM RIDER, SHEET NO. 89

APPLICABILITY

Applicable to all customers receiving service under the Company's sales and transportation rate schedules.

ACCELERATED SERVICE REPLACEMENT PROGRAM FACTORS

All customers receiving service under Rates RS, RSLI, RFT, RFTLI, GS-S, GS-L, FT-S, FT-L and DGS shall be assessed a monthly charge in addition to the Customer Charge component of their applicable rate schedule that will enable the Company to replace pre-1971 coated steel main to curb and curb to meter service lines and unprotected metallic main to curb and curb to meter service lines. In addition and where applicable, the Company will move meters from inside a structure to an acceptable location outside a structure for those services being replaced in conjunction with the ASRP. Customers receiving service under Rates IT and GGI will be assessed a throughput charge in addition to their commodity delivery charge for that purpose.

Rider ASRP will be updated annually, in order to reflect the impact on the Company's revenue requirements of net plant additions as offset by operations and maintenance expense reductions during the most recent twelve months ended December. Such adjustments to the Rider will become effective with the first billing cycle of May.

The charges for the respective gas service schedules are:

Rate RS and RSLI, Residential Service	\$0.00 per month
Rate RFT and RFTLI, Residential Firm Transportation Service	\$0.00 per month
Rate GS-S and GS-L, General Service	\$0.00 per month
Rate DGS, Distributed Generation Service	\$0.00 per month
Rate FT-S and FT-L, Firm Transportation Service	\$0.00 per month
Rate IT, Interruptible Transportation Service	\$0.000000 per CCF
Rate GGI, Gas Generation Interruptible Transportation Rate	\$0.000000 per CCF

These monthly charges shall remain in effect until changed by order of the Public Utilities Commission of Ohio.

PROPOSED RIDER AU ADVANCE UTILITY RIDER

ADVANCE UTILITY RIDER, SHEET NO. 88.3

APPLICABILITY

Applicable to all customers receiving service under the Company's sales and transportation rate schedules.

The charges for the respective gas service schedules are:

Rate RS and RSLI, Residential Service	\$ 0.00 per month
Rate RFT and RFTLI, Residential Firm Transportation Service	\$ 0.00 per month
Rate GS-S and GS-L, General Service	\$ 0.00 per month
Rate DGS, Distributed Generation Service	\$ 0.00 per month
Rate FT-S and FT-L, Firm Transportation Service	\$ 0.00 per month
Rate IT, Interruptible Transportation Service	\$ 0.00 per month
Rate GGI, Spark Spread Interruptible Transportation Rate	\$ 0.00 per month

OTHER PROPOSED CHANGES

The Company proposes to make the following additional changes to its gas tariff:

- Section II – Supplying and Taking of Service, paragraph 8 – Right of Way.
The following provision is changed as follows:

8. Right-of-Way

The customer shall furnish, without cost to the Company, all necessary rights of way upon or across property owned or controlled by the customer for any and all of the Company's facilities that are necessary or incidental to the supplying of service to the customer, or to continue service to the customer. Subsequent to the customer providing the Company with the necessary rights of way to serve the customer, the Company shall serve or continue to provide service to the customer in accordance with the terms and conditions for the taking of service as identified in P.U.C.D. Gas No. 18. Additionally, the customer shall likewise furnish, without cost to the Company, all necessary rights of way upon or across customer's property necessary or incidental to the supplying of service to other customers who are adjacent to or extend beyond the customer's property. The rights of way as required herein shall be in the form of the Company's Grant of Easement, or any other instrument customarily used by the Company for its facilities, or as otherwise determined by the Company, in its discretion, to be satisfactory to it.

- Charge for Reconnection of Service, Sheet No. 82.5.
The following has been added:

Also, if gas service has been disconnected at the request of the customer and, within an eight (8) month period of that disconnection, the customer requests that service be reconnected at the same premises, the Company may refuse gas service to such customer, unless it shall first receive payment equivalent to the appropriate billing of the customer's Fixed Delivery Service Charge for the number of billing periods the service was disconnected, including any necessary prorated charges representing partial bill periods. Where the billing amount reflects a period of more than one (1) month, these amounts shall be prorated based on the normal

scheduled meter reading dates and divided into increments of one (1) month, or less. If the increments represent less than one (1) month, the appropriate Fixed Delivery Service Charge will be billed as a prorated portion of the period as defined by the normal scheduled meter reading date. The appropriate Fixed Delivery Service Charge is defined by the rate under which the customer requested that the service be disconnected as is set forth in the following tariff sheets:

Sheet No. 30 Rate RS, Residential
Sheet No. 32 Rate GS-S, General Service – Small
Sheet No. 33 Rate RFT, Residential Firm Transportation
Sheet No. 34 Rate RSLI, Residential Low Income Pilot
Sheet No. 35 Rate GS-L, General Service – Large
Sheet No. 36 Rate RFTLI, Residential Firm Transportation Service – Low Income
Sheet No. 37 Rate FT-L, Firm Transportation Service – Large
Sheet No. 52 Rate FT-S, Firm Transportation Service – Small

The above proposed provisions, rates, and charges are subject to changes, including changes as to amount and form, by the Public Utilities Commission of Ohio following a public hearing on the filed application. Recommendations that differ from the filed application may be made by the Staff of the Public Utilities Commission of Ohio or by intervening parties and may be adopted by the Commission.

Any person, firm, corporation or association may file, pursuant to Section 4909.19 of the Revised Code, an objection to such proposed increased rates by alleging that such proposals are unjust and discriminatory or unreasonable.

Any person, firm, corporation or association may file a motion to intervene. Intervenor may obtain copies of the application and other filings made by the Company by contacting Ms. Dianne Kuhnelt at (513) 287-4337, Duke Energy Ohio, Inc.

WHEREFORE, since the rates, prices, charges, and other provisions in Duke Energy Ohio's current electric rate schedules do not yield just and reasonable compensation to Duke Energy Ohio for supplying electric distribution service to the customers to which they are applicable, do not yield a just and reasonable return to Duke Energy Ohio on the value of the property used for furnishing such electric distribution service to such customers, and result in the taking of Duke Energy Ohio's property for public use without compensation and without due process of law, Duke Energy Ohio respectfully prays that your Honorable Commission:

- Accept this Application for filing;
- Find that this Application and the attached Schedules filed herewith and incorporated herein, are in accordance with R. C. 4909.18 and the Rules of the Commission;
- Approve the Form of Notice in the attached Schedule S-3;
- Find that the current rates, prices, and charges for electric service are unjust, unreasonable and insufficient to yield reasonable compensation to Duke Energy Ohio for the electric distribution service rendered;
- Find that the proposed rates, prices, and charges are just and reasonable based upon the test period for the twelve months ending December 31, 2012, and approve such schedules in the form tendered herewith;
- Find that Duke Energy Ohio is in compliance with R. C. 4905.35;
- Approve Duke Energy Ohio's Application for an Increase in Gas Rates consistent with the Commission's approval of Duke Energy Ohio's proposed rates in Case No. 12-1685-GA-AM;
- Approve Duke Energy Ohio's Application for Tariff Approval consistent with the Commission's approval of Duke Energy Ohio's proposed tariffs in Case No. 12-1686-GA-ATL;
- Approve Duke Energy Ohio's Application for Approval of an Alternative Rate Plan for Gas Distribution Service consistent with the Commission's approval of Duke Energy Ohio's proposed alternative rate plan in Case No. 12-1687-GA-ALL;
- Approve Duke Energy Ohio's Application for Approval to Change Accounting Methods consistent with the Commission's approval of Duke Energy Ohio's proposed deferrals in Case No. 12-1688-GA-AAM;
- Fix the date on or after which applicable services provided to non-residential customers are subject to the proposed rates at January 1, 2013; and
- Fix the date on or after which applicable services provided to residential customers are subject to the proposed rates at January 1, 2013.

Recommendations that differ from this application may be made by the Public Utilities Commission staff or by intervening parties and may be adopted by the Commission. Any person, firm, corporation, or association may file, pursuant to Section 4909.19 of the Ohio Revised Code, an objection to the proposed natural gas rate increases by alleging that such proposals are unjust and discriminatory or unreasonable.

A copy of the application is available for inspection at the main office of the Company at 139 East Fourth Street, Cincinnati, Ohio, or 644 Linn Street, Cincinnati, Ohio, or at the Public Utilities Commission of Ohio, 180 East Broad Street, Docketing Division, 11th floor, Columbus, Ohio 43215-3793. The application and supporting documents may also be viewed at the Commission's web page at <http://www.puco.ohio.gov> by selecting DIS, inputting 12-1685 in the case lookup box, and selecting the date the application was filed.

NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

TO WHOM IT MAY CONCERN:

Pursuant to the requirements of Section 4909.03 of the Ohio Revised Code, Duke Energy Ohio, Inc. hereby gives notice that on July 2, 2012, it filed with the Public Utilities Commission of Ohio (Commission) an application for authority to change its gas rates and charges in incorporated communities and the unincorporated territory within its service area, which includes all or part of Brown, Butler, Clinton, Cleveland, Hamilton, Highland, Montgomery, Preble, and Warren Counties in Ohio. Such application has been assigned Case No. 12-1655-GA-AM, 12-1656-GA-AM, 12-1657-GA-AM, and 12-1658-GA-AM by the Commission. The substance of the application follows:

The following is a description of the proposed gas rates:

PROPOSED RATE RS1 RESIDENTIAL SERVICE, SHEET NO. 30.13

APPLICABILITY
Applicable to gas service required for residential purposes when supplied at one point of delivery where distribution mains are adjacent to the premises to be served.

NET MONTHLY BILL

Computed in accordance with the following charges:

Fixed Delivery Service Charge per month	\$33.03
Plus a Usage-Based Charge for	
First 400 CCF	\$0.190477 per CCF
Additional CCF	\$0.380957 per CCF

The monthly minimum bill shall be the monthly Fixed Delivery Service Charge and applicable charge under Rider ARNP, Rider AL, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 64, Ohio Electric Gas Liability Rider.

The average percentage increase in the total bill of customers under Rate RS1 should the increase be granted is full is 8.35%.

PROPOSED RATE GS-5 GENERAL SERVICE - SMALL, SHEET NO. 32.3

APPLICABILITY
Applicable to gas service required for any purpose by an individual non-residential customer using 4,000 CCF or less during the prior calendar year at one premises when supplied at one point of delivery where distribution mains are adjacent to the premises to be served.

NET MONTHLY BILL

Computed in accordance with the following charges:

Fixed Delivery Service Charge per month	\$16.44
Plus a Usage-Based Charge for	
AR CCF delivered at	\$0.154370 per CCF

The monthly minimum bill shall be the monthly Fixed Delivery Service Charge and applicable charge under Rider ETR, Rider ARNP, Rider AL, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 64, Ohio Electric Gas Liability Rider.

The average percentage increase in the total bill of customers under Rate GS-5 should the increase be granted is full is 3.35%.

PROPOSED RATE RT RESIDENTIAL FIRM TRANSPORTATION SERVICE, SHEET NO. 34.14

APPLICABILITY
Firm transportation service for residential purposes, which is provided from the Company's city-gate receipt points to the retail side of Company's retail service to available to all residential customers, except for those customers whose utility service accounts are past due at the time customer desires to utilize this service. The Company may terminate a customer's supplier contract for non-payment and return the customer to the Company's sales service only if (1) the Supplier has made an affirmative request for the Company to act as its agent to terminate customer contracts for non-payment, and (2) the Supplier has included in its customer contracts, a notice that the Company can terminate such contracts for non-payment. Where the Supplier is performing its own billing of the gas supply, termination of the agreement will be at the discretion of the Supplier, as specified in the Supplier contracts for service. In either case, the Supplier or the Company shall give not less than 30 days written notice that the customer will be switched from the Supplier and revert to the Company unless the past due amount is paid by the customer's next scheduled bill due date. If the past due amount is paid by the customer's next scheduled bill due date, the customer will not be switched from the Supplier and will remain with the Supplier. If the Company provides the late payment notice to the customer, it will send a copy of the notice to the customer's Supplier. A customer must enter into an agreement with the Company that meets the Company's requirements for participation in the pooling program pursuant to Rate FRAS, Sheet No. 44.

Gas transported under this tariff shall be for customer's sole use at one point of delivery where distribution mains are adjacent to the premises to be served. Any gas provided hereunder shall be provided by displacement.

Residential customers who are entitled to income payment plans pursuant to Rule 4909.13-49.03, Ohio Administrative Code (OAC) (PPF Customers), shall be provided their alternative gas supply service exclusively through their own supply pool, for which gas is provided by a willing Supplier whose bid has been approved by the Public Utilities Commission of Ohio.

NET MONTHLY BILL
Computed in accordance with the following charges:

Fixed Delivery Service Charge per month	\$23.03
Plus a Usage-Based Charge per CCF for each CCF of gas transported for customer from Company's city-gate receipt stations to the retail side of Company's meter used to measure deliveries to customer at:	
AR CCF	\$0.130477 per CCF
Additional CCF	\$0.380957 per CCF

Plus, or minus, rate adjustments that may occur as a result of changes in the rates of interstate pipelines, or of rates of the Public Utilities Commission of Ohio and/or the Federal Energy Regulatory Commission, and for which it is determined that all customers should be allocated some portion of the corresponding costs or refunds.

In addition, the net monthly bill, as calculated above, shall be adjusted by application of the percent specified on Sheet No. 64, Rider ETR, Ohio Electric Gas Liability Rider, except that finance charges are excluded in the computation of the net bill.

Customer and/or its Supplier shall be responsible for the collection and payment of taxes, fees, or similar taxes on the gas supplies that customer purchases from its Supplier.

The monthly minimum bill shall be the Fixed Delivery Service Charge and applicable charge under Rider ARNP, Rider AL, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 64, Ohio Electric Gas Liability Rider.

The average percentage increase in the total bill of customers under Rate RT1, assuming FT-1 customers pay the same gas cost as GS-1 customers, should the increase be granted is full is 11.67%.

PROPOSED RATE RS1 RESIDENTIAL SERVICE LOW INCOME, SHEET NO. 34.3

APPLICABILITY
Applicable to gas service required for residential purposes when supplied at one point of delivery where distribution mains are adjacent to the premises to be served. Eligible customers are non-PPF, low usage residential customers verified at or below 175% of poverty level. The total number of customers that may receive service under Rate RS1 and Rate RT1-L is 10,000.

NET MONTHLY BILL

Computed in accordance with the following charges:

Fixed Delivery Service Charge per month	\$23.03
Plus a Usage-Based Charge for	
First 400 CCF	\$0.130477 per CCF
Additional CCF	\$0.380957 per CCF

The monthly minimum bill shall be the monthly Fixed Delivery Service Charge and applicable charge under Rider ARNP, Rider AL, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 64, Ohio Electric Gas Liability Rider.

The average percentage increase in the total bill of customers under Rate RS1 should the increase be granted is full is 8.45%.

PROPOSED RATE GS-1 GENERAL SERVICE - LARGE, SHEET NO. 36.3

APPLICABILITY
This service is available to Suppliers delivering gas to a firm basis to the Company's city-gate receipt points on behalf of customers receiving Firm Transportation Service from the Company. The service provided hereunder allows Suppliers to deliver to the Company as an aggregated basis those natural gas supplies that are needed to satisfy the requirements of Customer Pools participating in the Company's Firm Transportation programs.

NET MONTHLY BILL

Computed in accordance with the following charges:

Fixed Delivery Service Charge per month	\$226.64
Plus a Usage-Based Charge for	
AR CCF delivered at	\$0.130477 per CCF

The monthly minimum bill shall be the Fixed Delivery Service Charge and applicable charge under Rider ETR, Rider ARNP, Rider AL, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 64, Ohio Electric Gas Liability Rider.

The average percentage increase in the total bill of customers under Rate GS-1 should the increase be granted is full is 1.57%.

PROPOSED RATE FT-L RESIDENTIAL FIRM TRANSPORTATION SERVICE - LOW INCOME, SHEET NO. 36.3

APPLICABILITY
Firm transportation service for residential purposes, which is provided from the Company's city-gate receipt points to the retail side of Company's retail service to available to all residential customers, except for those customers whose utility service accounts are past due at the time customer desires to utilize this service. Eligible customers are non-PPF, low usage residential customers verified at or below 175% of poverty level. The total number of customers that may receive service under Rate RS1 and Rate FT-L is 10,000. The Company may terminate a customer's supplier contract for non-payment and return the customer to the Company's sales service only if (1) the Supplier has made an affirmative request for the Company to act as its agent to terminate customer contracts for non-payment, and (2) the Supplier has included in its customer contracts, a notice that the Company can terminate such contracts for non-payment. Where the Supplier is performing its own billing of the gas supply, termination of the agreement will be at the discretion of the Supplier, as specified in the Supplier contracts for service. In either case, the Supplier or the Company shall give not less than 30 days written notice that the customer will be switched from the Supplier and revert to the Company unless the past due amount is paid by the customer's next scheduled bill due date. If the past due amount is paid by the customer's next scheduled bill due date, the customer will not be switched from the Supplier and will remain with the Supplier. If the Company provides the late payment notice to the customer, it will send a copy of the notice to the customer's Supplier. A customer must enter into an agreement with a Supplier that meets the Company's requirements for participation in this pooling program pursuant to Rate FRAS, Sheet No. 44.

Gas transported under this tariff shall be for customer's sole use at one point of delivery where distribution mains are adjacent to the premises to be served. Any gas provided hereunder shall be provided by displacement.

Residential customers who are entitled to income payment plans pursuant to Rule 4909.13-49.03, Ohio Administrative Code (OAC) (PPF Customers), shall be provided their alternative gas supply service exclusively through their own supply pool, for which gas is provided by a willing Supplier whose bid has been approved by the Public Utilities Commission of Ohio.

NET MONTHLY BILL
Computed in accordance with the following charges:

Fixed Delivery Service Charge per month	\$23.03
Plus a Usage-Based Charge per CCF for each CCF of gas transported for customer from Company's city-gate receipt stations to the retail side of Company's meter used to measure deliveries to customer at:	
AR CCF	\$0.130477 per CCF
Additional CCF	\$0.380957 per CCF

Plus, or minus, rate adjustments that may occur as a result of changes in the rates of interstate pipelines, or of rates of the Public Utilities Commission of Ohio and/or the Federal Energy Regulatory Commission, and for which it is determined that all customers should be allocated some portion of the corresponding costs or refunds.

In addition, the net monthly bill, as calculated above, shall be adjusted by application of the percent specified on Sheet No. 64, Rider ETR, Ohio Electric Gas Liability Rider, except that finance charges are excluded in the computation of the net bill.

Customer and/or its Supplier shall be responsible for the collection and payment of taxes, fees, or similar taxes on the gas supplies that customer purchases from its Supplier.

The monthly minimum bill shall be the Fixed Delivery Service Charge and applicable charge under Rider ETR, Rider ARNP, Rider AL, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 64, Ohio Electric Gas Liability Rider.

The average percentage increase in the total bill of customers under Rate FT-L, assuming FT-L customers pay the same gas cost as GS-1 customers, should the increase be granted is full is 4.47%.

PROPOSED RATE FRAS FULL REQUIREMENTS AGREEMENT SERVICE, SHEET NO. 44.11

APPLICABILITY
This service is available to Suppliers delivering gas to a firm basis to the Company's city-gate receipt points on behalf of customers receiving Firm Transportation Service from the Company. The service provided hereunder allows Suppliers to deliver to the Company as an aggregated basis those natural gas supplies that are needed to satisfy the requirements of Customer Pools participating in the Company's Firm Transportation programs.

CHARACTER OF SERVICE

This Tariff Sheet applies to the provision of pooling service for firm gas transportation customers. Suppliers under this Tariff Sheet shall supply the full requirements of their Pool Customers and agree to accept supply management responsibility. Company shall specify, and Supplier shall deliver each day, the Target Supply Quantity for Supplier's Pool.

GAS SUPPLY AGREEMENT/CUSTOMER POOLING AGREEMENT

Prior to acting as a Supplier for Pool Customers receiving Firm Transportation Service, Supplier must enter into a Gas Supply Agreement/Custom Pooling Agreement with the Company. An example of the Gas Supply Agreement/Custom Pooling Agreement is attached to this Tariff Sheet.

SUPPLIER NOTICE

On a monthly basis, the Company will generate, and Supplier will pay, an invoice that includes the costs set forth below in this Tariff Sheet and in Sheet No. 45 herein.

LATE PAYMENT CHARGE

Payment of the total amount due must be received by Company, or its authorized agent, by the due date shown on the Supplier's invoice. If the Supplier does not pay the total amount due by the due date, an additional amount equal to one and one-half percent (1.5%) of the total unpaid balance shall also become due and payable.

RETURNED CHECK CHARGE

The Returned Check Charge per month on Sheet No. 45 herein shall be added to the Supplier's account each time a check is returned by the financial institution for insufficient funds.

MEASUREMENT OF CUSTOMER USAGE VOLUMES

The Company shall be responsible for all usage measurement of the point of delivery to the customer's facilities. Monthly volumes billed to Pool Customers shall be considered actual volumes consumed, whether the meter reading is actual or estimated.

QUALITY OF GAS DELIVERED BY SUPPLIER

The Supplier warrants that all gas delivered by or on behalf of Supplier for its Pool Customer under this Tariff Sheet shall meet the quality, pressure, heating value and other quality specifications of the applicable FERC Gas Tariff of the interstate gas pipeline delivering said gas to the Company.

TITLE AND WARRANTY

Supplier warrants that it will, at the time and place of delivery, have good right and title to all volumes of gas delivered on its behalf, free and clear of all liens, encumbrances, and claims whatsoever, and that it will defend, indemnify, and hold the Company harmless for all suits, actions, debts, accounts, damages, costs, losses, or expenses (including reasonable attorneys' fees) arising from or out of the above delivery of any or all persons claiming to or arising from said gas.

DEFINITIONS

"Adjusted MDO" means the Supplier's MDO less the Company's winter propane percentage, representing the Pool's allocation of the Company's propane peaking supplies.

"Adjusted Target Supply Quantities" (ATSG) means the Target Supply Quantities plus or minus any adjustments that the Company may require the Supplier to make to its daily deliveries (i.e., Annual (non-scheduled volumes) plus the daily firm (Firm) requirements of all customers being served by the Supplier under Rate FRAS.

"Aggregation Service" is a service provided by the Company that allows Suppliers to deliver to the Company, on an aggregated basis, those natural gas supplies that are needed to satisfy the full firm requirements of the one, or more, firm transportation customers that comprise the membership of the Supplier's Pool, as defined below, in accordance with the rules established by the Company regarding delivery requirements, trading, billing and payments, and Supplier performance requirements.

"Arrangements" are past due and unpaid amounts owed to the Company. A thirty-day arrears notice when any portion of the previous month's bill is unpaid at the time the current bill is issued. Customers having a thirty-day or more arrears of \$50.00 or more are not eligible to participate in the Program. A customer who is current on a payment plan for a previously billed and unpaid bill is not considered to have an arrears balance when an electronic payment to the Company's Firm Transportation program is received from a Supplier.

"British Thermal Unit" or "BTU" means the quantity of heat required to raise one (1) pound of water (at 68°F) one (1) degree Fahrenheit or, at least, its point of maximum density.

"CCF" means one hundred cubic feet.

"Commission" means the Public Utilities Commission of Ohio.

"Company" means Duke Energy Ohio.

"Customer" means a residential, non-commercial, or nonresidential recipient of the Company's Sales Service or Transportation Service.

"Default" means the failure of the Company or Supplier to fulfill a duty or obligation set forth in Duke Energy Ohio's Tariffs, the Ohio Revised Code, the Ohio Administrative Code, or any agreement or contract between and among the Company and Supplier.

"Deliveries" or "DSV" means a unit of heating value equal to one (1) Therms or 100,000 BTUs (at 68°F).

"Eligible Customer" is a customer who is eligible to participate in a Governmental Arrangement in accordance with sections 4929.29 and 4929.37 of the Ohio Revised Code and does not include any of the following: a person who is both a distributor service customer and a nonresidential customer as the date of commencement of service to the Governmental Arrangement or the person receives a distributor service customer after the service commencement date and is also a nonresidential customer, a person who is supplied with natural gas sales service pursuant to a contract with a Supplier that is in effect on the effective date of the ordinance or resolution authorizing the aggregation, a person who is supplied with natural gas sales service as part of the Percentage of Income Payment Plan (PIPP) program, or a customer who has failed to discharge, or enter into a plan to discharge, all existing Arrangements owed to or billed by the Company.

"Enrollment Processing Period" means the number of days required to process a customer's enrollment in the Program pursuant to this Tariff. This process commences with the submission to Company by Supplier of appropriate information for an eligible customer and ends with the termination of the customer's enrollment period. The process will take up to twelve (12) calendar days, and includes seven (7) business days from the date the Supplier notifies the customer's Supplier of the customer's enrollment in the Program enrollment or change in Suppliers.

"Firm Transportation Service" means service under Residential Firm Transportation Service (Rate RT1 - Sheet No. 33), Residential Firm Transportation Service - Low Income (Rate FT-L - Sheet No. 36), Firm Transportation Service - Large (Rate FT-L - Sheet No. 37) or Firm Transportation Service - Small (Rate FT-S - Sheet No. 32).

"The Supply Aggregation/Custom Pooling Agreement" is an agreement between the Company and Supplier that defines the mutual responsibilities and obligations of those parties relative to the Aggregation Service provided under Rate FRAS.

"Maximum Daily Quantities" (MDQ) means the expected peak day natural gas usage for a Supplier's Pool of Customers.

"MDO" means one thousand cubic feet.

"Nonresidential Customer" has the meaning set out in division 43 of section 4929.31 of the Ohio Revised Code. In summary, it means a customer that: (1) consumes other than for residential use, more than 5,000 CCF of natural gas per year at a single location or as part of an undertaking having more than 10 locations within or outside the state; and (2) that has not filed a declaration with the Commission.

"Propane Inducement Volume" or "Propane Inducement" is the amount by which the sum of all volumes actually delivered to the Pool Customers during the period exceeds the sum of the volumes available for delivery by the Company to the Pool during the same period.

"Q.A.C." means the Ohio Administrative Code.

"GCC" means the Office of the Ohio Consumers' Counsel.

NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

"Operational Flow Orders" (OFOs) are notices issued by the Company via its electronic delivery board (EDB) or fax transmission requesting Suppliers to adjust their daily deliveries into the Company's system to match, match or be less than, or much as to be more than the Target Supply Quantity for the Supplier's Pool of Customers receiving the gas supply management program. Suppliers shall be required to deliver natural gas, at its class natural gas to be delivered, into the Company's specified gas receipt points, if it is determined by the Company to be necessary and the specified receipt points and amounts are identified in the OFO notice prior to the EDB.

"Over-deliveries" or "Positive Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool Customers during the period exceeds the sum of the volumes available for delivery by the Company to the Pool during the same period.

"Pool" is a group of one or more customers receiving services pursuant to time transportation tariffs that have been placed together pursuant to Rate FRS, Fuel Requirements Aggregation Service for supply management purposes. If PVP Customers are being served by a Supplier, a separate Pool must be comprised entirely of PVP Customers.

"Pool Customer" means a recipient of Time Transportation Service provided by the Company under Tariff Sheet Nos. 33, 36, 37 or 52 who receives gas supply from a Supplier as a member of a Pool.

"Pooling Program" refers to the services provided under Residential Time Transportation Service (Rate FRT - Sheet No. 33), Residential Time Transportation Service - Low Income (Rate FRL - Sheet No. 33), Time Transportation Service - Large (Rate FRL - Sheet No. 37), Time Transportation Service - Small (Rate FRT - Sheet No. 52), and Fuel Requirements Aggregation Service (Rate FRS - Sheet No. 44).

"Pooling Service" means a service provided by the Company that allows Suppliers to deliver to the Company gas supply management to satisfy the energy requirements of the customers of the Supplier's Pool, all in accordance with the rules established by the Commission in the Tariff Sheet and Gas Supply Aggregation/Customer Pooling Agreement.

"Positive Imbalance Volume" or "Over-deliveries" is the amount by which the sum of all volumes actually delivered to the Pool Customers during the period exceeds the sum of the volumes available for delivery by the Company to the Pool during the same period.

"Program" means the Company's Fuel Requirements/Supply Aggregation customer choice program under Rate FRS, Rate FRL, Rate FRT and Rate FTS, and Rate FRS, respectively.

"PUCO" or "Commission" means the Public Utilities Commission of Ohio.

"Sales Service" means service under Residential Time Transportation Service (Rate FRT - Sheet No. 33), Residential Time Transportation Service - Low Income (Rate FRL - Sheet No. 33), Residential Time Transportation Service - Large (Rate FRL - Sheet No. 37), Time Transportation Service - Small (Rate FRT - Sheet No. 52) or General Service - Large (Rate FRS - Sheet No. 44).

"Supplier" is a qualified business entity that: (1) has been certified by the Commission to provide retail natural gas; (2) has been designated as a Supplier by a group of one or more customers that qualifies as a Pool; (3) agrees to accept responsibility for the gas supply management of the Pool; (4) meets the requirements for Supplier Participation set out in this Tariff Sheet; and (5) has accepted a Gas Supply Aggregation/Customer Pooling Agreement with the Company.

"Supply Contract" or "Contract" means a contract between the Pool Customer and its Supplier that defines the mutual responsibilities and obligations of these parties relative to customer's service and Supplier's sale of gas supplies to deliver to customer pursuant to this Tariff Sheet and the applicable Transportation Service (Rate FRT - Sheet No. 33).

"Target Supply Quantity" (TSQ) are defined as daily city gate delivery quantities determined from statistical models used to estimate the daily gas usage of the Pool customers for customers in Supplier's Pool. These daily gas usage estimates are adjusted for Unaccounted-for Gas Loss and converted from volumetric to thermal quantities.

"Transportation Service" means service under Residential Time Transportation Service (Rate FRT - Sheet No. 33), Residential Time Transportation Service - Low Income (Rate FRL - Sheet No. 33), Residential Time Transportation Service - Large (Rate FRL - Sheet No. 37), Time Transportation Service - Small (Rate FRT - Sheet No. 52) or General Service - Large (Rate FRS - Sheet No. 44) or Interchange Transportation Service (Rate FRT - Sheet No. 51).

"Unaccounted-for Gas Loss" is the difference between the Company's total available gas commodity and the total gas commodity accounted for (measured) as sales and transportation volumes. The difference between the total gas commodity and the total gas commodity accounted for is the amount of gas that is not accounted for in the Company's system but is not lost to leakage, discrepancies due to meter inaccuracies, Company use and with the use of city billing, an amount of gas used but not billed.

"Unaccounted-for Percentage" means a percentage calculated by dividing the difference between: (1) the aggregate volume of gas received from the Company's system from the available customer sales and transportation volumes, all converted to Btu using the Btu content associated with such supply source; and (2) the aggregate volume consumed by all of Company's gas customers, stated in Btu, over that same period, by the total volume calculated in item (1) above.

"Under-deliveries" or "Negative Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool Customers during the period exceeds the sum of the volumes available for delivery by the Company to the Pool during the same period.

REQUIREMENTS FOR SUPPLIER PARTICIPATION

Each Supplier desiring to receive Aggregation Service/Fuel Transportation Service from the Company will be evaluated to ensure it possesses the financial resources and sufficient experience to perform its responsibilities as a Supplier. On the basis of this evaluation, a Supplier's participation may be limited to a level specified by the Company.

In order to assist Company in performing due diligence, Supplier(s) must do the following:

- Provide proof of Commission Certification to the Company;
- Complete and sign the Company's Credit Application form;
- Complete and sign the Retail Natural Gas Supplier Registration form;
- Pay a registration fee as set forth in Sheet No. 45 herein;
- Attend Company-sponsored training for Retail Natural Gas Suppliers;
- Obtain and maintain a working understanding of the proper electronic communications capabilities necessary to interact business with the Company;
- Complete and sign the Company's Gas Supply Aggregation/Customer Pooling Agreement.

Suppliers not meeting the necessary credit level will be required to provide additional security in a form and format specified by the Company.

Financial statements will be based on standard credit factors such as financial and credit ratings, trends, income, cash flow, and liquidity, and will be based on the Pool Customer's payment history, and related financial information that have been independently audited. If available, the Company shall determine creditworthiness based on the above criteria, and will not deny a Supplier's participation in the Program unless it determines that it will be exposed to the Supplier for such financial evaluation, as set forth in Sheet No. 45 herein.

The Company reserves the right to conduct an evaluation of Supplier's financial standing from time to time. Such re-evaluation may be initiated either by a request from the Supplier or by the Company, if the Company reasonably believes that the creditworthiness or operating environment of a Supplier may have changed. Based on such re-evaluation, the Company may require the Supplier to increase the amount of its financial security. If the Supplier does not increase its security within five (5) business days of the Company's request or within an additional time period specified by the Company, the Supplier's participation may be suspended or terminated by the Company with the consequences of Supplier's Failure to Perform a Company section of this Tariff. The financial evaluation fee set forth in Sheet No. 45 herein will be assessed for such re-evaluations.

GENERAL PROVISIONS

All Suppliers and Governmental Aggregators shall engage in sales, marketing, advertising, or unreasonable acts or practices related to, without limitation, the following activities:

- Marketing, solicitation, or sale of a competitive retail natural gas service;
- Administration of contracts for such services;
- Provision of such services, including interactions with consumers;
- Supplier shall maintain any and all offices open for business in the state of Ohio.

Suppliers and Governmental Aggregators shall not cause or arrange for the discontinuation of distribution service, or supply the financial of such actions, as a consequence of contract termination, customer non-payment, or for any other reason.

Suppliers and Governmental Aggregators shall not change or authorize the changing of a customer's Supplier of competitive retail natural gas service without the customer's prior consent, as provided for under Rule 4501.1-29-05 of the O.A.C. For the purpose of procuring competitive retail natural gas services, this requirement does not apply to automatic Governmental Aggregation and for the PVP program.

All Suppliers and Governmental Aggregators shall provide the Commission's staff with a name, telephone number, and e-mail address of a contact person who will respond to Commission concerns pertaining to customer complaints. If any of the required information relating to the contact person should change, the Supplier or Governmental Aggregator shall provide advance notice of such changes to the Commission.

RECORDS AND RETENTION

All the Company files records retention related to competitive retail natural gas services, each Supplier and each Governmental Aggregator shall establish and maintain records and data sufficient to:

- Verify its compliance with the requirements of any applicable Commission rules;
- Support any investigation of customer complaints;
- Retain all records for a period of not less than two years;
- Unless otherwise prescribed, all records shall be retained for no less than two years;
- Unless otherwise prescribed by the Commission or its authorized representatives, all required records shall be retained for no less than two years.

MARKETING AND SOLICITATION

Each Supplier and Governmental Aggregator that offers competitive retail natural gas service to customers shall provide, in marketing materials that include an accompanying service contract, sufficient information for customers to make informed cost comparisons.

- For fixed-rate offers, such information shall, at minimum, include:
 - The cost per Ccf or Mcf, whichever is consistent with the Company's current billing format, for natural gas supply;
 - The amount of any other recurring or nonrecurring Supplier or Governmental Aggregator charges;
 - A statement that the Supplier's or Governmental Aggregator's rate is inclusion of all applicable state and local taxes and the Company's service and delivery charges;

For variable-rate offers, such information shall, at minimum, include:

- A clear and understandable explanation of the factors that will cause the price to vary (including any related indices) and how often the price can change;
- The amount of any other recurring or Supplier or Governmental Aggregator charges; and
- A statement that the Supplier's or Governmental Aggregator's rate is inclusive of all applicable state and local taxes and the Company's service and delivery charges.

A Supplier's or Governmental Aggregator's promotional and advertising material shall be provided to the Commission or its staff within three (3) business days of a request by the Commission or its staff.

No Supplier or Governmental Aggregator may engage in marketing, solicitation, sales acts, or practices which involve misleading, deceptive, or unconscionable in the marketing, solicitation, or sale of a competitive retail natural gas service. Such unfair, misleading, deceptive, or unconscionable acts or practices include, but are not limited to, the following:

- Selecting customers for a competitive retail natural gas service:
 - After suspension, resumption, or conditional resumption of certification by the Commission;
 - After denial of certification removal by the Commission;
- Failing to comply with paragraph (a) or (b) of this section;
- Failing to provide in writing its advertisements and promotional materials that make an offer for sale, a toll-free/800/telephone number and address for printed materials that the potential customer may call or write to request detailed information regarding the price, terms, conditions, limitations, and restrictions;
- Soliciting via telephone calls initiated by the Supplier or Governmental Aggregator for its agent without first:
 - Obtaining the list of customers who have requested to be placed on a "do not call" list, which shall be created and maintained by the Commission; and
 - Obtaining periodic updates of the Commission-maintained "do not call" list.

Engaging in telephone solicitations of customers who have been placed on the "do not call" list maintained by the Commission;

Engaging in telephone solicitations to residential customers other than 9 a.m. to 5 p.m.;

Engaging in direct solicitation to customers where the Supplier's or Governmental Aggregator's sales agent fails to wear and display a pool member or Governmental Aggregator identification. The format for this identification shall be pre-approved by the Commission staff; and

Advertising or marketing offers that:

- Claim that a specific price advantage, savings, or guarantee exists if it does not, or may exist if it will not;
- Claim to provide a competitive retail natural gas service when such an offer is not a bona fide offer to sell such services;

A fixed price per Ccf or Mcf, whichever is consistent with the Company's current billing format, for competitive retail natural gas service without disclosing all recurring and nonrecurring charges; and

A variable price per Ccf or Mcf, whichever is consistent with the Company's current billing format, for competitive retail natural gas service without disclosing all recurring and nonrecurring charges; and

A fee to disclose all material limitations, exclusions, and other material dates.

OBLIGATIONS TO THE COMPANY

Each Supplier participating in the Pooling Program shall:

- Deliver gas to the Company on a firm basis on behalf of the Supplier's pool members in accordance with the requirements of the "Gas Supply Aggregation/Customer Pooling Agreement";
- Establish and maintain a creditworthy financial position to enable the Supplier to indemnify the Company and its customers for costs incurred as a result of any failure by the Supplier to deliver gas in accordance with the requirements of the program and to ensure payment of any Commission-approved charges for any such failure;
- Make good faith efforts to resolve all disputes between Supplier and its Pool Customers and to cooperate with resolution of any joint issues with Company;
- Retain from settling customer-specific billing, payment, and usage history without first having received the customer's approval to access such information.

Failure to fulfill any of these obligations may subject Supplier to consequences set forth in the Consequences of Supplier's Failure to Perform or Comply sections of this Tariff Sheet.

CUSTOMER INFORMATION LIST

Company shall make available to Suppliers an electronic list of customer information for customers who are eligible to participate in the Program. Such list shall be updated quarterly and shall, at a minimum, contain the following information regarding each customer: name, service and mailing addresses, meter read date and numbers, and the most recent twelve (12) months of consumption history. The list for each customer information list set forth in Sheet No. 45 herein.

GOVERNMENTAL AGGREGATION

Governmental Aggregators shall follow the Commission's rules for formation and operation of a Governmental Aggregation.

Upon the request of a Governmental Aggregator, the Company will provide, on a non-exclusive basis, as applicable to Eligible customers' gas service and mailing addresses, account numbers, and other customer information list data for all Eligible customers residing within the Governmental Aggregator's boundaries. Except for the inclusion of information for customers who have opted-out of the Company's customer information list for Suppliers and Company account numbers, the customer information contained in such list shall be consistent with any customer information list provided to Suppliers described herein. This Governmental Aggregator will pay a fee for a copy of such list, as set forth in Sheet No. 45 herein. The Governmental Aggregator shall not disclose or use a customer's account number or any customer information

regarding those customers who have opted-out of the Company's customer information list, without the customer's express written consent.

Prior to the Company including a customer's natural gas account in a Governmental Aggregation, the Governmental Aggregator shall provide each Eligible customer written notice that their account will be automatically included in the aggregation unless the customer affirmatively opts out of the aggregation. The Company shall notify Eligible customers, who have not opted out of the Governmental Aggregation, of their inclusion in a Governmental Aggregation under the same provisions described herein for Suppliers.

CUSTOMER SIGN-UP PROCEDURES

Customers desiring to participate in the Program must execute a written Supply Contract with a Supplier that states that the customer has agreed to participate in the Program and which sets forth the terms and conditions of the customer's gas supply purchase. The Supplier may design the format of the Supply Contract, but it must comply with the applicable provisions specified in Rules 4501.1-29-05 and 4501.1-29-11 of the O.A.C.

In the alternative, customers desiring to participate in the Program may enroll with a Supplier via telephone or internet. Under these methods, the Supplier must retain proof of customer consent as required by the Commission.

The Supply Contract, or alternate proof of customer consent in the case of telephone or internet enrollment, will be used to resolve disputes if the validity of an account enrollment comes into question. If requested by the Company, Commission (in the case of Non-Merit-based Customers only) or OGC (in the case of residential customers only), Supplier must provide a copy of a specific Supply Contract, or alternate proof of customer consent in the case of telephone or internet enrollment, within three (3) business days of any such request.

Regardless of the customer enrollment method used, within three (3) business days after completion of enrollment, a list of data agreed to or customer received, Supplier will provide the Company with an electronic file in a format specified by the Company, containing a listing of all customers who Supplier has signed up or desires to sign up since its last submission. This list shall include each Pool Customer's Company account number. The Company will include the information provided for accuracy and customer privacy, and provide Supplier with a confirmation report within three (3) business days. In the event more than one Supplier includes the same Pool Customer on their enrollment list to begin the same period, the customer will be assigned to the Supplier whose acceptable enrollment was first processed by the Company.

Once complete and accurate information supporting a customer joining or leaving a Supplier's Pool is received and confirmed by the Company, the change will be effective on the customer's next regularly scheduled meter read date, provided that it is received by the Company at least twelve (12) days before the next regularly scheduled meter read date. If a customer records their enrollment prior to commencing service with a Supplier, the Company shall notify the Supplier within two (2) business days of the customer's decision.

Customer will remain with its Supplier until: (1) the customer is enrolled in Sales Service due to non-enrollment or Supplier default; (2) the customer or Supplier notifies the Company that the customer should revert to the Company's Sales Service; (3) the customer joins the PVP program; or (4) the customer's name, service address and account number appear on another Supplier's electronic enrollment file. If a customer moves from one address to another within the Company's service territory but wishing to stay with its Supplier, the Company shall be notified by the Supplier by the time of that move; (5) the Company's current billing system needs confirmation to remain in the Program; or (6) the customer moves from the Supplier because of the location change within the Company's service territory. In order to remain in the Program participating with the Supplier, the Supplier must confirm enrollment with customer authorization once the new distribution service account with the Company has been established; (6) when a customer changes their service address within the Company's service territory, the customer will be billed for Sales Service for a period of no more than one billing cycle prior to item (1) date, provided that a timely enrollment notice is received from the Supplier; and (7) the customer and the Supplier may mutually agree to the time the customer is billed under Sales Service by promptly providing the Company with the new enrollment notice. If the customer's current Supplier initiates customer's enrollment in the Program, the Company shall issue a written notification to the customer informing customer of such changes. Customers, who on their own initiative, decide to terminate their participation in the Program will be permitted to do so without the Company making any determination regarding whether the customer is contractually permitted to make such move. The Company shall not be liable to the Supplier or customer for allowing the customer to revert to Sales Service. The Company is not responsible for tracking Supplier contract terms and conditions between Suppliers and customers and shall not be liable for any default of such contract.

If the Company rejects a customer from enrollment, the Supplier shall notify the customer within three (3) business days from the Company's notification of rejection that the customer will not be enrolled or enrollment will be delayed, along with the reasons therefor.

