

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of)
Duke Energy Ohio, Inc., for an) Case No. 12-1682-EL-AIR
Increase in Electric Distribution Rates.)

In the Matter of the Application of)
Duke Energy Ohio, Inc., for Tariff) Case No. 12-1683-EL-ATA
Approval.)

In the Matter of the Application of)
Duke Energy Ohio, Inc., for Approval) Case No. 12-1684-EL-AAM
to Change Accounting Methods.)

(PUBLIC VERSION)

**DIRECT TESTIMONY
OF
JAMES E. GOULD**

On Behalf of
The Office of the Ohio Consumers' Counsel
10 West Broad Street, Suite 1800
Columbus, Ohio 43215-3485
(614) 466-8574

February 19, 2013

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SCHEDULES

JEG-C-3.8a	Personal Property Tax Adjustment
JEG-C-3.8b	Real Property Tax Adjustment
JEG-C-3.8c	Total Property Tax Adjustment
JEG-C-3.14a	Non-Jurisdictional Expense Adjustment
JEG-B-6.1a	Unclaimed Funds Adjustment

ATTACHMENTS

JEG-1	Duke Response to OCC Interrogatory No. 15
JEG-2	Staff Data Request 14-001 Attachment, Balance Sheet Detail For Schedule B-6, page 3 of 3
JEG-3	Duke Response to OCC-01-008, Attachment (a)
JEG-4	Duke Response to OCC-01-008, Attachment (b)

1 **I. INTRODUCTION**

2

3 ***Q1. PLEASE STATE YOUR NAME, ADDRESS AND POSITION.***

4 ***A1.*** My name is James E. Gould. My business address is 10 West Broad Street, Suite
5 1800, Columbus, Ohio 43215-3485. I am employed by the Office of the Ohio
6 Consumers' Counsel ("OCC") as a Senior Regulatory Analyst.

7

8 ***Q2. WHAT IS YOUR EDUCATIONAL BACKGROUND?***

9 ***A2.*** I earned a Master of Business Administration degree from Ashland University in
10 2002. I also obtained a Bachelor of Arts degree from Ohio State University in
11 2004 and a Bachelor of Science degree from Franklin University in 1994.

12

13 ***Q3. PLEASE SUMMARIZE YOUR WORK EXPERIENCE.***

14 ***A3.*** I was first employed by the OCC from April of 2010 to February 2011 as a Senior
15 Regulatory Analyst. After a break in service, I was re-employed in December of
16 2012, again as a Senior Regulatory Analyst. Prior to my employment with the
17 OCC, I worked for the Public Utilities Commission of Ohio ("PUCO" or
18 "Commission") from January 1987 until April 2008. During my tenure with the
19 Staff of the Commission ("Staff"), I held various positions of increasing
20 responsibilities including Utility Examiner, Utility Specialist II, and Utility
21 Specialist III. During my time at the PUCO, I served as the Commission's rate
22 case manager. In that position I coordinated the filing and processing of utility
23 company requests for rate increases. I also reviewed utility company filings for

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1 increases in rates for compliance with Commission regulations. Additionally, I
2 investigated and processed utility company requests seeking Commission
3 authority to increase rates. My current duties as an OCC Senior Regulatory
4 Analyst include investigation and analysis of utility applications for increases in
5 rates. I also participate on special projects and investigations of utility filings in
6 the electric, gas, and water industries.

7

8 ***Q4. HAVE YOU PREVIOUSLY TESTIFIED IN UTILITY REGULATORY***
9 ***PROCEEDINGS?***

10 ***A4.*** No.

11

12 ***Q5. WHAT HAVE YOU RELIED UPON IN THE PREPARATION OF YOUR***
13 ***TESTIMONY?***

14 ***A5.*** I reviewed relevant portions of Duke Energy Ohio's ("Duke") Application,
15 Standard Filing Requirements and associated workpapers, Duke's Testimony, the
16 PUCO Staff Report of Investigation ("Staff Report") and associated workpapers,
17 and Duke's responses to discovery requests propounded by OCC and requests by
18 the Staff. I also reviewed opinions and orders from other regulatory proceedings
19 related to matters in my testimony.

20

1 **II. PURPOSE OF TESTIMONY**

2

3 ***Q6. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS***

4 ***PROCEEDING?***

5 **A6.** My testimony supports OCC objections 19, 21, and 4 to the Staff Report, and
6 addresses the issues raised by those objections as they relate to the determination
7 of operating income and rate base. Specifically, I will address OCC's objections
8 related to property tax expense, non-jurisdictional operating expenses, and
9 unclaimed funds as they relate to the determination of rate base.

10

11 **III. PROPERTY TAX EXPENSE**

12

13 ***Q7. DID DUKE INCLUDE PROPERTY TAX EXPENSE IN ITS APPLICATION?***

14 **A7.** Yes.