The Company will accept an enrollment from another Supplier for a customer who is currently with a Supplier, without the current Supplier first submitting an electronic copy notification to the Company. In removal situations where a customer is already being served by a Supplier or the customer is currently receiving Sales Service, the Company shall, prior to commencing competitive retail natural gas service with the subsequent Supplier, mail the customer a confirmation notice stating:

- The Company has received a request to enroll the customer for competitive retail natural gas service with the named Supplier, and, in the case of an enrollment request for a customer who is currently with another Supplier, a statement that the Company's records reflect that customer is currently enrolled with another Supplier along with an acknowledgment that customer shall review the terms and conditions of the incumbent Supplier's Contract for customer's obligations under said Contract;

The date such notice is deposited in the mail;

The customer has seven (7) business days from the postmark date on the notice to contact the Company telephonically, in writing or via the internet to rescind the enrollment request or notify the Company that the change of the Supplier will not be requested by the customer; and

The Company's appropriate contact information, including, but not limited to, the Company's toll-free telephone number.

If the customer records their enrollment, the Company will initiate said rescission and notify the Supplier or Governmental Aggregator.

Any customer enrolling in Sales Service as a result of a Supplier default, changing, Supplier abandonment, or Supplier termination rescission will not be liable for any costs associated with the switch.

ENROLLMENT OF CUSTOMERS

Suppliers may enroll customers by mail, facsimile, direct solicitation, telephone, and the internet. When soliciting and/or enrolling Non-Merit-based customers, Supplier must adhere to the requirements set forth in Rules 4501.1-29-05 and 4501.1-29-06 of the O.A.C.

CONTRACT ADMINISTRATION AND BENEVOLENCE

Supplier must adhere to the contract administration and renewal requirements for Non-Merit-based customers set forth in Rule 4501.1-29-05 of the O.A.C.

POOL CUSTOMER ENROLLMENT OPTIONS

Suppliers may select one of the following two billing options for its Pool Customers that do not opt-in to the PVP:

Option 1 - Company Controlled Billing. The Pool Customer shall receive one bill from the Company that indicates the name of the Supplier from whom the customer is receiving its gas supply and includes an amount for the Supplier's gas supply charges in accordance with the pricing management agreement between the Supplier and the customer, including any taxes for which the Supplier must collect. The Company's consolidated bill may provide the budget amounts, past due balances, payments applied, credits, late charges, and fiscal account due on a consolidated basis only. A Supplier that elects this billing option will be provided, at no charge, as many as twenty-five (25) actively billed rate codes to which a customer may be assigned by the Supplier and billed by the Company. Additional actively billed rate codes will be provided to the Company for a fee as set forth in Sheet No. 45 of this Tariff. Each Supplier will be limited to a total of forty (40) actively billed rate codes for which the Supplier may submit to the Company a price change each month for each rate code. Price changes must be submitted to the Company no later than the 28th day each month for bills composed the next month. In the event that a Supplier desires extraordinary billing system changes, the Supplier shall be charged for the cost of implementing such changes, as set forth in Sheet No. 45 of this Tariff.

The Pool Customer will be responsible for making payment to the Company for the entire amount shown on the bill, including both the Company's and the Supplier's charges. In the event that the Company's bill is applied to the Company's charges shown on the bill, the Company's bill shall be applied to the Company's charges shown on the bill, and the residual amount shall be applied to the Supplier's portion of the bill, including the taxes thereon. Supplier shall be promptly notified of any payments received from customers attributable to Supplier's portion of the bill. Payment to Supplier for payments received from customers at noted above will be made within five (5) business days after mid-month and end-of-month numbers are available.

NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

b. Costs of requested/required facilities shall include the cost items identified in subparagraph (1) (a) above, plus all costs of complying with the requirements of the governmental subdivision including any application process of the governmental subdivision, including the cost of preparing the application, costs of developing alternatives not already studied by Company, cost of estimating the cost of alternatives not already studied by Company, the production of data for consideration in any hearing, and any other direct cost of compliance including any hearing held.

c. Recoverable costs from the governmental subdivision and/or its customers will be reduced by the sum of any proceeds received from transportation improvement district funding, joint economic development district funding, tax increment funding, or similar quasi-public funding.

CUSTOMER OR PRIVATE PARTY

CUSTOMER OR PRIVATE PARTY

The customer or private party will pay in advance the entire estimated cost to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment. If the actual cost of the work exceeds the estimate, the customer will be responsible to pay the difference. Similarly, the Company will refund any excess money collected should the estimate exceed the actual cost.

GOVERNMENT ENTITY

These options are available to the government entity (or Administrative Agency):

DIRECT

1. The government entity (or Administrative Agency) will pay in advance the entire estimated cost to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment. If the actual cost of the work exceeds the estimate, the government entity (or Administrative Agency) will be responsible to pay the difference. Similarly, the Company will refund any excess money collected should the estimate exceed the actual cost.

2. Alternatively, government entity (or Administrative Agency) will pay the entire actual cost and the Company's associated cost of capital to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment. Said costs will be collected over a period extending no longer than twenty-four (24) months. The twenty-four month period begins when either of the following occurs:

- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been modified, relocated or removed from service; or
- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been constructed and placed into service.

INDIRECT

Should the government entity (or Administrative Agency) elect to do so, the entire actual cost and the Company's associated cost of capital to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment will be collected on a per customer basis, a per one hundred cubic foot (CCF) basis or some combination thereof. Said costs will be collected from all customers whose service address is located within the legal boundaries of said government entity. The cost will be collected in its entirety over a time period not to exceed twenty-four (24) months. The twenty-four (24) month period begins when either of the following occurs:

- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been modified, relocated or removed from service; or
- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been constructed and placed into service.

The charge shall be shown as a separate line item on the customer's bill.

At any time after the commencement of the charge, the charge may be reviewed and, if necessary, adjusted to reflect:

- The number of customers residing or located within the geographical boundary of said governmental entity; and/or
- The amount of energy used by customers residing or located within the geographical boundary of said governmental entity; and/or
- The actual cost of requested/required facilities.

Failure by any customer to pay the charge shall be grounds for disconnection of service to such customer in accordance with Company's Gas Terms and Conditions for Gas Service.

If the government entity (or Administrative Agency) rescinds its requirements concerning requested/required facilities, the charge shall continue until the end of the term, twenty-four (24) months subject to any necessary review and adjustment as specified above.

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto, are subject to the jurisdiction of the Public Utilities Commission of Ohio, and to the Company's Service Regulations currently in effect, as filed with the Public Utilities Commission of Ohio.

PROPOSED RIDER ASRP ACCELERATED SERVICE REPLACEMENT PROGRAM RIDER

ACCELERATED SERVICE REPLACEMENT PROGRAM RIDER, SHEET NO. 89

APPLICABILITY

Applicable to all customers receiving service under the Company's sales and transportation rate schedules.

ACCELERATED SERVICE REPLACEMENT PROGRAM FACTORS

All customers receiving service under Rates RS, RSL, RFT, RFTL, GS-S, GS-L, FT-S, FT-L, and DGS shall be assessed a monthly charge in addition to the Customer Charge component of their applicable rate schedule that will enable the Company to replace pre-1971 coated steel main to curb and curb to meter service lines and unprotected metallic main to curb and curb to meter service lines. In addition and where applicable, the Company will move meters from inside a structure to an acceptable location outside a structure for those services being replaced in conjunction with the ASRP. Customers receiving service under Rates IT and GGT will be assessed a throughput charge in addition to their commodity delivery charge for that purpose.

Rider ASRP will be updated annually, in order to reflect the impact on the Company's revenue requirements of net plant additions as offset by operations and maintenance expense reductions during the most recent twelve months ended December. Such adjustments to the Rider will become effective with the first billing cycle of May.

The charges for the respective gas service schedules are:

Rate RS and RSL, Residential Service	\$00.00 per month
Rate RFT and RFTL, Residential Firm Transportation Service	\$00.00 per month
Rate GS-S and GS-L, General Service	\$00.00 per month
Rate DGS, Distributed Generation Service	\$00.00 per month
Rate FT-S and FT-L, Firm Transportation Service	\$00.00 per month
Rate IT, Interruptible Transportation Service	\$0.000000 per CCF
Rate GGT, Gas Generation Interruptible Transportation Rate	\$0.000000 per CCF

These monthly charges shall remain in effect until changed by order of the Public Utilities Commission of Ohio.

PROPOSED RIDER AU ADVANCE UTILITY RIDER

ADVANCE UTILITY RIDER, SHEET NO. 88.3

APPLICABILITY

Applicable to all customers receiving service under the Company's sales and transportation rate schedules.

The charges for the respective gas service schedules are:

Rate RS and RSL, Residential Service	\$ 0.00 per month
Rate RFT and RFTL, Residential Firm Transportation Service	\$ 0.00 per month
Rate GS-S and GS-L, General Service	\$ 0.00 per month
Rate DGS, Distributed Generation Service	\$ 0.00 per month
Rate FT-S and FT-L, Firm Transportation Service	\$ 0.00 per month
Rate IT, Interruptible Transportation Service	\$ 0.00 per month
Rate GGT, Spark Spread Interruptible Transportation Rate	\$ 0.00 per month

OTHER PROPOSED CHANGES

The Company proposes to make the following additional changes to its gas tariff:

1. Section II – Supplying and Taking of Service, paragraph B – Right of Way.

The following provision is changed as follows:

B. Right-of-Way

The customer shall furnish, without cost to the Company, all necessary rights of way upon or across property owned or controlled by the customer for any and all of the Company's facilities that are necessary or incidental to the supplying of service to the customer, or to continue service to the customer. Subsequent to the customer providing the Company with the necessary rights of way to serve the customer, the Company shall serve or continue to provide service to the customer in accordance with the terms and conditions for the taking of service as identified in P.U.C.O. Gas No. 18. Additionally, the customer shall likewise furnish, without cost to the Company, all necessary rights of way upon or across customer's property necessary or incidental to the supplying of service to other customers who are adjacent to or extend beyond the customer's property. The rights of way as required herein shall be in the form of the Company's Grant of Easement, or any other instrument customarily used by the Company for its facilities, or as otherwise determined by the Company, in its discretion, to be satisfactory to it.

2. Charge for Reconnection of Service, Sheet No. 82.5.

The following has been added:

Also, if gas service has been disconnected at the request of the customer and, within an eight (8) month period of that disconnection, the customer requests that service be reconnected at the same premises, the Company may refuse gas service to such customer, unless it shall first receive payment equivalent to the appropriate billing of the customer's Fixed Delivery Service Charge for the number of billing periods the service was disconnected, including any necessary prorated charges representing partial bill periods. Where the billing amount reflects a period of more than one (2) month, those amounts shall be prorated based on the normal

scheduled meter reading dates and divided into increments of one (1) month, or less. If the increments represent less than one (1) month, the appropriate Fixed Delivery Service Charge will be billed as a prorated portion of the period as defined by the normal scheduled meter reading date. The appropriate Fixed Delivery Service Charge is defined by the rate under which the customer requested that the service be disconnected as is set forth in the following tariff sheets:

Sheet No. 30 Rate RS, Residential
Sheet No. 32 Rate GS-S, General Service – Small
Sheet No. 33 Rate RFT, Residential Firm Transportation
Sheet No. 34 Rate RSL, Residential Low Income Pilot
Sheet No. 35 Rate GS-L, General Service – Large
Sheet No. 36 Rate RFTL, Residential Firm Transportation Service – Low Income
Sheet No. 37 Rate FT-L, Firm Transportation Service – Large
Sheet No. 52 Rate FT-S, Firm Transportation Service – Small

The above proposed provisions, rates, and charges are subject to changes, including changes as to amount and form, by the Public Utilities Commission of Ohio following a public hearing on the filed application. Recommendations that differ from the filed application may be made by the Staff of the Public Utilities Commission of Ohio or by intervening parties and may be adopted by the Commission.

Any person, firm, corporation or association may file, pursuant to Section 4909.19 of the Revised Code, an objection to such proposed increased rates by alleging that such proposals are unjust and discriminatory or unreasonable.

Any person, firm, corporation or association may file a motion to intervene. Intervenor may obtain copies of the application and other filings made by the Company by contacting Ms. Dianne Kuhnelt at (513) 287-4337, Duke Energy Ohio, Inc.

WHEREFORE, since the rates, prices, charges, and other provisions in Duke Energy Ohio's current electric rate schedules do not yield just and reasonable compensation to Duke Energy Ohio for supplying electric distribution service to the customers to which they are applicable, do not yield a just and reasonable return to Duke Energy Ohio on the value of the property used for furnishing such electric distribution service to such customers, and result in the taking of Duke Energy Ohio's property for public use without compensation and without due process of law, Duke Energy Ohio respectfully prays that your Honorable Commission:

- Accept this Application for filing;
- Find that this Application and the attached Schedules filed herewith and incorporated herein, are in accordance with R. C. 4909.18 and the Rules of the Commission;
- Approve the Form of Notice in the attached Schedule S-3;
- Find that the current rates, prices, and charges for electric service are unjust, unreasonable and insufficient to yield reasonable compensation to Duke Energy Ohio for the electric distribution service rendered;
- Find that the proposed rates, prices, and charges are just and reasonable based upon the test period for the twelve months ending December 31, 2012, and approve such schedules in the form tendered herewith;
- Find that Duke Energy Ohio is in compliance with R. C. 4905.35;
- Approve Duke Energy Ohio's Application for an Increase in Gas Rates consistent with the Commission's approval of Duke Energy Ohio's proposed rates in Case No. 12-1685-GA-AIR;
- Approve Duke Energy Ohio's Application for Tariff Approval consistent with the Commission's approval of Duke Energy Ohio's proposed tariffs in Case No. 12-1686-GA-ATA;
- Approve Duke Energy Ohio's Application for Approval of an Alternative Rate Plan for Gas Distribution Service consistent with the Commission's approval of Duke Energy Ohio's proposed alternative rate plan in Case No. 12-1687-GA-ALT;
- Approve Duke Energy Ohio's Application for Approval to Change Accounting Methods consistent with the Commission's approval of Duke Energy Ohio's proposed deferrals in Case No. 12-1688-GA-AAM;
- Fix the date on or after which applicable services provided to non-residential customers are subject to the proposed rates at January 1, 2013; and
- Fix the date on or after which applicable services provided to residential customers are subject to the proposed rates at January 1, 2013.

Recommendations that differ from this application may be made by the Public Utilities Commission staff or by intervening parties and may be adopted by the Commission. Any person, firm, corporation, or association may file, pursuant to Section 4909.19 of the Ohio Revised Code, an objection to the proposed natural gas rate increases by alleging that such proposals are unjust and discriminatory or unreasonable.

A copy of the application is available for inspection at the main office of the Company at 139 East Fourth Street, Cincinnati, Ohio, or 644 Linn Street, Cincinnati, Ohio, or at the Public Utilities Commission of Ohio, 180 East Broad Street, Docketing Division, 11th floor, Columbus, Ohio 43215-3793. The application and supporting documents may also be viewed at the Commission's web page at <http://www.puc.ohio.gov>, by selecting DIS, inputting 12-1685 in the case lookup box, and selecting the date the application was filed.

DUKE ENERGY OHIO, INC.

Dayton Daily News

AFFIDAVIT OF PUBLICATION

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937-225-7367

STATE OF OHIO

DUKE ENERGY

C/O JOHN FINNIGAN

CINCINNATI, OH 45202

NOTICE OF APPLICATION TO THE PUBLIC-UTILITY COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES
TO ALL INDIVIDUALS CONCERNED FOR DUKES ENERGY, INC.

[REDACTED]

Before me, the undersigned, a Notary public in and for said County, personally came Nadia Vagedes who being first duly sworn says he/she is the Legal Advertising Agent of the Dayton Daily News, which he/she says is a newspaper of general circulation in Montgomery, Clark, Warren, Butler, Clinton, Greene, Preble, Miami, Darke, Mercer, Shelby, Fayette, Logan, Hamilton, Clermont, Auglaize, and Champaign Counties, and State of Ohio, and he/she further says that the Legal Advertisement, a copy of which is hereunto attached, has been published in the said Dayton Daily News 0 Lines, 2 Time(s), last day of publication being 10/23/2012, and he/she further says that the bona fide daily paid circulation of the said Dayton Daily News was over (25000) at the time the said advertisement was published, and that the price charged for same does not exceed the rates charged on annual contract for the like amount of space to other advertisers in the general display advertising columns.

Signed

Nadia Vagedes

Sworn or affirmed to, and subscribed before me, this 10/24/2012. In Testimony Whereof, I have hereunto set my hand and affixed my official seal, the day and year aforesaid.

Invoice No.	15894435
Ad Cost	\$14,469.60
Paid	\$0.00
Due	\$14,469.60

Notary Public

LORNA M. FOER, Notary Public
In and for the State of Ohio
My Commission Expires July 4, 2015

Dayton Daily News

AFFIDAVIT OF PUBLICATION

P.O. Box 643157

Cincinnati, OH 45264-3157

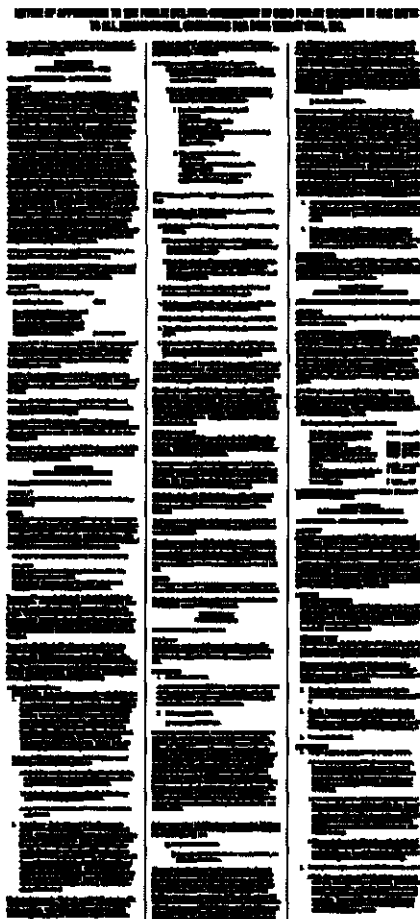
937-225-7367

DUKE ENERGY

C/O JOHN FINNIGAN

CINCINNATI, OH 45202

STATE OF OHIO

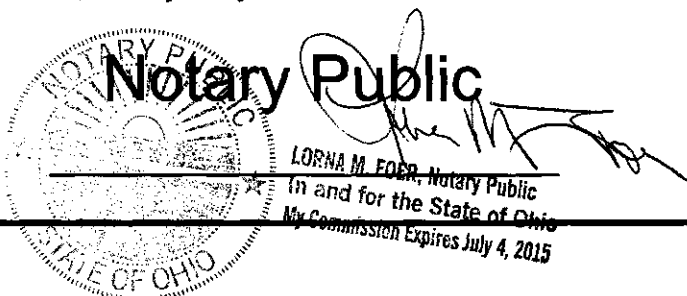


Before me, the undersigned, a Notary public in and for said County, personally came Nadia Vagedes who being first duly sworn says he/she is the Legal Advertising Agent of the Dayton Daily News, which he/she says is a newspaper of general circulation in Montgomery, Clark, Warren, Butler, Clinton, Greene, Preble, Miami, Darke, Mercer, Shelby, Fayette, Logan, Hamilton, Clermont, Auglaize, and Champaign Counties, and State of Ohio, and he/she further says that the Legal Advertisement, a copy of which is hereunto attached, has been published in the said Dayton Daily News 0 Lines, 2 Time(s), last day of publication being 10/23/2012, and he/she further says that the bona fide daily paid circulation of the said Dayton Daily News was over (25000) at the time the said advertisement was published, and that the price charged for same does not exceed the rates charged on annual contract for the like amount of space to other advertisers in the general display advertising columns.

Signed

Sworn or affirmed to, and subscribed before me, this 10/24/2012. In Testimony Whereof, I have hereunto set my hand and affixed my official seal, the day and year aforesaid.

Invoice No.	15894430
Ad Cost	\$21,660.00
Paid	\$0.00
Due	\$21,660.00



Dayton Daily News

AFFIDAVIT OF PUBLICATION

P.O. Box 643157

Cincinnati, OH 45264-3157

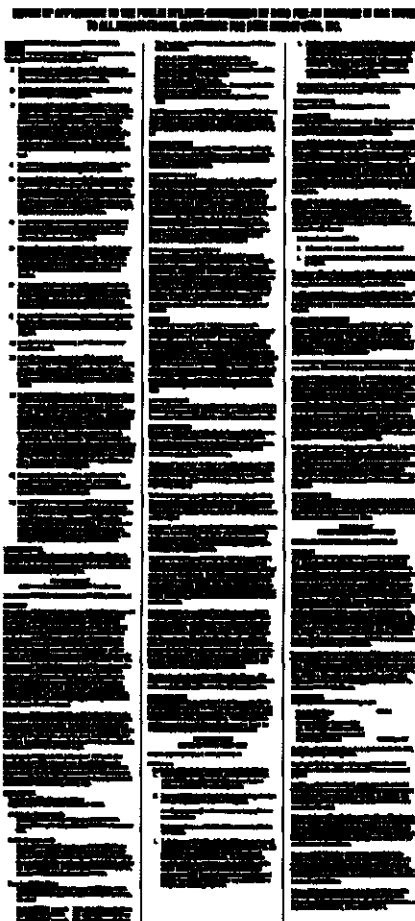
937-225-7367

DUKE ENERGY

C/O JOHN FINNIGAN

CINCINNATI, OH 45202

STATE OF OHIO



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Signed

Sworn or affirmed to, and subscribed before me, this 10/24/2012. In Testimony Whereof, I have hereunto set my hand and affixed my official seal, the day and year aforesaid.

Invoice No.	15894422
Ad Cost	\$21,660.00
Paid	\$0.00
Due	\$21,660.00

Notary Public

LORNA M. FOER Notary Public
In and for the State of Ohio
My Commission Expires July 4, 2015

Dayton Daily News

AFFIDAVIT OF PUBLICATION

P.O. Box 643157

Cincinnati, OH 45264-3157

937-225-7367

DUKE ENERGY

C/O JOHN FINNIGAN

CINCINNATI, OH 45202

STATE OF OHIO

NOTICE OF AFFIDAVIT TO THE PUBLIC: THE AFFIDAVIT OF PUBLICATION IS ONE OF THE
TO ALL INTERESTED PARTIES AND TO THE PUBLIC.

[REDACTED]

Before me, the undersigned, a Notary public in and for said County, personally came Nadia Vagedes who being first duly sworn says he/she is the Legal Advertising Agent of the Dayton Daily News, which he/she says is a newspaper of general circulation in Montgomery, Clark, Warren, Butler, Clinton, Greene, Preble, Miami, Darke, Mercer, Shelby, Fayette, Logan, Hamilton, Clermont, Auglaize, and Champaign Counties, and State of Ohio, and he/she further says that the Legal Advertisement, a copy of which is hereunto attached, has been published in the said Dayton Daily News 0 Lines, 2 Time(s), last day of publication being 10/23/2012, and he/she further says that the bona fide daily paid circulation of the said Dayton Daily News was over (25000) at the time the said advertisement was published, and that the price charged for same does not exceed the rates charged on annual contract for the like amount of space to other advertisers in the general display advertising columns.

Signed

Nadia Vagedes

Sworn or affirmed to, and subscribed before me, this 10/24/2012. In Testimony Whereof, I have hereunto set my hand and affixed my official seal, the day and year aforesaid.

Invoice No.	15894416
Ad Cost	\$21,660.00
Paid	\$0.00
Due	\$21,660.00

Notary Public

LORNA M. EDER, Notary Public
In and for the State of Ohio
My Commission Expires July 4, 2015

Dayton Daily News

AFFIDAVIT OF PUBLICATION

P.O. Box 643157

Cincinnati, OH 45264-3157

937-225-7367

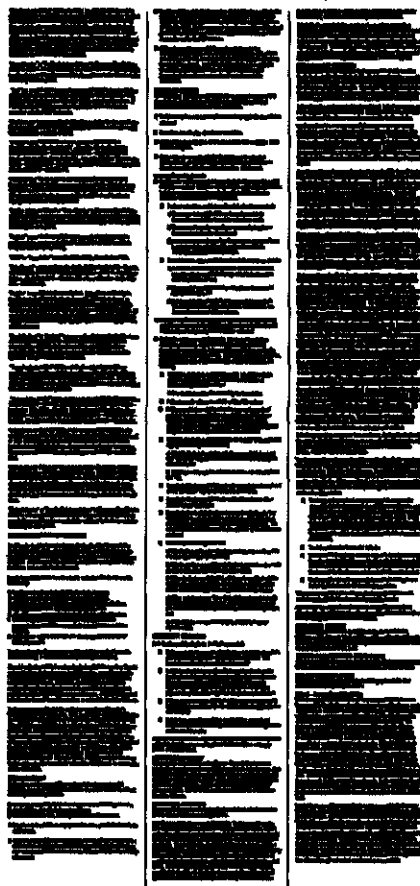
DUKE ENERGY

C/O JOHN FINNIGAN

CINCINNATI, OH 45202

STATE OF OHIO

NOTICE OF AFFIDAVIT TO THE PUBLIC: ALL AFFIDAVITS OF THIS PUBLIC NOTARY IN THE STATE OF OHIO MUST BE FILED WITH THE CLERK OF THE COURT IN THE COUNTY WHERE THE AFFIDAVIT IS MADE.



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Signed

Sworn or affirmed to, and subscribed before me, this 10/24/2012. In Testimony Whereof, I have hereunto set my hand and affixed my official seal, the day and year aforesaid.

Invoice No.	15894406
Ad Cost	\$21,660.00
Paid	\$0.00
Due	\$21,660.00

Notary Public

LORNA M. FOER, Notary Public
In and for the State of Ohio
My Commission Expires July 4, 2015

Dayton Daily News

AFFIDAVIT OF PUBLICATION

P.O. Box 643157

Cincinnati, OH 45264-3157

937-225-7367

DUKE ENERGY

C/O JOHN FINNIGAN

CINCINNATI, OH 45202

STATE OF OHIO

NOTICE OF AFFIDAVIT TO THE PUBLIC: THE AFFIDAVIT OF PUBLICATION IS A PUBLIC RECORD AND IS AVAILABLE TO ALL PERSONS. CONTACT THE PUBLIC RECORDS DIVISION FOR MORE INFORMATION.

[REDACTED]

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Signed

Nadia Vagedes

Sworn or affirmed to, and subscribed before me, this 10/24/2012. In Testimony Whereof, I have hereunto set my hand and affixed my official seal, the day and year aforesaid.

Invoice No.	15894389
Ad Cost	\$21,660.00
Paid	\$0.00
Due	\$21,660.00

Notary Public

LORNA M. FOER, Notary Public
In and for the State of Ohio
My Commission Expires July 4, 2015

NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

TO WHOM IT MAY CONCERN:

Pursuant to the requirements of Section 4903.19 of the Ohio Revised Code, Duke Energy Ohio, Inc. hereby gives notice that on July 5, 2012, it filed with the Public Utilities Commission of Ohio ("Commission") an application for authority to change its gas rates and charges in incorporated municipalities and the unincorporated territory within its service area, which includes all or part of Adams, Bell, Clinton, Chatham, Chatham, Clinton, Montgomery, Franklin, and Warren Counties in Ohio. Such application has been assigned Case No. 12-1585-GA-AM, 12-1648-GA-AM, 12-1647-GA-AM, and 12-1649-GA-AM by the Commission. The substance of the application follows.

The following is a description of the proposed gas rates:

PROPOSED RATE R5 RESIDENTIAL SERVICE RESIDENTIAL SERVICE, SHEET NO. 30.2

APPLICABILITY
Applicable to gas service required for residential purposes when supplied at one point of delivery where distribution mains are adjacent to the premises to be served.

NET MONTHLY BILL
Computed in accordance with the following charges:

Fixed Delivery Service Charge per month \$13.03
Plus a Usage-Based Charge for
First 400 CCF \$0.130477 per CCF
Additional CCF \$0.389697 per CCF

The monthly minimum bill shall be the monthly Fixed Delivery Service Charge and applicable charge under Rider ARMP, Rider AR, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 64, Ohio Excess Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate R5 shall be the increase granted in full is 3.9%.

PROPOSED RATE GS-3 GENERAL SERVICE - SMALL GENERAL SERVICE - SMALL, SHEET NO. 32.3

APPLICABILITY
Applicable to gas service required for all purposes by an individual non-residential customer using a 4,000 CCF or less during the calendar year at one premises where supplied at one point of delivery where distribution mains are adjacent to the premises to be served.

NET MONTHLY BILL
Computed in accordance with the following charges:

Fixed Delivery Service Charge per month \$9.64
Plus a Usage-Based Charge for
AR CCF Delivered at \$0.154370 per CCF

The monthly minimum bill shall be the monthly Fixed Delivery Service Charge and applicable charge under Rider ARMP, Rider AR, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 64, Ohio Excess Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate GS-3 shall be the increase granted in full is 3.5%.

PROPOSED RATE RT RESIDENTIAL FIRM TRANSPORTATION SERVICE RESIDENTIAL FIRM TRANSPORTATION SERVICE, SHEET NO. 33.4

APPLICABILITY
Firm transportation service for residential purposes, which is provided from the Company's city gas rate account to the retail side of Company's meter. Service is available to all residential customers, except for those customers where utility services accounts are paid out of the three customer delivery to utilize this service. The Company may terminate a customer's supplier contract for non-payment and return the customer to the Company's sales service only if (1) the Supplier has made an affirmative request for the Company to act as its agent to terminate customer contracts for non-payment, and (2) the Supplier has included, in its customer contracts, a notice that the Company can terminate such contracts for non-payment. Where the Supplier is performing its own billing of the gas supply, termination of the agreement will be the decision of the Supplier, as specified in the Supplier contracts for service. In either case, the Supplier or the Company shall give no less than 30 days written notice that the customer will be switched from the Supplier and return to the Company's sales service. If the past due amount is paid by the customer's most scheduled bill due date, the customer will not return to the Company and will remain with the Supplier. If the Company provides the gas supply to the customer, it will send a copy of the notice to the customer's Supplier. A customer must enter into an agreement with the Supplier that meets the Company's requirements for participation in this pooling program pursuant to Rule FRAS, Sheet No. 64.

Gas transported under this tariff shall be the customer's sole use at one point of delivery where distribution mains are adjacent to the premises to be served. Any gas provided hereunder shall be provided by displacement.

Residential customers who are enrolled in income payment plans pursuant to Rule 4903.1-10-0408, Ohio Administrative Code (OAC) (PPV Customers), shall be provided their alternative gas supply service exclusively through their own supply pool, for which gas is provided by a willing Supplier whose bid has been approved by the Public Utilities Commission of Ohio.

NET MONTHLY BILL
Computed in accordance with the following charges:

Fixed Delivery Service Charge per month \$13.03
Plus a Usage-Based Charge per CCF for each CCF of gas transported for customers from Company's city gas rate account measuring stations to the retail side of Company's meter and to measure deliveries to customer at:
First 400 CCF \$0.130477 per CCF
Additional CCF \$0.389697 per CCF

Plus, in addition, rate adjustments that may occur as a result of changes in the rates of interstate pipelines, or of rulings of the Public Utilities Commission of Ohio and/or the Federal Energy Regulatory Commission, and for which it is determined that all customers should be allocated some portion of the corresponding costs or refunds.

In addition, the net monthly bill, as calculated above, shall be adjusted by application of the percent specified on Sheet No. 64, Rider ETR, Ohio Excess Tax Liability Rider, except that income charges are excluded in the computation of the net bill.

Customer and/or its Suppliers shall be responsible for the collection and payment of meter fees, revenue taxes, or similar taxes on the gas supplies that customer purchases from its Supplier.

The monthly minimum bill shall be the Fixed Delivery Service Charge and applicable charge under Rider ARMP, Rider AR, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 64, Ohio Excess Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate RT, except RTT customers pay the same gas cost as RT customers, should the increase be granted in full is 11.6%.

PROPOSED RATE RSJ RESIDENTIAL SERVICE LOW INCOME RESIDENTIAL SERVICE LOW INCOME, SHEET NO. 34.3

APPLICABILITY
Applicable to gas service required for residential purposes when supplied at one point of delivery where distribution mains are adjacent to the premises to be served. Eligible customers are non-PPV, low income residential customers served at or below 175% of poverty level. The total number of customers that may receive this rate under Rate RSJ and Rate RTT is 10,007.

NET MONTHLY BILL
Computed in accordance with the following charges:

Fixed Delivery Service Charge per month \$29.03
Plus a Usage-Based Charge for
AR CCF \$0.130642 per CCF

The monthly minimum bill shall be the monthly Fixed Delivery Service Charge and applicable charge under Rider ARMP, Rider AR, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 64, Ohio Excess Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate RSJ should the increase be granted in full is 8.4%.

PROPOSED RATE GS-L GENERAL SERVICE - LARGE GENERAL SERVICE - LARGE, SHEET NO. 35.2

APPLICABILITY
Applicable to gas service required for all purposes by an individual non-residential customer using more than 4,000 CCF during the calendar year at one premises where supplied at one point of delivery where distribution mains are adjacent to the premises to be served.

NET MONTHLY BILL
Computed in accordance with the following charges:

Fixed Delivery Service Charge per month \$26.64
Plus a Usage-Based Charge for
AR CCF Delivered at \$0.139784 per CCF

The monthly minimum bill shall be the Fixed Delivery Service Charge and applicable charge under Rider ARMP, Rider AR, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 64, Ohio Excess Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate GS-L should the increase be granted in full is 3.9%.

PROPOSED RATE RTLL RESIDENTIAL FIRM TRANSPORTATION SERVICE - LOW INCOME RESIDENTIAL FIRM TRANSPORTATION SERVICE - LOW INCOME, SHEET NO. 36.3

APPLICABILITY
Firm transportation service for residential purposes, which is provided from the Company's city gas rate account to the retail side of Company's meter. Service is available to eligible residential customers, except for those customers where utility services accounts are paid out of the three customer delivery to utilize this service. Eligible customers are non-PPV, low income residential customers verified at or below 175% of poverty level. The total number of customers who may receive service under Rate RTLL and Rate RTT is 10,008. The Company may terminate a customer's supplier contract for non-payment and return the customer to the Company's sales service only if (1) the Supplier has made an affirmative request for the Company to act as its agent to terminate customer contracts for non-payment, and (2) the Supplier has included, in its customer contracts, a notice that the Company can terminate such contracts for non-payment. Where the Supplier is performing its own billing of the gas supply, termination of the agreement will be the decision of the Supplier, as specified in the Supplier contracts for service. In either case, the Supplier or the Company shall give no less than 30 days written notice that the customer will be switched from the Supplier and return to the Company's sales service. If the past due amount is paid by the customer's most scheduled bill due date, the customer will not return to the Company and will remain with the Supplier. If the Company provides the gas supply to the customer, it will send a copy of the notice to the customer's Supplier. A customer must enter into an agreement with the Supplier that meets the Company's requirements for participation in this pooling program pursuant to Rule FRAS, Sheet No. 64.

Gas transported under this tariff shall be the customer's sole use at one point of delivery where distribution mains are adjacent to the premises to be served. Any gas provided hereunder shall be provided by displacement.

Residential customers who are enrolled in income payment plans pursuant to Rule 4903.1-10-0408, Ohio Administrative Code (OAC) (PPV Customers), shall be provided their alternative gas supply service exclusively through their own supply pool, for which gas is provided by a willing Supplier whose bid has been approved by the Public Utilities Commission of Ohio.

NET MONTHLY BILL
Computed in accordance with the following charges:

Fixed Delivery Service Charge per month \$29.03
Plus a Usage-Based Charge per CCF for each CCF of gas transported for customers from Company's city gas rate account measuring stations to the retail side of Company's meter and to measure deliveries to customer at:
AR CCF \$0.130642 per CCF

The monthly minimum bill shall be the Fixed Delivery Service Charge and applicable charge under Rider ARMP, Rider AR, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 64, Ohio Excess Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate RTLL, assuming RTLL customers pay the same gas cost as RT customers, should the increase be granted in full is 9.5%.

PROPOSED RATE FT-L FIRM TRANSPORTATION SERVICE - LARGE FIRM TRANSPORTATION SERVICE - LARGE, SHEET NO. 37.3

APPLICABILITY
Firm full requirements transportation service for an individual non-residential customer using more than 4,000 CCF during the calendar year at one premises, which is provided from the Company's city gas rate account, which is available within the Company's meter service territory, and at the customer's option, to serve the firm service requirements of intermediate transportation stations in accordance with service rules 17.1 to 17.9 in non-residential customers except for those customers where utility services accounts are paid out of the three customer delivery to utilize this service. The Company may terminate a customer's supplier contract for non-payment and return the customer to the Company's sales service only if (1) the Supplier has made an affirmative request for the Company to act as its agent to terminate customer contracts for non-payment, and (2) the Supplier has included, in its customer contracts, a notice that the Company can terminate such contracts for non-payment. Where the Supplier is performing its own billing of the gas supply, termination of the agreement will be the decision of the Supplier, as specified in the Supplier contracts for service. The Supplier or the Company shall give no less than 30 days written notice that the customer will be switched from the Supplier and return to the Company's sales service. If the past due amount is paid by the customer's most scheduled bill due date, the customer will not return to the Company and will remain with the Supplier. If the Company provides the gas supply to the customer, it will send a copy of the notice to the customer's Supplier. Service shall be provided on demand from the Company's city gas rate account to the retail side of Company's meter used to serve the customer. Customer must enter into a "pooling" agreement with the Supplier that meets the Company's requirements for participation in this pooling program, and must arrange for the delivery of gas into Company's system.

Customers who believe that they will significantly increase throughput, from their historic firm service levels, shall so inform the Company.

Except as provided under Company Rider RTT, gas transported under this tariff shall be the customer's sole use at one point of delivery where distribution mains are adjacent to the premises to be served. Any gas provided hereunder shall be provided by displacement.

NET MONTHLY BILL
Computed in accordance with the following charges:

Fixed Delivery Service Charge \$26.64
Plus a Usage-Based Charge per CCF for each CCF of gas transported for customers from Company's city gas rate account measuring stations to the retail side of Company's meter used to measure deliveries to customer:
\$0.139784 per CCF

Plus, in addition, rate adjustments that may occur as a result of changes in the rates of interstate pipelines, or of rulings of the Public Utilities Commission of Ohio and/or the Federal Energy Regulatory Commission, and for which it is determined that all customers should be allocated some portion of the corresponding costs or refunds.

In addition, the net monthly bill, as calculated above, shall be adjusted by application of the percent specified on Sheet No. 64, Rider ETR, Ohio Excess Tax Liability Rider, except that income charges are excluded in the computation of the net bill.

Customer and/or its Supplier shall be responsible for the collection and payment of meter fees, revenue taxes, or similar taxes on the gas supplies that customer purchases from its Supplier.

The monthly minimum bill shall be the Fixed Delivery Service Charge and applicable charge under Rider ARMP, Rider AR, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 64, Ohio Excess Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate FT-L, except FT-L customers pay the same gas cost as GS-L customers, should the increase be granted in full is 4.4%.

PROPOSED RATE FRAS POOL REQUIREMENTS AGREEMENT SERVICE FULL REQUIREMENTS AGREEMENT SERVICE, SHEET NO. 44.11

APPLICABILITY
This service is available to Suppliers delivering gas on a firm basis to the Company's city gas rate account, except for customers receiving Firm Transportation Service from the Company. The service provided hereunder allows Suppliers to deliver to the Company an aggregated basis those natural gas supplies that are needed to satisfy the requirements of Customer Pools participating in the Company's Firm Transportation program.

CHARACTER OF SERVICE
This Tariff Sheet applies to the provision of pooling service for firm gas transportation customers. Suppliers under this Tariff Sheet shall supply the full requirements of their Pool Customers and agree to accept legally consequential responsibility. Company shall specify, and Supplier shall deliver each day, the Target Supply Quantity for Supplier's Pool.

GAS SUPPLY AGREEMENT/CUSTOMER POOLING AGREEMENT
Prior to acting as a Supplier for Pool Customers receiving Firm Transportation Service, Supplier must enter into a Gas Supply Agreement/Customer Pooling Agreement with the Company. An example of this Gas Supply Agreement/Customer Pooling Agreement is attached to this Tariff Sheet.

SUPPLIES INVOICE
On a monthly basis, the Company will generate, and Supplier will pay, an invoice that includes the costs set forth below in this Tariff Sheet and in Sheet No. 45 herein.

LATE PAYMENT CHARGE
Payment of the total amount due must be received by Company, or its authorized agent, by the due date shown on the Supplier's invoice. If the Supplier does not pay by the due date, the Company shall, at its option, add a late payment charge to the total amount due. (1) 5% of the total amount due shall also become due and payable.

RETAINED CHECK CHARGE
The Retained Check Charge set forth in Sheet No. 45, herein, shall be added to the Supplier's account each time a check is returned by the financial institution for insufficient funds.

MEASUREMENT OF CUSTOMER USAGE VOLUMES
The Company shall be responsible for all usage measurement at the point of delivery to the customer's facilities. Monthly volumes billed to Pool Customers shall be considered actual volumes consumed, whether the meter reading is actual or estimated.

QUALITY OF GAS DELIVERED BY SUPPLIER
The Supplier warrants that all gas delivered by or on behalf of Supplier for its Pool Customers under this Tariff Sheet shall meet the quality, pressure, heating value and other quality specifications of the applicable FEED Gas Tariff of the interstate gas pipeline delivering said gas to the Company.

TITLE AND WARRANTY
Supplier warrants that it will, at the time and place of delivery, have good right and title to all volumes of gas delivered on its behalf, free and clear of all liens, encumbrances, and claims whatsoever, and that it will defend, indemnify, and hold the Company harmless for all suits, actions, claims, demands, costs, losses, or expenses (including reasonable attorney's fees) arising from or out of the reverse course of any or all persons relating to or arising from said gas.

DEFINITIONS
"Adjusted BOD" means the Supplier's BOD less the Company's winter propane percentage, representing the Pool's allocation of the Company's propane pricing supplies.

"Adjusted Target Supply Quantities" (ATSD) means the Target Supply Quantities plus or minus any adjustments that the Company only requires the Supplier to make to its daily deliveries (i.e., Annual Reconciliation volumes) plus the daily firm (Rate FT) requirements of all customers being served by the Supplier under Rate FT.

"Aggregation Service" is a service provided by the Company that allows Suppliers to deliver to the Company, on an aggregated basis, those natural gas supplies that are needed to satisfy the full firm requirements of the use, or more, from transportation customers that comprise the membership of the Supplier's Pool, as defined below, at all occasions with the value established by the Company regarding delivery commitments, billing, billing and payments, and Supplier performance requirements.

"Arrangements" are past due and unpaid amounts owed to the Company. A thirty-day arrear notice when any portion of the previous month's bill is unpaid at the time the current bill is issued. Customers having a thirty-day or more arrear of \$10,000 or more are not eligible to participate in the Program. A customer who is carried on a payment plan for previously billed and unpaid charges is not considered to have Arrangements when an electronic commitment to the Company's firm transportation program is received from a Supplier.

"British Thermal Unit" or "Btu" means the quantity of heat required to raise one (1) pound of water (at sea level) one (1) degree Fahrenheit at or near its point of maximum density.

"CCF" means one hundred cubic feet.

"Commission" means the Public Utilities Commission of Ohio.

"Company" means Duke Energy Ohio.

"Customer" means a residential, non-mercantile, or mercantile recipient of the Company's Firm Service or Transportation Service.

"Default" means the failure of the Company or Supplier to fulfill a duty or obligation set forth in Duke Energy Ohio's tariffs, the Ohio Revised Code, the Ohio Administrative Code, or any agreement or contract between and among the Company and Supplier.

"Deliveries" or "DRI" means a unit of heating value equal to one (100) Therms or Million Btu's (1 MMBtu).

"Eligible Customer" is a customer who is eligible to participate in a Governmental Aggregation in accordance with section 4929.25 and 4929.27 of the Ohio Revised Code and does not include any of the following: a person that owns or controls a distribution service customer and a commercial customer on the date of commencement of service to the Governmental Aggregation at the person becomes a distribution service customer after the service commencement date and is also a commercial customer, a person who is supplied with natural gas sales service pursuant to a contract with a Supplier that is in effect on the effective date of the agreement or resolution authorizing the aggregation, a person who is supplied with natural gas sales service as part of the Percentage of Income Payment Plan (PPV) program, or a customer who has failed to discharge, or enter into a plan to discharge, all existing Arrangements owed to or by the Supplier.

"Enrollment Processing Period" means the number of days required to process a customer's accepted enrollment in the Program pursuant to this Tariff. This process commences with the submission by Company's Supplier of appropriate information for an eligible customer and ends with the termination of the customer's membership period. The process will take no more than twelve (12) calendar days, and includes seven (7) business days from the date the Company sends the customer a letter indicating the customer may proceed its program enrollment or change in Suppliers.

"Firm Transportation Service" means services under Residential Firm Transportation Service (Rate RT - Sheet No. 33), Residential Firm Transportation Service - Low Income (Rate RTLL - Sheet No. 36), Firm Transportation Service - Large (Rate FT-L - Sheet No. 37) or Firm Transportation Service - Small (Rate FT-S - Sheet No. 37).

"Gas Supply Aggregation/Customer Pooling Agreement" is an agreement between the Company and Supplier that defines the mutual responsibilities and obligations of those parties relative to the Aggregation Service provided under Rate FRAS.

"Maximum Daily Quantity" (MDQ) means the expected peak daily natural gas usage for a Supplier's Pool of Customers.

"Mcf" means one thousand cubic feet.

"Mercantile Customer" has the meaning set forth in division (B) of section 4929.21 of the Ohio Revised Code. In summary, it means a customer (1) consumes, other than for residential gas, more than \$10,000 of value of gas per year at a single location or as part of an undertaking having more than 3 locations within or outside the State, and (2) that has not filed a declaration with the Commission.

"Negative Imbalance Volume" or "Under-delivered" is the amount by which the total of all volumes actually delivered to the Pool Customers during the period exceeds the sum of the volumes scheduled for delivery by the Company to the Pool during the same period.

"O.A.C." means the Ohio Administrative Code.

"OCC" means the Office of the Ohio Consumers' Counsel.

attributable to Supplier's portion of the bill. Payment to Supplier for payments

NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

COMPANY STANDARDS OF CONDUCT WITH RESPECT TO MARKETING AFFAIRS

In compliance of its first investigation program, the Company will adhere to the following Standards of Conduct for Marketing Affairs:

- 1) Company must supply any fuel provisions relating to transportation services in the same manner in the same or similarly situated persons if there is discretion in the application of the provision.
- 2) Company must strictly enforce a tariff provision for which there is no discretion in the application of the provision.
- 3) Company may act, through a tariff provision or otherwise, give any Supplier including its marketing affiliate or customers of any Supplier including its affiliate, preference over any other Supplier or its customers in matters, such as information, or charges relating to transportation services including, but not limited to, scheduling, balancing, metering, storage, standby service, or certain policy. For purposes of the Company's first investigation program, any such preference over other Suppliers, or its affiliate and customer service, that is not tariffed will be priced and made equally available to all.
- 4) Company must process all similar requests for transportation in the same manner and within the same approximate period of time.
- 5) Company shall not disclose to anyone other than a Company employee any information regarding an existing or proposed gas transportation arrangement that Company receives from a customer or Supplier, or a potential customer or Supplier, (a) any agent of such customer or potential customer, or (b) a Supplier or other party seeking to supply gas to a customer or potential customer, unless such customer, agent, or Supplier authorizes disclosure of such information.
- 6) If a customer requests information about Suppliers, Company shall provide a list of all Suppliers operating in its system, but shall not endorse any Supplier nor indicate that one Supplier will receive a preference because of a current relationship.
- 7) Before making customer lists available to any Supplier, including any Company marketing affiliate, Company will post to its EIR a notice of its intent to make such customer lists available. The notice shall describe the data the customer list will be made available, and the method by which the customer list will be made available to all Suppliers.
- 8) The Company will, to the extent practicable, separate the activities of its operating employees from its affiliate marketing employees in all areas where their failure to maintain independent operations may have the effect of harming customers or unfairly discriminating against Suppliers under the Company's transportation program.
- 9) Company shall not condition or tie its agreements for gas supply or for the release of its rate schedule to any agreement with a Supplier, customer or other third party in which its marketing affiliate is involved.
- 10) Company and its marketing affiliate shall keep separate books of accounts and records.
- 11) Neither the Company nor its marketing affiliate personnel shall communicate to any customer, Supplier or third party the fact that any advantage might accrue for such customer, Supplier or third party to the use of Company's services to a great or small extent. Supplier's or other third party's dealing with any Supplier including its marketing affiliate.
- 12) The Company's complaint procedure for issues concerning compliance with these standards of conduct is as follows. All complaints, whether written or verbal, shall be referred to the Company's designated attorney. The Company's designated attorney shall promptly acknowledge the complaint within five (5) working days of receipt. The complainant party shall prepare a written statement of the complaint which shall contain the name of the complainant and a detailed factual report of the complaint, including all pertinent dates, company policies, employees involved, and specific claim. The Company's designated attorney shall communicate the results of the preliminary investigation to the complainant in writing within thirty (30) days after the complaint was received including a description of any course of action which was taken. If the complaint is not resolved, the Company will refer the complaint to a panel of not less than three (3) persons.
- 13) The Company shall not offer its affiliate Supplier a discount or fee waiver for transportation services, balancing, metering or other services that are not available to any other Supplier or other service that would advantage the Company's affiliate Supplier.
- 14) The Company will not use its name and logo in its marketing affiliate's promotional material, unless the promotional material discloses in plain, legible or audible language, on the first page or at the first point where the Company's name and logo appear, that its marketing affiliate is not the same entity as the Company. The Company is also prohibited from participating in exclusive joint activities with any Supplier, including its affiliate, such as advertising, marketing, sales calls or joint proposals to any existing or potential customers.

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto are subject to the jurisdiction of the Public Utilities Commission of Ohio, and to the Company's Service Regulations currently in effect, as filed with the Public Utilities Commission of Ohio, as provided by law.

PROMISED RATE DUTY GAS GENERATION INTERRUPTIBLE TRANSPORTATION RATE

GAS GENERATION INTERRUPTIBLE TRANSPORTATION RATE, SHEET NO. 46

AVAILABILITY

Interruptible local delivery service for natural gas will be made to any commercial gas-fired electric generators, including but not limited to customer-owned cogeneration, and available to any customer that: (1) signs a Service Agreement with the Company; (2) provides a security deposit; (3) consents for the delivery of gas into the Company's system for customer's use as a point of delivery where distribution mains are subject to the provisions of the service; and (4) obtains a gas transportation order. This tariff is for gas transportation for customer's use as a point of delivery where distribution mains are subject to the provisions of the service and for gas transportation for customer's use as a point of delivery where distribution mains are subject to the provisions of the service. The Company reserves the right to decline requests to initiate or continue service whenever, in the Company's sole judgment, continuing service will be detrimental to the operation of the Company's system or violate its ability to supply gas to customers receiving service under the provisions of Rates RS, RSL, RFL, RFL, GS, GS-L, FT-1, FT-4, FT-5, FT-6, FT-7, FT-8, FT-9, FT-10, FT-11, FT-12, FT-13, FT-14, FT-15, FT-16, FT-17, FT-18, FT-19, FT-20, FT-21, FT-22, FT-23, FT-24, FT-25, FT-26, FT-27, FT-28, FT-29, FT-30, FT-31, FT-32, FT-33, FT-34, FT-35, FT-36, FT-37, FT-38, FT-39, FT-40, FT-41, FT-42, FT-43, FT-44, FT-45, FT-46, FT-47, FT-48, FT-49, FT-50, FT-51, FT-52, FT-53, FT-54, FT-55, FT-56, FT-57, FT-58, FT-59, FT-60, FT-61, FT-62, FT-63, FT-64, FT-65, FT-66, FT-67, FT-68, FT-69, FT-70, FT-71, FT-72, FT-73, FT-74, FT-75, FT-76, FT-77, FT-78, FT-79, FT-80, FT-81, FT-82, FT-83, FT-84, FT-85, FT-86, FT-87, FT-88, FT-89, FT-90, FT-91, FT-92, FT-93, FT-94, FT-95, FT-96, FT-97, FT-98, FT-99, FT-100, FT-101, FT-102, FT-103, FT-104, FT-105, FT-106, FT-107, FT-108, FT-109, FT-110, FT-111, FT-112, FT-113, FT-114, FT-115, FT-116, FT-117, FT-118, FT-119, FT-120, FT-121, FT-122, FT-123, FT-124, FT-125, FT-126, FT-127, FT-128, FT-129, FT-130, FT-131, FT-132, FT-133, FT-134, FT-135, FT-136, FT-137, FT-138, FT-139, FT-140, FT-141, FT-142, FT-143, FT-144, FT-145, FT-146, FT-147, FT-148, FT-149, FT-150, FT-151, FT-152, FT-153, FT-154, FT-155, FT-156, FT-157, FT-158, FT-159, FT-160, FT-161, FT-162, FT-163, FT-164, FT-165, FT-166, FT-167, FT-168, FT-169, FT-170, FT-171, FT-172, FT-173, FT-174, FT-175, FT-176, FT-177, FT-178, FT-179, FT-180, FT-181, FT-182, FT-183, FT-184, FT-185, FT-186, FT-187, FT-188, FT-189, FT-190, FT-191, FT-192, FT-193, FT-194, FT-195, FT-196, FT-197, FT-198, FT-199, FT-200, FT-201, FT-202, FT-203, FT-204, FT-205, FT-206, FT-207, FT-208, FT-209, FT-210, FT-211, FT-212, FT-213, FT-214, FT-215, FT-216, FT-217, FT-218, FT-219, FT-220, FT-221, FT-222, FT-223, 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NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

b. Costs of requested/required facilities shall include the cost items identified in subparagraph (1) (a) above, plus all costs of complying with the requirements of the governmental subdivision including any application process of the governmental subdivision, including the cost of preparing the application, costs of developing alternatives not already studied by the Company, cost of estimating the cost of alternatives not already studied by Company, the production of data for consideration in any hearing, and any other direct cost of compliance including any hearing held.

c. Recoverable costs from the governmental subdivision and/or its customers will be reduced by the sum of any proceeds received from transportation improvement district funding, joint economic development district funding, tax increment funding, or similar quasi-public funding.

CHARGES

CUSTOMER OR PRIVATE PARTY

The customer or private party will pay in advance the entire estimated cost to construct, modify, relocate, and/or remove the Company's facilities mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment. If the actual cost of the work exceeds the estimate, the customer will be responsible to pay the difference. Similarly, the Company will refund any excess money collected should the estimate exceed the actual cost.

GOVERNMENT ENTITY

These options are available to the government entity (or Administering Agency):

DIRECT

1. The government entity (or Administering Agency) will pay in advance the entire estimated cost to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment. If the actual cost of the work exceeds the estimate, the government entity (or Administering Agency) will be responsible to pay the difference. Similarly, the Company will refund any excess money collected should the estimate exceed the actual cost.

2. Alternatively, government entity (or Administering Agency) will pay the entire actual cost and the Company's associated cost of capital to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment. Said costs will be collected over a period extending no longer than twenty-four (24) months. The twenty-four month period begins when either of the following occurs:

- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been modified, relocated or removed from service; or
- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been constructed and placed into service.

INDIRECT

Should the government entity (or Administering Agency) elect to do so, the entire actual cost and the Company's associated cost of capital to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment will be collected on a per customer basis, a per one hundred cubic foot (CCF) basis or some combination thereof. Said costs will be collected from all customers whose service address is located within the legal boundaries of said government entity. The cost will be collected in its entirety over a time period not to exceed twenty-four (24) months. The twenty-four (24) month period begins when either of the following occurs:

- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been modified, relocated or removed from service; or
- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been constructed and placed into service.

The charge shall be shown as a separate line item on the customer's bill.

At any time after the commencement of the charge, the charge may be reviewed and, if necessary, adjusted to reflect:

- The number of customers residing or located within the geographical boundary of said governmental entity; and/or
- The amount of energy used by customers residing or located within the geographical boundary of said governmental entity; and/or
- The actual cost of requested/required facilities.

Failure by any customer to pay the charge shall be grounds for disconnection of service to such customer in accordance with Company's Gas Terms and Conditions for Gas Service.

If the government entity (or Administering Agency) rescinds its requirements concerning requested/required facilities, the charge shall continue until the end of the term, twenty-four (24) months subject to any necessary review and adjustment as specified above.

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto, are subject to the jurisdiction of the Public Utilities Commission of Ohio, and to the Company's Service Regulations currently in effect, as filed with the Public Utilities Commission of Ohio.

PROPOSED RIDER ASRP ACCELERATED SERVICE REPLACEMENT PROGRAM RIDER

ACCELERATED SERVICE REPLACEMENT PROGRAM RIDER, SHEET NO. 89

APPLICABILITY

Applicable to all customers receiving service under the Company's sales and transportation rate schedules.

ACCELERATED SERVICE REPLACEMENT PROGRAM FACTORS

All customers receiving service under Rates RS, RSLI, RFT, RFTLI, GS-S, GS-L, FT-S, FT-L and DGS shall be assessed a monthly charge in addition to the Customer Charge component of their applicable rate schedule that will enable the Company to replace pre-1971 coated steel main to curb and curb to meter service lines and unprotected metallic main to curb and curb to meter service lines. In addition and where applicable, the Company will move meters from inside a structure to an acceptable location outside a structure for those services being replaced in conjunction with the ASRP. Customers receiving service under Rates IT and GEIT will be assessed a throughput charge in addition to their commodity delivery charge for that purpose.

Rider ASRP will be updated annually, in order to reflect the impact on the Company's revenue requirements of net plant additions as offset by operations and maintenance expense reductions during the most recent twelve months ended December. Such adjustments to the Rider will become effective with the first billing cycle of May.

The charges for the respective gas service schedules are:

Rate RS and RSLI, Residential Service	\$00.00 per month
Rate RFT and RFTLI, Residential Firm Transportation Service	\$00.00 per month
Rate GS-S and GS-L, General Service	\$00.00 per month
Rate DGS, Distributed Generation Service	\$00.00 per month
Rate FT-S and FT-L, Firm Transportation Service	\$00.00 per month
Rate IT, Interruptible Transportation Service	\$0.000000 per CCF
Rate GEIT, Gas Generation Interruptible Transportation Rate	\$0.000000 per CCF

These monthly charges shall remain in effect until changed by order of the Public Utilities Commission of Ohio.

PROPOSED RIDER AU ADVANCE UTILITY RIDER

ADVANCE UTILITY RIDER, SHEET NO. 88.3

APPLICABILITY

Applicable to all customers receiving service under the Company's sales and transportation rate schedules.

The charges for the respective gas service schedules are:

Rate RS and RSLI, Residential Service	\$ 0.00 per month
Rate RFT and RFTLI, Residential Firm Transportation Service	\$ 0.00 per month
Rate GS-S and GS-L, General Service	\$ 0.00 per month
Rate DGS, Distributed Generation Service	\$ 0.00 per month
Rate FT-S and FT-L, Firm Transportation Service	\$ 0.00 per month
Rate IT, Interruptible Transportation Service	\$ 0.00 per month
Rate GEIT, Spark Spread Interruptible Transportation Rate	\$ 0.00 per month

OTHER PROPOSED CHANGES

The Company proposes to make the following additional changes to its gas tariff:

- Section II -- Supplying and Taking of Service, paragraph 8 -- Right of Way.
The following provision is changed as follows:

8. Right-of-Way

The customer shall furnish, without cost to the Company, all necessary rights of way upon or across property owned or controlled by the customer for any and all of the Company's facilities that are necessary or incidental to the supplying of service to the customer, or to continue service to the customer. Subsequent to the customer providing the Company with the necessary rights of way to serve the customer, the Company shall serve or continue to provide service to the customer in accordance with the terms and conditions for the taking of service as identified in P.U.C.O. Gas No. 18. Additionally, the customer shall likewise furnish, without cost to the Company, all necessary rights of way upon or across customer's property necessary or incidental to the supplying of service to other customers who are adjacent to or extend beyond the customer's property. The rights of way as required herein shall be in the form of the Company's Grant of Easement, or any other instrument customarily used by the Company for its facilities, or as otherwise determined by the Company, in its discretion, to be satisfactory to it.

- Charge for Reconnection of Service, Sheet No. 82.5.

The following has been added:

Also, if gas service has been disconnected at the request of the customer and, within an eight (8) month period of that disconnection, the customer requests that service be reconnected at the same premises, the Company may refuse gas service to such customer, unless it shall first receive payment equivalent to the appropriate billing of the customer's Fixed Delivery Service Charge for the number of billing periods the service was disconnected, including any necessary prorated charges representing partial bill periods. Where the billing amount reflects a period of more than one (1) month, those amounts shall be prorated based on the normal

scheduled meter reading dates and divided into increments of one (1) month, or less. If the increments represent less than one (1) month, the appropriate Fixed Delivery Service Charge will be billed as a prorated portion of the period as defined by the normal scheduled meter reading date. The appropriate Fixed Delivery Service Charge is defined by the rate under which the customer requested that the service be disconnected as is set forth in the following tariff sheets:

Sheet No. 30 Rate RS, Residential
Sheet No. 32 Rate GS-S, General Service -- Small
Sheet No. 33 Rate RFT, Residential Firm Transportation
Sheet No. 34 Rate RSLI, Residential Low Income Pivot
Sheet No. 35 Rate GS-L, General Service -- Large
Sheet No. 36 Rate RFTLI, Residential Firm Transportation Service -- Low Income
Sheet No. 37 Rate FT-L, Firm Transportation Service -- Large
Sheet No. 52 Rate FT-S, Firm Transportation Service -- Small

The above proposed provisions, rates, and charges are subject to changes, including changes as to amount and form, by The Public Utilities Commission of Ohio following a public hearing on the filed application. Recommendations that differ from the filed application may be made by the Staff of The Public Utilities Commission of Ohio or by intervening parties and may be adopted by the Commission.

Any person, firm, corporation or association may file, pursuant to Section 4909.19 of the Revised Code, an objection to such proposed increased rates by alleging that such proposals are unjust and discriminatory or unreasonable.

Any person, firm, corporation or association may file a motion to intervene. Intervenor may obtain copies of the application and other filings made by the Company by contacting Ms. Dianne Kuhnelt at (513) 287-4337, Duke Energy Ohio, Inc.

WHEREFORE, since the rates, prices, charges, and other provisions in Duke Energy Ohio's current electric rate schedules do not yield just and reasonable compensation to Duke Energy Ohio for supplying electric distribution service to the customers to which they are applicable, do not yield a just and reasonable return to Duke Energy Ohio on the value of the property used for furnishing such electric distribution service to such customers, and result in the taking of Duke Energy Ohio's property for public use without compensation and without due process of law, Duke Energy Ohio respectfully prays that your Honorable Commission:

- Accept this Application for filing;
- Find that this Application and the attached Schedules filed herewith and incorporated herein, are in accordance with R. C. 4909.18 and the Rules of the Commission;
- Approve the Form of Notice in the attached Schedule S-3;
- Find that the current rates, prices, and charges for electric service are unjust, unreasonable and insufficient to yield reasonable compensation to Duke Energy Ohio for the electric distribution service rendered;
- Find that the proposed rates, prices, and charges are just and reasonable based upon the test period for the twelve months ending December 31, 2012, and approve such schedules in the form tendered herewith;
- Find that Duke Energy Ohio is in compliance with R. C. 4905.35;
- Approve Duke Energy Ohio's Application for an Increase in Gas Rates consistent with the Commission's approval of Duke Energy Ohio's proposed rates in Case No. 12-1685-GA-AIR;
- Approve Duke Energy Ohio's Application for Tariff Approval consistent with the Commission's approval of Duke Energy Ohio's proposed tariffs in Case No. 12-1686-GA-ATA;
- Approve Duke Energy Ohio's Application for Approval of an Alternative Rate Plan for Gas Distribution Service consistent with the Commission's approval of Duke Energy Ohio's proposed alternative rate plan in Case No. 12-1687-GA-ALT;
- Approve Duke Energy Ohio's Application for Approval to Change Accounting Methods consistent with the Commission's approval of Duke Energy Ohio's proposed deferrals in Case No. 12-1688-GA-AAH;
- Fix the date on or after which applicable services provided to non-residential customers are subject to the proposed rates at January 1, 2013; and
- Fix the date on or after which applicable services provided to residential customers are subject to the proposed rates at January 1, 2013.

Recommendations that differ from this application may be made by the Public Utilities Commission staff or by intervening parties and may be adopted by the Commission. Any person, firm, corporation, or association may file, pursuant to Section 4909.19 of the Ohio Revised Code, an objection to the proposed natural gas rate increases by alleging that such proposals are unjust and discriminatory or unreasonable.

A copy of the application is available for inspection at the main office of the Company at 139 East Fourth Street, Cincinnati, Ohio, or 644 Linn Street, Cincinnati, Ohio, or at the Public Utilities Commission of Ohio, 180 East Broad Street, Docketing Division, 11th floor, Columbus, Ohio 43215-3793. The application and supporting documents may also be viewed at the Commission's web page at <http://www.puc.ohio.gov>, by selecting DIS, inputting 12-1685 in the case lookup box, and selecting the date the application was filed.

DUKE ENERGY OHIO, INC.

PROOF OF PUBLICATION
STATE OF OHIO
ADAMS COUNTY, SS

WEST UNION PEOPLES DEFENDER

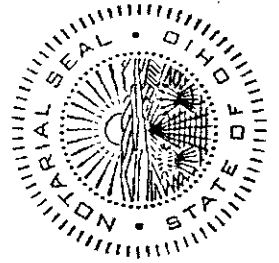
DUKE ENERGY
DIANE KUHNELL
139 E 4TH ST
CINCINNATI OH 45201

REFERENCE: 39618 PAGE 1-GAS INCREASE
2329434

LEE HUFFMAN BEING DULY SWORN THAT HE IS THE
PUBLISHER OF THE PEOPLE'S DEFENDER, A NEWSPAPER
PRINTED AND IN GENERAL CIRCULATION IN SAID COUNTY,
AND THAT A NOTICE, OF WHICH THE ANNEXED IS A TRUE
COPY, WAS PUBLISHED IN SAID PAPER ON WEDNESDAY OF
EACH WEEK FOR 2 CONSECUTIVE WEEKS BEGINNING ON
THE 17 DAY OF OCTOBER, 2012.

PRINTERS FEE: \$1449.00 *Lee Huffman*

SWORN TO AND SUBSCRIBED BEFORE WE, THIS 6 DAY OF
November, 2012.



PEGGY NISWANDER
NOTARY PUBLIC, State of Ohio
My Commission Exp. April 14, 2013
Adams County, Ohio

Peggy Niswander

PROOF OF PUBLICATION
STATE OF OHIO
ADAMS COUNTY, SS

WEST UNION PEOPLES DEFENDER

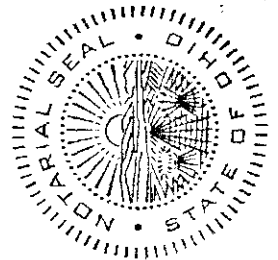
DUKE ENERGY
DIANE KUHNELL
139 E 4TH ST
CINCINNATI OH 45201

REFERENCE: 39618 PAGE 2-GAS INCREASE
23299675

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PRINTERS FEE: \$1449.00 *Lee Huffman*

SWORN TO AND SUBSCRIBED BEFORE ME, THIS 16 DAY OF
November, 2012



PEGGY NISWANDER
NOTARY PUBLIC, State of Ohio
My Commission Exp. April 14, 2013
Adams County, Ohio

Peggy Niswander

PROOF OF PUBLICATION
STATE OF OHIO
ADAMS COUNTY, SS

WEST UNION PEOPLES DEFENDER

DUKE ENERGY
DIANE KUHNELL
139 E 4TH ST
CINCINNATI OH 45201

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23299677

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THE 17 DAY OF OCTOBER, 2012.

PRINTERS FEE: \$1449.00 Lee Huffman

SWORN TO AND SUBSCRIBED BEFORE ME, THIS 10 DAY OF
November, 2012.



PEGGY NISWANDER
NOTARY PUBLIC, State of Ohio
My Commission Exp. April 14, 2013
Adams County, Ohio

Peggy Niswander

PROOF OF PUBLICATION
STATE OF OHIO
ADAMS COUNTY, SS

WEST UNION PEOPLES DEFENDER

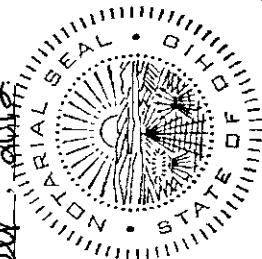
DUKE ENERGY
DIANE KUHNELL
139 E 4TH ST
CINCINNATI OH 45201

REFERENCE: 39618
2329682 PAGE 4-GAS INCREASE

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THE 17 DAY OF OCTOBER, 2012.

PRINTERS FEE: \$1449.00 Lee Huffman

SWORN TO AND SUBSCRIBED BEFORE ME, THIS 6 DAY OF
November, 2012.



PEGGY NISWANDER
NOTARY PUBLIC, State of Ohio
My Commission Exp. April 14, 2013
Adams County, Ohio

Peggy Niswander

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STATE OF OHIO
ADAMS COUNTY, SS

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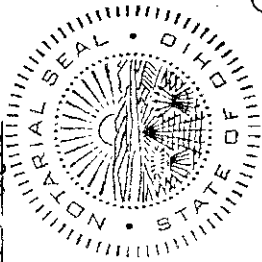
DUKE ENERGY
DIANE KUHNELL
139 E 4TH ST
CINCINNATI OH 45201

REFERENCE: 39618 PAGE 5-GAS INCREASE
2329687

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THE 17 DAY OF OCTOBER, 2012.

PRINTERS FEE: \$1449.00 *Lee Huffman*

SWORN TO AND SUBSCRIBED BEFORE ME, THIS 6 DAY OF
November, 2012.



PEGGY NISWANDER
NOTARY PUBLIC, State of Ohio
My Commission Exp. April 14, 2013
Adams County, Ohio

Peggy Niswander

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STATE OF OHIO
ADAMS COUNTY, SS

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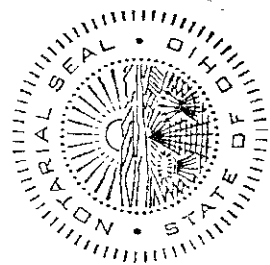
DUKE ENERGY
DIANE KUHNELL
139 E 4TH ST
CINCINNATI OH 45201

REFERENCE: 39618 2329690 PAGE 6-GAS INCREASE

LEE HUFFMAN BEING DULY SWORN THAT HE IS THE
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COPY, WAS PUBLISHED IN SAID PAPER ON WEDNESDAY OF
EACH WEEK FOR 2 CONSECUTIVE WEEKS BEGINNING ON
THE 17 DAY OF OCTOBER, 2012.

PRINTERS FEE: \$931.50 *Lee Huffman*

SWORN TO AND SUBSCRIBED BEFORE WE, THIS 16 DAY OF
November, 2012.



Peggy Niswander

NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

TO WHOM IT MAY CONCERN:

Pursuant to the requirements of Section 4909.10 of the Ohio Revised Code, Duke Energy Ohio, Inc. hereby gives notice that on July 2, 2012, it filed with The Public Utilities Commission of Ohio (Commission) an application for authority to change its gas rates and charges in its regulated territories and in the unincorporated territory within its service area, which includes all or part of Brown, Butler, Clinton, Cleveland, Hamilton, Highland, Montgomery, Preble, and Warren Counties in Ohio. Such application has been assigned Case No. 12-1605-01-00, 12-1605-02-00, 12-1605-03-00, and 12-1605-04-00 by the Commission. The substance of the application follows:

The following is a description of the proposed gas rates:

PROPOSED RATE R5 RESIDENTIAL SERVICE

RESIDENTIAL SERVICE, SHEET NO. 30.17

APPLICABILITY

Applicable to gas service required for residential purposes when supplied at one point of delivery where distribution rates are subject to the provisions in this tariff.

NET MONTHLY BILL

Computed in accordance with the following charges:

Fixed Delivery Service Charge per month: \$23.03
Plus a Usage-Based Charge for:
First 400 CCF: \$0.130477 per CCF
Additional CCF: \$0.390957 per CCF

The monthly minimum bill shall be the monthly Fixed Delivery Service Charge and applicable charge under Rate R5, Rider AMPR, Rider AL, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 54, Ohio Excise Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate R5 should be the increase granted in full is 8.5%.

PROPOSED RATE GS-1 GENERAL SERVICE - SMALL

GENERAL SERVICE - SMALL, SHEET NO. 30.3

APPLICABILITY

Applicable to gas service required for any purpose by an individual non-residential customer using 4,000 CCF or less during the prior calendar year at one point of delivery where distribution rates are subject to the provisions in this tariff.

NET MONTHLY BILL

Computed in accordance with the following charges:

Fixed Delivery Service Charge per month: \$31.64
Plus a Usage-Based Charge for:
All CCF delivered at: \$0.154370 per CCF

The monthly minimum bill shall be the monthly Fixed Delivery Service Charge and applicable charge under Rate GS-1, Rider AMPR, Rider AL, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 54, Ohio Excise Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate GS-1 should be the increase granted in full is 3.2%.

PROPOSED RATE RT RESIDENTIAL FIRM TRANSPORTATION SERVICE

RESIDENTIAL FIRM TRANSPORTATION SERVICE, SHEET NO. 30.14

APPLICABILITY

Firm transportation service for residential purposes, which is provided from the Company's city gate receipt points to the outlet side of Company's meter. Service is available to all residential customers, except for those customers whose delivery service accounts are paid due to the low customer charges for utility gas service. The Company may terminate a customer's service for non-payment and return the customer to the Company's sales service only if (1) the Supplier has made an alternative request for the Company to act as its agent to terminate customer contracts for non-payment, and (2) the Supplier has included, in its customer contracts, a notice that the Company can terminate such contracts for non-payment, when the Supplier is performing its own billing of the gas supply, termination of the agreement will be at the discretion of the Supplier, as specified in the Supplier's contracts for service. In either case, the Supplier or the Company shall give not less than 30 days written notice that the customer will be switched from the Supplier and revert to the Company under this tariff and to pay the customer's net scheduled bill due date, the customer will not revert to the Company and will remain with the Supplier. If the Company provides the late payment notice to the customer, it will send a copy of the notice to the Supplier. If a customer must enter into an agreement with a Supplier that meets the Company's requirements for participation in this pricing program pursuant to Rate FRAS, Sheet No. 44.

Gas transported under this tariff shall be for customer's sole use at one point of delivery where distribution rates are subject to the provisions in this tariff. Any gas provided hereunder shall be provided by displacement.

Residential customers who are entitled to income payment plans pursuant to Rule 4903.12-18-0401, Ohio Administrative Code (OAC) Customers, shall be provided with alternative gas supply service exclusively through their own supply pool, for which gas is provided by a selling Supplier whose bill has been approved by the Public Utilities Commission of Ohio.

NET MONTHLY BILL

Computed in accordance with the following charges:

Fixed Delivery Service Charge per month: \$23.03
Plus a Usage-Based Charge per CCF for each CCF of gas transported for customer from Company's city-gate receipt points to the outlet side of Company's meter used to measure deliveries to customer at:
First 400 CCF: \$0.130477 per CCF
Additional CCF: \$0.390957 per CCF

Plus, in cases, rate adjustment that may occur as a result of changes in the rates of interstate pipelines, or of rulings of the Public Utilities Commission of Ohio under the Federal Energy Regulatory Commission, and for which it is determined that all customers should be allocated some portion of the corresponding costs or refunds.

In addition, the net monthly bill, as calculated above, shall be adjusted by application of the percent specified on Sheet No. 54, Rider ETR, Ohio Excise Tax Liability Rider, except that finance charges are excluded in the computation of the bill.

Customer and/or its Suppliers shall be responsible for the collection and payment of excise taxes, severance taxes, or similar taxes on the gas supplies that customer purchases from its Supplier.

The monthly minimum bill shall be the monthly Fixed Delivery Service Charge and applicable charge under Rate RT, Rider AMPR, Rider AL, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 54, Ohio Excise Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate RT, assuming RT-L customers pay the same gas cost as GS-1 customers, should be the increase granted in full is 8.4%.

PROPOSED RATE RL RESIDENTIAL SERVICE LOW INCOME

RESIDENTIAL SERVICE LOW INCOME, SHEET NO. 30.13

APPLICABILITY

Applicable to gas service required for residential purposes when supplied at one point of delivery where distribution rates are subject to the provisions in this tariff. Eligible customers are non-PFP, low usage residential customers residing at or below 150% of poverty level. The total number of customers that may receive service under Rate RL and Rate RT-L is 10,000.

NET MONTHLY BILL

Computed in accordance with the following charges:

Fixed Delivery Service Charge per month: \$23.03
Plus a Usage-Based Charge for:
All CCF: \$0.130477 per CCF

The monthly minimum bill shall be the monthly Fixed Delivery Service Charge and applicable charge under Rate RL, Rider AMPR, Rider AL, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 54, Ohio Excise Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate RL should be the increase granted in full is 8.4%.

PROPOSED RATE GS-1 GENERAL SERVICE - LARGE

GENERAL SERVICE - LARGE, SHEET NO. 30.5

APPLICABILITY

Applicable to gas service required for any purpose by an individual non-residential customer using more than 4,000 CCF during the prior calendar year at one point of delivery where distribution rates are subject to the provisions in this tariff.

NET MONTHLY BILL

Computed in accordance with the following charges:

Fixed Delivery Service Charge per month: \$236.04
Plus a Usage-Based Charge for:
All CCF delivered at: \$0.130477 per CCF

The monthly minimum bill shall be the monthly Fixed Delivery Service Charge and applicable charge under Rate GS-1, Rider AMPR, Rider AL, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 54, Ohio Excise Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate GS-1 should be the increase granted in full is 3.9%.

PROPOSED RATE FT-L RESIDENTIAL FIRM TRANSPORTATION SERVICE - LOW INCOME

RESIDENTIAL FIRM TRANSPORTATION SERVICE - LOW INCOME, SHEET NO. 30.3

APPLICABILITY

Firm transportation service for residential purposes, which is provided from the Company's city gate receipt points to the outlet side of Company's meter. Service is available to eligible residential customers, except for those customers whose delivery service accounts are paid due to the low customer charges for utility gas service. Eligible customers are non-PFP, low usage residential customers residing at or below 150% of poverty level. The total number of customers who may receive service under Rate FT-L and Rate FT-L-L is 10,000. The Company may terminate a customer's service for non-payment and return the customer to the Company's sales service only if (1) the Supplier has made an alternative request for the Company to act as its agent to terminate customer contracts for non-payment, and (2) the Supplier has included, in its customer contracts, a notice that the Company can terminate such contracts for non-payment, when the Supplier is performing its own billing of the gas supply, termination of the agreement will be at the discretion of the Supplier, as specified in the Supplier's contracts for service. In either case, the Supplier or the Company shall give not less than 30 days written notice that the customer will be switched from the Supplier and revert to the Company under this tariff and to pay the customer's net scheduled bill due date, the customer will not revert to the Company and will remain with the Supplier. If the Company provides the late payment notice to the customer, it will send a copy of the notice to the Supplier. If a customer must enter into an agreement with a Supplier that meets the Company's requirements for participation in this pricing program pursuant to Rate FRAS, Sheet No. 44.

Gas transported under this tariff shall be for customer's sole use at one point of delivery where distribution rates are subject to the provisions in this tariff. Any gas provided hereunder shall be provided by displacement.

Residential customers who are entitled to income payment plans pursuant to Rule 4903.12-18-0401, Ohio Administrative Code (OAC) Customers, shall be provided with alternative gas supply service exclusively through their own supply pool, for which gas is provided by a selling Supplier whose bill has been approved by the Public Utilities Commission of Ohio.

Gas transported under this tariff shall be for customer's sole use at one point of delivery where distribution rates are subject to the provisions in this tariff. Any gas provided hereunder shall be provided by displacement.

Residential customers who are entitled to income payment plans pursuant to Rule 4903.12-18-0401, Ohio Administrative Code (OAC) Customers, shall be provided with alternative gas supply service exclusively through their own supply pool, for which gas is provided by a selling Supplier whose bill has been approved by the Public Utilities Commission of Ohio.

Gas transported under this tariff shall be for customer's sole use at one point of delivery where distribution rates are subject to the provisions in this tariff. Any gas provided hereunder shall be provided by displacement.

Residential customers who are entitled to income payment plans pursuant to Rule 4903.12-18-0401, Ohio Administrative Code (OAC) Customers, shall be provided with alternative gas supply service exclusively through their own supply pool, for which gas is provided by a selling Supplier whose bill has been approved by the Public Utilities Commission of Ohio.

Gas transported under this tariff shall be for customer's sole use at one point of delivery where distribution rates are subject to the provisions in this tariff. Any gas provided hereunder shall be provided by displacement.

Residential customers who are entitled to income payment plans pursuant to Rule 4903.12-18-0401, Ohio Administrative Code (OAC) Customers, shall be provided with alternative gas supply service exclusively through their own supply pool, for which gas is provided by a selling Supplier whose bill has been approved by the Public Utilities Commission of Ohio.

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Residential customers who are entitled to income payment plans pursuant to Rule 4903.12-18-0401, Ohio Administrative Code (OAC) Customers, shall be provided with alternative gas supply service exclusively through their own supply pool, for which gas is provided by a selling Supplier whose bill has been approved by the Public Utilities Commission of Ohio.

PROPOSED RATE FRAS FULL REQUIREMENTS AGREEMENT SERVICE

FULL REQUIREMENTS AGREEMENT SERVICE, SHEET NO. 44.11

APPLICABILITY

This service is available to Suppliers delivering gas to a firm basis to the Company's city gate receipt points on behalf of customers receiving firm transportation services from the Company. The service provides immediate access to gas supplies to deliver to the Company's or an aggregated basis those natural gas supplies that are needed to satisfy the requirements of Customer Pools participating in the Company's firm transportation programs.

CHARACTER OF SERVICE

This Tariff Sheet applies to the provision of pooling service for firm gas transportation customers. Suppliers under this Tariff Sheet shall supply the full requirements of their Pool Customers and agree to accept supply management responsibility. Company shall specify, and Supplier shall deliver each day, the Target Supply Quantity for Supplier's Pool.

GAS SUPPLY AGREEMENT/CUSTOMER POOLING AGREEMENT

Prior to acting as a Supplier for Pool Customers receiving Firm Transportation Service, Supplier must enter into a Gas Supply Agreement/Customer Pooling Agreement with the Company. An example of the Gas Supply Agreement/Customer Pooling Agreement is attached to this Tariff Sheet.

SUPPLIER INVOICE

On a monthly basis, the Company will generate, and Supplier will pay, an invoice that includes the costs set forth below in this Tariff Sheet and in Sheet No. 45 herein.

LATE PAYMENT CHARGE

Payment of the total amount due must be received by Company, at its administrative office, by the due date shown on the Supplier's invoice. If the Supplier does not pay the total amount due by the due date shown, an additional amount equal to one and one-half percent (1.5%) of the total unpaid balance shall also become due and payable.

RETURNED CHECK CHARGE

For Returned Check Charge not on this Sheet No. 45 herein shall be added to the Supplier's account each time a check is returned by the financial institution for insufficient funds.

MEASUREMENT OF CUSTOMER USAGE VOLUMES

The Company shall be responsible for the usage measurement at the point of delivery to the customer's facilities. Monthly volumes billed to Pool Customers shall be certified actual volumes consumed, within the meter reading is actual or estimated.

QUALITY OF GAS DELIVERED TO SUPPLIER

The Supplier warrants that all gas delivered by or on behalf of Supplier for its Pool Customers under this Tariff Sheet shall meet the quality, pressure, heating value and other quality specifications of the applicable FERC Gas Tariff of the interstate gas pipeline delivering said gas to the Company.

TIME AND WARRANTY

Supplier warrants that all gas, at the time and place of delivery, have good night and 100% to all volumes of gas delivered as its behalf, free and clear of all liens, encumbrances, and claims whatsoever, and that it will defend, indemnify, and hold the Company harmless for all acts, omissions, debts, accounts, damages, costs, losses, or expenses (including reasonable attorney's fees) arising from or out of the adverse claims of any or all persons relating to or arising from said gas.

DEFINITIONS

"Adjusted MD" means the Supplier's MDG less the Company's winter pressure percentage, representing the Pool's allocation of the Company's pressure making supply.

"Adjusted Target Supply Quantity" (ATSG) means the Target Supply Quantity plus or minus any adjustments that the Company may require the Supplier to make to its daily deliveries (i.e., Annual Recombination Volume) plus the daily firm (Rate FT) requirements of all customers being served by the Supplier under Rate FT.

"Aggregation Service" is a service provided by the Company that allows Suppliers to deliver to the Company, on an aggregated basis, those natural gas supplies that are needed to satisfy the full firm requirements of the winter or summer, less transportation customers that operates the membership of the Supplier's Pool, as defined below, all in accordance with the rules established by the Company regarding delivery requirements, billing and payments, and Supplier performance requirements.

"Amalgams" are past due and unpaid amounts owed to the Company. A thirty-day amount means any portion of the previous month's bill is a portion of the time the current bill is issued. Customers having a thirty-day or more amount of \$50.00 or more are not eligible to participate in the Program. Amalgams are carried on a payment plan for previously billed and unpaid charges is not considered to have Amalgams when an electronic agreement to the Company's firm transportation program is received from a Supplier.

"British Thermal Unit" or "BTU" means the quantity of heat required to raise one (1) pound of water (at a point) one (1) degree Fahrenheit or at near its point of maximum density.

"CCF" means one hundred cubic feet.

"Commission" means the Public Utilities Commission of Ohio.

"Company" means Duke Energy Ohio.

"Customer" means a residential, non-commercial, or commercial recipient of the Company's Sales Service or Transportation Service.

"Default" means the failure of the Company or Supplier to fulfill a duty or obligation set forth in Duke Energy Ohio's tariffs, the Ohio Revised Code, the Ohio Administrative Code, or any agreement or contract between and among the Company and Supplier.

"Deliveries" or "DGV" means a unit of heating value equal to ten (10) Therms or British BTU's (10,000).

"Eligible Customer" is a customer who is eligible to participate in a Gas Supply Agreement in accordance with sections 4925.25 and 4929.27 of the Ohio Revised Code and does not include any of the following: a person who is both a distribution service customer and a merchant customer on the date of commencement of service to the Governmental Aggregator or the person becomes a distribution service customer after the service commencement date and is also a merchant customer a person who is supplied with natural gas sales service pursuant to a contract with a Supplier that is in effect on the effective date of the minimum or maximum delivery obligation the Aggregator a person who is supplied with natural gas sales service at a cost of the Percentage of Invoice Payment Plan (PPIP) program, or a customer who has failed to discharge, or enter into a plan to discharge, all existing Amalgams owed to or by the Company.