15

16 ***Q8. HOW DID DUKE CALCULATE PROPERTY TAX EXPENSE IN ITS***
17 ***APPLICATION?***

18 **A8.** In test year adjusted operating expenses, Duke included a total of \$70,542,069 for
19 property tax expense.¹ Duke calculated this annualized level of property tax
20 expense by applying estimated assessment valuation percentages of 38.427% and
21 11.838% to date certain plant balances as of March 31, 2012.² Duke derived the

¹ Duke Workpaper WPC-3.8a.

² Duke Workpapers WPC-3.8a and WPC-3.8b.

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1 estimated assessment valuation percentages by dividing its assessed property tax
2 values (taken from Duke's Ohio Department of Taxation, 2011 Valuation Notice)
3 by the book value of certain plant balances as of December 31, 2010, as shown on
4 Duke's 2010 FERC Form 1.³ Duke then multiplied the plant balances subject to
5 taxation by Duke's current average personal property tax rate of \$89.058 per
6 thousand dollars of valuation to arrive at the estimated total property tax expense
7 of \$70,542,069.⁴

8
9 ***Q9. DID THE STAFF MAKE ANY ADJUSTMENTS TO PROPERTY TAX***
10 ***EXPENSE?***

11 ***A9.*** Yes.

12
13 ***Q10. WHAT ADJUSTMENTS DID THE STAFF MAKE TO DUKE'S PROPERTY***
14 ***TAX EXPENSE CALCULATION?***

15 ***A10.*** The Staff's adjustment to Duke's estimate of property tax expense is shown on
16 Schedule C-3.8 of the Staff Report. That schedule shows that the Staff estimated
17 total property tax expense of \$71,284,157 – a \$4,690,357 increase to test year
18 property tax expense. The Staff used the same methodology as that used by Duke
19 in its estimate of total property tax expense. However, the Staff's adjustment

³ See Calculations on Duke Workpaper WPC-3.8b.

⁴ Duke Workpaper WPC-3.8a.

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1 includes “the latest rates and valuation percentages”⁵ applied to certain plant
2 balances as of March 31, 2012.

3
4 The Staff’s use of updated plant assessment values and the latest known
5 distribution, general, and common plant balances as of December 31, 2011, taken
6 from Duke’s 2011 FERC Form 1, resulted in the Staff’s calculation of higher
7 assessment valuation percentages than Duke’s calculations. When applied to
8 adjusted date certain plant balances, the Staff’s calculations resulted in a larger
9 estimate of property tax expense. In addition, the Staff’s property tax expense
10 adjustment, as shown on Staff Report Schedule C-3.8, blends both personal
11 property plant and real property plant together and then applies the higher Duke-
12 calculated personal property average tax rate of \$89.058 per thousand dollars of
13 valuation to both property categories. As a result, the Staff arrived at an
14 overstated annualized level of property tax expense. Thus, the Staff is proposing
15 a level of property tax expense that is too high for including in the rates that
16 customers would pay.

17
18 ***Q11. DO YOU AGREE WITH THE STAFF’S PROPERTY TAX CALCULATIONS?***

19 ***A11.*** No.

20

⁵ Staff Report at 12.

**Q12. HOW DOES YOUR CALCULATION OF PROPERTY TAX EXPENSE
DIFFER FROM THE STAFF'S CALCULATION?**

A12. My calculation of total property tax expense differs significantly from the Staff's calculation. First, my calculation includes a separate calculation for both personal property tax expense and real property tax expense. Those calculations are shown on Schedules JEG-C-3.8a and JEG-C-3.8b, respectively. Performing a separate calculation for the property categories allows the proper assignment of Duke's personal property average tax rate of \$89.058⁶ to personal property taxable plant values and Duke's real property average tax rate of \$56.428⁷ per \$1,000 to the real property taxable plant values. By performing separate calculations, I was able to apply the correct tax rate to the correct property category, resulting in a more accurate estimate of Duke's property tax expense than that calculated by the Staff.

Second, the Staff's adjustment includes a calculation of an estimated assessment valuation percentage of 38.855% that it derived by dividing the assessed value of distribution plant by the book value of distribution plant, as of December 31, 2011. The only plant category that the Staff used to develop this assessment valuation percentage was distribution plant.

⁶ Duke Workpaper WPC-3.8c.

⁷ Duke response to Staff-DR-25-001, Attachment (a).

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1 Additionally, the Staff calculated an assessment valuation percentage of 12.965%,
2 which was calculated by dividing the assessed value of both general and common
3 plant by the book value of general and common plant as of December 31, 2011.

4 The Staff in its calculation of property tax expense applied the higher assessment
5 valuation percentage of 38.855% to common plant to arrive at that plant's taxable
6 value. I disagree with the Staff's assignment of its calculated distribution
7 assessment valuation percentage of 38.855% to common plant. This calculation
8 overstates the taxable value of common plant and therefore results in an
9 inappropriately elevated annualized level of property tax expense that would be
10 unreasonable for setting the rates that customers would pay.