"Enrollment Processing Period" means the number of days required to process a customer's request to enroll in the Program pursuant to this Tariff.

This process commences with the submission in Company by Supplier of appropriate information for an eligible customer and ends with the termination of the customer's enrollment period. The process will take no more than 122 calendar days, and includes seven (7) business days from the date the Company sends the customer a letter indicating the customer may proceed with the Program enrollment or change in Supplier.

"Firm Transportation Service" means service under Regulated Firm Transportation Service (Rate FT) - Sheet No. 33, Residential Firm Transportation Service - Low Income (Rate FT-L) - Sheet No. 34, Firm Transportation Service - Large (Rate FT-L) - Sheet No. 35, or Firm Transportation Service - Small (Rate FT-S) - Sheet No. 36.

"Gas Supply Agreement/Customer Pooling Agreement" is an agreement between the Company and Supplier that defines the mutual responsibilities and obligations of the parties relative to the Aggregation Service provided under Rate FRAS.

"Maximum Daily Quantity" (MDQ) means the expected peak day natural gas usage for a Supplier's Pool of Customers.

"Net" means one thousand cubic feet.

"Merchant Customer" has the meaning set out in division (L) of section 4929.01 of the Ohio Revised Code. In summary, it means a customer that: (1) consumes, other than for residential use, more than 5,000 CCF of natural gas per year at a single location or at several of an underlying term more than 3 locations within or outside the state; and (2) that has not filed a declaration with the Commission.

"Negative Imbalance Volume" or "Under-delivery" is the amount by which the sum of all volumes actually delivered to the Pool Customers during the period exceeds the sum of the volumes available for delivery by the Company to the Pool during the same period.

"OAC" means the Ohio Administrative Code.

"OCG" means the Office of the Ohio Consumers' Counsel.

NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

"Operational Flow Orders" (OFOs) are notices issued by the Company via its electronic bulletin board (EBO) or via transmission requests to Suppliers to adjust their daily deliveries into the Company's system to match, within or less than, or in excess of more than their Assigned Target Supply Quantity for the Supplier's Pool of Customers receiving from Transmission Services. Suppliers shall be required to deliver natural gas, or to cause natural gas to be delivered, into the Company's specified city gate receipt points, as it is determined by the Company to be necessary and the specified receipt points and amounts are identified in the OFO notice posted on the EBO.

"Under-deliveries" or "Positive Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool Customers during the period is less than the sum of the volumes available for delivery by the Company to the Pool during the same period.

"Pool" is a group of one or more customers receiving service pursuant to their transportation facilities that have been joined together pursuant to Rule FRAS, Full Requirements Aggregation Service for supply management purposes. If PMP Customers are being served by a Supplier, a separate Pool must be consistent entirely of PMP Customers.

"Pool Customer" means a recipient of Transmission Services provided by the Company under Title 16, Chapter 163, 167 or 168 who receives gas supply from a Supplier as a member of a Pool.

"Pooling Program" refers to the services provided under Residential Full Requirements Aggregation Service (Rule FRAS - Sheet No. 33), Residential Full Requirements Aggregation Service - Low Income Rate (Rule FRAS - Sheet No. 35), Full Requirements Aggregation Service - Large Rate (Rule FRAS - Sheet No. 37), Full Requirements Aggregation Service - Small Rate (Rule FRAS - Sheet No. 39), and Full Requirements Aggregation Service (Rule FRAS - Sheet No. 40).

"Pooling Service" means a service provided by the Company that allows Suppliers to deliver to the Company gas supplies needed to satisfy the usage requirements of the customers of the Supplier's Pool, all in accordance with the rules established by the Company in its Full Requirements and Gas Supply Aggregation/Pooling Agreement.

"Positive Imbalance Volume" or "Under-deliveries" is the amount by which the sum of all volumes actually delivered to the Pool Customers during the period is less than the sum of the volumes available for delivery by the Company to the Pool during the same period.

"Program" means the Company's Full Requirements/Pooling Aggregation customer choice program under Rule 167, Rule 168 (L), Rule 168 (T) and Rule 168 (S), and Rule FRAS, respectively.

"PUC" or "Commission" means the Public Utilities Commission of Ohio.

"Sales Service" means service under Residential Full Requirements (Rule FRAS - Sheet No. 33), Residential Full Requirements Aggregation Service - Low Income Rate (Rule FRAS - Sheet No. 35), Residential Full Requirements Aggregation Service - Large Rate (Rule FRAS - Sheet No. 37), Full Requirements Aggregation Service - Small Rate (Rule FRAS - Sheet No. 39), and Full Requirements Aggregation Service (Rule FRAS - Sheet No. 40).

"Supplier" is a qualified business entity that: (1) has been certified by the Commission to provide retail natural gas service; (2) has been chosen as a Supplier by a group of one or more customers that qualifies as a Pool; (3) agrees to accept responsibility for the gas supply management of the Pool; (4) meets the requirements for Supplier Participation set out in this Notice, and (5) has executed a Gas Supply Aggregation/Pooling Agreement with the Company.

"Supply Contract" or "Contract" means a contract between the Pool Customer and the Supplier that defines the mutual responsibilities and obligations of the parties relative to the customer's purchase and Supplier's sale of gas supplies for delivery to customers pursuant to this Notice and the applicable Transmission Service Order.

"Target Supply Quantities" (TSQ) are defined as daily city gate delivery quantities determined from statistical models used to estimate the daily gas usage of the full requirements Pool customers or Supplier's Pool. These daily gas usage estimates are adjusted for unaccounted for Gas Loss and converted from volumetric to thermal quantities.

"Transmission Service" means service under Residential Full Requirements (Rule FRAS - Sheet No. 33), Residential Full Requirements Aggregation Service - Low Income Rate (Rule FRAS - Sheet No. 35), Full Requirements Aggregation Service - Large Rate (Rule FRAS - Sheet No. 37), Full Requirements Aggregation Service - Small Rate (Rule FRAS - Sheet No. 39) or Intermediate Transmission Service (Rule FRAS - Sheet No. 40).

"Unaccounted-for Gas Loss" is the difference between the Company's total available gas commodity and the total gas commodity accounted for (measured as sales and inventory) and volumes. This difference is comprised of gas that has been lost or leaked to the atmosphere, gas that is meter inaccuracies, Company loss and with the loss of cycle billing, an amount of gas that has not been billed.

"Unaccounted-for Percentage" means a percentage calculated by dividing the difference between: (1) the aggregate volume of gas received into the Company's system from the interstate pipeline(s); and (2) the aggregate volume of gas delivered to the Pool using the full requirements Pool supply source, and (3) the aggregate volume consumed by all of the Company's gas customers, stated in MCF, over that same period, by the MCF volume calculated in item (1) above.

"Under-deliveries" or "Positive Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool Customers during the period is less than the sum of the volumes available for delivery by the Company to the Pool during the same period.

REQUIREMENTS FOR SUPPLIER PARTICIPATION

Each Supplier desiring to receive Aggregation Service/Full Requirements Service from the Company will be evaluated to ensure that it possesses the financial resources and sufficient experience to perform its responsibilities as a Supplier. On the basis of this evaluation, the Company's participation may be limited to a level specified by the Company.

In order to assist the Company in performing its evaluation, Suppliers must do the following:

- Provide proof of Commission Certification to the Company.
- Complete and sign the Company's Credit Application form.
- Complete and sign the Full Requirements/Pooling Agreement form.
- Pay a registration fee as set forth in Sheet No. 45 herein.
- Attend Company-sponsored training for Retail Natural Gas Suppliers.
- Be currently in working relationship with the supplier electronic communications capabilities necessary to transact business with the Company.
- Complete and sign the Company's Gas Supply Aggregation/Pooling Agreement.

Suppliers not meeting the necessary credit level will be required to provide additional security in a form and standard specified by the Company.

Financial evaluation will be based on standard credit factors such as financial and credit ratings, trade references, bank references, unpaid bills of record, Pool Customer payment history, and relevant financial information that has been independently obtained, if available. The financial credit evaluation criterion limits based on the above criteria, and will not deny a Supplier's participation in the Program without cause. A final credit decision will be issued to the Supplier for each financial evaluation, as set forth in Sheet No. 45 herein.

The Company reserves the right to conduct re-evaluation of Supplier's financial condition from time to time. Such re-evaluation may be initiated either by a request from the Supplier or by the Company. If the Company reasonably believes that the creditworthiness or operating performance of a Supplier may have changed, based on such re-evaluation, the Company may request the Supplier to increase the amount of its financial security. If the Supplier does not increase its security within the 30 business days of the Company's request or within an additional time period specified by the Company, the Supplier's participation may be suspended or terminated in accordance with the Commission's Supplier's Right to Participate or Cease to Participate in this Title. The financial evaluation fee set forth in Sheet No. 45 herein will be assessed for such re-evaluations.

GENERAL PROVISIONS

All Suppliers and Governmental Aggregators shall engage in orderly, non-discriminatory, or non-discriminatory or as practiced herein, without limitation, the following activities:

- Marketing, solicitation, or sale of a competitive retail natural gas service;
- Administration of contracts for such services;
- Provision of such services, including interactions with customers.

b) Suppliers shall maintain an employee and an office open for business in the state of Ohio.

c) Suppliers and Governmental Aggregators shall not cause or arrange for the discrimination of distribution services, or employ the threat of such actions, or as a consequence of contract termination, customer migration, or for any other reason.

d) Suppliers and Governmental Aggregators shall not change or otherwise the character of a customer's retail natural gas service without the customer's prior consent, as provided for under Rule 4901.1-29-06 of the O.A.C. For the purpose of practicing competitive retail natural gas services, this requirement does not apply to automatic Governmental Aggregation and for the PMP program.

e) All Suppliers and Governmental Aggregators shall provide the Commission staff with a name, telephone number, and a e-mail address of a contact person who will respond to Commission concerns pertaining to customer complaints. If any of the required information relating to the contact person should change, the Supplier or Governmental Aggregator shall provide advance notice to such changes to the Commission.

RECORDS AND RETENTION

A) The Company for records retention related to competitive retail natural gas services, each Supplier and each Governmental Aggregator shall maintain records and data sufficient to:

- Verify its compliance with the requirements of any applicable Commission rules; and
 - Support any investigation of customer complaints.
- B) Unless otherwise prescribed, all required records shall be retained for no less than two years.
- C) Unless otherwise prescribed by the Commission or its authorized representatives, all required records shall be provided to the Commission staff within three (3) business days of its request.

MARKETING AND SOLICITATION

A) Each Supplier and Governmental Aggregator that offers competitive retail natural gas service to customers shall provide, in marketing materials that include or accompany a service contract, sufficient information for customers to make informed cost comparisons.

- For fixed-rate offers, such information shall, at minimum, include:
 - The cost per Ccf or MCF, whichever is consistent with the Company's current billing format, for natural gas supply;
 - The amount of any other recurring or non-recurring Supplier or Governmental Aggregator charges; and
 - A statement that the Supplier's or Governmental Aggregator's rate is inclusive of all applicable state and local taxes and the Company's service and delivery charges.
- For variable-rate offers, such information shall, at minimum, include:
 - A clear and understandable explanation of the factors that will cause the price to vary (including any related indices) and how often the price can change;
 - The amount of any other recurring or Supplier or Governmental Aggregator charges; and
 - A statement that the Supplier's or Governmental Aggregator's rate is inclusive of all applicable state and local taxes and the Company's service and delivery charges.
- A statement that the Supplier's or Governmental Aggregator's promotional and advertising material shall be provided to the Commission staff within three (3) business days of a request by the Commission or its staff.

B) No Supplier or Governmental Aggregator may engage in marketing, solicitation, sales acts, or practices which involve, mislead, describe, or otherwise in the marketing, solicitation, or sale of a competitive retail natural gas service. Such unfair, misleading, deceptive, or unconscionable acts or practices include, but are not limited to, the following:

- Soliciting customers for a competitive retail natural gas service:
 - After transaction, rescission, or conditional rescission of certification by the Commission; or
 - After denial of certification received by the Commission.
- Failing to comply with paragraph (A) or (B) of this section:
- Failing to provide to or within its advertising and promotional materials that make an offer for sale a full-disclosure of the actual cost of the gas service (as provided in the notice) that the potential customer may call or write to request further information regarding the price, terms, conditions, limitations, and restrictions;
- Selecting via telephone calls initiated by the Supplier or Governmental Aggregator for its agents without first:
 - Obtaining the list of customers who have requested to be placed on a "do not call" list, which shall be created and maintained by the Commission; and
 - Obtaining monthly updates of the Commission's "do not call" list.
- Engaging in telephone solicitation of customers who have been placed on the "do not call" list maintained by the Commission;
- Engaging in telephone solicitation to residential customers within before 9 a.m. or after 5 p.m.;
- Engaging in direct solicitation to customers where the Supplier's or Governmental Aggregator's sales agent fails to wear and display a valid Supplier or Governmental Aggregator identification. The format for this identification shall be approved by the Commission staff; and
- Advertising or marketing offers that:
 - Claim that a specific price advantage, savings, or guarantee exists if it does not, or may exist if it will not;
 - Claim to provide a competitive retail natural gas service when such offer is not a bona fide offer to sell such services;
 - Offer a fixed price per Ccf or MCF, whichever is consistent with the Company's current billing format, for competitive retail natural gas service without disclosing of pricing and non-recurring charges;
 - Offer a variable price per Ccf or MCF, whichever is consistent with the Company's current billing format, for competitive retail natural gas service without disclosing of pricing and non-recurring charges; and
 - Fail to disclose all material limitations, exclusions, and other applicable details.

OBLIGATIONS TO THE COMPANY

Each Supplier participating in the Pooling Program shall:

- Deliver gas to the Company at a time, place and on behalf of the Supplier's own members in accordance with the requirements of the "Gas Supply Aggregation/Pooling Agreement";
- Establish and maintain a satisfactory financial position to enable the Supplier to adequately supply the Supplier and the customers for costs incurred as a result of any failure by the Supplier to deliver gas in accordance with the requirements of the program and to ensure payment of any Commission-approved charges for any such failure;
- Make good faith efforts to resolve all disputes between Supplier and its Pool Customers and to cooperate with resolution of any such issues with Company;
- Refrain from requesting customer-specific billing, payment, and usage history without first having received the customer's approval to access such data;
- Follow to fulfill any of these obligations may subject Supplier to consequences set forth in the Consequences of Supplier's Failure to Perform or Comply section of this Title; and
- Comply with the Commission's rules for the formation and operation of a Governmental Aggregator.

CUSTOMER INFORMATION LIST

Company shall maintain available to Suppliers an electronic list of customer information for customers who are eligible to participate in the Program. Such list shall be updated quarterly and shall, at a minimum, contain the following information regarding each customer: name, service and mailing addresses, meter read date or schedule, and the most recent twelve (12) months of consumption data. The fee for this customer information list is set forth in Sheet No. 45 herein.

GOVERNMENTAL AGENCY

Governmental Aggregators shall follow the Commission's rules for formation and operation of a Governmental Aggregator.

Upon the request of a Governmental Aggregator, the Company will provide, on a non-discriminatory basis, to the Governmental Aggregator, the following information: account numbers, and other customer information list data for all eligible customers residing within the Governmental Aggregator's boundaries. Except for the inclusion of information for customers who have opted out of the Company's customer information list for Suppliers and Company record retention, the customer information contained in such list shall be consistent with any customer information list provided to Suppliers described herein. The Governmental Aggregator will pay a fee for each list of such list, as set forth in Sheet No. 45 herein. The Governmental Aggregator shall not disclose or use a customer's account number or any customer information

regarding these customers who have opted out of the Company's customer information list without the customer's express written consent.

Prior to the Company including a customer's natural gas account in a Governmental Aggregation, the Governmental Aggregator shall provide each eligible customer written notice that their account will be automatically included in the aggregation unless the customer affirmatively opts out of the aggregation. The Company shall notify eligible customers, whether or not opted out of the Governmental Aggregation, to opt out of a Governmental Aggregation under the same process described herein for Suppliers.

CUSTOMER SIGN-UP PROCEDURES

Customers desiring to participate in the Program must execute a written Supply Contract with a Supplier that states that the customer has agreed to participate in the Program and which sets forth the terms and conditions of the customer's gas supply purchase. The Supplier may design the format of the Supply Contract, but at a minimum, it must comply with the applicable provisions specified in Rules 4901.1-29-06 and 4901.1-29-07 of the O.A.C.

In the alternative, customers desiring to participate in the Program may enroll with a Supplier via telephone or internet. Under these methods, the Supplier must retain proof of customer consent as required by the Commission. The Supply Contract, at alternate level of customer consent in the case of telephone or internet enrollment, will be used to resolve disputes if the validity of an actual enrollment cannot be ascertained. If requested by the Company, the Supplier (in the case of Non-Mercantile Customers only) or OGC (in the case of Residential Customers only), Supplier must provide a copy of a specific Supply Contract, or alternate proof of customer consent in the case of telephone or internet enrollment, within three (3) business days of any such request.

Regardless of the customer enrollment method used, within three (3) business days after completion of enrollment, a later date agreed to in the customer's Supply Contract, Supplier will provide the Company with an electronic list of all customers enrolled in the Program, containing a listing of all customers, whether they have signed up or desired to sign up to last submission. This list shall include each Pool Customer's Company account number. The Company will include the information provided for accuracy and customer eligibility, and provide Supplier with a non-disclosure agreement with three (3) business days. In the event more than one Supplier includes the same Pool Customer on their enrollment list to begin the same period, the customer will be assigned to the Supplier whose acceptable enrollment was first processed by the Company.

Once complete and accurate information regarding a customer listing of interest to a Supplier's Pool is received and confirmed by the Company, the change will be effective on the customer's next regularly scheduled meter read date, provided that it is received by the Company at least twelve (12) days before the next regularly scheduled meter read date. If a customer requests enrollment after 18 consecutive days with a Supplier, the Company shall notify the Supplier within two (2) business days of the customer's request.

Customer will remain with its Supplier until: (1) the customer is reverted to Sales Service due to non-payment or Supplier default; (2) the customer or Supplier notifies the Company that the customer should revert to the Company's Sales Service; (3) the customer joins the PMP program; or (4) the customer's name, service address and account number appear on another Supplier's electronic enrollment list. If a customer moves from one address to another within the Company's service territory, the customer will be added to the Supplier's list of customers to be added to the Supplier's Customer Control by the date of that move. (5) the Company's current billing system needs confirmation in order to maintain Program participation with the Supplier because of the location change within the Company's service territory. (6) in order to maintain Program participation with the Supplier, the Supplier must confirm enrollment with customer authorization once the new distribution service account with the Company has been established; (7) when a customer changes their service address, within the Company's service territory, the customer will be added to the Supplier's list of customers to be added to the Supplier's Customer Control by the date of that move. (8) the Customer and the Supplier may terminate the time the customer is listed within Sales Service by mutually agreeing the Company with the customer's consent. If the customer's current Supplier initiates customer's termination in the Program, the Company shall issue a written notification to the customer informing customer of such change. Customers, who on their own initiative, decide to terminate their participation in the Program will be permitted to do so without the Company making any determination regarding whether the customer is contractually permitted to make such move. The Company shall not be liable to the Supplier or customers for allowing the customer to revert to Sales Service. The Company is not responsible for tracking Supplier contract terms and conditions between Suppliers and customers and shall not be liable for any default of such contract.

If the Company rejects a customer from enrollment, the Supplier shall notify the customer within three (3) business days from the Company's notification of rejection that the customer will be enrolled or not enrolled will be determined, along with the reasons therefor.

The Company will accept an enrollment from another Supplier for a customer who is currently with a Supplier, without the current Supplier first submitting an electronic notice of rejection to the Company. In non-emergency situations where a customer is already being served by a Supplier as the customer is currently receiving Sales Service, the Company shall, prior to commencing competitive retail natural gas service with the subsequent Supplier, meet the customer a customer's notice of rejection.

- The Company has received a request to enroll the customer for competitive retail natural gas service with the named Supplier, and, at the time of such request, a customer who is currently with another Supplier, a statement that Company's records reflect that customer is currently enrolled with another Supplier along with an acknowledgment that customer should remain the terms and conditions of the (current Supplier's Contract) for customer's obligations under said Contract;
- The date such services is expected to begin;
- The customer has seven (7) business days from the postmark date on the notice to contact the Company electronically, in writing or via the Internet to rescind the enrollment request or notify the Company that the change of the Supplier was not requested by the customer; and
- The Company's appropriate contact information, including, but not limited to, the Company's toll-free telephone number.

If the customer rescinds their enrollment, the Supplier will initiate said rescission and notify the Supplier or Governmental Aggregator. Any customer returning to Sales Service as a result of Supplier default, termination, Supplier abandonment, or Supplier certification rescission will not be liable for any costs associated with this switch.

ENROLLMENT OF CUSTOMERS

Suppliers may enroll customers by mail, facsimile, direct solicitation, telephone, and the internet. When selecting outside marketing Non-Mercantile customers, Suppliers must adhere to the requirements set forth in Rules 4901.1-29-06 and 4901.1-29-07 of the O.A.C.

CONTRACT ADMINISTRATION AND RESCINDING NOTICES

Supplier must adhere to the contract administration and rescission requirements for Non-Mercantile customers set out in Rule 4901.1-29-07 of the O.A.C.

POOL CUSTOMER BILLING OPTIONS

Suppliers may select one of the following two billing options for its Pool Customers that do not participate in PMP:

- Option 1 - Company Consolidated Billing. The Pool Customer shall receive one bill from the Company that indicates the name of the Supplier from whom the customer is receiving its gas supply and includes an amount for the Supplier's gas supply charges in accordance with the agreed arrangements agreed upon between the Supplier and the customer, including any taxes for which the Supplier must collect. The Company's consolidated bill may provide the budget amounts, past due amounts, payment schedule, credits, bill charges, and total amount due on a consolidated basis only. A Supplier that elects this billing option will be provided, at no charge, as many as twenty-five (25) actively billed rate codes to which a customer may be assigned by the Supplier and billed by the Supplier. Additional inactive rate codes will be provided by the Supplier for a fee as set forth in Sheet No. 45 of this Title. Each Supplier will be limited to a total of forty (40) actively billed rate codes for which the Supplier may submit to the Company a price change each month for each rate code. Price changes must be submitted to the Company no later than the 25th day each month for bills rendered the next month. In the event that a Supplier desires to implement billing system changes, the Supplier shall be charged for the cost of implementing such changes, as set forth in Sheet No. 45 of this Title.

The Pool Customer will be responsible for making payment to the Company for the entire amount shown on the bill, including both the Company's and the Supplier's charges. In the event that a customer wishes to the Company less than the full payment due, the payment received shall be applied to the Company's charges shown on the bill plus any arrearages relating to such Company charges from previous billing periods, and the residual amount shall be applied to the Supplier's portion of the bill, including the taxes thereon. Supplier shall be promptly notified of any payments received from customers attributable to the Supplier's portion of the bill. Payment to Supplier for payments received from customers as noted above must be made within five (5) business days after end-month and end-of-month numbers are available.

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NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

The average percentage increase in the total bill of customers under Rate IT, assuming all customers pay the same gas cost as GS-C customers should be the increase granted in full is 1.6%.

PROPOSED RATE IT-5

TRANSPORTATION SERVICE - SMALL

FIRM TRANSPORTATION SERVICE - LARGE, SHEET NO. 3.2

AVAILABILITY

Firm full transportation service for an individual non-residential customer using 4,000 CCF or less during the same calendar year at one premise, which is provided from the Company's city gas network points to the point of use of the customer's service territory. This service is available within the Company's service territory, and at the customer's option, to serve the firm service requirements of industrial transportation customers in connection with service under Rate IT to all non-residential customers except for those customers whose utility service accounts are paid out of the firm customer's service territory. The Company may terminate a customer's supply contract for non-payment and return the customer to the Company's service territory if (1) the Supplier has made an offer to request for the Company to act as its agent to terminate customer contracts for non-payment, and (2) the Supplier has included in its customer contracts, a notice that the Company can terminate such contracts for non-payment. When the Supplier is performing its own billing of its gas supply, termination of the agreement will be at the discretion of the Supplier, as specified in the Supplier contracts for service. The Supplier of the Company shall give notice to the Supplier (150 days) written notice that the customer will be transferred from the Supplier and return to the Company unless the past due amount is paid by the customer's next scheduled bill due date. If the past due amount is paid by the next scheduled bill due date, the customer will not return to the Company and will remain with the Supplier. If the Company provides the full transportation service to the customer, it will send a copy of the notice to the customer's Supplier. Supplier shall be provided on demand from the Company's city gas receipt points to the actual side of Company's meter used to serve the customer. Customer must enter into a "pooling" agreement with a Supplier (all meters the Company's requirements for participation in this pooling program, and must arrange for the delivery of gas into Company's system.

Customers that believe that they will significantly increase throughput, from their historic firm service levels, shall so inform the Company.

Gas transported under this tariff shall be the customer's sole asset at all times to delivery where delivery is made or is to be made to the premises. Any gas provided hereunder shall be provided by displacement.

NET MONTHLY BILL

Computed in accordance with the following charges:

Firm Delivery Service Charge	\$3.64
Plus a Usage-Based Charge per CCF for each CCF of gas transported for customer from Company's city gas measuring stations to the actual side of Company's meter used to measure delivered to the customer:	\$0.14370 per CCF

Plus, or minus, rate adjustments which may occur as a result of changes in the rates of interstate pipelines, or rulings of the Public Utilities Commission of Ohio and/or the Federal Energy Regulatory Commission, and for which it is determined that all customers should be allocated some portion of the transportation costs or credits.

In addition, the net monthly bill, as calculated above, shall be adjusted by application of the current specified in Sheet No. 3.4, Rate IT-5, Gas Service Tax Liability Rider, except that finance charges are included in the computation of the net bill.

Customer under this Supplier shall be responsible for the collection and payment of meter taxes, revenue taxes, or similar taxes on the gas supplies that customer purchases from its Supplier.

The monthly minimum bill shall be the Firm Delivery Service Charge and applicable charges under Rate IT-5, Rate AMP, Rate RI, and Rate AMP shown above, plus the percentage specified in Rate IT-5, Sheet No. 3.4, Gas Service Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate IT-5, assuming all customers pay the same gas cost as GS-C customers, should be the increase granted in full is 3.7%.

PROPOSED RATE RD

ECONOMIC DEVELOPMENT INCENTIVE RIDER

ECONOMIC DEVELOPMENT INCENTIVE RIDER, SHEET NO. 3.1

APPLICABILITY

Applicable to all retail jurisdictional customers in the Company's natural gas service territory.

GENERAL

Duke Energy Ohio shall implement a pilot program to encourage businesses to locate in Ohio, and/or to expand their existing operations in Ohio, by providing a customer to fund those types of economic development projects. Funds may be used for product development, promotion, project cleanup, and gas utility infrastructure in these instances when utility infrastructure has been identified as an impediment to commercial/industrial economic development.

The criteria for eligibility includes, but is not limited to, the following:

- Jobs growth.
- Pushing development into participating in Duke Energy Ohio's "Site Readiness" program closer to market.
- Rehabilitation of urban areas such as "Brownfield" redevelopment.
- Development of natural gas vehicle transportation facilities.

The program will be managed and funds will be allocated and distributed by Duke Energy Ohio. Management of the program will include, but not be limited to, the development, review, and approval of proposed projects under this program. The program is limited with recognition that this type of economic development has a corresponding effect on jobs and the economy in the region. Further, the funding mechanism recognizes that new jobs, Duke Energy Ohio customers will realize from these benefits will increase in the utility's natural gas throughput.

The goal of the rider is to collect \$1 million per year towards the funding of economic development projects and activities in Duke Energy Ohio's jurisdictional Ohio (SW Ohio) natural gas service territory. All funds will be spent in a manner consistent with the terms of eligibility and criteria described herein. Any unused funds from one year will roll over to the next year; however, the funds will not exceed \$2 million. Annual adjustments, if necessary, will be made to the rider to keep the fund within the \$2 million cap.

DESCRIPTIONS AND ELIGIBILITY

Eligible Activities: Funds under the program may be used for the following:

- Partial Development/Partial Readiness/Marketing - Without ready sites for new development or expansion, prospective companies will be lost to other states with cities further along the development continuum. Grants will be available for the development of existing building a new natural gas by Duke Energy Ohio, public sector specification building development, gas infrastructure improvements, moving Greenfield and Brownfield sites closer to readiness for development, and business park developments. Funds may be used for the marketing and promotion of marketing sites. The Duke Energy Ohio Readiness program has been developed to assist in these efforts.

Projects under this section (2) shall be evaluated using one or more of the following criteria as a guide for qualification:

- a. Project is in an area designated to qualify as Urban Revitalization, by the Duke Energy Ohio Urban Revitalization Advisory Team, which is comprised of business leaders from participating Ohio.
- b. Project fosters development in participating in Duke Energy Ohio's Site Readiness program closer to market.
- c. Project leads to revitalization of urban areas such as Brownfield redevelopment.

- 2. Project Criteria - Grants will be available to achieve economic development for relocation, expansion, or retention of companies in SW-Ohio. Grants will be awarded to those that grow the base of primary gas at Duke Energy's SW-Ohio area. Specific emphasis will be placed on targeted clusters industries as identified by the regional cluster authority. Grants may be used to enhance the incentive packages, local level incentives, regional incentives, and/or local incentives to prospective companies, including site and facility acquisition and off-site infrastructure improvements. Grants may not be used for off-site infrastructure of facilities under jobs (including from the Duke Energy Authority (Authority) to the Duke Energy Ohio (Authority) and a release is obtained from the original community. Applicant project criteria will be determined.

Infrastructure Improvements - Offset costs associated with natural gas utility infrastructure improvements to support new local projects and existing company customers. Grant amounts shall not exceed the projects approved by approved projects, and be calculated using the table extension

analysis that utilized for all gas main extensions that determine customer contribution required. Funds shall apply only to costs normally borne by the project developer and/or owner customer.

To be eligible under this section (2), the project/facility shall:

- a. be located within existing Duke Energy Ohio service territory, or an extension thereof which occurs as a result of main extension associated with the project.
- b. have an end use that may be classified in the North American Industry Classification System (NAICS) as one of the following Manufacturing or Service Industry businesses:
 1. Manufacturing (NAICS codes 31, 32, & 33)
 2. Aerospace
 3. Automotive and transportation
 4. Chemicals and plastics
 5. Machinery and equipment (advanced manufacturing)
 6. Pharma, Bio-Technology
 7. Food and Beverage
- c. Other non-manufacturing operations
 1. Data Centers
 2. Professional, scientific or technical services (NAICS code 54)
 3. Regional, National or World Headquarters
 4. Natural Gas Vehicle Testing Stations

NAICS codes may be found at: <http://www.census.gov/ipeds/www/naics.html>

Projects under this section (2) shall be evaluated using one or more of the following criteria as a guide for qualification:

- a. Project is determined to be a large user of natural gas as evidenced by the following:
 1. The proposed project/facility imposes or is likely to impose a gas demand or seasonal demand of more than 150,000 CCF (units of 100 cubic feet) per year; and/or
 2. The facility's natural gas bills represent at least 5% of the facility's annual gross revenue from sales (total annual market gas bill divided by annual gross sales, under Rate Ohio, State and/or Local Community participation).
- b. Project must show evidence of public participation in the form of incentives or other capital contribution in the project.
- c. Project is necessary to provide service to a natural gas vehicle filling station that includes a point of access for public utilization.
- d. Projected Capital Investment of the project site exceeds \$2,000,000.
- e. There will be job creation or job retention at the site as a result of the project.
- f. Funds under this program cannot be used for a facility or equipment that uses natural gas to generate electricity. Nor can they be used to provide utility infrastructure for each facility or equipment.

An additional incentive will be provided to those qualifying projects that result in new or incremental gas load. Incremental gas load is defined as additional usage over and above an established baseline as determined by the Company. Such incremental usage must be the direct result of the qualifying project.

The additional incentive will be in the form of a twenty-five percent (25%) discount applied to the monthly Firm Delivery Service Charge and the monthly Usage-Based Charge for gas delivered. The discount is only applied to those two specific components of the customer's gas bill and includes any and all other charges including the Usage-Based Charge. The discount will be applied for a period of thirty-six (36) months. Funding for this additional incentive will be provided through the rider.

TERMS AND CONDITIONS

These funds are not available for removal of service following interruptions such as equipment failure, temporary plant shutdown, strike, or economic conditions. These funds are not available for bill shifts from one customer to another within the Company's service area.

The customer must enter into a Service Agreement with the Company that shall specify, among other things, a description of the amount and nature of the new load, and the basis on which the customer requests qualification for this Rider. Duke Energy Ohio may file this Service Agreement with the Public Utilities Commission of Ohio for information purposes only.

Following the effective date of the Service Agreement, the customer must maintain a minimum demand in accordance with the Service Agreement. Failure to do so will result in the customer's Service Agreement being terminated.

The Company is not obligated to extend, expand or reconfigure its facilities if it determines that existing distribution facilities are of adequate capacity to serve the customer's load.

The customer may request an effective date of the Service Agreement that is no later than twelve (12) months after Company's approval of the Service Agreement with the customer. A Service Agreement must be fully executed within thirty (30) days of taking the subject new service from the Company. All subsequent billings shall be at the appropriate full standard service tariff rate.

CHARGES

The Rider rate to be applied to all residential customer bills beginning with the January 2013 revenue month is \$9.00/17900 per CCF (units of 100 cubic feet).

The Rider rate to be applied to all non-residential customer bills beginning with the January 2013 revenue month is \$3.30 per CCF.

PROPOSED RIDER X

MASS EXTENSION POLICY

MASS EXTENSION POLICY, SHEET NO. 3.4

APPLICABILITY

Applicable to gas service supplied in accordance with provisions of the appropriate rate category in effect. From the current available distribution main where, in the extension of the Company, it is necessary to extend such main.

EXTENSION PLAN

- 1. One-Hundred Feet or Less

An extension of one hundred (100) feet or less shall per service installation shall be made by the Company to an existing distribution main without charge to a prospective customer or customers who shall not pay for and contract to use service for one (1) year or more.

- 2. Excess of One Hundred Feet.

(a) Individual Service Installations.

The Company, at its sole discretion, may perform a net present value (NPV) analysis. Based on that calculation, the cost of the extension to the end of the extension, and not the cost of the extension in excess of 100 feet. The NPV analysis will take into account the revenues to be realized from the customer. If the NPV calculation is positive, the customer will not be charged for the extension costs. If the NPV calculation is negative, the customer must deposit with the Company an amount equal to the results of the NPV calculation prior to construction timing phase. Any such deposit shall be eligible for a refund consistent with the terms and conditions of the main extension contract entered into between the Company and customer. Further, the customer must continue to receive gas service from the Company at the same service installation in person in order to be eligible for a refund. Refunds shall not exceed the amount of the deposit and shall be limited to a period of ten (10) consecutive years following the effective date of the main extension contract.

For large commercial and industrial customers with process load, Duke Energy Ohio may require a minimum customer usage commitment for a defined period of time not to exceed six (6) years.

- (b) Multiple Service Installations.

Extending Subdivisions, Non-Joint-Trench Subdivisions, and Existing Area Subdivisions.

When an extension of the Company's main to serve an applicant amounts to more than one hundred (100) feet per service installation, the Company may require a minimum customer usage commitment for a defined period of time not to exceed six (6) years.

costs. If the NPV calculation is negative, the applicant must deposit with the Company an amount equal to the results of the NPV calculation prior to construction timing phase. Any such deposit shall be eligible for a refund consistent with the terms and conditions of the main extension contract entered into between the Company and applicant. Further, where the applicant is the customer, the customer must continue to receive gas service from the Company at the same service installation in person in order to be eligible for a refund. Refunds shall not exceed the amount of the deposit and shall be limited to a period of ten (10) consecutive years following the effective date of the main extension contract.

(c) Non-Joint-Trench Subdivisions.

When an extension of the Company's approach and/or lateral mains is necessary to serve a new subdivision, the Company will perform a net present value (NPV) analysis of total construction costs and the revenues to be realized from such customers to be connected to the new mains. For purposes of the NPV calculation, the Company will assume that a complete build-out of the subdivision will occur in five (5) years. If the NPV calculation is positive, no deposit will be required for the new subdivision and the NPV results will be credited toward the collection of the deposit requested for any approach main that may be required. If the NPV calculation is negative, the amount of the NPV results must be deposited with the Company prior to the construction of the mains to serve the new subdivisions. Any deposit made when the NPV calculation is negative is eligible for a refund due to subsequent corrections or discrepancies consistent with the terms and conditions of the main extension contract entered into between the Company and applicant. Refunds shall not exceed the amount of the deposit and shall be limited to a period of ten (10) consecutive years following the effective date of the main extension contract.

- 3. Existing confined mains shall be considered to prohibit the Company from making extensions under different arrangements provided such arrangements have been approved by the Public Utilities Commission of Ohio.

- 4. Nothing contained herein shall be construed as to prohibit the Company from making, at its expense, greater extensions than herein prescribed, should its judgment so dictate, provided the free extensions are made to other customers under similar conditions.

SERVICE REGULATIONS

The supplier of, and selling, its service and all conditions applying thereto, are subject to the jurisdiction of the Public Utilities Commission of Ohio, and to the Company's Service Regulations currently in effect, as filed with the Public Utilities Commission of Ohio, as provided by law.

PROPOSED RIDER AMP

ACCELERATED MAIN REPLACEMENT PROGRAM RIDER

ACCELERATED MAIN REPLACEMENT PROGRAM RIDER, SHEET NO. 03.11

APPLICABILITY

Applicable to all customers receiving service under the Company's sales and transportation rate schedules.

ACCELERATED MAIN REPLACEMENT PROGRAM FACTORS

All customers receiving service under Rate RS, Rate RS - Low Income, Rate RT, Rate RT - Low Income, Rate RI - Small, Rate GS - Large, Rate IT and Rate GS shall be assessed a monthly charge in addition to the Customer Charge component of their applicable rate schedule that will enable the Company to complete the main replacement program, the main replacement program, and, where applicable, main extension. Customers receiving service under Rate IT and Rate GS will be assessed a throughput charge in addition to their commodity delivery charge for that purpose.

Rider AMP will be updated annually, in order to reflect the impact on the Company's revenue requirements of net plant additions as offset by efficiencies and maintenance expense reductions during the most recent twelve months ended December. Such adjustments to the Rider will become effective with the first billing cycle of May.

The charges for the respective gas service schedules are:

Rate RS and RS-L, Residential Service	\$ 0.00 per month
Rate RT and RT-L, Residential Firm	
Transportation Service	\$ 0.00 per month
Rate GS-S and GS-L, General Service	\$ 0.00 per month
Rate GS-L, Distribution General Service	\$ 0.00 per month
Rate IT-S and IT-L, Firm Transportation	
Service	\$ 0.00 per month
Rate IT, Interconnect Transportation Service	\$ 0.00 per CCF
Rate GS-L, Gas Generation Interconnect	\$ 0.00 per CCF
Transportation Rate	\$ 0.00 per CCF

These monthly charges shall remain in effect until changed by order of the Public Utilities Commission of Ohio.

PROPOSED RIDER FIT

FACILITY RELOCATION - MASS TRANSPORTATION

FACILITY RELOCATION - MASS TRANSPORTATION, SHEET NO. 03

APPLICABILITY

Applicable to a request and/or requirement for the construction, removal, modification, or relocation of facilities, equipment, mains, or service piping related to the distribution or transmission of gas service under Rate Energy Ohio Company, where such request or requirement is fully executed within the recovery of additional requests for such request and/or requirement is not otherwise provided for pursuant to agreement between the Company and requesting entity. This rider becomes applicable when the said request/requirement is directly related to the construction and operation of any mode of mass transportation, including but not limited to, light rail, heavy rail, high-speed rail, street cars, monorails, trolleys, trams or buses.

DESCRIPTION

CUSTOMER OR PRIVATE PARTY

When a customer or private party requests and/or requires the Company to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, such requesting party shall pay all expenses related to such relocation regardless of the reason for the request and/or requirement.

GOVERNMENT ENTITY

A government entity (or Administrative Agency) requires but is not limited to any city, county, municipality, township or special district. It shall not include Federal or State government entities (or Administrative Agencies). When a government entity (or Administrative Agency) requests the Company to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, such requesting party must elect to either:

- 1. Directly pay the Company all costs related to such relocation regardless of the reason for the request and/or requirement (Direct); or
- 2. Allow the Company to recover all cost related to such relocation regardless of the reason for the request and/or requirement from those customers residing or located within the geographic boundary of said governmental entity through a monthly charge (Indirect); or
- 3. Some combination thereof.

COST CALCULATION

1. The total cost(s) to be recovered shall be computed as follows:

- a. If the requested/required facilities are a list of new facilities, Company shall estimate the cost of the requested/required facilities and of the facilities which otherwise would have been installed (Unmet Facilities). Any cost of requested/required facilities in excess of the Unmet Facilities shall be the basis for the charge.
- b. If the requested/required facilities replace existing facilities that Company would either improve or modify in place, Company shall estimate the cost of the requested facilities and any planned modifications to existing facilities. Any cost of the requested facilities in excess of the cost of any planned modifications to existing facilities plus the cost of removing existing facilities shall be the basis for the charge.
- c. If the requested/required facilities replace existing facilities that Company would not otherwise maintain or modify, the cost of the requested facilities, plus the cost of removing the existing facilities less their salvage value shall be the basis for the charge.

2. Company's costs of planned and required facilities shall be as follows:

- a. Costs of planned facilities shall include applicable material and labor costs, including installation of indirect costs. Indirect costs are comprised of supervision, engineering, transportation, material handling, and administration cost factors that support actual construction. The amount of the allocation of indirect costs is defined by application of unit costs or allocation percentages, determined from historical experience.

NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

- b. Costs of requested/required facilities shall include the cost items identified in subparagraph (1) (a) above, plus all costs of complying with the requirements of the governmental subdivision including any application process of the governmental subdivision, including the cost of preparing the application, costs of developing alternatives not already studied by Company, cost of estimating the cost of alternatives not already studied by Company, the production of data for consideration in any hearing, and any other direct cost of compliance including any hearing held.
- c. Recoverable costs from the governmental subdivision and/or its customers will be reduced by the sum of any proceeds received from transportation improvement district funding, joint economic development district funding, tax increment funding, or similar quasi-public funding.

CHARGES

CUSTOMER OR PRIVATE PARTY

The customer or private party will pay in advance the entire estimated cost to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment. If the actual cost of the work exceeds the estimate, the customer will be responsible to pay the difference. Similarly, the Company will refund any excess money collected should the estimate exceed the actual cost.

GOVERNMENT ENTITY

These options are available to the government entity (or Administering Agency):

DIRECT

- The government entity (or Administering Agency) will pay in advance the entire estimated cost to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment. If the actual cost of the work exceeds the estimate, the government entity (or Administering Agency) will be responsible to pay the difference. Similarly, the Company will refund any excess money collected should the estimate exceed the actual cost.

- Alternatively, government entity (or Administering Agency) will pay the entire actual cost and the Company's associated cost of capital to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment. Said costs will be collected over a period extending no longer than twenty-four (24) months. The twenty-four month period begins when either of the following occurs:

- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been modified, relocated or removed from service; or
- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been constructed and placed into service.

INDIRECT

Should the government entity (or Administering Agency) elect to do so, the entire actual cost and the Company's associated cost of capital to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment will be collected on a per customer basis, a per one hundred cubic foot (CCF) basis or some combination thereof. Said costs will be collected from all customers whose service address is located within the legal boundaries of said government entity. The cost will be collected in its entirety over a time period not to exceed twenty-four (24) months. The twenty-four (24) month period begins when either of the following occurs:

- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been modified, relocated or removed from service; or
- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been constructed and placed into service.

The charge shall be shown as a separate line item on the customer's bill.

At any time after the commencement of the charge, the charge may be reviewed and, if necessary, adjusted to reflect:

- The number of customers residing or located within the geographical boundary of said governmental entity; and/or
- The amount of energy used by customers residing or located within the geographical boundary of said governmental entity; and/or
- The actual cost of requested/required facilities.

Failure by any customer to pay the charge shall be grounds for disconnection of service to such customer in accordance with Company's Gas Terms and Conditions for Gas Service.

If the government entity (or Administering Agency) rescinds its requirements concerning requested/required facilities, the charge shall continue until the end of the term, twenty-four (24) months subject to any necessary review and adjustment as specified above.

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto, are subject to the jurisdiction of the Public Utilities Commission of Ohio, and to the Company's Service Regulations currently in effect, as filed with the Public Utilities Commission of Ohio.

PROPOSED RIDER ASRP ACCELERATED SERVICE REPLACEMENT PROGRAM RIDER

ACCELERATED SERVICE REPLACEMENT PROGRAM RIDER, SHEET NO. 88

APPLICABILITY

Applicable to all customers receiving service under the Company's sales and transportation rate schedules.

ACCELERATED SERVICE REPLACEMENT PROGRAM FACTORS

All customers receiving service under Rates RS, RSLI, RFT, RFTLI, GS-S, GS-L, FT-S, FT-L and DGS shall be assessed a monthly charge in addition to the Customer Charge component of their applicable rate schedule that will enable the Company to replace pre-1971 coated steel main to curb and curb to meter service lines and unprotected metallic main to curb and curb to meter service lines. In addition and where applicable, the Company will move meters from inside a structure to an acceptable location outside a structure for those services being replaced in conjunction with the ASRP. Customers receiving service under Rates IT and GGT will be assessed a throughput charge in addition to their commodity delivery charge for that purpose.

Rider ASRP will be updated annually, in order to reflect the impact on the Company's revenue requirements of net plant additions as offset by operations and maintenance expense reductions during the most recent twelve months ended December. Such adjustments to the Rider will become effective with the first billing cycle of May.

The charges for the respective gas service schedules are:

Rate RS and RSLI, Residential Service	\$0.00 per month
Rate RFT and RFTLI, Residential Firm Transportation Service	\$0.00 per month
Rate GS-S and GS-L, General Service	\$0.00 per month
Rate DGS, Distributed Generation Service	\$0.00 per month
Rate FT-S and FT-L, Firm Transportation Service	\$0.00 per month
Rate IT, Interruptible Transportation Service	\$0.000000 per CCF
Rate GGT, Gas Generation Interruptible Transportation Rate	\$0.000000 per CCF

These monthly charges shall remain in effect until changed by order of the Public Utilities Commission of Ohio.

PROPOSED RIDER AU ADVANCE UTILITY RIDER

ADVANCE UTILITY RIDER, SHEET NO. 88.3

APPLICABILITY

Applicable to all customers receiving service under the Company's sales and transportation rate schedules.

The charges for the respective gas service schedules are:

Rate RS and RSLI, Residential Service	\$ 0.00 per month
Rate RFT and RFTLI, Residential Firm Transportation Service	\$ 0.00 per month
Rate GS-S and GS-L, General Service	\$ 0.00 per month
Rate DGS, Distributed Generation Service	\$ 0.00 per month
Rate FT-S and FT-L, Firm Transportation Service	\$ 0.00 per month
Rate IT, Interruptible Transportation Service	\$ 0.00 per month
Rate GGT, Spark Spread Interruptible Transportation Rate	\$ 0.00 per month

OTHER PROPOSED CHANGES

The Company proposes to make the following additional changes to its gas tariffs:

- Section II – Supplying and Taking of Service, paragraph 8 – Right of Way.

The following provision is changed as follows:

8. Right-of-Way

The customer shall furnish, without cost to the Company, all necessary rights of way upon or across property owned or controlled by the customer for any and all of the Company's facilities that are necessary or incidental to the supplying of service to the customer, or to continue service to the customer. Subsequent to the customer providing the Company with the necessary rights of way to serve the customer, the Company shall serve or continue to provide service to the customer in accordance with the terms and conditions for the taking of service as identified in P.U.C.O. Gas No. 18. Additionally, the customer shall likewise furnish, without cost to the Company, all necessary rights of way upon or across customer's property necessary or incidental to the supplying of service to other customers who are adjacent to or extend beyond the customer's property. The rights of way as required herein shall be in the form of the Company's Grant of Easement, or any other instrument customarily used by the Company for its facilities, or as otherwise determined by the Company, in its discretion, to be satisfactory to it.

- Charge for Reconnection of Service, Sheet No. 82.5.

The following has been added:

Also, if gas service has been disconnected at the request of the customer and, within no eight (8) month period of that disconnection, the customer requests that service be reconnected at the same premises, the Company may refuse gas service to such customer, unless it shall first receive payment equivalent to the appropriate billing of the customer's Fixed Delivery Service Charge for the number of billing periods the service was disconnected, including any necessary prorated charges representing partial bill periods. Where the billing amount reflects a period of more than one (1) month, those amounts shall be prorated based on the normal

scheduled meter reading dates and divided into increments of one (1) month, or less. If the increments represent less than one (1) month, the appropriate Fixed Delivery Service Charge will be billed as a prorated portion of the period as defined by the normal scheduled meter reading date. The appropriate Fixed Delivery Service Charge is defined by the rate under which the customer requested that the service be disconnected as is set forth in the following tariff sheets:

Sheet No. 30 Rate RS, Residential
Sheet No. 32 Rate GS-S, General Service – Small
Sheet No. 33 Rate RFT, Residential Firm Transportation
Sheet No. 34 Rate RSLI, Residential Low Income Pilot
Sheet No. 35 Rate GS-L, General Service – Large
Sheet No. 36 Rate RFTLI, Residential Firm Transportation Service – Low Income
Sheet No. 37 Rate FT-L, Firm Transportation Service – Large
Sheet No. 52 Rate FT-S, Firm Transportation Service – Small

The above proposed provisions, rates, and charges are subject to changes, including changes as to amount and form, by The Public Utilities Commission of Ohio following a public hearing on the filed application. Recommendations that differ from the filed application may be made by the Staff of The Public Utilities Commission of Ohio or by intervening parties and may be adopted by the Commission.

Any person, firm, corporation or association may file, pursuant to Section 4909.19 of the Revised Code, an objection to such proposed increased rates by alleging that such proposals are unjust and discriminatory or unreasonable.

Any person, firm, corporation or association may file a motion to intervene. Intervenor may obtain copies of the application and other filings made by the Company by contacting Ms. Dianne Rutwell at (513) 287-4337, Duke Energy Ohio, Inc.

WHEREFORE, since the rates, prices, charges, and other provisions in Duke Energy Ohio's current electric rate schedules do not yield just and reasonable compensation to Duke Energy Ohio for supplying electric distribution service to the customers to which they are applicable, do not yield a just and reasonable return to Duke Energy Ohio on the value of the property used for furnishing such electric distribution service to such customers, and result in the taking of Duke Energy Ohio's property for public use without compensation and without due process of law, Duke Energy Ohio respectfully prays that your Honorable Commission:

- Accept this Application for filing;
- Find that this Application and the attached Schedules filed herewith and incorporated herein, are in accordance with R. C. 4909.18 and the Rules of the Commission;
- Approve the Form of Notice in the attached Schedule S-3;
- Find that the current rates, prices, and charges for electric service are unjust, unreasonable and insufficient to yield reasonable compensation to Duke Energy Ohio for the electric distribution service rendered;
- Find that the proposed rates, prices, and charges are just and reasonable based upon the test period for the twelve months ending December 31, 2012, and approve such schedules in the form tendered herewith;
- Find that Duke Energy Ohio is in compliance with R. C. 4905.35;
- Approve Duke Energy Ohio's Application for an Increase in Gas Rates consistent with the Commission's approval of Duke Energy Ohio's proposed rates in Case No. 12-1685-GA-ARI;
- Approve Duke Energy Ohio's Application for Tariff Approval consistent with the Commission's approval of Duke Energy Ohio's proposed tariffs in Case No. 12-1686-GA-ATA;
- Approve Duke Energy Ohio's Application for Approval of an Alternative Rate Plan for Gas Distribution Service consistent with the Commission's approval of Duke Energy Ohio's proposed alternative rate plan in Case No. 12-1687-GA-ALT;
- Approve Duke Energy Ohio's Application for Approval to Change Accounting Methods consistent with the Commission's approval of Duke Energy Ohio's proposed deferrals in Case No. 12-1688-GA-AAM;
- Fix the date on or after which applicable services provided to non-residential customers are subject to the proposed rates at January 1, 2013; and
- Fix the date on or after which applicable services provided to residential customers are subject to the proposed rates at January 1, 2013.

Recommendations that differ from this application may be made by the Public Utilities Commission staff or by intervening parties and may be adopted by the Commission. Any person, firm, corporation, or association may file, pursuant to Section 4909.19 of the Ohio Revised Code, an objection to the proposed natural gas rate increases by alleging that such proposals are unjust and discriminatory or unreasonable.

A copy of the application is available for inspection at the main office of the Company at 139 East Fourth Street, Cincinnati, Ohio, or 644 Linn Street, Cincinnati, Ohio, or at the Public Utilities Commission of Ohio, 180 East Broad Street, Docking Division, 11th floor, Columbus, Ohio 43215-3793. The application and supporting documents may also be viewed at the Commission's web page at <http://www.puco.ohio.gov>, by selecting DIS, inputting 12-1685 in the case lookup box, and selecting the date the application was filed.

DUKE ENERGY OHIO, INC.

Affidavit of Publication

Publisher's Fee

\$152,763.87

Affidavit Charge

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State of Ohio

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Hamilton County

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Personally appeared _ Jenny Eilermann

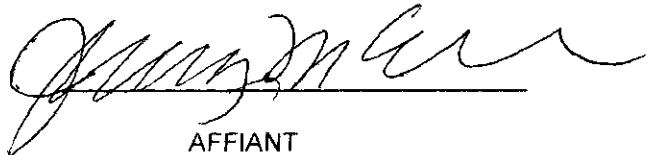
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10/16/12	10/23/12				
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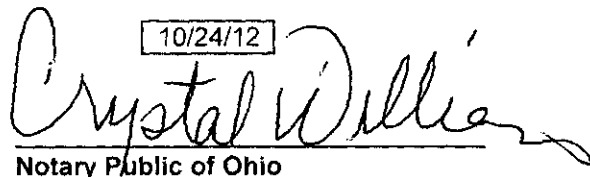
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AFFIANT

Sworn to before me this

10/24/12

Notary Public of Ohio



Crystal Williams
Notary Public, State of Ohio
My Commission Expires 08-24-2015

NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

TO WHOM IT MAY CONCERN:

Pursuant to the requirements of Section 4903.19 of the Ohio Revised Code, Duke Energy Ohio, Inc., hereby gives notice that on July 9, 2012, it filed with the Public Utilities Commission of Ohio (Commission) an application for authority to change its gas rates and charges in incorporated communities and the unincorporated territory within its service area, which includes all or part of Cuyahoga, Geauga, Hamilton, Highland, Montgomery, Franklin, and Warren Counties in Ohio. Such application has been assigned Case No. 12-1685-CA-AR, 12-1686-CA-ATA, 12-1687-CA-ALT, and 12-1688-CA-ANM by the Commission. The substance of the application follows:

The following is a description of the proposed gas rates:

PROPOSED RATE RS-1 RESIDENTIAL SERVICE

RESIDENTIAL SERVICE, SHEET NO. 30.37

APPLICABILITY

Applicable to gas service required for residential purposes when supplied at one point of delivery where distribution mains are adjacent to the premises to be served.

NET MONTHLY BILL

Computed in accordance with the following charges:

Fixed Delivery Service Charge per month \$33.03

Plus a Usage-Based Charge for

First 400 CCF \$0.130477 per CCF

Additional CCF \$0.389397 per CCF

The monthly minimum bill shall be the monthly Fixed Delivery Service Charge and applicable charge under Rider ARMP, Rider ARJ, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 64, Ohio Excise Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate RS should the increase be granted in full is 0.3%.

PROPOSED RATE GS-3 GENERAL SERVICE - SMALL

GENERAL SERVICE - SMALL, SHEET NO. 32.3

APPLICABILITY

Applicable to gas service required for any purpose by an individual non-residential customer using 4,000 CCF or less during the prior calendar year at one premises when supplied at one point of delivery where distribution mains are adjacent to the premises to be served.

NET MONTHLY BILL

Computed in accordance with the following charges:

Fixed Delivery Service Charge per month \$31.64

Plus a Usage-Based Charge for

All CCF delivered at \$0.154370 per CCF

The monthly minimum bill shall be the monthly Fixed Delivery Service Charge and applicable charge under Rider ETR, Rider ARMP, Rider ARJ, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 64, Ohio Excise Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate GS-3 should the increase be granted in full is 0.3%.

PROPOSED RATE RFT RESIDENTIAL FIRM TRANSPORTATION SERVICE

RESIDENTIAL FIRM TRANSPORTATION SERVICE, SHEET NO. 33.14

AVAILABILITY

Firm transportation service for residential purposes, which is provided from the Company's city gate receipt points to the outlet side of Company's meter. Service is available to all residential customers, except for those customers whose utility service accounts are paid due at the time customer desires to utilize this service. The Company may terminate a customer's supplier contract for non-payment and return the customer to the Company's sales service only if: (1) the Supplier has made an alternative request for the Company to act as its agent to terminate customer contracts for non-payment; and (2) the Supplier has included, in its customer contracts, a notice that the Company can terminate such contracts for non-payment. Where the Supplier is performing its own billing of the gas supply, termination of the agreement will be at the discretion of the Supplier, as specified in the Supplier contracts for service in other cases. The Supplier on the Company shall give no less than 30 days written notice that the customer will be switched from the Supplier and revert to the Company unless the past due amount is paid by the customer's next scheduled bill due date. If the past due amount is paid by the next scheduled bill due date, the customer will not revert to the Company and will remain with the Supplier. If the Company provides the late payment notice to the customer, it will send a copy of the notice to the customer's Supplier. A customer must enter into an agreement with a Supplier that meets the Company's requirements for participation in this pooling program pursuant to Rate FRAS, Sheet No. 44.

Gas transported under this tariff shall be for customer's sole use at one point of delivery where distribution mains are adjacent to the premises to be served. Any gas provided hereunder shall be provided by displacement.

Residential customers who are enrolled in income payment plans pursuant to Rule 4903.1-18-04(0), Ohio Administrative Code (OAC) (PPWP customers), shall be provided their alternative gas supply service exclusively through their own supply pool, for which gas is provided by a willing Supplier whose bid has been approved by the Public Utilities Commission of Ohio.

NET MONTHLY BILL

Computed in accordance with the following charges:

Fixed Delivery Service Charge per month \$33.03

Plus a Usage-Based Charge per CCF for each CCF of gas transported for customer from Company's city-gate measuring stations to the outlet side of Company's meter used to measure deliveries to customer at:

First 400 CCF \$0.130477 per CCF

Additional CCF \$0.389397 per CCF

Plus, in certain, rate adjustments that may occur as a result of changes in the rates of interstate pipelines, or of rulings of the Public Utilities Commission of Ohio under the Federal Energy Regulatory Commission, and for which it is determined that all customers should be allocated some portion of the corresponding costs or refunds.

In addition, the net monthly bill, as calculated above, shall be adjusted by application of the percent specified on Sheet No. 64, Rider ETR, Ohio Excise Tax Liability Rider, except that finance charges are excluded in the computation of the net bill.

Customer and/or its Supplier shall be responsible for the collection and payment of excise taxes, revenue taxes, or similar taxes on the gas supplies that customer purchases from its Supplier.

The monthly minimum bill shall be the Fixed Delivery Service Charge and applicable charge under Rider ARMP, Rider ARJ, and Rider ASRP shown above, plus the percentages specified in Rider ETR, Sheet No. 64, Ohio Excise Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate RFT, assuming RFT customers pay the same gas cost as GS-3 customers, should the increase be granted in full is 11.6%.

PROPOSED RATE RFLJ RESIDENTIAL SERVICE LOW INCOME

RESIDENTIAL SERVICE LOW INCOME, SHEET NO. 34.3

APPLICABILITY

Applicable to gas service required for residential purposes when supplied at one point of delivery where distribution mains are adjacent to the premises to be served. Eligible customers are non-PPWP, low average residential customers verified at or below 175% of poverty level. The total number of customers that may receive service under Rate RFLJ and Rate RFTL is 10,000.

NET MONTHLY BILL

Computed in accordance with the following charges:

Fixed Delivery Service Charge per month \$29.03

Plus a Usage-Based Charge for

All CCF \$0.130642 per CCF

The monthly minimum bill shall be the monthly Fixed Delivery Service Charge and applicable charge under Rider ETR, Rider ARMP, Rider ARJ, and Rider ASRP shown above, plus the percentages specified in Rider ETR, Sheet No. 64, Ohio Excise Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate RFLJ should the increase be granted in full is 0.4%.

PROPOSED RATE GS-4 GENERAL SERVICE - LARGE

GENERAL SERVICE - LARGE, SHEET NO. 35.3

APPLICABILITY

Applicable to gas service required for any purpose by an individual non-residential customer using more than 4,000 CCF during the prior calendar year at one premises when supplied at one point of delivery where distribution mains are adjacent to the premises to be served.

NET MONTHLY BILL

Computed in accordance with the following charges:

Fixed Delivery Service Charge per month \$226.84

Plus a Usage-Based Charge for

All CCF delivered at \$0.139784 per CCF

The monthly minimum bill shall be the Fixed Delivery Service Charge and applicable charge under Rider ETR, Rider ARMP, Rider ARJ, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 64, Ohio Excise Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate GS-4 should the increase be granted in full is 2.5%.

PROPOSED RATE RFTL RESIDENTIAL FIRM TRANSPORTATION SERVICE - LOW INCOME

RESIDENTIAL FIRM TRANSPORTATION SERVICE - LOW INCOME, SHEET NO. 36.3

AVAILABILITY

Firm transportation service for residential purposes, which is provided from the Company's city gate receipt points to the outlet side of Company's meter. Service is available to eligible residential customers, except for those customers whose utility service accounts are paid due at the time customer desires to utilize this service. Eligible customers are non-PPWP, low average residential customers verified at or below 175% of poverty level. The total number of customers who may receive service under Rate RFTL and Rate RFTL is 10,000. The Company may terminate a customer's supplier contract for non-payment and return the customer to the Company's sales service only if: (1) the Supplier has made an alternative request for the Company to act as its agent to terminate customer contracts for non-payment; and (2) the Supplier has included, in its customer contracts, a notice that the Company can terminate such contracts for non-payment. Where the Supplier is performing its own billing of the gas supply, termination of the agreement will be at the discretion of the Supplier, as specified in the Supplier contracts for service in other cases. The Supplier on the Company shall give no less than 30 days written notice that the customer will be switched from the Supplier and revert to the Company unless the past due amount is paid by the customer's next scheduled bill due date. If the past due amount is paid by the next scheduled bill due date, the customer will not revert to the Company and will remain with the Supplier. If the Company provides the late payment notice to the customer, it will send a copy of the notice to the customer's Supplier. A customer must enter into an agreement with a Supplier that meets the Company's requirements for participation in this pooling program pursuant to Rate FRAS, Sheet No. 44.

Gas transported under this tariff shall be for customer's sole use at one point of delivery where distribution mains are adjacent to the premises to be served. Any gas provided hereunder shall be provided by displacement.

Residential customers who are enrolled in income payment plans pursuant to Rule 4903.1-18-04(0), Ohio Administrative Code (OAC) (PPWP customers), shall be provided their alternative gas supply service exclusively through their own supply pool, for which gas is provided by a willing Supplier whose bid has been approved by the Public Utilities Commission of Ohio.

NET MONTHLY BILL

Computed in accordance with the following charges:

Fixed Delivery Service Charge per month \$229.03

Plus a Usage-Based Charge per CCF for each CCF of gas transported for customer from Company's city-gate measuring stations to the outlet side of Company's meter used to measure deliveries to customer at:

All CCF \$0.130642 per CCF

The monthly minimum bill shall be the Fixed Delivery Service Charge and applicable charge under Rider ARMP, Rider ARJ, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 64, Ohio Excise Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate RFTL, assuming RFTL customers pay the same gas cost as GS-4 customers, should the increase be granted in full is 5.9%.

PROPOSED RATE FT-L FIRM TRANSPORTATION SERVICE - LARGE

FIRM TRANSPORTATION SERVICE - LARGE, SHEET NO. 37.3

AVAILABILITY

Firm transportation service for an individual non-residential customer using more than 4,000 CCF during the prior calendar year at one premises, which is provided from the Company's city gate receipt points to the outlet side of Company's meter used to serve the customer. This service is available within the Company's entire service territory, and at the customer's option, to serve the firm service requirements of intertieable transportation customers in combination with service under Rate FT-L to all non-intertieable customers except for those customers whose utility service accounts are paid due at the time customer desires to utilize this service. The Company may terminate a customer's supplier contract for non-payment and return the customer to the Company's sales service only if: (1) the Supplier has made an alternative request for the Company to act as its agent to terminate customer contracts for non-payment; and (2) the Supplier has included, in its customer contracts, a notice that the Company can terminate such contracts for non-payment. Where the Supplier is performing its own billing of the gas supply, termination of the agreement will be at the discretion of the Supplier, as specified in the Supplier contracts for service. The Supplier or the Company shall give no less than 30 days written notice that the customer will be switched from the Supplier and revert to the Company unless the past due amount is paid by the customer's next scheduled bill due date. If the past due amount is paid by the next scheduled bill due date, the customer will not revert to the Company and will remain with the Supplier. If the Company provides the late payment notice to the customer, it will send a copy of the notice to the customer's Supplier. Service shall be provided in accordance with the Company's city gate receipt points to the outlet side of Company's meter used to serve the customer. Customer must enter into a "pooling" agreement with a Supplier that meets the Company's requirements for participation in this pooling program, and must arrange for the delivery of gas into the Company's system.

Customers who believe that they will significantly increase throughput, from their historic firm service levels, shall so inform the Company.

Except as provided under Company Rider ARJ, gas transported under this tariff shall be for customer's sole use at one point of delivery where distribution mains are adjacent to the premises to be served. Any gas provided hereunder shall be provided by displacement.

NET MONTHLY BILL

Computed in accordance with the following charges:

Fixed Delivery Service Charge \$226.84

Plus a Usage-Based Charge per CCF for each CCF

of gas transported for customer from Company's city-gate measuring stations to the outlet side of Company's meter used to measure deliveries to customer:

\$0.139784 per CCF

Plus, in certain, rate adjustments that may occur as a result of changes in the rates of interstate pipelines, or of rulings of the Public Utilities Commission of Ohio and/or the Federal Energy Regulatory Commission, and for which it is determined that all customers should be allocated some portion of the corresponding costs or refunds.

In addition, the net monthly bill, as calculated above, shall be adjusted by application of the percent specified on Sheet No. 64, Rider ETR, Ohio Excise Tax Liability Rider, except that finance charges are excluded in the computation of the net bill.

Customer and/or its Supplier shall be responsible for the collection and payment of excise taxes, revenue taxes, or similar taxes on the gas supplies that customer purchases from its Supplier.

The monthly minimum bill shall be the Fixed Delivery Service Charge and applicable charge under Rider ETR, Rider ARMP, Rider ARJ, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 64, Ohio Excise Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate FT-L, assuming FT-L customers pay the same gas cost as GS-4 customers, should the increase be granted in full is 4.4%.

PROPOSED RATE FRAS FULL REQUIREMENTS AGGREGATION SERVICE

FULL REQUIREMENTS AGGREGATION SERVICE, SHEET NO. 44.11

APPLICABILITY

This service is available to Suppliers delivering gas on a firm basis to the Company's city gate receipt points on behalf of customers receiving Firm Transportation Service from the Company. The service provided hereunder allows Suppliers to deliver to the Company an aggregated basis those natural gas supplies that are needed to satisfy the requirements of Customer Pools participating in the Company's Firm Transportation program.

CHARACTER OF SERVICE

This Tariff Sheet applies to the provision of pooling service for firm gas transportation customers. Suppliers under this Tariff Sheet shall comply with the full requirements of their Pool Customers and agree to accept supply management responsibility. Company shall specify, and Supplier shall deliver each day, the Target Supply Quantity for Supplier's Pool.

GAS SUPPLY AGGREGATION/CUSTOMER POOLING AGREEMENT

Prior to acting as a Supplier for Pool Customers receiving Firm Transportation Service, Supplier must enter into a Gas Supply Aggregation/Customer Pooling Agreement with the Company. An example of the Gas Supply Aggregation/Customer Pooling Agreement is attached to this Tariff Sheet.

SUPPLIER NOTICE

On a monthly basis, the Company will generate, and Supplier will pay, an invoice that includes the costs set forth below in this Tariff Sheet and in Sheet No. 45 herein.

LATE PAYMENT CHARGE

Payment of the total amount due must be received by Company, or its designated agent, by the due date shown on the Supplier's invoice. If the Supplier does not pay the total amount due by the date shown, an additional amount equal to one and one half percent (1.5%) of the total amount balance shall also become due and payable.

RETAINED CHECK CHARGE

The Retained Check Charge set forth in Sheet No. 45 herein shall be added to the Supplier's account each time a check is returned by the financial institution for insufficient funds.

MEASUREMENT OF CUSTOMER USAGE VOLUMES

The Company shall be responsible for all usage measurement at the point of delivery to the customer's facilities. Monthly volumes billed to Pool Customers shall be considered actual volumes consumed, whether the meter reading is actual or estimated.

QUALITY OF GAS DELIVERED BY SUPPLIER

The Supplier warrants that all gas delivered by or on behalf of Supplier for its Pool Customers under this Tariff Sheet shall meet the quality, pressure, heating value and other quality specifications of the applicable FERC Gas Tariff of the interstate gas pipeline delivering said gas to the Company.

TITLE AND WARRANTY

Supplier warrants that it will, at the time and place of delivery, have good right and title to all volumes of gas delivered on its behalf, free and clear of all liens, encumbrances, and claims whatsoever, and that it will defend, indemnify, and hold the Company harmless for all claims, actions, suits, damages, costs, losses, or expenses (including reasonable attorney's fees) arising from or out of the advance claims of any or all persons relating to or arising from said gas.

DEFINITIONS

"Adjusted MDQ" means the Supplier's MDQ less the Company's minor propane percentage, representing the Pool's allocation of the Company's propane pooling supplies.

"Adjusted Target Supply Quantities" (ATSQ) means the Target Supply Quantities plus or minus any adjustments that the Company may require the Supplier to make to its daily deliveries (i.e., Actual Proportional volumes) plus the daily firm (Rate FT) requirements of all customers being served by the Supplier under Rate FT.

"Aggregation Service" is a service provided by the Company that allows Suppliers to deliver to the Company, on an aggregated basis, those natural gas supplies that are needed to satisfy the full firm requirements of the one, or more, firm transportation customers that comprise the membership of the Supplier's Pool, as defined below, all in accordance with the rules established by the Company regarding delivery requirements, banking, billing and payments, and Supplier performance requirements.

"Arrearages" are past due and unpaid amounts owed to the Company. A thirty-day arrearage exists when any portion of the previous month's bill is not paid by the current bill due date. Customers having a thirty-day or more arrearage at \$50.00 or more are not eligible to participate in the Program. A customer who is current on a payment plan for previously billed and unpaid charges is not considered to have Arrearages when an electronic payment to the Company's firm transportation program is received from a Supplier.

"British Thermal Unit" or "BTU" means the quantity of heat required to raise one (1) pound of water (about a pint) one (1) degree Fahrenheit at or near its point of maximum density.

"CCF" means one hundred cubic feet.

"Commission" means the Public Utilities Commission of Ohio.

"Company" means Duke Energy Ohio.

"Customer" means a residential, non-recreational, or mercantile recipient of the Company's Sales Service or Transportation Service.

"Default" means the failure of the Company or Supplier to fulfill a duty or obligation set forth in Duke Energy Ohio's Tariffs, the Ohio Revised Code, the Ohio Administrative Code, or any agreement or contract between and among the Company and Supplier.

"Deliveries" or "DQ" means a unit of heating value equal to ten (10) Therms or 100,000 Btu's (1 MMBtu).

"Eligible Customer" is a customer who is eligible to participate in a Governmental Aggregation in accordance with sections 4928.26 and 4929.27 of the Ohio Revised Code and does not include any of the following: a person that is both a distribution service customer and a mercantile customer on the date of commencement of service to the Governmental Aggregator as the person becomes a distribution service customer after the service commencement date and is also a mercantile customer, a person who is affiliated with natural gas sales service pursuant to a contract with a Supplier that is in effect on the effective date of the agreement or resolution authorizing the aggregation; a person who is supplied with natural gas service as part of the Percentage of Income Payment Plan (PIPP) program; or a customer who has failed to discharge, or enter into a plan to discharge, all existing Arrearages owed to or billed by the Company.

"Enrollment Processing Period" means the number of days required to process a customer's accepted enrollment in the Program pursuant to this Tariff. This process commences with the submission to Company by Supplier of appropriate information for an eligible customer and ends with the beginning of the customer's reactivation period. The process will take up to twelve (12) calendar days, and includes seven (7) business days from the date the Company sends the customer a letter indicating the customer may receive its Program enrollment or change in Supplies.

"Firm Transportation Service" means service under Residential Firm Transportation Service (Rate RFT - Sheet No. 33), Residential Firm Transportation Service - Low Income (Rate RFLJ - Sheet No. 34), Firm Transportation Service - Large (Rate FT-L - Sheet No. 37) or Firm Transportation Service - Small (Rate FT-S - Sheet No. 32).

"Gas Supply Aggregation/Customer Pooling Agreement" is an agreement between the Company and Supplier that defines the mutual responsibilities and obligations of these parties relative to the Aggregation Service provided under Rate FRAS.

"Maximum Daily Quantities" (MDQ) means the expected peak day natural gas usage for a Supplier's Pool of Customers.

"Mcf" means one thousand cubic feet.

"Mercantile Customer" has the meaning set out in division (1) of section 4929.01 of the Ohio Revised Code. In summary, it means a customer that: (1) occupies other than its residential use, more than 5,000 Gcf of natural gas per year at a single location as part of an underlying funding over 3 locations within or outside the state; and (2) that has not filed a declaration with the Commission.

"Negative Intertie Volume" or "Under-delivery" is the amount by which the use of all volumes actually delivered to the Pool Customers during the period exceeds the sum of the volumes available for delivery by the Company to the Pool during the same period.

"O.A.C." means the Ohio Administrative Code.

"OCC" means the Office of the Ohio Consumers' Counsel.

NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

"Operational Flow Orders" (OFOs) are notices issued by the Company via its electronic bulletin board (EBB) or fax transmission requiring Suppliers to adjust their daily deliveries into the Company's system to match, within a set tolerance, or match to or below their then Adjusted Target Supply Quantity for the Supplier's Pool of Customers receiving Firm Transportation Service. Suppliers shall be required to deliver natural gas, or to cause natural gas to be delivered, into the Company's specified city gate receipt points. It is determined by the Company to be necessary and the specified receipt points and amounts are identified in the OFO notice posted on the EBB.

"Over-Advances" or "Positive Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool Customers during the period is less than the sum of the volumes available for delivery by the Company to the Pool during the same period.

"Pool" is a group of one or more customers receiving service pursuant to firm transportation service that have been banded together pursuant to Rate FAS, Full Requirements Aggregation Service for supply management purposes. If PIP Customers are being served by a Supplier, a separate Pool must be composed entirely of PIP Customers.

"Pool Customer" means a recipient of Firm Transportation Service provided by the Company under Tariff Sheet Nos. 33, 36, 37 or 52 who receives gas supply from a Supplier as a member of a Pool.

"Pooling Program" refers to the services provided under Residential Firm Transportation Service (Rate FAS - Sheet No. 33), Residential Firm Transportation Service - Low Income (Rate FAS - Sheet No. 36), Firm Transportation Service - Large (Rate FAS - Sheet No. 37), Firm Transportation Service - Small (Rate FAS - Sheet No. 52), and Full Requirements Aggregation Service (Rate FAS - Sheet No. 44).

"Pooling Service" means a service provided by the Company that allows Suppliers to deliver to the Company gas supplies needed to satisfy the usage requirements of the customers of the Supplier, subject to the usage requirements established by the Company in its Tariff Sheet and Gas Supply Aggregation/Pooling Agreement.

"Positive Imbalance Volume" or "Over-Advances" is the amount by which the sum of all volumes actually delivered to the Pool Customers during the period is less than the sum of the volumes available for delivery by the Company to the Pool during the same period.

"Program" means the Company's firm transportation/supply aggregation customer choice program under Rate FAS, Rate FAS-1, Rate FAS-2 and Rate FAS-3, and Rate FAS-4, respectively.

"PUCO" or "Commission" means the Public Utilities Commission of Ohio.

"Sales Service" means service under Residential Service (Rate FAS - Sheet No. 33), Residential Service Low Income (Rate FAS - Sheet No. 36), General Service - Small (Rate FAS - Sheet No. 52) or General Service - Large (Rate FAS - Sheet No. 37).

"Supplier" is a qualified business entity that: (1) has been certified by the Commission to provide retail natural gas service; (2) has been chosen as a Supplier by a group of one or more customers that qualifies as a Pool; (3) agrees to accept responsibility for the gas supply management of the Pool; (4) meets the requirements for Supplier Participation set out in this Tariff Sheet; and (5) has executed a Gas Supply Aggregation/Pooling Agreement with the Company.

"Supply Contract" or "Contract" means a contract between the Pool Customer and the Supplier that defines the mutual responsibilities and obligations of those parties relating to customer purchases and Supplier's sale of gas supplies for delivery to customer pursuant to this Tariff Sheet and the applicable Transportation Service Tariff Sheet.

"Target Supply Quantity" (TSQ) are defined as daily city gate delivery quantities determined from estimated needs and to estimate the only gas usage of the full requirements aggregation service. Suppliers shall use gas usage estimates as adjusted for Unaccounted-for Gas Loss and converted from volumetric to thermal quantities.

"Transportation Service" means service under Residential Firm Transportation Service (Rate FAS - Sheet No. 33), Residential Firm Transportation Service - Low Income (Rate FAS - Sheet No. 36), Firm Transportation Service - Large (Rate FAS - Sheet No. 37), Firm Transportation Service - Small (Rate FAS - Sheet No. 52) or Residential Transportation Service (Rate FAS - Sheet No. 51).

"Unaccounted-for Gas Loss" is the difference between the Company's total available gas commodity and the total gas commodity accounted for (measured as sales and transported volumes). The difference is comprised of factors including but not limited to leakage, discrepancies due to meter inaccuracies, Company use and with the use of cycle billing, an amount of gas used but not billed.

"Unaccounted-for Percentage" means a percentage calculated by dividing the difference between: (1) the aggregate volume of gas received into the Company's system from the interstate pipelines plus the volume of exported product, and (2) the aggregate volume consumed by all of the Company's gas customers, divided by the Company's total gas supply, as set forth in the Company's Tariff Sheet.

"Under-delivered" or "Negative Imbalance Volume" is the amount by which the sum of all volumes actually delivered to the Pool Customers during the period exceeds the sum of the volumes available for delivery by the Company to the Pool during the same period.

REQUIREMENTS FOR SUPPLIER PARTICIPATION

Each Supplier desiring to receive Aggregation Service/Firm Transportation Service from the Company will be evaluated in terms that it possesses the financial resources and sufficient experience to perform its responsibilities as a Supplier. On the basis of this evaluation, a Supplier's participation may be limited to a level specified by the Company.

In order to assist Company in performing its evaluation, Suppliers must do the following:

- Provide proof of Commission Certification to the Company.
- Complete and sign the Company's Credit Application form.
- Complete and sign the Retail Natural Gas Supplier Registration form.
- Pay a registration fee as set forth in Sheet No. 45 hereof.
- Attend Company-sponsored training for Retail Natural Gas Suppliers.
- Demonstrate a working understanding of the proper electronic communication capabilities necessary to transact business with the Company.
- Complete and sign the Company's Gas Supply Aggregation/Pooling Agreement.

Suppliers not meeting the necessary credit level will be required to provide additional security in a form and format specified by the Company.

Financial evaluations will be based on standard credit factors such as financial and credit ratings, trade references, trade information, annual financials, Pool Customer payment history, and related financial information that have been independently audited, if available. The Company shall determine creditworthiness based on the above criteria, and will not deem a Supplier's participation in the Program without reasonable cause. A fee will be assessed to the Supplier for each financial evaluation, as set forth in Sheet No. 45 hereof.

The Company reserves the right to conduct re-evaluations of Supplier's financial standing from time to time. Such re-evaluation may be initiated either by a request from the Supplier or by the Company, if the Company reasonably believes that the creditworthiness or operating environment of a Supplier may have changed. Based on such re-evaluation, the Company may require the Supplier to increase the amount of its financial security. If the Supplier does not increase its security within 30 business days of the Company's request or within an additional time period specified by the Company, the Supplier's participation may be suspended or terminated in accordance with the consequences of Supplier's Failure to Perform or Comply section of this Tariff. The financial evaluation fee set forth in Sheet No. 45 hereof will be assessed for such re-evaluations.

GENERAL PROVISIONS

A. Suppliers and Governmental Aggregators shall not engage in unfair, misleading, deceptive, or unconscionable acts or practices related to, without limitation, the following activities:

- Marketing, solicitation, or sale of a competitive retail natural gas service;
- Administration of contracts for such service;
- Provision of such service, including interactions with customers.

B. Suppliers shall maintain an employee and an office open for business in the state of Ohio.

C. Suppliers and Governmental Aggregators shall not cause or arrange for the discontinuation of distribution service, or supply the threat of such action, as a consequence of contract termination, customer nonpayment, or for any other reason.

D. Suppliers and Governmental Aggregators shall not change or authorize the changing of a customer's Supplier of competitive retail natural gas service without the customer's prior consent, as provided for under Rule 8901.1-29-06 of the O.A.C. For the purpose of providing competitive retail natural gas service, this provision does not apply to automatic Governmental Aggregation and for the PIP program.

E. All Suppliers and Governmental Aggregators shall provide the Commission's staff with a name, telephone number, and a e-mail address of a contact person who will respond to Commission concerns pertaining to consumer complaints. If any of the requested information relating to the contact person should change, the Supplier or Governmental Aggregator shall provide advance notice of such changes to the Commission.

RECORDS AND RETENTION

A. The Company (or records retention related to competitive retail natural gas services, each Supplier and each Governmental Aggregator shall establish and maintain records and data sufficient to:

- Verify its compliance with the requirements of any applicable Commission rules;
- Support any investigation of customer complaints;
- Respond to any subpoena, or if required records shall be retained for no less than two years;
- Unless otherwise prescribed by the Commission or its authorized representatives, all required records must be retained for the Commission staff within three (3) business days of its request.

MARKETING AND SOLICITATION

A. Each Supplier and Governmental Aggregator that offers competitive retail natural gas service to customers shall provide, in marketing materials that include a summary of service contract, sufficient information for customers to make informed decisions:

- For fixed-rate offers, such information shall, at minimum, include:
 - The cost per Ccf or Mcf, whichever is consistent with the Company's current billing format, for natural gas supply;
 - The amount of any other recurring or nonrecurring Supplier or Governmental Aggregator charges; and
 - A statement that the Supplier's or Governmental Aggregator's rate is exclusive of all applicable state and local taxes and the Company's service and delivery charges.
- For variable-rate offers, such information shall, at minimum, include:
 - A clear and understandable explanation of the factors that will cause the price to vary (including any related indices) and how often the price can change;
 - The amount of any other recurring or Supplier or Governmental Aggregator charges; and
 - A statement that the Supplier's or Governmental Aggregator's rate is exclusive of all applicable state and local taxes and the Company's service and delivery charges.
- A Supplier's or Governmental Aggregator's promotional and advertising materials that are provided to the Commission or its staff within three (3) business days of a request by the Commission or its staff.

B. No Supplier or Governmental Aggregator may engage in marketing, solicitation, sales acts, or practices which are unfair, misleading, deceptive, or unconscionable in the marketing, solicitation, or sale of a competitive retail natural gas service. Such unfair, misleading, deceptive, or unconscionable acts or practices include, but are not limited to, the following:

- Soliciting customers for a competitive retail natural gas service:
 - After suspension, rescission, or conditional rescission of certification by the Commission;
 - After denial of certification received by the Commission;
 - Failing to comply with paragraph (A) or (B) of this section;
- Failing to provide in or with its advertisements and promotional materials that include offer for sale, a valid residential telephone number (and address for public utilities) that the potential customer may call or write to request detailed information regarding the price, terms, conditions, limitations, and restrictions;
- Soliciting via telephone calls initiated by the Supplier or Governmental Aggregator for its agent without first:
 - Obtaining the list of customers who have requested to be placed on a "do not call" list, which shall be created and maintained by the Commission; and
 - Obtaining monthly updates of the Commission-maintained "do not call" list;
- Engaging in telephone solicitation of customers who have been placed on the "do not call" list maintained by the Commission;
- Engaging in telephone solicitation to residential customers who have been placed on a "do not call" list maintained by the Commission;
- Engaging in direct solicitation to customers where the Supplier's or Governmental Aggregator's sales agent fails to wear and display a valid Supplier or Governmental Aggregator identification. The format of this identification shall be pre-approved by the Commission staff; and
- Advertising or marketing offers that:
 - Claim that a specific price advantage, savings, or guarantee exists (if it does not, or may exist if it will not);
 - Claim to provide a competitive retail natural gas service when such offer is not a bona fide offer to sell such services;
 - Offer a fixed price per Ccf or Mcf, whichever is consistent with the Company's current billing format, for competitive retail natural gas service without disclosing all recurring and nonrecurring charges;
 - Offer a variable price per Ccf or Mcf, whichever is consistent with the Company's current billing format, for competitive retail natural gas service without disclosing all recurring and nonrecurring charges; and
 - Fail to disclose all material limitations, exclusions, and offer expiration dates.

OBLIGATIONS TO THE COMPANY

Each Supplier participating in the Pooling Program shall:

- Deliver gas to the Company on a firm basis on behalf of the Supplier's pool members in accordance with the requirements of the "Gas Supply Aggregation/Pooling Customer Agreement";
- Establish and maintain a creditworthy financial position to enable the Supplier to indemnify the Company and the customers for costs incurred as a result of any failure by the Supplier to deliver gas in accordance with the requirements of the program and to ensure payment of any Commission-approved charges for any such failure;
- Make good faith efforts to resolve all disputes between Supplier and its Pool Customers and to cooperate with resolution of any joint issues with the Company;
- Refrain from requesting customer-specific billing, payment, and usage information without first having received the Company's approval to access such information;
- Failure to fulfill any of these obligations may subject Supplier to consequences set forth in the Consequences of Supplier's Failure to Perform or Comply section of this Tariff Sheet.

CUSTOMER INFORMATION LIST

Supplier shall create a list of Suppliers on electronic list of customer information for customers who are eligible to participate in the Program. Such list shall be updated quarterly and shall, at a minimum, contain the following information regarding each customer: name, service and mailing addresses, meter read date or schedule, and the most recent twelve (12) months of consumption data. The fee for this customer information list is set forth in Sheet No. 45 hereof.

GOVERNMENTAL AGGREGATION

Governmental Aggregators shall follow the Commission's rules for formation and operation of a Governmental Aggregation.

Upon the request of a Governmental Aggregator, the Company will provide, on a best efforts basis, an update list of eligible customers' names, service and consumption, account numbers, and other customer information that data for all eligible customers residing within the Governmental Aggregator's boundaries. Except for the inclusion of information for customers who have opted-out of the Company's customer information list for Suppliers and Company account numbers, the customer information contained in such list shall be consistent with the customer information list provided to Suppliers described therein. The Governmental Aggregator will pay a fee for a copy of said list, as set forth in Sheet No. 45 hereof. The Governmental Aggregator shall not disclose or use a customer's account number or any customer information

regarding these customers who have opted-out of the Company's customer information list, without the customer's express written consent.

Prior to the Company including a customer's natural gas account in a Governmental Aggregation, the Governmental Aggregator shall provide each eligible customer written notice that their account will be automatically included in the aggregation unless they opt out of the aggregation by the end of the aggregation. The Company shall notify eligible customers, who have not opted out of the Governmental Aggregation, to form a Governmental Aggregation under the same processes described herein for Suppliers.

CUSTOMER SIGN-UP PROCEDURES

Customers desiring to participate in the Program must execute a written Supply Contract with a Supplier that states that the customer has agreed to participate in the Program and which sets forth the terms and conditions of the customer's gas supply purchase. The Supplier may design the format of the Supply Contract, but at a minimum, it must comply with the applicable provisions specified in Rules 8901.1-29-06 and 8901.1-29-07 of the O.A.C.

In the alternative, customers desiring to participate in the Program may enroll with a Supplier via telephone or internet. Under these methods, the Supplier must retain proof of customer consent, as required by the Commission.

The Supply Contract, or alternate proof of customer consent in the case of telephone or internet enrollment, will be used to resolve disputes if the validity of an account enrollment comes into question. If requested by the Company, the Commission in the case of Non-Marketplace Customers only or OGC in the case of residential customers only, Supplier must provide a copy of a specific Supply Contract, or alternate proof of customer consent in the case of telephone or internet enrollment, within three (3) business days of any such request.

Regardless of the customer enrollment method used, within three (3) business days after completion of enrollment (either a letter signed by a customer or a Supplier), the Supplier will provide the Company with an electronic list to a format specified by the Company, containing a listing of all customers who Supplier has signed up or desires to draw since its last submission. This list shall include each Pool Customer's Company account number. The list shall evaluate the information provided for accuracy and customer eligibility, and provide Supplier with a confirmation report within three (3) business days. In the event more than one Supplier includes the same Pool Customer on their enrollment list to begin the same period, the customer will be assigned to the Supplier whose account number was first processed by the Company.

Once complete and accurate information regarding a customer's joining at leaving a Supplier's Pool is received and confirmed by the Company, the change will be effective on the customer's next regularly scheduled meter read date, provided that it is received by the Company at least twelve (12) days before the next regularly scheduled meter read date. If a customer rescinds their enrollment prior to commencing service with a Supplier, the Company shall notify the Supplier within two (2) business days of the customer's rescission.

Customer will remain with its Supplier until: (1) the customer is re-enrolled to Sales Service due to non-payment or Supplier default; (2) the customer or Supplier notifies the Company that the customer shall enroll in the Company's Sales Service; (3) the customer uses the PIP program; or (4) the customer's name, service address and account number appear on another Supplier's electronic enrollment list. If a customer moves from one address to another within the Company's service territory, (a) notifying in the list of that move, (b) the Company's current billing system needs confirmation in order to maintain Program participation with the Supplier because of the location change within the Company's service territory; (c) in order to maintain Program participation with the Supplier, the Supplier must confirm enrollment via customer authorization once the new distribution service account with the Company has been established; (d) when a customer changes their service address within the Company's service territory, the customer will be billed the Sales Service for a period of no more than one billing cycle plus eleven (11) days, provided that a timely enrollment notice is received from the Supplier; and (e) the customer and the Supplier may mutually agree to terminate the enrollment. If termination is requested by the Company, the termination will be effective on the customer's next regularly scheduled meter read date. If the customer's current Supplier includes customer's termination in the Program, the Company shall issue a written notification to the customer informing customer of such change. Customers who on their own initiative, decide to terminate their participation in the Program will be permitted to do so without the Company making any determination regarding whether the customer is creditworthy permitted to make such move. The Company shall not be liable to the Supplier or customer for allowing the customer to re-enroll to Sales Service. The Company is not responsible for tracking Supplier contract terms and conditions between Suppliers and customers and shall not be liable for any default of such contract.

If the Company rejects a customer from enrollment, the Supplier shall notify the customer within three (3) business days from the Company's notification of rejection that the customer will not be enrolled or enrollment will be delayed, along with the reasons therefor.

The Company will accept an enrollment from another Supplier for a customer who is currently with a Supplier, without the current Supplier first submitting an electronic deregulation notification to the Company. In enrollment situations where a customer is already being served by a Supplier or the customer is currently receiving Sales Service, the Company shall, prior to commencing competitive retail natural gas service with the subsequent Supplier, mail the customer a confirmation notice stating:

- The Company has received a request to enroll the customer for competitive retail natural gas service with the new Supplier, and, in the case of an enrollment request for a customer who is currently with the Company, a statement that the customer's current Supplier, along with an acknowledgment that customer should review the terms and conditions of the incumbent Supplier's Contract for customer's obligations under said Contract;
- The date such service is expected to begin;
- The customer has seven (7) business days from the postmark date on the notice to contact the Company telephonically, in writing or via the internet to request the enrollment request or notify the Company that the change of the Supplier was not requested by the customer; and
- The Company's appropriate contact information, including, but not limited to, the Company's toll-free telephone number.

If the customer rescinds their enrollment, the Company will initiate said rescission and notify the Supplier or Governmental Aggregator.

Any customer returning to Sales Service as a result of Supplier default, Supplier abandonment, or Supplier certification rescission will not be liable for any costs associated with the switch.

ENROLLMENT OF CUSTOMERS

Suppliers may enroll customers by mail, facsimile, direct certification, telephone, and the internet. When soliciting and/or enrolling Non-Marketplace customers, Supplier must adhere to the requirements set out in Rules 8901.1-29-06 and 8901.1-29-07 of the O.A.C.

CONTRACT ADMINISTRATION AND RENEWAL NOTICES

Supplier must adhere to the contract administration and renewal requirements for Non-Marketplace customers set out in Rules 8901.1-29-06 of the O.A.C.

POOL CUSTOMER BILLING OPTIONS

Suppliers may elect one of the following two billing options for its Pool Customers that do not participate in PIP.

Option 1 - Company Consolidated Billing

The Pool Customer shall receive one bill from the Company that indicates the name of the Supplier from whom the customer is receiving its gas supply and included as amount for the Supplier's gas supply charges in accordance with the pricing arrangements agreed upon between the Supplier and the customer, including any taxes for which the Supplier shall collect. The Company's consolidated bill may provide the budget amounts, past due balances, credits, and charges, and total amount due on a consolidated basis only. A Supplier that elects this billing option will be provided, at no charge, as many as twenty-five (25) actively billed rate codes in which a customer may be charged by the Supplier and billed by the Company. Additional actively billed rate codes will be provided by the Company for a fee as set forth in Sheet No. 45 of this Tariff. Each Supplier will be limited to a total of forty (40) actively billed rate codes for which the Supplier may submit to the Company a price change each month for each rate code. Price changes must be submitted to the Company no later than the 28th day of each month for bills rendered the next month. In the event that a Supplier desires extraordinary billing system changes, the Supplier shall be charged for the cost of implementing such changes, as set forth in Sheet No. 45 of this Tariff.

Option 2 - Supplier Billing

The Pool Customer will be responsible for making payment to the Company for the entire amount shown on the bill, including both the Company's and the Supplier's charges. In the event that a customer reports to the Company less than the full payment due, the payment received shall first be applied to the Company's charges shown on the bill plus any arrangements relating to such Company charges from previous billing periods, and the residual amount shall be applied to the Supplier's portion of the bill, including the taxes thereon. Supplier shall be promptly notified of any payments received from customers attributable to Supplier's portion of the bill. Payment to Supplier for payments received from customers as noted above will be made within the (3) business days after end-month and end-of-month volumes are available.

NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

Where Supplier has elected service under Rate RSM, Accounts Receivable Management Service, the Company shall not remit to the Supplier, by wire transfer or otherwise, payment for all gas billed to the Supplier's customers by the Company on Supplier's behalf. Including taxes attributable to Supplier's portion of the bill based on the terms contained in the respective Supplier's RSM agreement.

Supplier shall be responsible for disposing of the appropriate taxing authorities any tax that is attributable to the Supplier's services in this state.

In the event, and to the extent, that a customer owes to the Company less than the amount which would be attributable to the Company's charges and amounts included on the bill, the customer shall be subject to the same late charges and disconnection procedures which would be applicable if the customer were receiving Sales Service.

Option 2 - Dual Billing

The customer shall receive two bills as follows:

a) The Company shall bill and collect for its portion of the bill that includes charges for gas transportation service and all applicable Riders. The Company's bill shall include the Supplier's name and a statement that the Supplier is responsible for billing the Supplier's charges. In the event that a customer receives the Company's bill for the amount included on the Company's bill, customer shall be subject to the same late charges and disconnection rates that would be applicable if the customer were receiving Sales Service.

b) Supplier shall be responsible for billing and collecting its part of the bill including any past due amounts that are due from Supplier's over prior billings. To facilitate Supplier's portion of the billing each month, the Company will provide each Supplier with an electronic notification of the monthly meter readings of all customers within Supplier's Pool that have been billed by the Company. Such billing data will correspond to the meter reading data on which the Company based its bill for transportation service. A Supplier may terminate gas sales to any Pool Customer for non-payment and remove the customer from its Pool in accordance with procedures for dropping customers from a Supplier's Pool pursuant to this Tariff Sheet.

CUSTOMER DISCONNECTION

The Company may disconnect service to a customer for non-payment of its regulated utility charges. The Supplier is not permitted to physically disconnect customer's gas service for non-payment of the Supplier's gas charges.

CUSTOMER ACCESS AND COMPLAINT HANDLING

Each Supplier shall cooperate with the Company, the Commission, and the DGC (in the case of residential customers) to answer inquiries and resolve disputes. The following procedures shall be available to customer access and complaint handling:

A) Customer access

- 1) Each Supplier or Governmental Aggregator shall ensure customers' reasonable access to its service representatives to resolve inquiries and complaints, direct charges on customer bills, provide competitive service, and conduct any other permitted business.
- 2) Telephone access shall be toll-free and afford customers prompt answer times during normal business hours.
- 3) Each Supplier or Governmental Aggregator shall provide a twenty-four (24) hour automated telephone message instructing callers to report any service interruptions or natural gas emergencies to the Company.

B) Customer complaints

- 1) Each Supplier or Governmental Aggregator (and/or its agent) shall investigate customer complaints in accordance with the procedures established by the Company and provide a status report within three (3) business days following receipt of the complaint to:

- a) The customer, when the complaint is made directly to the Supplier or Governmental Aggregator;
- b) The customer and Commission staff, when a complaint is referred to the Supplier or Governmental Aggregator by the Commission staff.

The Governmental Aggregator may choose to have the Supplier perform certain functions as the Governmental Aggregator's agent. However, the Governmental Aggregator is still responsible for ensuring that the requirements of these rules are met.

- 2) If an investigation is not completed within ten (10) business days, the Supplier or Governmental Aggregator (and/or its agent) shall provide status reports to the customer, and if applicable, to the customer and Commission staff. Such status reports shall be provided at three (3) business day intervals until the investigation is complete, unless the action that must be taken will require more than three (3) business days and the customer has been so notified.

- 3) The Supplier or Governmental Aggregator (and/or its agent) shall inform the customer, or the customer and Commission staff, of the results of the investigation, orally or in writing, or later than three (3) business days after completion of the investigation. The customer or Commission staff may request the report in writing.

- 4) If a customer disputes the Supplier's or Governmental Aggregator's (and/or its agent's) report, the Supplier or Governmental Aggregator shall inform the customer that the Commission staff is available to resolve complaints. The Supplier or Governmental Aggregator (and/or its agent) shall provide the customer with the address, local/toll-free telephone numbers, and TDD/TTY telephone number of the Commission's public interest center.

- 5) Each Supplier or Governmental Aggregator shall retain records of customer complaints, investigations, and complaint resolutions for ten (10) years after the date of the complaint or such longer period as the Commission staff may request.

- 6) Each Supplier or Governmental Aggregator shall make good faith efforts to resolve disputes and cooperate with the resolution of any joint issues with the Company.

- 7) If customers contact the Company concerning competitive retail natural gas service issues, the Company shall:

- 1) Review the issue with the customer to determine whether it also involves the Company;
- 2) Cooperate with the resolution of any joint issues with the Supplier or Governmental Aggregator; and
- 3) Refer the customer to the appropriate Supplier or Governmental Aggregator in those instances where the issue lacks Company involvement.

Stalking Complaints

- 1) A stalking complaint is a customer's allegation that the customer's Supplier or Governmental Aggregator has been solicited without the customer's authorization.
- 2) If a customer contacts the Company, Supplier or Governmental Aggregator alleging that the customer's Supplier has been solicited without the customer's authorization, the customer's previous Supplier or Governmental Aggregator shall:

- a) Provide the customer any evidence relating to the customer's enrollment;
- b) Refer the customer to the Commission's public interest center;
- c) Provide the customer with the local/toll-free telephone numbers of the Commission's customer service department; and
- d) Cooperate with the Commission staff in any subsequent investigation of the stalking complaint.

- 3) Except as otherwise provided in Chapter 4901.1-28 of the O.A.C., if the Supplier or Governmental Aggregator cannot produce valid documentation confirming that the customer authorized the switch, there shall be a rebuttable presumption that the customer was solicited without authorization. Such documentation shall include one of the following, in accordance with the requirements of Rule 4901.1-29-06 of the O.A.C.:

- a) A signed contract, in the case of direct enrollment;
- b) An audio recording, in the case of telephone enrollment; or
- c) Electronic consent, in the case of internet enrollment.

- 4) In the event that the customer was switched from one Supplier or Governmental Aggregator to a different Supplier or Governmental Aggregator without authorization, the customer's previous Supplier or Governmental Aggregator shall re-initiate the customer without penalty under such customer's original contract price for the duration of the original term and send the Company an electronic enrollment request.

If the original Supplier or Governmental Aggregator is unable to return the customer to the original contract price, the original Supplier or Governmental Aggregator may enroll the customer in a new contract pursuant to the provisions of Rule 4901.1-29-06 of the O.A.C., or the customer may elect a new Supplier or return to the Company's GCR enrollment service.

- 5) In the event that a customer was switched from Sales Service to a Supplier or Governmental Aggregator without authorization, the Company will switch the customer back to Sales Service without penalty.

UPSTREAM CAPACITY REQUIREMENTS

Suppliers participating in the Company's firm transportation program must secure their own upstream firm interstate pipeline capacity required to meet Supplier's firm Transportation Service needs. Aggregate Adjusted MGDs are the firm interstate pipeline capacity assigned to the Supplier by the Company. Assignments and results of interstate pipeline capacity are mandatory for RSM in access of the Supplier's firm Transportation Service pool's aggregate Adjusted MGDs as of April 1, 2002. Due to the physical characteristics of the Company's system, and certain upstream interstate pipeline facilities, and to enable the Company to comply with lawful interstate pipeline tariffs and/or to maintain the Company's system integrity, the Company reserves the right to direct such capacity to emergency delivery, with respect to the Company's northern and southern interstate pipeline assets, the Supplier's daily peak requirements. Specific delivery requirements will be automatically posted by the Company.

A Supplier, whose aggregate Peak MGD exceeds 6,000 Dth/day and who adds 3,000 Dth/day of additional MGD over the Supplier's MGD as of April 1, 2002, shall be assigned a proportionate amount of the Company's interstate pipeline firm transportation capacity by the Company on a seasonal basis. The MGD criterion will be reviewed by the Company semi-annually based on the MGD as of September 30th with any release becoming effective the following November 1st through March 31st, and on the MGD as of February 28th, with any release becoming effective the following April 1st through October 31st. Suppliers will be notified of any change in their released capacity by October 15th for winter capacity and by March 15th for summer capacity.

The assignment shall be structured as a release of capacity. The posted rate will be the rate for which the Company that contracted with the interstate pipeline. Any capacity with a discounted rate will be posted open to bids, with the Supplier being the pre-emptive bidder. All other capacity will be posted at the pipeline's maximum rate with the Supplier being the pre-emptive bidder.

The Company shall assign interstate pipeline firm transportation capacity consistent with its delivery portfolio allocation percentages and a pro-rata basis to the Company's total capacity for the designated pipeline or the parties may choose a mutually agreed-upon assigned capacity allocation. During the summer months of April through October, the Company's firm Transportation capacity shall be released by the Company's maximum delivery capacity on California Gas Transmission's Firm Storage Service for purposes of determining the pro-rata share for Suppliers that have elected firm balancing service (FBS) rather than Enhanced Firm Balancing Service (EFBS).

Capacity will be assigned to the Supplier on a "recall and recall" basis. The Company shall release this capacity utilizing the appropriate pipeline capacity's electronic bulletin board and the Supplier shall secure the service agreements to be generated by the pipeline line (5) days prior to the end of the month in which the Supplier is to maintain gas supplies under the service agreements for the following month. If the Supplier fails to execute the service agreements the charges for the released capacity will be added to the Supplier's Pool invoice for the month.

Prior to the capacity release process, the Supplier shall comply with the appropriate pipeline's credit review and establish credit on the pipeline's Approved Bidder List (as defined in the interstate pipeline company's tariff).

The Company, as releasing shipper under a recallable volume, remains liable to the pipeline for reservation charges. The Supplier will provide sufficient financial guaranty to the Company of its ability to pay such pipeline charges, unless this applicable pipeline company releases the Company from liability for the Supplier's pipeline reservation charges.

The Company reserves the right to change the type of information required as well as the nomination deadline to comply with the requirements of the interstate pipeline company.

There will be no restrictions on the Supplier's use of the released capacity at any time that it is not required to deliver gas to the Company's system.

The Supplier may re-release all or a portion of the capacity to a replacement shipper who wants all or a portion of the capacity to be released (including but not limited to the Company's right of recall). A re-release shall not release the Supplier or its obligors under the provisions of the capacity release by the Company.

The Supplier receiving assignment shall pay the pipeline(s) directly for all charges associated with the use of released capacity, including but not limited to interstate pipeline charges, commodity charges, taxes, schedules, fuel adjustment, industrial and power charges, and penalties.

The Supplier shall not receive recall and delivery points of the interstate pipeline capacity firm transportation capacity released by the Company without written consent from the Company. The Supplier will be responsible for operating the assigned capacity consistent with all the terms and conditions set forth in the tariffs of the Company and the applicable pipeline company.

DAILY BALANCING

The Company will provide and charge the Supplier for balancing services, which will be used to manage differences between the Company's required daily Supplier delivery and the actual customer's consumption. There will be an annual election each year for Suppliers whose Pool MGD is greater than 1,000 Dth/day to elect, on or before January 15th each year, either Rider FBS (Firm Balancing Service), Sheet No. 74, or Rider EFBS (Enhanced Firm Balancing Service), Sheet No. 74, to be effective on April 1st each year. A Supplier that elects Rider EFBS will be billed rates as set forth in Rider EFBS, Sheet No. 74. A Supplier whose Pool MGD is less than 1,000 Dth/day will receive balancing services under the Company's Rider FBS. Suppliers that elect their FBS and Suppliers whose Pool MGD is less than 1,000 Dth/day will be billed the balancing charge per MGD as set forth on Rider FBS on all volumes consumed by the Supplier's Pool.

- a) Target Supply Quantities must be delivered each day based on the Company's forecasted temperatures and the aggregate demand curve for each Customer Pool. All as more fully described within the "Gas Supply Aggregation/Customer Pooling Agreement" between the Company and Supplier. Any Supplier that fails to deliver gas volumes in accordance with that agreement may be terminated from further participation in the program.
- b) Suppliers are subject to Operational Flow Orders issued by the Company as described below. The Company may suspend from this program any Supplier that does not comply with an Operational Flow Order.
- c) Suppliers shall have the ability to trade daily/monthly inter-pool traders under the Company's Inter-Pool CTS, Gas Trading Service.

MEASUREMENT OF CONSUMED VOLUMES

The Company will electronically provide each Supplier with a listing of the monthly meter readings and charges for all customers within the Supplier's pool. Such monthly meter readings and usage data will correspond to the consumption data which the Company based its bill for local delivery service. Monthly volumes billed to participating customers shall be considered actual volumes consumed, whether the meter reading is actual or calculated.

ANNUAL RECONCILIATION

The Company will reconcile imbalances on an annual basis, for each Supplier, through determination of the difference between: (1) the Supplier's deliveries for the previous year; and (2) the actual consumption plus the Company's Unaccounted-for Percentage on the Supplier's aggregate Customer Pool, both calculated at city gate, adjusted for recognition of all adjustments applicable to the previous year.

Suppliers will eliminate the imbalance through the exchange of gas with the Company via a storage inventory transfer, an adjustment in their Rider EFBS bank balance, or delivery over the next thirty (30) days or longer if mutually agreed by Supplier and Company.

OPERATIONAL FLOW ORDERS

Suppliers are subject to the Company's issuance of operational flow orders, which will direct each Supplier to adjust scheduled volumes to match the Customer Pool's estimated usage. For Suppliers that have elected Rider EFBS as their balancing option, the difference between scheduled deliveries from the interstate pipeline companies and the scheduled Pool usage will be met by the EFBS. In the event that the Company's system requires a supplier to meet demand, the Company may suspend a Supplier's Pool MGD and/or MGD such excess quantities will be considered a failure to comply with the Operational Flow Order (OFO). However, in cases with

projected temperatures colder than the design winter peak day temperature, the Supplier will be allowed two options. The Supplier may: (1) deliver the volume of gas equal to their Adjusted Target Supply Quantity; or (2) deliver to Company any that volume equal to their Adjusted MGD and rely on Company to acquire the incremental volume, i.e., the difference between their Adjusted Target Supply Quantity and their Adjusted MGD. If the Supplier selects the second option, the Supplier will pay the Company for the cost the Company incurs in obtaining the incremental supply and may meet the delivery requirement with both its flowing supply and MGD. Failure of the Supplier to deliver volumes in accordance with its selected option may result in suspension or termination from further participation in Company's firm transportation program.

Failure to comply with an Operational Flow Order, which is defined as the difference between the daily OFO volume and actual daily deliveries, will result in the action under the following charges:

Under-deliveries

- 1) The payment of a gas cost equal to the highest incremental cost paid by Company on the date of non-compliance;
- 2) one month's demand charges on the OFO shortfall. This charge shall not be imposed more frequently than once in any thirty day period; and
- 3) the payment of all other charges incurred by Company including but not limited to pipeline penalty charges on the date of the OFO shortfall.

Over-deliveries

- 1) any over-run delivered by Supplier will be credited by the Company and used to offset general supply requirements, without compensation to Supplier.
- 2) Company shall bill and Supplier shall pay all charges incurred by Company including but not limited to penalty charges from the interstate pipelines for such excess deliveries, provided such penalties can be attributed to Supplier's over-run.

SCHEDULING

Supplier must make all necessary arrangements for scheduling natural gas deliveries to Company.

Each morning, by 9:00 A.M. E.S.T., the Company will post on its EBB an "Adjusted Target Supply Quantity" that the Supplier will be required to deliver into the Company's designated city gate receipt points during the following gas day. For purposes of the Company's firm transportation program, the "Adjusted Target Supply Quantity" is defined as the Target Supply Quantity, plus or minus any adjustments that Supplier may be required to make to its daily deliveries, plus the daily firm requirements of all customers being served by Supplier under both the FBS and the EFBS as specified within Supplier's firm Transportation Service for interstate pipeline transportation contracts. The quantities so calculated will then be subjected to Unaccounted-for Gas Loss back to the Company's city gate, and converted to Btu. By 1:00 P.M. E.S.T. each day, Supplier shall notify the Company through the EBB of its total city gate nominations for the next day, by Company Rate Schedule, for each pipeline company delivering gas into the Company's system.

The Adjusted Target Supply Quantities that will be used to define the Supplier's next day delivery obligations shall also be the quantities against which the Supplier's pipeline confirmed daily deliveries into the Company's system, combined with quantities from Supplier's Rider EFBS balancing service, if applicable, will be compared in order to determine Supplier's daily over/under volumes. Daily over/under volumes determined in this manner shall form the basis for daily "cash-outs," OFO charges, daily pipeline penalty charges from the pipeline, and any other charges under any of the Company's applicable tariffs, that are based on Supplier's failure to deliver the Adjusted Target Supply Quantities of gas into the Company's system.

During the months of November through March, Company shall ensure a portion of its winterized pipeline capacity for Supplier's Pool, based on the product of each Pool's then-applicable MGD and the percentage of the total system design day needs forecasted to be met by winterized pipeline for the upcoming months of November through March. The percentage forecasted shall be applied as a reduction to the MGD that will result in the Supplier's Adjusted MGD.

When the Supplier's Pool's Adjusted Target Supply Quantity exceeds the volume of Supplier's Adjusted MGD and the Supplier elects not to deliver the incremental volume of natural gas in excess of its Adjusted MGD, then the Company shall supply the Pool's gas needs in excess of the Supplier's Adjusted MGD with regulated pipeline or alternate peaking supplies. The fully allocated costs of the pipeline or alternate peaking supply provided by the Company hereunder shall be billed directly to Supplier.

By July 1st of each year, and when there is a material change in Company's pipeline peaking capacity, Company shall indicate the percentage of Supplier Pool's Maximum Daily Quantity that will be met with Company's winterized pipeline, or alternate peaking supplies, allocated by Company to each Pool.

OTHER RULES AND REGULATIONS

Except to the extent superseded herein, the Company's Rules and Regulations governing the Distribution and Sale of Gas and such other rules and regulations as are applicable shall apply to all gas transportation services provided hereunder.

CONSEQUENCES OF SUPPLIER'S FAILURE TO PERFORM OR COMPLY

If a Supplier fails to deliver gas in accordance with the full service requirements of its Pool Customers, the Company shall supply gas temporarily in the affected Pool Customers and shall bill Supplier the higher of the following: (1) the fair market price for that period; or (2) the highest incremental cost of gas for that period that the Company actually paid for gas supplies, including transportation and all other applicable charges. The Company shall have the right to immediately and collaboratively resolve Supplier's letter of credit, payment guarantee, or any other collateral posted by the Supplier in order to recover recovery from Supplier of the cost of these replacement supplies.

If a Supplier fails to deliver gas in accordance with the full service requirements of the Gas Supply Aggregation/Customer Pooling Agreement, or otherwise fails to comply with the provisions of this Tariff Sheet, including those specified in the Obligations in the Company's system, the Company shall have the discretion to initiate the process to suspend temporarily or terminate such Supplier's further Program participation. To initiate this process, the Company shall serve a written notice of such failure in reasonable detail and with a proposed remedy to the Supplier and the Commission, as set forth in Rule 4901.1-27-1210 of the O.A.C.

On or after the date said notice has been served, the Company may file with the Commission a written request for authorization to terminate or suspend the Supplier from participation in the Company's Program. Except for failure due to under-delivery or non-delivery, if the Commission, or any Attorney General, does not issue its order to suspend or reject the action proposed by the Company within ten (10) business days after receipt of the request, the Company's request to terminate or suspend shall be deemed authorized on the eleventh (11th) business day. If the Supplier's failure is due to under-delivery or non-delivery and if the Commission, or an Attorney General, does not act within five (5) business days after receipt of the request, the Company's request to terminate or suspend shall be deemed authorized on the sixth (6th) business day.

If the Supplier is suspended or terminated from the Program, customers in each Pool shall revert to Company's Sales Service, unless and until customers sign another Supplier's Pool. Any termination or suspension of the Gas Supply Aggregation/Customer Pooling Agreement pursuant to any provision of this section shall be without prejudice of any remedy, whether at law or in equity, to which the party not in default otherwise may be entitled for breach of the Agreement.

ALTERNATIVE DISPUTE RESOLUTION

Alternative Dispute Resolution shall be afforded to Suppliers and the Company by a means to address disputes and differences that may arise under this tariff. Alternative Dispute Resolution shall be conducted in accordance with the Commission rules or as agreed upon among the applicable parties. Nothing herein shall act to deprive any party of its legal rights in a jurisdictional forum.

FORCE MAJEURE

If either Supplier or Company is unable to fulfill its obligations under this tariff, then there shall be no event of circumstance which is beyond the control of such party and which prevents such performance, such party shall be excused from and will not be liable for damages related to non-performance during the entire duration of such inability to perform. Neither of the following shall be considered a force majeure condition: (1) changes in market conditions that affect the acquisition or transportation of natural gas; or (2) failure of Supplier to deliver or Pool Customers to consume scheduled gas volumes.

The party claiming force majeure will use diligent effort to remove the cause of the force majeure condition and resume delivery or consumption of gas promptly upon the removal of the force majeure condition. Gas withheld from the Supplier or Pool Customers during a force majeure condition shall be delivered upon the end of such condition as soon as practicable.

NOTICE OF TRANSPORTATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

COMPANY STANDARDS OF CONDUCT WITH RESPECT TO MARKETING AFFILIATES

In operation of its free transportation program, the Company will adhere to the following Standards of Conduct for its Marketing Affiliates:

- 1) Company must apply any tariff provision relating to transportation services in the same manner to all the same or similarly situated persons of the same class in the application of the provision.
- 2) Company must strictly enforce a tariff provision for which there is no discretion in the application of the provision.
- 3) Company may not, through a tariff provision or otherwise, give any Supplier including its marketing affiliate or customers of any Supplier including its affiliate, preference over any other gas Supplier or over its customers in matters, rates, information, or charges relating to transportation services including, but not limited to, scheduling, scheduling, scheduling, storage, storage services, or on-call services. For purposes of the Company's free transportation program, any ancillary service provided by Company, e.g., billing and invoice service, that is not tariffed will be priced and made equally available to all.
- 4) Company must process all similar requests for transportation in the same manner and within the same approximate period of time.
- 5) Company shall not disclose to anyone other than a Company employee any information regarding an existing or proposed gas transportation arrangement that Company requires to be a customer of Supplier. (a) A potential customer or Supplier, (b) an agent of such customer or potential customer, or (c) a Supplier or other entity seeking to supply gas to a customer or potential customer, unless such customer, agent, or Supplier advances disclosure of such information.
- 6) If a customer requests information about Suppliers, Company shall provide a list of all Suppliers operating in its system, but shall not endorse any Supplier or indicate that any Supplier will receive a preference because of a corporate relationship.
- 7) Before making customer lists available to any Supplier, including any Company marketing affiliate, Company will post an E-ERB notice of its intent to make such customer list available. The notice shall describe the data the customer list will be made available, and the method by which the customer list will be made available to all Suppliers.
- 8) The Company will, to the extent practicable, separate the activities of its marketing affiliates from its affiliate marketing employees in all areas where their failure to maintain independent operations may have the effect of harming customers or unfairly disadvantaging unaffiliated Suppliers under the Company's transportation program.
- 9) Company shall not condition or tie its agreements for gas supply or for the release of interstate pipeline capacity to any agreement by a gas Supplier, customer or other third party in which its marketing affiliate is involved.
- 10) Company and its marketing affiliate shall have separate books of accounts and records.
- 11) Neither the Company nor its marketing affiliate personnel shall communicate in any manner, Supplier or third party the fact that any marketing affiliate employee has been or will be employed by the Company or the Company's service as a result of that customer's, Supplier's or other third party's dealing with any Supplier including its marketing affiliate.
- 12) The Company's complaint procedure for issues concerning compliance with these standards at a minimum shall include: (a) All complaints, whether written or verbal, shall be referred to the Company's designated attorney. The Company's designated attorney shall acknowledge the complaint within five (5) working days of receipt. The complaint party shall prepare a written statement of the complaint which shall contain the name of the complainant and a detailed factual report of the complaint, including all relevant dates, customer involved, employees involved, and specific claim. The Company's designated attorney shall communicate the results of the preliminary investigation to the complainant to advise within thirty (30) days after the complaint was received including a description of any action of action which was taken, or he or she shall keep a file with all such complaint statements for a period of not less than three (3) years.
- 13) The Company shall not offer its affiliate Supplier a discount or fee waiver for transportation services, including matters or other installation, storage, storage services or any other services that would advantage the Company's affiliate Supplier.
- 14) The Company will not use its name and logo in its marketing affiliate's promotional materials, including the promotional material displayed in show, signs or similar materials, on the first page or at the first point where the Company's name and logo appear, that its marketing affiliate is not the same entity as the Company. The Company is also prohibited from participating in exclusive joint activities with any Supplier, including its affiliate, such as co-marketing, marketing, sales calls or joint proposals to any existing or potential customers.

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto are subject to the jurisdiction of the Public Utilities Commission of Ohio, and to the Company's Service Regulations currently in effect, as filed with the Public Utilities Commission of Ohio, as provided by law.

PROPOSED RATE SCHEDULE

GAS GENERATION INTERRUPTIBLE TRANSPORTATION RATE, SHEET NO. 49

AVAILABILITY

Interruptible local delivery service for natural gas to be used in any commercial gas-fired electric generating, including but not limited to customer-owned cogeneration, and available in any customer load. (1) Signs of Service Agreement entered into by the Company for service under this Rate Schedule. (2) Arranges for the delivery of gas into the Company's system for customer's sole use at one point of delivery where distribution mains are adjacent to the premises to be served, and (3) delivers natural gas transported under this tariff as its primary fuel source in connection with its business as a combined cycle power plant for the purpose of generating electricity. Service under this tariff will be provided by discontinuation and/or a "best efforts" basis. The Company reserves the right to decline requests to deliver or continue service hereunder whenever, in the Company's sole judgment, marketing service will be detrimental to the operation of the Company's system or impair its ability to supply gas to customers receiving service under the provisions of Rates RS, RSL, RT, RTLL, GS-S, GS-L, FT-S, FT-L, and/or other special contract arrangements. This schedule shall not be subject to the Company, with Commission approval, from entering into special arrangements that are designed to meet unique circumstances.

The service provided hereunder will be interruptible local gas delivery service provided on a "best efforts" basis from the Company's city gas receipt points to the retail site of customer's meter. The Company, at its sole discretion, may refuse to supply gas to customers receiving service under the provisions of Rates RS, RSL, RT, RTLL, GS-S, GS-L, FT-S, FT-L, and/or other special contract arrangements. But not economic reasons, to designate the city gas receipt points where the customer is required to deliver its gas.

In order to receive service under this tariff, customer must have in place throughout the term of this agreement, a gas storage/delivery service agreement with an upstream supplier under which that supplier will deliver customer's hourly and daily usage with deliveries into the Company's system. The Company will deliver, at customer's expense, marketing services that will allow it to deliver customer's hourly and daily usage.

NET MONTHLY BILL

The net monthly bill will be determined as follows:
All gas consumed is billed in units of 100 cubic feet (CCF).

Administrative Charge per month:
Shall be equal to the monthly Administrative Charge under the Company's Interruptible Transportation Tariff (Rate 1) or its successor tariff.

Facilities Charge per month:
Monthly amount required to amortize, over the term of the Service Agreement, any additional or incremental costs that the Company incurs in constructing facilities to bring service to customer, including the costs of such facilities as mains and service installations, metering and regulating equipment, and information and flow control equipment, plus a reasonable contribution to overall system costs.

Usage-based Delivery Charge:
Company will deliver the amount, for gas, less discounts, which is equal to the Company's system average unaccounted-for percentage, at a rate of:

First 1,000,000 CCF per month 100% of Rate 11 Commodity Charge
Next 500,000 CCF per month 75% of Rate 11 Commodity Charge
Over 1,500,000 CCF per month 60% of Rate 11 Commodity Charge

Plus, if applicable, all deferred gas shall be subject to an adjustment per CCF as set forth:

Sheet No. 42, Rider NGV, Natural Gas Vehicle Fueling Rider
Sheet No. 61, Rider ED, Economic Development Incentive Rider
Sheet No. 62, Rider AMP, Accelerated Main Replacement Program Rider
Sheet No. 63, Rider GDS, Gas Delivery Service Rider
Sheet No. 64, Rider ETR, Ohio Electric Tax Rider
Sheet No. 65, Rider FTR, Facility Relocation - Mass Transportation Rider
Sheet No. 66, Rider AU, Advanced Utility Rider
Sheet No. 67, Rider ASRP, Accelerated Service Replacement Program Rider

In addition, customer's net monthly bill, including gas costs and related taxes that are added to the customer's bill, shall be subject to the application of the percent specified on Sheet No. 64, Rider ETR, Ohio Electric Tax Rider, except that finance charges are included in the computation of the net bill.

MINIMUM BILL PROVISION

Customer will be subject to a monthly "Minimum Bill" equal to the Monthly Administrative Charge and Facilities Charge, as noted above, plus applicable rates and taxes, as may be extended and approved by the Public Utilities Commission of Ohio from time to time.

UNAUTHORIZED DELIVERIES

In the event customer fails to interrupt transportation deliveries at Company's request, any excess deliveries through customer's meter will be considered unauthorized deliveries that are subject to the net-through-all-pipeline charges to the extent that they are incurred by the Company, and in addition thereto, shall be paid for as specified under the "Charges For Unauthorized Deliveries" provision of this rate schedule. The charges for such unauthorized deliveries shall be billed directly to the customer. However, Company may, at its sole discretion, physically discontinue service to the customer if customer refuses to interrupt service when requested by Company. Further, Company may temporarily or permanently discontinue service if customer fails to operate in accordance with the Company's directions and limitations regarding service under this tariff.

CHARGES FOR UNAUTHORIZED DELIVERIES

Any customer taking unauthorized deliveries shall be billed an amount reflective of the general service rate, Rate GS-S, Sheet No. 32, including the expected gas cost component of the gas cost recovery rate in the Company's highest gas cost, and one month's demand charges on the volume difference. This charge shall not be imposed retroactively upon any of its last day previous, under the cost of operating the Company's system, showing that, and, if so required to effectuate compliance with the interruptible provisions of this schedule, the cost incurred by the Company to value-of-the service. In any event, customer shall reimburse the Company for any infrastructure repairs or damages resulting from such unauthorized deliveries.

BALANCING

For purposes of this tariff, a "pool" shall be defined as one or more customers taking service under Rate GDS that are added together for supply management purposes. A "pool operator" has a contractual responsibility to manage the aggregated gas supply requirements of all the Rate GDS customers that comprise its pool. All supply management responsibilities of individual customers are transferred to the pool operator once a customer becomes a part of a pool, as the aggregated balancing requirements of all pool members are located under this tariff so long as they remain a single customer with the same management responsibilities. Because members may leave and/or may change daily in flow under this tariff, the pool operator is required to contract with the pipelines designated by the Company for hourly and daily deliveries that correspond with their actual demand of gas delivered under this tariff.

LATE PAYMENT CHARGE

Payment of this tariff amount due must be received by the Company's office by the due date shown on the bill. When not so paid, an additional amount will be assessed and one-half percent (1/2%) of the unpaid balance is due and payable.

TERMS AND CONDITIONS

The customer shall enter into a written Service Agreement with the Company. Such Service Agreement shall set forth specific arrangements as to the transportation services provided, the level of firm gas received by customer, Monthly Facilities Charge, the minimum bill calculation, and any other conditions relevant to the individual customer.

The Company's "best efforts" are defined as the right, at any time, to curtail or interrupt the delivery or transportation of gas under this tariff when, in the judgment of the Company, such curtailment or interruption is necessary to enable the Company to maintain deliveries to higher priority customers or to respond to any emergency.

The Pool operator agrees, upon request by Company, to produce, in a timely manner, proof of the purchase of the natural gas transported, any necessary regulatory permits, and any of all transportation arrangements with all of its pipeline suppliers, including pipelines, as others involved in transporting the pool's gas.

Company will not be liable for any costs and/or penalties charged by pipelines or suppliers, because of pool operator's own or under-deliveries into the pipeline, or pool customers' failure to take deliveries through customers' meters that, in the aggregate, match the amount of gas transported by the pool operator to the Company's city gas.

The Company will provide customer under its designated pool operator, by discontinuation of any available means of communication, to best available operating costs of gas deliveries to individual customers and for the combined pool on an hourly and daily basis. Hourly/daily operational information shall include information on interruptible gas flows provided by automated Meter Reading (AMR) equipment, hourly or other means the Company may deem available to provide the customer or its designated pool operator with its best estimate of hourly/daily gas deliveries for individual customer's and the pool's combined accounts.

In order to administer the provisions of this tariff and monitor customer's hourly usage, the Company will install remote metering equipment to customer's meter site to regularly meter gas used for generating volumes that are not subject to this tariff. Customer will be responsible for payment of the cost of such metering equipment, either through a lump sum payment, or at the Company's option, through a monthly facilities charge designed to reimburse the Company for the cost of such equipment. Customer will also be responsible for providing the Company with access to a telephone service at customer's metering site, as well as other equipment or facilities that may be necessary, and shall also be responsible for the monthly charges for such telephone service or other necessary equipment or facilities.

The primary term of contract shall be a minimum of two (2) years. After completion of the primary term, each contract shall continue month to month unless terminated by either party by giving thirty (30) days written notice.

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto are subject to the jurisdiction of the Public Utilities Commission of Ohio, and to the Company's Service Regulations currently in effect, as filed with the Public Utilities Commission of Ohio, as provided by law. This will not provide a special agreement in the event other considerations, such as bypass, are deemed solely by Company to be credible options for the customer.

PROPOSED RIDER NGV

NATURAL GAS VEHICLE FUELING RIDER, SHEET NO. 47

APPLICABILITY

Applicable to additional natural gas services required by the following:
1. Retail residential and non-residential, privately owned motor gas vehicles (NGV) fueling stations for the sole purpose of fueling a commercial-owned NGV at the customer's premises.

A commercial NGV fueling station in the business of selling natural gas to the general public for the purpose of fueling NGV's.

The NGV fueling station(s) must be located in the Company's unaccounted gas service territory.

Service under the terms of this Rider NGV is subject to the following qualifications:

1. A privately owned NGV fueling station is a NGV fueling station owned by a residential or non-residential customer of Duke Energy Ohio. The private NGV fueling station must be located at the customer's premises and be primarily for the use of the customer's vehicle(s) supplied by the Company and processed by the NGV fueling station must be used for the express and limited purpose of fueling a customer-owned NGV. The natural gas provided under the terms of this Rider for a private NGV fueling station may not be for resale or use by another individual, party or NGV.

2. A commercial NGV fueling station must be in the business of selling natural gas for public consumption. A commercial NGV fueling station may not be located at a private residence or commercial facility that is not in the business of providing fuel for the general public consumption. The natural gas to be supplied by the Company and processed by the NGV fueling station must be used for the express and limited purpose of fueling NGV's.

Customers taking service under this tariff must register with the Company as either a privately owned or commercial NGV fueling station.

CHARACTER OF SERVICE

Service provided under this schedule shall be first service.

RATES AND CHARGES

Privately Owned NGV Fueling Station Customers: Natural gas service will be provided by the Company in accordance with the applicable rate schedule under which the customer receives other natural gas service.

Commercial Fueling Station Customers: Natural gas service will be provided by the Company in accordance with Rate FT-L. Due to the requirement that Duke Energy Ohio cannot supply natural gas for resale, the commercial fueling station customer must arrange for a valid agreement with a Company-approved natural gas supplier for the natural gas commodity, and must rely solely on the contracted supply of natural gas for their resale supply. In the event a fueling station is used for both private and commercial NGV fueling purposes, the entire fueling station shall be considered a commercial fueling station and natural gas service will be provided by the Company in accordance with Rate FT-L.

Additional Costs (Private Owned and Commercial Fueling Station Customers): The cost of any additional facilities, reengineering and/or relocation of existing Company facilities associated with the provision of natural gas delivery under this tariff shall be borne by the customer. The determination of need for any such relocation or reengineering shall be at the sole discretion of the Company.

It is the customer's responsibility to:

1. Perform any load change reporting that may be required; and
2. Pay any federal, state, or local net use or any other taxes that may be required.

The customer will bear all costs associated with the permitting, installation, maintenance, operation, and repair of gas service for customer-owned NGV fueling stations, as well as be liable for all applicable NGV fuel taxes.

In addition, nonoperators of a commercial fueling station shall obtain all licenses and other governmental approvals necessary to operate a public fueling station, and shall be liable for all taxes levied as a result of sales to the public.

SPECIAL TERMS AND CONDITIONS

The introduction of propane-air gas into the Company's distribution system may be incompatible with the operation of NGV's and fueling equipment. The Company shall not be liable for any damages, including, but not limited to, property and equipment damage or lost revenue, caused by the use of pipeline quality gas, the introduction of propane-air gases, or any combination thereof.

To maintain natural gas delivery system integrity and pressures, the Company may, at any time, introduce propane into the Company's distribution system.

Any propane introduced into the Company's distribution system when natural gas fueling operations may be affected by changes in the composition of natural gas due to the introduction of propane-air gases is required to notify the Company. The Company will use reasonable efforts to use commercially available resources to attempt to give the customer advance notice as to when the propane-air gases will be introduced into the gas delivery system. However, the Company shall not be liable for damages that the customer may sustain due to the introduction of propane-air gases into the Company's distribution system. Therefore, the Company recommends that the customer take steps to mitigate potential damage to the NGV equipment, including the possible installation of automated sensor equipment so as to prevent the introduction of propane-air gases into the customer's fueling equipment or NGV's.

To the fullest extent permitted by law, the customer shall defend, indemnify, and hold harmless Duke Energy Ohio and its officers, directors, employees, agents, affiliates and representatives (the "Indemnified Persons") from and against any and all claims, demands, suits, liabilities, causes of action, losses, expenses, damages, fees, penalties, court costs, reasonable attorneys' fees, and bodily injury and property damage claims (collectively, "Claims") arising out of or relating to the supply of natural gas and its quality or composition.

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto are subject to the jurisdiction of the Public Utilities Commission of Ohio and to the Company's Service Regulations currently in effect, as filed with the Public Utilities Commission of Ohio, as provided by law.

PROPOSED RATE II

INTERRUPTIBLE TRANSPORTATION SERVICE, SHEET NO. 51.5

INTERRUPTIBLE TRANSPORTATION SERVICE, SHEET NO. 51.5

AVAILABILITY

Qualifying natural gas local delivery service available to any customer that: (1) signs a contract with the Company for service under Rate II; (2) utilizes a minimum of 10,000 CCF per month during each of the seven consecutive billing periods commencing with customer's first meter reading taken on or after April 1; (3) has arranged for the delivery of gas into the Company's system; for customer's sole use at one point of delivery where distribution mains are adjacent to the premises to be served; and (4) has become a member of a pool under Rate AS and selected interruptible Monthly Balancing Service under Rate IMBS. Any service interruption will be provided by discontinuation and/or a "best efforts" basis. The Company reserves the right to decline requests to initiate or continue such service whenever, in the Company's judgment, marketing service will be detrimental to the operation of the Company's system or impair its ability to supply gas to customers receiving service under the provisions of Rates RS, RSL, RT, RTLL, GS-S, GS-L, FT-S, FT-L, GDS and SS. This tariff schedule shall not provide the Company, with Commission approval, from entering into special arrangements that are designed to meet unique circumstances.

The service provided hereunder shall be interruptible transportation service from the Company's city gas receipt points to the outlet site of customer's meter. The Company, in its sole discretion, may refuse to supply gas to customers receiving service under the provisions of Rates RS, RSL, RT, RTLL, GS-S, GS-L, FT-S, FT-L, GDS and SS, shall have the right for operations, but not economic reasons, to designate the city gas receipt points where the customer is required to deliver its gas.

NET MONTHLY BILL

Computed in accordance with the following charges:

Administrative Charge: \$37.83

Commodity Charge:

Company will deliver the amount-for gas, less discounts, which is equal to the Company's system average unaccounted-for percentage, at a rate of:

0.000075 per CCF

Plus the throughput charge for the service level selected under Rate IMBS, Interruptible Monthly Balancing Service.

Plus, if applicable, balancing related charges pursuant to Rate IMBS if customer has elected to operate as its own pool for supply management purposes.

In addition, customer's net monthly bill, including gas costs and related taxes that are added to the customer's bill, shall be subject to the application of the percent specified on Sheet No. 64, Rider ETR, Ohio Electric Tax Rider, except that finance charges are excluded in the computation of the net bill.

Minimum: Customer will be subject to a monthly minimum bill requirement equivalent to the monthly Administrative Charge shown above, plus the Ohio Electric Tax Rider, the Economic Development Incentive Rider, the Advanced Utility Rider and the State Tax Rider, and in addition thereto during the seven consecutive billing periods beginning in April, a 10,000 CCF per month throughput volume minimum.

If customer fails to take delivery of 10,000 CCF per month during the months of April through October, customer will be charged, in addition to the Administrative Charge and the charge for the delivered volume and the applicable Electric Tax Rider and State Tax Rider, an amount equal to the difference between 10,000 CCF and the delivered volume billed at Rate GS-S, including all applicable Riders.

In the event that customer rebalances and significantly fails to meet the minimum throughput requirement of this tariff, customer may, at the Company's option, be removed from this tariff and deliver further service, or may be switched to Rates GS-S, GS-L or Rates FT-S, FT-L.

NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

The average percentage increase in the total bill of customers under Rate IT, assuming IT customers pay the same gas cost as GS-1 customers should the increase be granted in this is 1.5%.

PROPOSED RATE IT-5 FIRM TRANSPORTATION SERVICE - SMALL FIRM TRANSPORTATION SERVICE - LARGE, SHEET NO. 52.3

AVAILABILITY
Firm full-requirements transportation service for an individual non-residential customer using a 1000 CCF or less during the prior calendar year at one premise, which is provided from the Company's city gas receipt points to the outlet side of the Company's meter used to serve the customer. This service is available within the Company's service territory, and the Company's policy is to serve the firm service requirements of nonresidential customers in combination with service under Rate IT for all non-residential customers except for those customers whose utility service accounts are past due at the time customer service is sought. The Company may terminate a customer's supplier contract for non-payment and return the customer to the Company's service only if (1) the Supplier has made an affidavit request for the Company to act as its agent to terminate customer contracts for non-payment, and (2) the Supplier has included in its affidavit request, a notice that the Company can terminate such contracts for non-payment, where the Supplier is performing its own billing of the gas supply, termination of the agreement will be at the discretion of the Supplier, as specified in the Supplier contract for service. The Supplier or the Company shall give no less than thirty (30) days' written notice that the customer will be notified from the Supplier and return to the Company within the past due amount is paid by the customer's most scheduled bill due date. If the past due amount is paid by the next scheduled bill due date, the customer will not be notified to the Company and will remain with the Supplier. If the Company terminates the customer's service to the customer, it will send a copy of this notice to the customer's Supplier. Service shall be provided on demand from the Company's city gas receipt points to the outlet side of the Company's meter used to serve the customer. Customers must enter into a "Supplier" agreement that meets the Company's requirements for participation in this pooling program, and must arrange for the delivery of gas into the Company's system.

Customers that believe that they will significantly increase throughput, limit their historic firm service levels, shall so inform the Company.

Gas transported under this tariff shall be for customer's sole use at one point of delivery where distribution mains are adjacent to the premises to be served. Any gas provided hereunder shall be provided by displacement.

NET MONTHLY BILL Computed in accordance with the following charges:

Fixed Delivery Service Charge	\$91.64
Price Usage-Based Charge per CCF for each CCF of gas supplied for customer from Company's city-gas receipt stations to the outlet side of Company's meter used to measure deliveries to the customer:	\$0.15470 per CCF

Fees, or minor, rate adjustments which may occur as a result of changes in the rates of interstate pipelines, or of rulings of the Public Utilities Commission of Ohio under the Federal Energy Regulatory Commission, and for which it is determined that customers should be allocated some portion of the corresponding costs or refunds.

In addition, the net monthly bill, as calculated above, shall be adjusted by application of the percent specified on Sheet No. 64, Rate IT-5, Ohio Gasco Tax Liability Rider, except that finance charges are excluded in the computation of the net bill.

Customer and/or its Supplier shall be responsible for the collection and payment of certain taxes, revenue taxes, or similar taxes on the gas supplies that customer purchases from its Supplier.

The monthly minimum bill shall be the Fixed Delivery Service Charge and applicable charge under Rate IT-5, Rider AMP, Rider A1, and Rider ASB, except those, plus the percentage specified in Rate IT-5, Sheet No. 64, Ohio Gasco Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate IT-5, assuming IT-5 customers pay the same gas cost as GS-5 customers, should the increase be granted in this is 3.7%.

PROPOSED RIDER E ECONOMIC DEVELOPMENT INCENTIVE RIDER ECONOMIC DEVELOPMENT INCENTIVE RIDER, SHEET NO. 61

APPLICABILITY
Applicable to all retail jurisdictional customers in the Company's natural gas service territory.

GENERAL
Duke Energy Ohio shall implement a pilot program to encourage businesses to locate in Ohio, and/or to expand their existing operations in Ohio, by providing a mechanism to fund these types of economic development projects. Funds may be used for project development, promotion, project closure, and gas utility infrastructure in these instances where utility infrastructure has been identified as an impediment to commercial/industrial economic development.

The criteria for eligibility include, but is not limited to, the following:

- Jobs growth.
- Pushing development sites participating in Duke Energy Ohio's "Site Readiness" program closer to market.
- Revitalization of urban areas, such as "brownfield" redevelopment.
- Development of natural gas vehicle transportation facilities.

The program will be managed and funds will be allocated and distributed by Duke Energy Ohio. Management of the program will include, but not be limited to, the development, review, and approval of proposed projects and/or this program. The program is created with recognition that the type of economic development has a compounding effect on the local economy and the region. Further, the funding mechanism recognizes that over time, Duke Energy Ohio customers will realize future benefits via increases in the utility's natural gas throughput.

The goal of the rider is to collect \$1 million per year towards the funding of economic development projects and activities in Duke Energy Ohio's service territory Ohio (SR-40) natural gas service territory. All funds will be spent in a manner consistent with the intent of eligibility and criteria described above. Any unused funds from one year will roll over to the next year; however, the fund is not to exceed \$2 million. Annual adjustments, if necessary, will be made to the rider to keep the fund within the \$2 million cap.

DESCRIPTIONS AND ELIGIBILITY

- Eligible Activities:** Funds under this program may be used for the following:
 - Project Development/Site Readiness/Marketing - Without any study for new development or expansion, prospective companies will be listed to other states with sites further along the development continuum. Grants will be available for the redevelopment of existing buildings served natural gas by Duke Energy Ohio, public sector affordable building development, gas infrastructure improvements, moving commercial and brownfield sites closer to readiness for development, and business park developments. Funds may be used for the marketing and promotion of qualifying sites. The Duke Energy Ohio Readiness program has been developed to assist in these efforts.

Projects under this section (1) shall be evaluated using one or more of the following criteria as a guide for qualification:

- Project is in an area determined to qualify as Urban Revitalization, by the Duke Energy Urban Revitalization Advisory Team, which is comprised of business leaders from throughout Ohio.
 - Project pushes development sites participating in Duke Energy Ohio's Site Readiness program closer to market.
 - Project leads to revitalization of urban areas such as Brownfield redevelopment.
- Project Criteria -** Grants will be available to achieve economic agreements for relocation, expansion, or retention of companies in SR-40. Grants will be awarded to those that grow the base of primary jobs in Duke Energy Ohio areas. Specific emphasis will be placed on targeted economic industries as identified by the regional cluster analysis. Grants may be used to enhance the incentive packages that local communities, regional partnerships, and/or JEDI Ohio provide to prospective companies, including site and facility acquisition and off-site infrastructure improvements. Grants may be used for inter-state relocation of facilities and/or jobs (including from the Duke Energy territory to the Duke Energy Ohio territory) where a witness is obtained from the original community. Applicant project criteria will be developed.

Infrastructure Improvements - Offset costs associated with natural gas utility infrastructure improvements to support new location projects and existing company operations. Grant amounts will not exceed the actual costs incurred for approved projects, and be calculated using the meter extension

analysis tool utilized for all gas main extensions that determine customer contributions required. Funds shall apply only to costs normally borne by the project sponsor and/or new customer.

To be eligible under this section (2), the project/facility shall:

- be located within existing Duke Energy Ohio service territory, or an expansion thereof which occurs as a result of main extension associated with the project;
- have an end use that may be classified in the North American Industry Classification System (NAICS) as one of the following Manufacturing or Service industry businesses:
 - Manufacturing (NAICS codes 31, 32, & 33)
 - Textiles
 - Automotive and Transportation
 - Chemicals and Plastics
 - Machinery and equipment (Advanced manufacturing)
 - Pharmaceuticals
 - Food and Beverage
 - Other non-manufacturing facilities
 - Data Centers
 - Professional, scientific or technical services (NAICS code 54)
 - Regional, National or World Headquarters
 - Natural Gas Vehicle Fueling Stations

NAICS codes may be found at: <http://www.census.gov/ipeds/newsreleases.html>

Projects under this section (2) shall be evaluated using one or more of the following criteria as a guide for qualification:

- Project is determined to be a large user of natural gas as evidenced by the following:
 - The proposed project/facility increases or is likely to increase a gas demand or incremental demand of more than 150,000 CCF (units of 100 cubic feet) per year; and/or
 - The facility's natural gas bill represents at least 5% of the facility's annual gross revenue from sales (Total annual natural gas bill divided by annual gross sales) and/or jobs Ohio, State and/or Local Community participation.
- Project must show evidence of public participation in the form of incentives or other capital contribution to the project.
- Project is necessary to provide service to a natural gas vehicle filling station (that includes a point of access for public utilization).
- Projected Capital Investment of the project site exceeds \$2,000,000.
- There will be job creation or job retention at the site as a result of the project.
- Funds under this program cannot be used for a facility or equipment that does not use natural gas to generate electricity. Nor can they be used to provide utility infrastructure for such facilities or equipment.

An additional incentive will be provided to those qualifying projects that result in new or incremental gas load. Incremental gas load is defined as additional usage over and above an established baseline as determined by the Company. Said incremental usage must be the direct result of the qualifying project.

The additional incentive will be in the form of a twenty-five percent (25%) discount applied to the monthly Fixed Delivery Service Charge and the monthly Usage-Based Charge for gas delivered. The discount is only applied to all three specific components of the customer's gas bill and excludes any and all Rider charges including the Gasco Tax Rider. The discount will be applied for a period of thirty (30) months. Funding for this additional incentive will be provided through the rider.

TERMS AND CONDITIONS

These funds are not available for removal of service following interruptions such as equipment failure, temporary plant shutdown, strike, or economic conditions. These funds are not available for load shifted from one customer to another within the Company's service area.

The customer must enter into a Services Agreement with the Company that shall specify, among other things, a description of the amount and nature of the new load, and the basis on which the customer requests qualification for this Rider. Duke Energy Ohio may file this Services Agreement with the Public Utilities Commission of Ohio for informational purposes only.

Following the effective date of the Services Agreement, the customer must maintain a minimum demand in accordance with the Services Agreement. Failure to do so will result in the customer's Services Agreement being terminated.

The Company is not obligated to accept, expand or reconfigure its facilities if it determines that existing distribution facilities are of adequate capacity to serve the customer's load.

The customer may request an effective date of the Services Agreement that is no later than the 122 months after Company's approval of the Services Agreement with the customer. A Services Agreement must be fully executed within ninety (90) days of taking the subject new service from the Company. All subsequent billings shall be at the appropriate full standard service tariff rate.

CHARGES

The 25% rate will be applied to all non-residential customer bills beginning with the January 2013 revenue month to \$0.902950 per CCF (units of 100 cubic feet).

The 25% rate will be applied to all non-residential customer bills beginning with the January 2013 revenue month to \$1.50 per month.

PROPOSED RIDER X MAIN EXTENSION POLICY MAIN EXTENSION POLICY, SHEET NO. 62.4

APPLICABILITY
Applicable to gas service supplied in accordance with provisions of the appropriate rate currently in effect, from the nearest available distribution main when, in the opinion of the Company, it is necessary to extend such main.

EXTENSION PLAN

- One-Hundred Feet or Less.

An extension of one hundred (100) feet or less shall per service installation shall be made by the Company at an existing distribution main without charge to a prospective customer or customers who shall each apply for and contract to pay extension fee for one (1) year or more.

- Excess of One Hundred Feet.

- Individual Service Installations.

The Company, at its sole discretion, may perform a net present value (NPV) analysis based upon total construction costs for the entire length of the extension, and not just the costs of the extension in excess of 100 feet. The NPV analysis will take into account the revenues to be received from the customer. If the NPV calculation is positive, the customer will not be charged for the construction costs. If the NPV calculation is negative, the customer must deposit with the Company an amount equal to the results of the NPV calculation prior to construction taking place. Any such deposit shall be eligible for a refund consistent with the terms and conditions of the main extension contract entered into between the Company and customer. Further, the customer must continue to receive gas service from the Company at the same service installation or premises in order to be eligible for a refund. Refunds shall be made at the end of the period of ten (10) consecutive years following the effective date of the main extension contract.

For large commercial and industrial customers with process heat, Duke Energy Ohio may require a minimum customer usage commitment for a defined period of time not to exceed six (6) years.

- Multiple Service Installations.

- Existing Subdivisions, New Non-Joint Trench Subdivisions, and Existing Non-Subdivisions.

When an extension of the Company's main to serve an applicant amounts to more than one hundred (100) feet per service installation, the Company may require total cost of the linkage in excess of 100 feet per customer to be deposited with the Company by the applicant based upon the estimated cost per foot for main extensions. Additionally, the Company, at its sole discretion, may perform a net present value (NPV) analysis based upon total construction costs for the entire length of the extension, and not just the costs of the extension in excess of 100 feet. The NPV analysis will take into account the revenues to be received from the customer. If the NPV calculation is positive, the applicant will not be charged for the construction

costs. If the NPV calculation is negative, the applicant must deposit with the Company an amount equal to the results of the NPV calculation prior to construction taking place. Any such deposit shall be eligible for a refund consistent with the terms and conditions of the main extension contract entered into between the Company and applicant. Further, where the applicant is the customer, the customer must continue to receive gas service from the Company at the same service installation or premises in order to be eligible for a refund. Refunds shall not exceed the amount of the deposit and shall be limited to a period of ten (10) consecutive years following the effective date of the main extension contract.

- New Joint Trench Subdivisions.

When an extension of the Company's approach under internal mains is necessary to serve a new subdivision, the Company will perform a net present value (NPV) analysis of total construction costs and the revenues to be received from each customer to be connected to the new mains. For purposes of the NPV calculation, the Company will assume that a complete build-out of the subdivision will occur in five (5) years. If the NPV calculation is positive, no deposit will be required for the new subdivision and the NPV results will be credited toward the calculation of the deposit requirement for any approach main that may be required. If the NPV calculation is negative, the amount of the NPV results must be deposited with the Company prior to the construction of the mains to serve the new subdivision. Any deposit made when the NPV calculation is negative is eligible for a refund due to subsequent connections or extensions consistent with the terms and conditions of the main extension contract entered into between the Company and applicant. Refunds shall not exceed the amount of the deposit and shall be limited to a period of ten (10) consecutive years following the effective date of the main extension contract.

- Nothing contained herein shall be construed to prohibit the Company from making extensions under different arrangements provided such arrangements have been approved by the Public Utilities Commission of Ohio.
- Nothing contained herein shall be construed to prohibit the Company from making, at its expense, greater extensions than herein prescribed, should its judgment so dictate, provided the free extensions are made to other customers under similar conditions.

SERVICE REGULATIONS

The meaning of, and timing for, service and all conditions applying thereto, are subject to the jurisdiction of the Public Utilities Commission of Ohio, and to Company's Service Regulations currently in effect, as filed with the Public Utilities Commission of Ohio, as provided by law.

PROPOSED RIDER AMP ACCELERATED MAIN REPLACEMENT PROGRAM RIDER ACCELERATED MAIN REPLACEMENT PROGRAM RIDER, SHEET NO. 65.11

APPLICABILITY
Applicable to all customers receiving service under the Company's sales and transportation rate schedules.

ACCELERATED MAIN REPLACEMENT PROGRAM FACTORS

All customers receiving service under Rate IT-5, Low Income, Rate RFI, Rate RFI - Low Income, Rate GS - Small, Rate GS - Large, Rate IT and Rate DGS shall be assessed a monthly charge in addition to the Customer Charge component of their applicable rate schedule that will enable the Company to complete the new scheduled main replacement program, the rider replacement program, and, where applicable, meter replacement. Customers receiving service under Rate IT and Rate DGS will be assessed a throughput charge in addition to their commodity delivery charge for that purpose.

Rider AMP will be updated annually, in order to reflect the impact on the Company's revenue requirements of net plant additions as offset by operations and maintenance expense reductions during the most recent twelve months ended December. Such adjustments to the rider will become effective with the first billing cycle of May.

The charges for the respective gas service schedules are:

Rate GS and RFI, Residential Service	\$0.00 per month
Rate RFI and RFI, Residential Firm	
Transportation Service	\$0.00 per month
Rate GS-S and GS-L, General Service	\$0.00 per month
Rate DGS, Residential Gasification Service	\$0.00 per month
Rate IT-S and RFI, Firm Transportation Service	\$0.00 per month
Rate IT, Intermediate Transportation Service	\$ 0.000 per CCF
Rate DGS, Gas Distribution Intermediate Transportation Rate	\$ 0.000 per CCF

These monthly charges shall remain in effect until charged by order of the Public Utilities Commission of Ohio.

PROPOSED RIDER P FACILITY RELOCATION - MASS TRANSPORTATION FACILITY RELOCATION - MASS TRANSPORTATION, SHEET NO. 66

APPLICABILITY
Applicable to a request and/or requirement for the construction, removal, modification, or relocation of facilities, equipment, mains, or service piping related to the distribution or transmission of gas service within Duke Energy Ohio's Company, subject to such request or requirement, and/or where the necessary of additional expense for such request and/or requirement is not otherwise provided for pursuant to agreement between the Company and requesting entity. This rider becomes applicable when the said request/requirement is directly related to the construction and operation of any form of mass transportation, including but not limited to: light rail, heavy rail, high-speed rail, street cars, subways, trolleys, trams or buses.

DESCRIPTION

CUSTOMER OR PRIVATE PARTY
When a customer or private party requests and/or requires the Company to construct, modify, relocate, repair, remove the Company's facilities, mains, service piping, or any other Company owned equipment, and/or require party shall pay all expenses related to such relocation regardless of the reason for the request and/or requirement.

GOVERNMENT ENTITY
A government entity (or Administrative Agency) includes but is not limited to any city, county, municipality, township or coastal district. It shall not include Federal or State government entities for Administrative Agencies.

When a government entity for Administrative Agency requests the Company to construct, modify, relocate, repair, remove the Company's facilities, mains, service piping, or any other Company owned equipment, such requesting party must elect to either:

- Directly pay the Company all costs related to such relocation regardless of the reason for the request and/or requirement (Directly), or
- Allow the Company to recover all cost related to such relocation regardless of the reason for the request and/or requirement from these customers residing or located within the geographic boundary of said governmental entity through a monthly charge (Indirectly), or
- Some combination thereof.

COST CALCULATION

- The total cost to be recovered shall be computed as follows:
 - If the requested/required facilities are in any of new facilities, Company shall allocate the cost of the requested/required facilities and of the facilities subject alterations would have been installed (planned facilities). Any cost of requested/required facilities in excess of the planned facilities shall be the basis for the charge.
 - If the requested/required facilities replace existing facilities that Company would otherwise maintain or modify in place, Company shall estimate the cost of the replaced facilities and any planned modifications to existing facilities. Any cost of the replaced facilities in excess of the cost of any planned modifications to existing facilities plus the cost of removing existing facilities shall be the basis for the charge.
 - If the requested/required facilities replace existing facilities that Company would not otherwise maintain or modify, the cost of the replaced facilities, plus the cost of removing the existing facilities less their salvage value shall be the basis for the charge.
- Company's cost of planned and replaced facilities shall be as follows:
 - Costs of planned facilities shall include applicable material and labor costs, including allocation of indirect costs. Indirect costs are comprised of supervision, engineering, transportation, material handling, and administrative cost functions that support actual construction. The amount of the allocation of indirect costs is derived by application of unit costs or allocable percentages, determined from historical experience.

NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

- b. Costs of requested/required facilities shall include the cost items identified in subparagraph (1) (a) above, plus all costs of complying with the requirements of the governmental subdivision including any application process of the governmental subdivision, including the cost of preparing the application, costs of developing alternatives not already studied by Company, cost of estimating the cost of alternatives not already studied by Company, the production of data for consideration in any hearing, and any other direct cost of compliance including any hearing held.
- c. Recoverable costs from the governmental subdivision and/or its customers will be reduced by the sum of any proceeds received from transportation improvement district funding, joint economic development district funding, tax increment funding, or similar quasi-public funding.

CHARGES

CUSTOMER OR PRIVATE PARTY

The customer or private party will pay in advance the entire estimated cost to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment. If the actual cost of the work exceeds the estimate, the customer will be responsible to pay the difference. Similarly, the Company will refund any excess money collected should the estimate exceed the actual cost.

GOVERNMENT ENTITY

These options are available to the government entity (or Administrating Agency):

DIRECT

- The government entity (or Administrating Agency) will pay in advance the entire estimated cost to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment. If the actual cost of the work exceeds the estimate, the government entity (or Administrating Agency) will be responsible to pay the difference. Similarly, the Company will refund any excess money collected should the estimate exceed the actual cost.
- Alternatively, government entity (or Administrating Agency) will pay the entire actual cost and the Company's associated cost of capital to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment. Said costs will be collected over a period extending no longer than twenty-four (24) months. The twenty-four month period begins when either of the following occurs:

- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been modified, relocated or removed from service; or
- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been constructed and placed into service.

INDIRECT

Should the government entity (or Administrating Agency) elect to do so, the entire actual cost and the Company's associated cost of capital to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment will be collected on a per customer basis, a per one hundred cubic foot (CCF) basis or some combination thereof. Said costs will be collected from all customers whose service address is located within the legal boundaries of said government entity. The cost will be collected in its entirety over a time period not to exceed twenty-four (24) months. The twenty-four (24) month period begins when either of the following occurs:

- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been modified, relocated or removed from service; or
- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been constructed and placed into service.

The charge shall be shown as a separate line item on the customer's bill.

At any time after the commencement of the charge, the charge may be reviewed and, if necessary, adjusted to reflect:

- The number of customers residing or located within the geographical boundary of said governmental entity; and/or
- The amount of energy used by customers residing or located within the geographical boundary of said governmental entity; and/or
- The actual cost of requested/required facilities.

Failure by any customer to pay the charge shall be grounds for disconnection of service to such customer in accordance with Company's Gas Terms and Conditions for Gas Service.

If the government entity (or Administrating Agency) rescinds its requirements concerning requested/required facilities, the charge shall continue until the end of the term, twenty-four (24) months subject to any necessary review and adjustment as specified above.

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto, are subject to the jurisdiction of the Public Utilities Commission of Ohio, and to the Company's Service Regulations currently in effect, as filed with the Public Utilities Commission of Ohio.

PROPOSED RIDER ASRP ACCELERATED SERVICE REPLACEMENT PROGRAM RIDER

ACCELERATED SERVICE REPLACEMENT PROGRAM RIDER, SHEET NO. 89

APPLICABILITY

Applicable to all customers receiving service under the Company's sales and transportation rate schedules.

ACCELERATED SERVICE REPLACEMENT PROGRAM FACTORS

All customers receiving service under Rates RS, RSLI, RFT, RFTLI, GS-S, GS-L, FT-S, FT-L, and DGS shall be assessed a monthly charge in addition to the Customer Charge component of their applicable rate schedule that will enable the Company to replace pre-1971 coated steel main to curb and curb to meter service lines and unprotected metallic main to curb and curb to meter service lines. In addition and where applicable, the Company will move meters from inside a structure to an acceptable location outside a structure for those services being replaced in conjunction with the ASRP. Customers receiving service under Rates IT and GGT will be assessed a throughput charge in addition to their commodity delivery charge for that purpose.

Rider ASRP will be updated annually, in order to reflect the impact on the Company's revenue requirements of net plant additions as offset by operations and maintenance expense reductions during the most recent twelve months ended December. Such adjustments to the Rider will become effective with the first billing cycle of May.

The charges for the respective gas service schedules are:

Rate RS and RSLI, Residential Service	\$0.00 per month
Rate RFT and RFTLI, Residential Firm Transportation Service	\$0.00 per month
Rate GS-S and GS-L, General Service	\$0.00 per month
Rate DGS, Distributed Generation Service	\$0.00 per month
Rate FT-S and FT-L, Firm Transportation Service	\$0.00 per month
Rate IT, Interruptible Transportation Service	\$0.000000 per CCF
Rate GGT, Gas Generation Interruptible Transportation Rate	\$0.000000 per CCF

These monthly charges shall remain in effect until changed by order of the Public Utilities Commission of Ohio.

PROPOSED RIDER AU ADVANCE UTILITY RIDER

ADVANCE UTILITY RIDER, SHEET NO. 88.3

APPLICABILITY

Applicable to all customers receiving service under the Company's sales and transportation rate schedules.

The charges for the respective gas service schedules are:

Rate RS and RSLI, Residential Service	\$ 0.00 per month
Rate RFT and RFTLI, Residential Firm Transportation Service	\$ 0.00 per month
Rate GS-S and GS-L, General Service	\$ 0.00 per month
Rate DGS, Distributed Generation Service	\$ 0.00 per month
Rate FT-S and FT-L, Firm Transportation Service	\$ 0.00 per month
Rate IT, Interruptible Transportation Service	\$ 0.00 per month
Rate GGT, Spark Spread Interruptible Transportation Rate	\$ 0.00 per month

OTHER PROPOSED CHANGES

The Company proposes to make the following additional changes to its gas tariff:

- Section II – Supplying and Taking of Service, paragraph 8 – Right of Way.**
The following provision is changed as follows:

8. Right-of-Way

The customer shall furnish, without cost to the Company, all necessary rights of way upon or across property owned or controlled by the customer for any and all of the Company's facilities that are necessary or incidental to the supplying of service to the customer, or to continue service to the customer. Subsequent to the customer providing the Company with the necessary rights of way to serve the customer, the Company shall serve or continue to provide service to the customer in accordance with the terms and conditions for the taking of service as identified in P.U.C.C. Gas No. 18. Additionally, the customer shall likewise furnish, without cost to the Company, all necessary rights of way upon or across customer's property necessary or incidental to the supplying of service to other customers who are adjacent to or extend beyond the customer's property. The rights of way as required herein shall be in the form of the Company's Grant of Easement, or any other instrument customarily used by the Company for its facilities, or as otherwise determined by the Company, in its discretion, to be satisfactory to it.

- Charge for Reconnection of Service, Sheet No. 82.5.**
The following has been added:

Also, if gas service has been disconnected at the request of the customer and, within an eight (8) month period of that disconnection, the customer requests that service be reconnected at the same premises, the Company may refuse gas service to such customer, unless it shall first receive payment equivalent to the appropriate billing of the customer's Fixed Delivery Service Charge for the number of billing periods the service was disconnected, including any necessary prorated charges representing partial bill periods. Where the billing amount reflects a period of more than one (1) month, those amounts shall be prorated based on the normal

scheduled meter reading dates and divided into increments of one (1) month, or less. If the increments represent less than one (1) month, the appropriate Fixed Delivery Service Charge will be billed as a prorated portion of the period as defined by the normal scheduled meter reading date. The appropriate Fixed Delivery Service Charge is defined by the rate under which the customer requested that the service be disconnected as is set forth in the following tariff sheets:

Sheet No. 30 Rate RS, Residential
Sheet No. 32 Rate GS-S, General Service – Small
Sheet No. 33 Rate RFT, Residential Firm Transportation
Sheet No. 34 Rate RSLI, Residential Low Income Pilot
Sheet No. 35 Rate GS-L, General Service – Large
Sheet No. 36 Rate RFTLI, Residential Firm Transportation Service – Low Income
Sheet No. 37 Rate FT-L, Firm Transportation Service – Large
Sheet No. 52 Rate FT-S, Firm Transportation Service – Small

The above proposed provisions, rates, and charges are subject to changes, including changes as to amount and form, by The Public Utilities Commission of Ohio following a public hearing on the filed application. Recommendations that differ from the filed application may be made by the Staff of The Public Utilities Commission of Ohio or by intervening parties and may be adopted by the Commission.

Any person, firm, corporation or association may file, pursuant to Section 4909.19 of the Revised Code, an objection to such proposed increased rates by alleging that such proposals are unjust and discriminatory or unreasonable.

Any person, firm, corporation or association may file a motion to intervene. Intervenor may obtain copies of the application and other filings made by the Company by contacting Ms. Dianne Kuhnelt at (513) 287-4337, Duke Energy Ohio, Inc.

WHEREFORE, since the rates, prices, charges, and other provisions in Duke Energy Ohio's current electric rate schedules do not yield just and reasonable compensation to Duke Energy Ohio for supplying electric distribution service to the customers to which they are applicable, do not yield a just and reasonable return to Duke Energy Ohio on the value of the property used for furnishing such electric distribution service to such customers, and result in the taking of Duke Energy Ohio's property for public use without compensation and without due process of law, Duke Energy Ohio respectfully prays that your Honorable Commission:

- Accept this Application for filing;
- Find that this Application and the attached Schedules filed herewith and incorporated herein, are in accordance with R.C. 4909.18 and the Rules of the Commission;
- Approve the Form of Notice in the attached Schedule S-3;
- Find that the current rates, prices, and charges for electric service are unjust, unreasonable and insufficient to yield reasonable compensation to Duke Energy Ohio for the electric distribution service rendered;
- Find that the proposed rates, prices, and charges are just and reasonable based upon the last period for the twelve months ending December 31, 2012, and approve such schedules in the form tendered herewith;
- Find that Duke Energy Ohio is in compliance with R.C. 4905.35;
- Approve Duke Energy Ohio's Application for an Increase in Gas Rates consistent with the Commission's approval of Duke Energy Ohio's proposed rates in Case No. 12-1685-GA-Alt;
- Approve Duke Energy Ohio's Application for Tariff Approval consistent with the Commission's approval of Duke Energy Ohio's proposed tariffs in Case No. 12-1685-GA-Alt;
- Approve Duke Energy Ohio's Application for Approval of an Alternative Rate Plan for Gas Distribution Service consistent with the Commission's approval of Duke Energy Ohio's proposed alternative rate plan in Case No. 12-1687-GA-Alt;
- Approve Duke Energy Ohio's Application for Approval to Change Accounting Methods consistent with the Commission's approval of Duke Energy Ohio's proposed deferrals in Case No. 12-1688-GA-Alt;
- Fix the date on or after which applicable services provided to non-residential customers are subject to the proposed rates at January 1, 2013; and
- Fix the date on or after which applicable services provided to residential customers are subject to the proposed rates at January 1, 2013.

Recommendations that differ from this application may be made by the Public Utilities Commission staff or by intervening parties and may be adopted by the Commission. Any person, firm, corporation, or association may file, pursuant to Section 4909.19 of the Ohio Revised Code, an objection to the proposed natural gas rate increases by alleging that such proposals are unjust and discriminatory or unreasonable.

A copy of the application is available for inspection at the main office of the Company at 139 East Fourth Street, Cincinnati, Ohio, or 844 Linn Street, Cincinnati, Ohio, or at the Public Utilities Commission of Ohio, 180 East Broad Street, Docketing Division, 11th floor, Columbus, Ohio 43215-3793. The application and supporting documents may also be viewed at the Commission's web page at <http://www.puc.ohio.gov>, by selecting DIS, inputting 12-1685 in the case lookup box, and selecting the date the application was filed.

DUKE ENERGY OHIO, INC.

NOTICE OF APPLICATION TO THE PUBLIC UTILITIES COMMISSION OF OHIO FOR AN INCREASE IN GAS RATES TO ALL JURISDICTIONAL CUSTOMERS FOR DUKE ENERGY OHIO, INC.

TO WHOM IT MAY CONCERN:

Pursuant to the requirements of Section 4903.19 of the Ohio Revised Code, Duke Energy Ohio, Inc., hereby gives notice that on July 9, 2012, it filed with The Public Utilities Commission of Ohio (Commission) an application for authority to change its gas rates and charges in incorporated municipalities and the unincorporated territory within its service area, which includes all or part of Brown, Butler, Clinton, Columbus, Hamilton, Highland, Montgomery, Preble, and Warren Counties in Ohio. Such application has been assigned Case No. 12-1685-GA-AR, 12-1686-GA-ATA, 12-1687-GA-ALE, and 12-1688-GA-AAM by the Commission. The substance of the application follows.

The following is a description of the proposed gas rates.

PROPOSED RATE RS-1 RESIDENTIAL SERVICE

RESIDENTIAL SERVICE, SHEET NO. 30.13

APPLICABILITY

Applicable to gas service required for residential purposes when supplied at one point of delivery where distribution mains are adjacent to the premises to be served.

NET MONTHLY BILL

Computed in accordance with the following charges:

Fixed Delivery Service Charge per month \$33.03
Plus a Usage-Based Charge for:
First 400 CCF \$0.136477 per CCF
Additional CCF \$0.389997 per CCF

The monthly minimum bill shall be the monthly Fixed Delivery Service Charge and applicable charge under Rate ARMP, Rider A0, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 64, Ohio Excise Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate RS should the increase be granted in full is 8.3%.

PROPOSED RATE GS-S GENERAL SERVICE - SMALL

GENERAL SERVICE - SMALL, SHEET NO. 32.3

APPLICABILITY

Applicable to gas service required for residential purposes when supplied at one point of delivery where distribution mains are adjacent to the premises to be served.

NET MONTHLY BILL

Computed in accordance with the following charges:

Fixed Delivery Service Charge per month \$31.64
Plus a Usage-Based Charge for:
All CCF delivered at \$0.134370 per CCF

The monthly minimum bill shall be the monthly Fixed Delivery Service Charge and applicable charge under Rate ED, Rider ARMP, Rider A0, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 64, Ohio Excise Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate GS-S should the increase be granted in full is 8.3%.

PROPOSED RATE RTF RESIDENTIAL FIRM TRANSPORTATION SERVICE

RESIDENTIAL FIRM TRANSPORTATION SERVICE, SHEET NO. 33.14

APPLICABILITY

Firm transportation service for residential purposes, which is provided from the Company's city gas receipt points to the outlet side of Company's meter. Service is available to all residential customers, except for those customers whose utility service accounts are past due at the time customer desires to utilize this service. The Company may terminate a customer's supplier contract for non-payment and return the customer to the Company's sales service only if: (1) the Supplier has made an affirmative request for the Company to act as its agent to terminate customer contracts for non-payment; and (2) the Supplier has included, in its customer contracts, a notice that the Company can terminate such contracts for non-payment. Where the Supplier is performing its own billing of the gas supply, termination of the agreement will be at the discretion of the Supplier, as specified in the Supplier contracts for service. In either case, the Supplier or the Company shall give no less than 30 days written notice that the customer will be switched from the Supplier and revert to the Company unless the past due amount is paid by the customer's next scheduled bill due date. If the past due amount is paid by the customer's next scheduled bill due date, the customer will not revert to the Company and will remain with the Supplier. If the Company provides the late payment notice to the customer, it will send a copy of the notice to the customer's Supplier. A customer must enter into an agreement with a Supplier that meets the Company's requirements for participation in this pooling program pursuant to Rate FRAS, Sheet No. 44.

Gas transported under this tariff shall be for customer's sole use at one point of delivery where distribution mains are adjacent to the premises to be served. Any gas provided hereunder shall be provided by displacement.

Residential customers who are enrolled in income payment plans pursuant to Rule 4903.18-04(B), Ohio Administrative Code (OAC) (PPF Customers), shall be provided their alternative gas supply service exclusively through their own supply pool, for which gas is provided by a willing Supplier whom they have approved by the Public Utilities Commission of Ohio.

NET MONTHLY BILL

Computed in accordance with the following charges:

Fixed Delivery Service Charge per month \$33.03
Plus a Usage-Based Charge per CCF for each CCF of gas transported for customer from Company's city-gate measuring stations to the outlet side of Company's meter used to measure deliveries to customer at:
First 400 CCF \$0.136477 per CCF
Additional CCF \$0.389997 per CCF

Plus, or minus, rate adjustments that may occur as a result of changes in the rates of applicable parties, or of rulings of the Public Utilities Commission of Ohio under the Federal Energy Regulatory Commission, and for which it is determined that all customers should be allocated some portion of the corresponding costs or refunds.

In addition, the net monthly bill, as calculated above, shall be adjusted by application of the percent specified on Sheet No. 64, Rider ETR, Ohio Excise Tax Liability Rider, except that finance charges are included in the computation of the net bill.

Customer and its Supplier shall be responsible for the collection and payment of excise taxes, revenue taxes, or similar taxes on the gas supplies that customer purchases from its Supplier.

The monthly minimum bill shall be the Fixed Delivery Service Charge and applicable charge under Rate ARMP, Rider A0, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 64, Ohio Excise Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate RTF, assuming RTF customers pay the same gas cost as RS customers, should the increase be granted in full is 11.0%.

PROPOSED RATE RSJ RESIDENTIAL SERVICE LOW INCOME

RESIDENTIAL SERVICE LOW INCOME, SHEET NO. 34.3

APPLICABILITY

Applicable to gas service required for residential purposes when supplied at one point of delivery where distribution mains are adjacent to the premises to be served. Eligible customers are non-PPF, low-income residential customers verified at or below 175% of poverty level. The total number of customers that may receive service under Rate RSJ and Rate RTF is 10,000.

NET MONTHLY BILL

Computed in accordance with the following charges:

Fixed Delivery Service Charge per month \$29.03
Plus a Usage-Based Charge for:
All CCF \$0.136472 per CCF

The monthly minimum bill shall be the monthly Fixed Delivery Service Charge and applicable charge under Rate ARMP, Rider A0, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 64, Ohio Excise Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate RSJ should the increase be granted in full is 8.4%.

PROPOSED RATE GS-L GENERAL SERVICE - LARGE

GENERAL SERVICE - LARGE, SHEET NO. 35.3

APPLICABILITY

Applicable to gas service required for any purpose by an individual non-residential customer using more than 4,000 CCF during the prior calendar year or any premises when supplied at one point of delivery where distribution mains are adjacent to the premises to be served.

NET MONTHLY BILL

Computed in accordance with the following charges:

Fixed Delivery Service Charge per month \$28.54
Plus a Usage-Based Charge for:
All CCF delivered at \$0.128784 per CCF

The monthly minimum bill shall be the Fixed Delivery Service Charge and applicable charge under Rate ED, Rider ARMP, Rider A0, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 64, Ohio Excise Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate GS-L should the increase be granted in full is 3.9%.

PROPOSED RATE FTFL RESIDENTIAL FIRM TRANSPORTATION SERVICE - LOW INCOME

RESIDENTIAL FIRM TRANSPORTATION SERVICE - LOW INCOME, SHEET NO. 36.3

APPLICABILITY

Firm transportation service for residential purposes, which is provided from the Company's city gas receipt points to the outlet side of Company's meter. Service is available to eligible residential customers, except for those customers whose utility service accounts are past due at the time customer desires to utilize this service. Eligible customers are non-PPF, low-income residential customers verified at or below 175% of poverty level. The total number of customers who may receive service under Rate RSJ and Rate RTF is 10,000. The Company may terminate a customer's supplier contract for non-payment and return the customer to the Company's sales service only if: (1) the Supplier has made an affirmative request for the Company to act as its agent to terminate customer contracts for non-payment; and (2) the Supplier has included in its customer contracts, a notice that the Company can terminate such contracts for non-payment. Where the Supplier is performing its own billing of the gas supply, termination of the agreement will be at the discretion of the Supplier, as specified in the Supplier contracts for service. In either case, the Supplier or the Company shall give no less than 30 days written notice that the customer will be switched from the Supplier and revert to the Company unless the past due amount is paid by the customer's next scheduled bill due date. If the past due amount is paid by the customer's next scheduled bill due date, the customer will not revert to the Company and will remain with the Supplier. If the Company provides the late payment notice to the customer, it will send a copy of the notice to the customer's Supplier. A customer must enter into an agreement with a Supplier that meets the Company's requirements for participation in this pooling program pursuant to Rate FRAS, Sheet No. 44.

Gas transported under this tariff shall be for customer's sole use at one point of delivery where distribution mains are adjacent to the premises to be served. Any gas provided hereunder shall be provided by displacement.

Residential customers who are enrolled in income payment plans pursuant to Rule 4903.18-04(B), Ohio Administrative Code (OAC) (PPF Customers), shall be provided their alternative gas supply service exclusively through their own supply pool, for which gas is provided by a willing Supplier whom they have approved by the Public Utilities Commission of Ohio.

NET MONTHLY BILL

Computed in accordance with the following charges:

Fixed Delivery Service Charge per month \$29.03
Plus a Usage-Based Charge per CCF for each CCF of gas transported for customer from Company's city-gate measuring stations to the outlet side of Company's meter used to measure deliveries to customer at:
All CCF \$0.136472 per CCF

The monthly minimum bill shall be the Fixed Delivery Service Charge and applicable charge under Rate ARMP, Rider A0, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 64, Ohio Excise Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate FTFL, assuming FTFL customers pay the same gas cost as RSJ customers, should the increase be granted in full is 3.9%.

PROPOSED RATE FT-L FIRM TRANSPORTATION SERVICE - LARGE

FIRM TRANSPORTATION SERVICE - LARGE, SHEET NO. 37.3

APPLICABILITY

Firm full requirements transportation service for an individual non-residential customer using more than 4,000 CCF during the prior calendar year or one premises, which is provided from the Company's city gate receipt points to the outlet side of Company's meter used to serve the customer. This service is available within the Company's service territory, and at the customer's option, to serve the firm service requirements of interruptible transportation customers in coordination with service under Rate FT-L for all non-residential customers except for those customers whose utility service accounts are past due at the time customer desires to utilize this service. The Company may terminate a customer's supplier contract for non-payment and return the customer to the Company's sales service only if: (1) the Supplier has made an affirmative request for the Company to act as its agent to terminate customer contracts for non-payment; and (2) the Supplier has included, in its customer contracts, a notice that the Company can terminate such contracts for non-payment. Where the Supplier is performing its own billing of the gas supply, termination of the agreement will be at the discretion of the Supplier, as specified in the Supplier contracts for service. The Supplier or the Company shall give no less than 30 days written notice that the customer will be switched from the Supplier and revert to the Company unless the past due amount is paid by the customer's next scheduled bill due date. If the past due amount is paid by the customer's next scheduled bill due date, the customer will not revert to the Company and will remain with the Supplier. If the Company provides the late payment notice to the customer, it will send a copy of the notice to the customer's Supplier. Service shall be provided as defined from the Company's city gate receipt points to the outlet side of Company's meter used to serve the customer. Customer must enter into a "pooling" agreement with a Supplier that meets the Company's requirements for participation in this pooling program, and must arrange for the delivery of gas into Company's system.

Customers who believe that they will significantly increase throughput from their historic firm service levels, shall be transported under this tariff.

Except as provided under Company Rate RSJ, gas transported under this tariff shall be for customer's sole use at one point of delivery where distribution mains are adjacent to the premises to be served. Any gas provided hereunder shall be provided by displacement.

NET MONTHLY BILL

Computed in accordance with the following charges:

Fixed Delivery Service Charge \$28.54
Plus a Usage-Based Charge per CCF for each CCF of gas transported for customer from Company's city-gate measuring stations to the outlet side of Company's meter used to measure deliveries to customer:
All CCF \$0.138784 per CCF

Plus, or minus, rate adjustments that may occur as a result of changes in the rates of interruptible customers, or of rulings of the Public Utilities Commission of Ohio under the Federal Energy Regulatory Commission, and for which it is determined that all customers should be allocated some portion of the corresponding costs or refunds.

In addition, the net monthly bill, as calculated above, shall be adjusted by application of the percent specified on Sheet No. 64, Rider ETR, Ohio Excise Tax Liability Rider, except that finance charges are included in the computation of the net bill.

Customer and its Supplier shall be responsible for the collection and payment of excise taxes, revenue taxes, or similar taxes on the gas supplies that customer purchases from its Supplier.

The monthly minimum bill shall be the Fixed Delivery Service Charge and applicable charge under Rate ED, Rider ARMP, Rider A0, and Rider ASRP shown above, plus the percentage specified in Rider ETR, Sheet No. 64, Ohio Excise Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate FT-L, assuming FT-L customers pay the same gas cost as RS-L customers, should the increase be granted in full is 4.4%.

PROPOSED RATE FRAS FULL REQUIREMENTS AGGREGATION SERVICE

FULL REQUIREMENTS AGGREGATION SERVICE, SHEET NO. A4.11

APPLICABILITY

This service is available to Suppliers delivering gas to a firm basis to the Company's city gate receipt points in behalf of customers receiving Firm Transportation Service from the Company. The service provided hereunder affords Suppliers to deliver to the Company on an aggregated basis those natural gas supplies that are needed to satisfy the requirements of Customers Pool participating in the Company's firm transportation program.

CHARACTER OF SERVICE

This Tariff Sheet applies to the provision of pooling service for firm gas transportation customers. Suppliers under this Tariff Sheet shall supply the full requirements of their Pool Customers and agree to accept supply management responsibility. Company shall specify, and Supplier shall deliver each day, the Target Supply Quantity for Supplier's Pool.

GAS SUPPLY AGGREGATION/CUSTOMER POOLING AGREEMENT

Prior to acting as a Supplier for Pool Customers receiving Firm Transportation Service, Supplier must enter into a Gas Supply Aggregation/Customer Pooling Agreement with the Company. An example of the Gas Supply Aggregation/Customer Pooling Agreement is attached to this Tariff Sheet.

SUPPLIER INVOICE

On a monthly basis, the Company will generate, and Supplier will pay, an invoice that includes the costs set forth below in this Tariff Sheet and in Sheet No. 45 herein.

LATE PAYMENT CHARGE

Payment of the total amount due must be received by Company, or its authorized agent, by the due date shown on the Supplier's invoice. If the Supplier does not pay the total amount due by the date shown, an additional amount equal to one and one half percent (1.5%) of the total unpaid balance shall also become due and payable.

RETURNED CHECK CHARGE

The Returned Check Charge set forth in Sheet No. 45 herein shall be added to the Supplier's account each time a check is returned for the financial institution for insufficient funds.

MEASUREMENT OF CUSTOMER USAGE VOLUMES

The Company shall be responsible for all usage measurement at the point of delivery to the customer's facilities. Monthly volumes billed to Pool Customers shall be considered actual volumes consumed, whether the meter reading is actual or estimated.

QUALITY OF GAS DELIVERED BY SUPPLIER

The Supplier warrants that all gas delivered by or on behalf of Supplier for its Pool Customers under this Tariff Sheet shall meet the quality parameters, heating values and other quality specifications of the applicable INC Gas Code of the interstate gas pipeline delivering said gas to the Company.

TITLE AND WARRANTY

Supplier warrants that it will, at the time and place of delivery, have good right and title to all volumes of gas delivered on its behalf. It waives and releases all liens, encumbrances, and claims whatsoever, and that it will defend, indemnify, and hold the Company harmless for all costs, claims, damages, accounts, cleanups, costs, losses, or expenses (including reasonable attorneys' fees) arising from or out of the several claims of any or all persons relating to or arising from gas and gas.

DEFINITIONS

"Adjusted MDQ" means the Supplier's MDQ less the Company's winter propane percentage, representing the Pool's allocation of the Company's propane peaking supplies.

"Aggregated Target Supply Quantity" (ATSSQ) means the Target Supply Quantity plus or minus any adjustments that the Company may require the Supplier to make to its daily deliveries (i.e., Annual Reconciliation volumes) plus the daily firm (Rate FT) requirements of all customers being served by the Supplier under Rate FT.

"Aggregation Service" is a service provided by the Company that allows Suppliers to deliver to the Company, on an aggregated basis, those natural gas supplies that are needed to satisfy the firm requirements of the Company or its Pool Customers. Customers that comprise the membership of the Supplier's Pool, as defined below, shall be in accordance with the rules established by the Company regarding delivery requirements, banking, billing and payment, and Supplier performance requirements.

"Arrangements" are past due and unpaid amounts owed to the Company. A thirty-day grace period exists when any portion of the previous month's bill is unpaid at the time the current bill is issued. Customers having a thirty-day or more arrears of \$50.00 or more are not eligible to participate in the Program. A customer who is current on a payment plan for previously delinquent and unpaid charges is not considered to have Arrangements when an electronic enrollment to the Company's firm transportation program is received from a Supplier.

"British Thermal Unit" or "Btu" means the quantity of heat required to raise one (1) pound of water (about eight pints) one (1) degree Fahrenheit at or near its point of maximum density.

"CCF" means one hundred cubic feet.

"Commission" means the Public Utilities Commission of Ohio.

"Company" means Duke Energy Ohio.

"Customer" means a residential, non-residential, or mercantile recipient of the Company's Sales Service or Transportation Service.

"Default" means the failure of the Company or Supplier to fulfill a duty or obligation set forth in Duke Energy Ohio's tariffs, the Ohio Revised Code, the Ohio Administrative Code, or any agreement or contract between and among the Company and Supplier.

"Deliverables" or "DB" means a unit of heating value equal to ten (10) therms or Million Btu's (1 MMBtu).

"Eligible Customer" is a customer who is eligible to participate in a Governmental Aggregation in accordance with sections 4929.26 and 4929.27 of the Ohio Revised Code and does not include any of the following: a person that is both a distribution service customer and a mercantile customer on the date of commencement of service to the Governmental Aggregator or the person becomes a distribution service customer after the service commencement date and is also a mercantile customer; a person who is supplied with natural gas sales service pursuant to a contract with a Supplier that is in effect on the effective date of the ordinance or resolution authorizing the aggregation; a person who is supplied with natural gas sales service as part of the Percentage of Income Payment Plan (PIPP) program; or, a customer who has failed to discharge, or enter into a plan to discharge, all existing Arrangements owed to or by the Company.

"Enrollment/Peaking Period" means the number of days required to process a customer's accepted enrollment in the Program pursuant to this Tariff. This process commences with the submission to Company by Supplier of appropriate information for an eligible customer and ends with the finalization of the customer's peaking period. The process will take up to twelve (12) calendar days, and includes seven (7) business days from the date the Company sends the customer a letter indicating the customer may rescind its Program enrollment or change its Suppliers.

"Firm Transportation Service" means service under Residential Firm Transportation Service (Rate RTF - Sheet No. 33), Residential Firm Transportation Service - Low Income (Rate FTFL - Sheet No. 36), Firm Transportation Service - Large (Rate FT-L - Sheet No. 37) or Firm Transportation Service - Small (Rate FT-S - Sheet No. 35).

"Gas Supply Aggregation/Customer Pooling Agreement" is an agreement between the Company and Supplier that defines the mutual responsibilities and obligations of these parties relative to the Aggregation Service provided under Rate FRAS.

"Maximum Daily Pooling Quantity" (MDQ) means the expected peak day natural gas usage for a Supplier's Pool of Customers.

"Mcf" means one thousand cubic feet.

"Mercantile Customer" has the meaning set out in division (L) of section 4929.03 of the Ohio Revised Code. In summary, it means a customer that: (1) consumes, other than for residential use, more than 3,000 CCF of natural gas per year at a single location or as part of an undertaking having more than 3 locations within or outside the state; and (2) that has not filed a declaration with the Commission.

"Negative Imbalance Volume" or "Under-deliveries" is the amount by which the sum of all volumes actually delivered to the Pool Customers during the period exceeds the sum of the volumes available for redelivery by the Company to the Pool during the same period.

"O.A.C." means the Ohio Administrative Code.

"DEC" means the Office of the Ohio Consumers' Counsel.

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The average percentage increase in the total bill of customers under Rate IT, assuming IT customers pay the same gas cost as GS-1 customers should the increase be granted in full is 1.5%.

PROPOSED RATE FT-S FIRM TRANSPORTATION SERVICE - SMALL

FIRM TRANSPORTATION SERVICE - LARGE, SHEET NO. 52.3

APPLICABILITY

Firm full requirements transportation service for individual non-residential customers using 4,000 CCF or less during the year calendar year at one premise, which is provided from the Company's city gas receipt points to the outlet side of the Company's meter used to serve the customer. This service is available within the Company's service territory, and all customers' options. To serve the full service requirements of interruptible transportation customers in compliance with service under Rate IT is all non-residential customers except for those customers whose utility service records are past due at the time customer begins to utilize this service. The Company may terminate a customer's supply contract for non-payment and return the customer to the Company's service only if: (1) The Supplier has made an affirmative request for the Company to act as its agent to terminate customer contracts for non-payment; and (2) The Supplier has included in its customer contracts, a notice that the Company can terminate such contracts for non-payment. Where the Supplier is performing its own billing of the gas supply, termination of the agreement will be at the discretion of the Supplier, as specified in the Supplier contracts for service. The Supplier or the Company shall give at least thirty (30) days' written notice that the customer will be switched from the Supplier and moved to the Company unless the past due amount is paid by the customer's next scheduled due date. If the past due amount is paid by the next scheduled due date, the customer may not return to the Company and will remain with the Supplier. If the Company requires that the customer return to the Company, it will send a copy of the notice to the Company's Supplier. Service shall be provided on demand from the Company's city gas receipt - points to the outlet side of Company's meter used to serve the customer. Customer must enter into a "package" agreement with a Supplier that meets the Company's requirements for participation in this pooling program, and must arrange for the delivery of gas into Company's system.

Customers that believe that they will significantly increase throughout, from their historic firm service levels, shall so inform the Company.

Gas transported under this tariff shall be for customers' sole use at one point of delivery where distribution means are adequate to the premise to be served. Any gas provided hereunder shall be provided by displacement.

NET MONTHLY BILL

Computed in accordance with the following charges:

Firm Delivery Service Charge \$31.64

Plus a Usage-Based Charge per CCF for each CCF of gas transported for customer from Company's city-gas receipting stations to the outlet side of Company's meter used to measure deliveries to the customer. \$0.15437 per CCF

Plus, or minus, rate adjustments which may occur as a result of changes in the rates of interstate pipelines, or of rulings of the Public Utilities Commission of Ohio and/or the Federal Energy Regulatory Commission, and any which it is determined that all customers should be allocated some portion of the corresponding costs or rebates.

In addition, the net monthly bill, as calculated above, shall be adjusted by application of the percent specified on Sheet No. 64, Rider ETR, Ohio Electric Tax Liability Rider, except that those charges are included in the computation of the net bill.

Customer and/or its Supplier shall be responsible for the collection and payment of excise taxes, revenue taxes, or similar taxes on the gas supplies that customer purchases from its Supplier.

The monthly minimum bill shall be the Firm Delivery Service Charge and applicable charge under Rider ED, Rider AMRP, Rider RL, and Rider ASDP shown above, plus the percentage specified in Rider ETR, Sheet No. 64, Ohio Electric Tax Liability Rider.

The average percentage increase in the total bill of customers under Rate FT-S, assuming FT-S customers pay the same gas cost as GS-1 customers, should the increase be granted in full is 3.7%.

PROPOSED RIDER ED ECONOMIC DEVELOPMENT INCENTIVE RIDER

ECONOMIC DEVELOPMENT INCENTIVE RIDER, SHEET NO. 61

APPLICABILITY

Applicable to all retail jurisdictional customers in the Company's natural gas service territory.

GENERAL

Duke Energy Ohio shall implement a pilot program to encourage businesses to locate in Ohio, and/or to expand their existing operations in Ohio, by providing a mechanism to fund those types of economic development projects. Funds may be used for project development, promotion, project closure, and gas utility infrastructure in those instances when utility infrastructure has been identified as an impediment to commercial/industrial economic development.

The selection for eligibility includes, but is not limited to, the following:

- Jobs growth.
- Pushing development sales participating in Duke Energy Ohio's "Site Readiness" program closer to market.
- Redevelopment of urban areas such as "Brownfield" redevelopment.
- Development of natural gas vehicle transportation facilities.

The program will be managed and funds will be allocated and distributed by Duke Energy Ohio. Management of the program will include, but not be limited to, the development, review, and approval of proposed projects under this program. The program is created with recognition that this type of economic development has a preponderant effect on jobs and the economy within the region. Further, the funding mechanism recognizes that over time, Duke Energy Ohio customers will realize future benefits by increases in the utility's natural gas throughput.

The goal of the rider is to collect \$1 million per year towards the funding of economic development projects and activities in Duke Energy Ohio's southwestern Ohio GSW-Ohio natural gas service territory. All funds will be spent in a manner consistent with the terms of eligibility and criteria set forth below. Any awarded funds from one year will roll over to the next year; however, the fund is not to exceed \$2 million. Annual adjustments, if necessary, will be made to the rider to keep the fund within the \$2 million cap.

DESCRIPTIONS AND ELIGIBILITY

Eligible Activities: Funds under this program may be used for the following:

1. Project Development/Site Readiness/Marketing - Without ready sites for new development or expansion, prospective customers will be lost to other states with sites that offer along the development continuum. Grants will be available for the redevelopment of existing buildings served natural gas by Duke Energy Ohio, public sector opportunities including development, gas infrastructure investments, zoning, Greenfield and Brownfield sites closer to readiness for development, and business park developments. Funds may be used for the marketing and promotion of qualifying sites. The Duke Energy Ohio Site Readiness program has been developed to assist in these efforts.

Projects under this section (1) shall be evaluated using one or more of the following criteria as a guide for qualification:

- a. Project is in an area determined to qualify as Urban Revitalization, by the Duke Energy Urban Revitalization Advisory Team, which is composed of business leaders from southwest Ohio.
- b. Project pushes development sales participating in Duke Energy Ohio's Site Readiness program closer to market.
- c. Project leads to revitalization of urban areas such as Brownfield redevelopment.
2. Project Cluster - Grants will be available to achieve economic agreements for relocation, expansion, or retention of companies in SW-Ohio. Grants will be awarded to those that grow the base of primary jobs at Duke Energy's SW-Ohio sites. Specific companies will be placed on targeted cluster initiatives as identified by the regional cluster analysis. Grants may be used to enhance the incentive packages that local communities, regional partnerships, and/or localities provide to prospective companies, including site and facility acquisition and all-site infrastructure improvements. Grants may not be used for interstate relocation of facilities and/or jobs (including from the Duke Energy territory) to any location outside the Duke Energy Ohio territory unless a contract is obtained from the original community. Applicant project efforts will be developed.

Infrastructure Improvements - Offset costs associated with natural gas utility infrastructure improvements to support new location projects and existing company operations. Grant amounts shall not exceed the actual costs required for approved projects, and be calculated using the major extension criterion.

analysis tool utilized for all gas main extensions that determine customer contributions required. Funds shall apply only to costs normally borne by the project developer and/or new customer.

To be eligible under this section (2), the project/facility shall:

- a. be located within existing Duke Energy Ohio service territory, at an expansion thereof which occurs as a result of main extension associated with the project;

- b. have an end use that may be classified in the North American Industry Classification System (NAICS) as one of the following: Manufacturing or Service Industry businesses.

1. Manufacturing (NAICS codes 21, 32, & 33)
2. Agriculture
3. Automotive and Transportation
4. Chemicals and Plastics
5. Machinery and equipment (Advanced manufacturing)
6. Plastics and Technology
7. Food and Beverage

8. Other non-manufacturing operations
9. Data Centers
10. Professional, scientific or technical services (NAICS code 541)
11. Regional, National or World Headquarters
12. Natural Gas Vehicle Fueling Stations

(NAICS codes may be found at <http://www.secdocs.gov/secdocs/naics.html>.)

Projects under this section (2) shall be evaluated using one or more of the following criteria as a guide for qualification:

- a. Project is determined to be a large volume of natural gas as evidenced by the following:
 1. The proposed project/facility impacts or is likely to impose a gas demand or key operational demand of more than 150,000 CCF (units of 100 cubic feet) per year, and/or
 2. The facility's natural gas bill represents at least 5% of the facility's revenues, as verified from sales data the Company's natural gas bill is divided by natural gas cost, scaled, and/or Ohio Ohio, State and/or Local Community participation.
- b. Project must show evidence of public participation in the form of meetings or other capital contribution to the project.
- c. Project is necessary to provide service in a natural gas vehicle fueling station that includes a point of access for public utilization.
- d. Projected Capital Investment at the project site exceeds \$2,000,000.
- e. There will be job creation or job retention at the site as a result of the project.
- f. Funds under this program cannot be used for a facility or equipment that uses natural gas to generate electricity. Nor can they be used to provide utility infrastructure for such facilities or equipment.

An additional incentive will be provided in those qualifying projects that result in new or incremental gas load. Incremental gas load is defined as additional new gas use above an established baseline as determined by the Company. Said incremental gas use shall be the direct result of the qualitative project.

The additional incentive will be in the form of a twenty-five percent (25%) discount applied to the monthly Firm Delivery Service Charge and the monthly Usage-Based Charge for gas delivered. The discount is only applied to the last two specific components of the customer's gas bill and excludes any and all other charges including the Electric Tax Rider. The discount will be applied for a period of thirty (30) days, ending. Funding for this additional incentive will be provided through the rider.

TERMS AND CONDITIONS

These funds are not available for renewal of services following interruptions such as equipment failure, temporary plant shutdown, strike, or economic conditions. These funds are not available for load shifted from one customer to another within the Company's service area.

The customer must enter into a Service Agreement with the Company that shall specify, among other things, a description of the amount and nature of the new load, and the basis on which the customer requests qualification for this Rider. Duke Energy Ohio may file this Service Agreement with the Public Utilities Commission of Ohio for informational purposes only.

Following the effective date of the Service Agreement, the customer must maintain a minimum demand in accordance with the Service Agreement. Failure to do so will result in the customer's Service Agreement being terminated.

The Company is not obligated to extend, expand or rearrange its facilities if it determines that existing distribution facilities are of adequate capacity to serve the customer's load.

The customer may request an effective date of the Service Agreement that is no later than 120 months after the Company's approval of the Service Agreement with the customer. A Service Agreement must be fully executed within thirty (30) days of taking the subject new service from the Company. All subsequent billings shall be at the appropriate full standard service tariff rate.

CHARGES

The ED rate to be applied to all residential customer bills beginning with the January 2013 revenue month is \$0.012903 per CCF (units of 100 cubic feet). The ED rate to be applied to all non-residential customer bills beginning with the January 2013 revenue month is \$1.50 per month.

PROPOSED RIDER ETR MAIN EXTENSION POLICY

MAIN EXTENSION POLICY, SHEET NO. 52.4

APPLICABILITY

Applicable to gas service supplied in accordance with provisions of the appropriate rate currently in effect, from the nearest available distribution main when, in the opinion of the Company, it is necessary to extend such main.

EXTENSION PLAN

1. One-Hundred Feet or Less

An extension of one hundred (100) feet or less shall per service installation shall be made by the Company to an existing distribution main without charge to a prospective customer or customers who shall each apply for and contract to new service for use (1) year or more.

2. Excess of One Hundred Feet

(a) Individual Service Installation.

The Company, at its sole discretion, may perform a net present value (NPV) analysis based upon total construction costs for the entire length of the extension, and not just the costs of the extension in excess of 100 feet. The NPV analysis will take into account the time needed to be received from the customer. If the NPV calculation is positive, the customer will not be charged for the construction costs. If the NPV calculation is negative, the customer would deposit with the Company an amount equal to the results of the NPV calculation prior to construction taking place. Any such deposit shall be eligible for a refund consistent with the terms and conditions of the main extension contract entered into between the Company and customer. Further, the customer must continue to receive gas service from the Company at the same service installation or premises in order to be eligible for a refund. Refunds shall not exceed the amount of the deposit and shall be limited to a period of ten (10) consecutive years following the effective date of the main extension contract.

For large commercial and industrial customers with process load, Duke Energy Ohio may require a minimum customer stage commitment for a defined period of time not to exceed six (6) years.

- (b) Multiple Service Installations.

(i) Existing Subdivisions, Non-Joint Trench Subdivisions, and Existing Non-Subdivisions.

When an extension of the Company's main to serve an applicant amounts to more than one hundred (100) feet per service installation, the Company may require total cost of the extension in excess of 100 feet per customer to be deposited with the Company for the amount based upon the estimated cost per foot for main extensions. Additionally, the Company, at its sole discretion, may perform a net present value (NPV) analysis based upon total construction costs for the entire length of the extension, and not just the costs of the extension in excess of 100 feet. The NPV analysis will take into account the time needed to be received from the customer to be connected. If the NPV calculation is positive, the applicant will not be charged for the construction

costs. If the NPV calculation is negative, the applicant must deposit with the Company an amount equal to the results of the NPV calculation prior to construction taking place. Any such deposit shall be eligible for a refund consistent with the terms and conditions of the main extension contract entered into between the Company and applicant. Further, where the applicant is the customer, the customer must continue to receive gas service from the Company at the same service installation or premises in order to be eligible for a refund. Refunds shall not exceed the amount of the deposit and shall be limited to a period of ten (10) consecutive years following the effective date of the main extension contract.

(ii) New Joint Trench Subdivisions.

When an extension of the Company's approach and/or internal main is necessary to serve a new subdivision, the Company will perform a net present value (NPV) analysis of total construction costs and the revenue to be received from each customer to be connected to the new mains. For purposes of the NPV calculation, the Company will assume that a complete build-out of the subdivision will occur in five (5) years. If the NPV calculation is positive, no deposit will be required for the new subdivision and the NPV results will be credited toward the calculation of the deposit requirement for any approach main that may be required. If the NPV calculation is negative, the amount of the NPV results must be deposited with the Company prior to the construction of the mains to serve the subdivision. Any deposit made when the NPV calculation is negative is eligible for a refund due to subsequent connections or extensions consistent with the terms and conditions of the main extension contract entered into between the Company and applicant. Refunds shall not exceed the amount of the deposit and shall be limited to a period of ten (10) consecutive years following the effective date of the main extension contract.

3. Nothing contained herein shall be construed to prohibit the Company from making, at its expense, gasline extensions than herein prescribed, should its personnel so dictate, provided that free extensions are made to other customers under similar conditions.

SERVICE REGULATIONS

The supply of, and billing for, service and all conditions applying thereto, are subject to the jurisdiction of the Public Utilities Commission of Ohio, and to Company's Service Regulations currently in effect, as filed with the Public Utilities Commission of Ohio, as provided by law.

PROPOSED RIDER AMRP ACCELERATED MAIN REPLACEMENT PROGRAM RIDER

ACCELERATED MAIN REPLACEMENT PROGRAM RIDER, SHEET NO. 66.11

APPLICABILITY

Applicable to all customers receiving service under the Company's sales and transportation rate schedule.

ACCELERATED MAIN REPLACEMENT PROGRAM FACTORS

All customers receiving service under Rate RFL, Rate RL, Low Income, Rate RFL, Rate RFL - Low Income, Rate GS - Small, Rate GS - Large, Rate F1 and Rate DGS shall be assessed a monthly charge in addition to the Customer Charge component of these applicable rate schedules that will enable the Company to complete the four-stage/level main replacement program, the rider replacement program, and, where applicable, meter replacement. Customers receiving service under Rate IT and Rate GDT will be assessed a throughput charge in addition to their commodity delivery charge for that purpose.

Rider AMRP will be updated annually, in order to reflect the impact on the Company's revenue requirements of net plant additions as offset by operations and maintenance expense reductions. Among the most recent twelve months ended December. Such adjustments to the rider will become effective with the first billing cycle of May.

The charges for the respective gas service schedules are:

Rate IT and RFL, Residential Service	\$ 0.00 per month
Rate RFL and RFL, Residential Firm Transportation Service	\$ 0.00 per month
Rate GS-S and GS-L, General Service	\$ 0.00 per month
Rate DGS, Distributor General Service	\$ 0.00 per month
Rate FT-S and F1-L, Firm Transportation Service	\$ 0.00 per month
Rate IT, Interruptible Transportation Service	\$ 0.00 per CCF
Rate GDT, Gas Generalization/Interruptible Transportation Rate	\$ 0.00 per CCF

These monthly charges shall remain in effect until changed by order of the Public Utilities Commission of Ohio.

PROPOSED RIDER FRT FACILITY RELOCATION - MASS TRANSPORTATION

FACILITY RELOCATION - MASS TRANSPORTATION, SHEET NO. 68

APPLICABILITY

Applicable to a request and/or requirement for the construction, removal, modification, or relocation of facilities, equipment, mains, or service piping related to the distribution or transmission of gas service, as requested by the Company (Company), absent such request or requirement, would be otherwise provided for current in agreement between the Company and requesting entity. This rider becomes applicable when the said request/requirement is directly related to the construction and operation of any mode of mass transportation, including but not limited to, light rail, heavy rail, high-speed rail, street cars, subways, trolleys, trams or buses.

DESCRIPTION

CUSTOMER OR PRIVATE PARTY

When a customer or private party requests and/or requires the Company to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, such requesting party shall pay all expenses related to such relocation regardless of the reason for the request and/or requirement.

GOVERNMENT ENTITY

A government entity for Administrative Agency includes but is not limited to any city, county, municipality, township or special district. It shall not include Federal or State government entities for Administrative Agencies.

When a government entity for Administrative Agency requests the Company to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, such requesting party must object to either:

1. Directly pay the Company all costs related to such relocation regardless of the reason for the request and/or requirement (Direct), or
2. Allow the Company to recover all cost related to such relocation regardless of the reason for the request and/or requirement from these customers residing or located within the geographical boundary of said governmental entity through a monthly charge (Indirect); or
3. Some combination thereof.

COST CALCULATION

1. The total cost(s) to be recovered shall be computed as follows:
 - a. If the requested/required facilities are in line of new facilities, Company shall estimate the cost of the requested/required facilities and of the facilities which otherwise would have been installed (planned facilities). Any cost of requested/required facilities in excess of the planned facilities shall be the basis for the charge.
 - b. If the requested/required facilities replace existing facilities that Company would otherwise maintain or modify in place, Company shall estimate the cost of the replaced facilities and any planned modifications to existing facilities. Any cost of the required facilities in excess of the cost of any planned modifications to existing facilities plus the cost of preserving existing facilities shall be the basis for the charge.
 - c. If the requested/required facilities replace existing facilities that Company would not otherwise maintain or modify, the cost of the required facilities, plus the cost of removing the existing facilities less their salvage value shall be the basis for the charge.
2. Company's cost of planned and required facilities shall be as follows:
 - a. Costs of planned facilities shall include applicable material and labor costs, including allocation of indirect costs. Indirect costs are comprised of supervision, engineering, transportation, material handling, and administrative cost functions that support actual construction. The amount of the allocation of indirect costs is derived by application of unit costs or allocation percentages, determined from historical experience.

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b. Costs of requested/required facilities shall include the cost items identified in subparagraph (1) (a) above, plus all costs of complying with the requirements of the governmental subdivision including any application process of the governmental subdivision, including the cost of preparing the application, costs of developing alternatives not already studied by Company, cost of estimating the cost of alternatives not already studied by Company, the production of data for consideration in any hearing, and any other direct cost of compliance including any hearing held.

c. Replicable costs from the governmental subdivision and/or its customers will be reduced by the sum of any proceeds received from transportation improvement district funding, joint economic development district funding, tax increment funding, or similar quasi-public funding.

CHARGES

CUSTOMER OR PRIVATE PARTY

The customer or private party will pay in advance the entire estimated cost to construct, modify, relocate, and/or remove the Company's facilities mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment. If the actual cost of the work exceeds the estimate, the customer will be responsible to pay the difference. Similarly, the Company will refund any excess money collected should the estimate exceed the actual cost.

GOVERNMENT ENTITY

These options are available to the government entity (or Administering Agency):

DIRECT

1. The government entity (or Administering Agency) will pay in advance the entire estimated cost to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment. If the actual cost of the work exceeds the estimate, the government entity (or Administering Agency) will be responsible to pay the difference. Similarly, the Company will refund any excess money collected should the estimate exceed the actual cost.

2. Alternatively, government entity (or Administering Agency) will pay the entire actual cost and the Company's associated cost of capital to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment. Said costs will be collected over a period extending no longer than twenty-four (24) months. The twenty-four month period begins when either of the following occurs:

- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been modified, relocated or removed from service; or
- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been constructed and placed into service.

INDIRECT

Should the government entity (or Administering Agency) elect to do so, the entire actual cost and the Company's associated cost of capital to construct, modify, relocate, and/or remove the Company's facilities, mains, service piping, or any other Company-owned equipment, as well as the cost of installing any new facilities and equipment will be collected on a per customer basis, a per one hundred cubic foot (CCF) basis or some combination thereof. Said costs will be collected from all customers whose service address is located within the legal boundaries of said government entity. The cost will be collected in its entirety over a time period not to exceed twenty-four (24) months. The twenty-four (24) month period begins when either of the following occurs:

- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been modified, relocated or removed from service; or
- After the facilities, mains, service piping and/or equipment or any part of said facilities, mains, service piping and/or equipment has been constructed and placed into service.

The charge shall be shown as a separate line item on the customer's bill.

At any time after the commencement of the charge, the charge may be reviewed and, if necessary, adjusted to reflect:

- The number of customers residing or located within the geographical boundary of said governmental entity; and/or
- The amount of energy used by customers residing or located within the geographical boundary of said governmental entity; and/or
- The actual cost of requested/required facilities.

Failure by any customer to pay the charge shall be grounds for disconnection of service to such customer in accordance with Company's Gas Terms and Conditions for Gas Service.

If the government entity (or Administering Agency) rescinds its requirements concerning requested/required facilities, the charge shall continue until the end of the term, twenty-four (24) months subject to any necessary review and adjustment as specified above.

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto, are subject to the jurisdiction of the Public Utilities Commission of Ohio, and to the Company's Service Regulations currently in effect, as filed with the Public Utilities Commission of Ohio.

PROPOSED RIDER ASRP ACCELERATED SERVICE REPLACEMENT PROGRAM RIDER

ACCELERATED SERVICE REPLACEMENT PROGRAM RIDER, SHEET NO. 89

APPLICABILITY

Applicable to all customers receiving service under the Company's sales and transportation rate schedules.

ACCELERATED SERVICE REPLACEMENT PROGRAM FACTORS

All customers receiving service under Rates RS, RSLI, RFT, RFTLI, GS-S, GS-L, FT-S, FT-L and DGS shall be assessed a monthly charge in addition to the Customer Charge component of their applicable rate schedule that will enable the Company to replace pre-1971 coated steel main to curb and curb to meter service lines and unprotected metallic main to curb and curb to meter service lines. In addition and where applicable, the Company will move meters from inside a structure to an acceptable location outside a structure for those services being replaced in conjunction with the ASRP. Customers receiving service under Rates FT and GGT will be assessed a throughput charge in addition to their commodity delivery charge for that purpose.

Rider ASRP will be updated annually, in order to reflect the impact on the Company's revenue requirements of net plant additions as offset by operations and maintenance expense reductions during the most recent twelve months ended December. Such adjustments to the Rider will become effective with the first billing cycle of May.

The charges for the respective gas service schedules are:

Rate RS and RSLI, Residential Service	\$0.00 per month
Rate RFT and RFTLI, Residential Firm Transportation Service	\$0.00 per month
Rate GS-S and GS-L, General Service	\$0.00 per month
Rate DGS, Distributed Generation Service	\$0.00 per month
Rate FT-S and FT-L, Firm Transportation Service	\$0.00 per month
Rate IT, Interruptible Transportation Service	\$0.000000 per CCF
Rate GGT, Gas Generation Interruptible Transportation Rate	\$0.000000 per CCF

These monthly charges shall remain in effect until changed by order of the Public Utilities Commission of Ohio.

PROPOSED RIDER AU ADVANCE UTILITY RIDER

ADVANCE UTILITY RIDER, SHEET NO. 88.3

APPLICABILITY

Applicable to all customers receiving service under the Company's sales and transportation rate schedules.

The charges for the respective gas service schedules are:

Rate RS and RSLI, Residential Service	\$ 0.00 per month
Rate RFT and RFTLI, Residential Firm Transportation Service	\$ 0.00 per month
Rate GS-S and GS-L, General Service	\$ 0.00 per month
Rate DGS, Distributed Generation Service	\$ 0.00 per month
Rate FT-S and FT-L, Firm Transportation Service	\$ 0.00 per month
Rate IT, Interruptible Transportation Service	\$ 0.00 per month
Rate GGT, Spark Spread Interruptible Transportation Rate	\$ 0.00 per month

OTHER PROPOSED CHANGES

The Company proposes to make the following additional changes to its gas tariff:

- Section II -- Supplying and Taking of Service, paragraph 8 -- Right of Way.

The following provision is changed as follows:

8. Right of Way

The customer shall furnish, without cost to the Company, all necessary rights of way upon or across property owned or controlled by the customer for any and all of the Company's facilities that are necessary or incidental to the supplying of service to the customer, or to continue service to the customer. Subsequent to the customer providing the Company with the necessary rights of way to serve the customer, the Company shall serve or continue to provide service to the customer in accordance with the terms and conditions for the taking of service as identified in P.U.C.O. Gas No. 18. Additionally, the customer shall likewise furnish, without cost to the Company, all necessary rights of way upon or across customer's property necessary or incidental to the supplying of service to other customers who are adjacent to or extend beyond the customer's property. The rights of way as required herein shall be in the form of the Company's Grant of Easement, or any other instrument customarily used by the Company for its facilities, or as otherwise determined by the Company, in its discretion, to be satisfactory to it.

- Charge for Reconnection of Service, Sheet No. 82.5.

The following has been added:

Also, if gas service has been disconnected at the request of the customer and, within an eight (8) month period of that disconnection, the customer requests that service be reconnected at the same premises, the Company may refuse gas service to such customer, unless it shall first receive payment equivalent to the appropriate billing of the customer's Fixed Delivery Service Charge for the number of billing periods the service was disconnected, including any necessary prorated charges representing partial bill periods. Where the billing amount reflects a period of more than one (1) month, these amounts shall be prorated based on the normal

scheduled meter reading dates and divided into increments of one (1) month, or less. If the increments represent less than one (1) month, the appropriate Fixed Delivery Service Charge will be billed as a prorated portion of the period as defined by the normal scheduled meter reading date. The appropriate Fixed Delivery Service Charge is defined by the rate under which the customer requested that the service be disconnected as is set forth in the following tariff sheets:

Sheet No. 30 Rate RS, Residential
Sheet No. 32 Rate GS-S, General Service -- Small
Sheet No. 33 Rate RFT, Residential Firm Transportation
Sheet No. 34 Rate RSLI, Residential Low Income Pilot
Sheet No. 35 Rate GS-L, General Service -- Large
Sheet No. 36 Rate RFTLI, Residential Firm Transportation Service -- Low Income
Sheet No. 37 Rate FT-L, Firm Transportation Service -- Large
Sheet No. 52 Rate FT-S, Firm Transportation Service -- Small

The above proposed provisions, rates, and charges are subject to changes, including changes as to amount and form, by The Public Utilities Commission of Ohio following a public hearing on the filed application. Recommendations that differ from the filed application may be made by the Staff of The Public Utilities Commission of Ohio or by intervening parties and may be adopted by the Commission.

Any person, firm, corporation or association may file, pursuant to Section 4909.19 of the Revised Code, an objection to such proposed increased rates by alleging that such proposals are unjust and discriminatory or unreasonable.

Any person, firm, corporation or association may file a motion to intervene. Interveners may obtain copies of the application and other filings made by the Company by contacting Ms. Dianne Muhlen at (513) 287-4337, Duke Energy Ohio, Inc.

WHEREFORE, since the rates, prices, charges, and other provisions in Duke Energy Ohio's current electric rate schedules do not yield just and reasonable compensation to Duke Energy Ohio for supplying electric distribution service to the customers to which they are applicable, do not yield a just and reasonable return to Duke Energy Ohio on the value of the property used for furnishing such electric distribution service to such customers, and result in the taking of Duke Energy Ohio's property for public use without compensation and without due process of law, Duke Energy Ohio respectfully prays that your Honorable Commission:

- Accept this Application for filing;
- Find that this Application and the attached Schedules filed herewith and incorporated herein, are in accordance with R. C. 4909.18 and the Rules of the Commission;
- Approve the Form of Notice in the attached Schedule S-3;
- Find that the current rates, prices, and charges for electric service are unjust, unreasonable and insufficient to yield reasonable compensation to Duke Energy Ohio for the electric distribution service rendered;
- Find that the proposed rates, prices, and charges are just and reasonable based upon the test period for the twelve months ending December 31, 2012, and approve such schedules in the form tendered herewith;
- Find that Duke Energy Ohio is in compliance with R. C. 4905.35;
- Approve Duke Energy Ohio's Application for an Increase in Gas Rates consistent with the Commission's approval of Duke Energy Ohio's proposed rates in Case No. 12-1685-GA-AIR;
- Approve Duke Energy Ohio's Application for Tariff Approval consistent with the Commission's approval of Duke Energy Ohio's proposed tariffs in Case No. 12-1686-GA-AIA;
- Approve Duke Energy Ohio's Application for Approval of an Alternative Rate Plan for Gas Distribution Service consistent with the Commission's approval of Duke Energy Ohio's proposed alternative rate plan in Case No. 12-1687-GA-AIT;
- Approve Duke Energy Ohio's Application for Approval to Change Accounting Methods consistent with the Commission's approval of Duke Energy Ohio's proposed deferrals in Case No. 12-1688-GA-AAM;
- Fix the date on or after which applicable services provided to non-residential customers are subject to the proposed rates at January 1, 2013; and
- Fix the date on or after which applicable services provided to residential customers are subject to the proposed rates at January 1, 2013.

Recommendations that differ from this application may be made by the Public Utilities Commission staff or by intervening parties and may be adopted by the Commission. Any person, firm, corporation, or association may file, pursuant to Section 4909.19 of the Ohio Revised Code, an objection to the proposed natural gas rate increases by alleging that such proposals are unjust and discriminatory or unreasonable.

A copy of the application is available for inspection at the main office of the Company at 139 East Fourth Street, Cincinnati, Ohio, or 644 Linn Street, Cincinnati, Ohio, or at the Public Utilities Commission of Ohio, 180 East Broad Street, Docketing Division, 11th Floor, Columbus, Ohio 43215-3793. The application and supporting documents may also be viewed at the Commission's web page at <http://www.puc.ohio.gov>, by selecting DIS, inputting 12-1685 in the case lookup box, and selecting the date the application was filed.

DUKE ENERGY OHIO, INC.