11
12 Third, during my investigation of property tax in this case, I requested that Duke
13 provide the assessment valuation percentage for real property broken down into
14 the individual plant categories of Distribution, General, and Common. Included
15 in Schedule JEG-C-3.8b⁸ are Duke's calculated assessment valuation percentages
16 provided in response to my request. Those real property assessment valuation
17 percentages of 5.725% and 14.703% are much lower than the personal property
18 assessment valuation percentage of 38.855%, which the Staff used to calculate
19 real property taxable plant value. In my calculation of real property tax expense,
20 shown on Schedule JEG-C-3.8b, I applied the Duke calculated valuation
21 percentages of 5.725% and 14.703% to distribution and general and common real

⁸ Duke response to OCC-INT-18-188, Attachment page 1 of 1.

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1 plant balances, respectively. Thus, my calculation of real property tax expense
2 includes the assessment valuation percentages Duke calculated specifically for
3 real property. This calculation of real property expense, as shown on Schedule
4 JEG-C-3.8b, produces a more accurate estimate of this expense than that
5 calculated by the Staff.

6
7 ***Q13. ARE THERE ADDITIONAL DIFFERENCES IN YOUR CALCULATION OF***
8 ***PROPERTY TAX EXPENSE FROM THE STAFF'S CALCULATION?***

9 ***A13.*** Yes.

10
11 ***Q14. WHAT ARE THOSE ADDITIONAL DIFFERENCES?***

12 ***A14.*** In my calculation of property tax expense, I calculated a taxable property
13 valuation balance for four different plant categories – (1) Distribution, (2)
14 General, (3) Common, and (4) Material & Supplies. The taxable value of each
15 plant category was calculated by multiplying the appropriate assessment rate
16 taken from the most current Ohio Department of Taxation, 2012 Valuation Notice
17 to the true value for each of the four plant categories. Those calculations are
18 shown on Schedule JEG-C-3.8a.

19
20 The true value for each plant category was taken from Duke's 2012 Ohio Property
21 Annual Tax Report, filed with and approved by the Ohio Department of Taxation.
22 I then divided the taxable value of each of the four plant categories by that plant's
23 ending balance as shown on Duke's 2012 Ohio Property Annual Tax Report, to

1 derive my “Taxable Value to Plant Value” percentages. Those calculated
2 percentages were then applied to the Staff-adjusted distribution plant balances.
3 My calculation of the Staff-adjusted distribution plant balances includes the
4 removal of real property plant balances shown on Schedule JEG-C-3.8b. I
5 excluded real property plant balances from my calculation of personal property
6 tax expense so as not to include the taxable value of real property twice in my
7 calculation of total personal and real property tax expense. I then applied Duke’s
8 personal property tax rate of \$89.058 per \$1,000 to the adjusted plant allocated to
9 “Distribution Taxable Value,” listed on Schedule JEG-C-3.8a, to arrive at my
10 estimate of the Duke’s personal property tax expense.

11
12 My estimate of total personal and real property tax expense is shown on Schedule
13 JEG-C-3.8c. That schedule shows an adjusted total property tax expense of
14 \$66,034,635, which is lower than the expense proposed by Duke and the PUCO
15 Staff, meaning that the rates paid by customers would be lower using my
16 proposal. I provided this amount to OCC Witness Soliman, as reflected on OCC
17 Schedule C-3.8 of his testimony.

18
19 **IV. NON-JURISDICTIONAL EXPENSES**

20
21 ***Q15. DID THE STAFF MAKE AN ADJUSTMENT TO NON-JURISDICTIONAL***
22 ***EXPENSES?***

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1 **A15.** Yes. Through its Schedule C-3.14, the Staff excluded \$618,056 of expenses as
2 “non-jurisdictional expenses.” This is the same level of expense excluded by
3 Duke for non-jurisdictional expense in its application on Schedule C-3.14.
4 Included in the expenses disallowed by the Staff were costs for industry
5 association dues, advertising, and other expenses the Staff deemed inappropriate
6 for determining electric distribution rates that Duke’s customers will pay.

7
8 **Q16. DO YOU AGREE WITH THE STAFF’S ADJUSTMENT?**

9 **A16.** I agree with the exclusion of \$618,056 identified by the Staff. But I also
10 recommend the exclusion of an additional \$122,732 in expenses from test year
11 operating expenses, for a total exclusion of \$740,788. The additional expenses I
12 recommend be removed from the test year are expenses for corporate community
13 relations and governmental affairs-federal. My total non-jurisdictional expenses
14 adjustment of \$740,788 is shown on Schedule JEG-C-3.14a. I provided this
15 adjustment to OCC Witness Soliman, as shown on OCC Schedule C-3.14.

16
17 **Q17. WHY HAVE YOU EXCLUDED CORPORATE COMMUNITY RELATIONS**
18 **AND GOVERNMENTAL AFFAIRS-FEDERAL EXPENSES FROM TEST**
19 **YEAR OPERATING EXPENSE?**

20 **A17.** I excluded corporate community relations expense from test year operating
21 expenses because Duke incurred these costs for the administration and

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1 management of various Duke-sponsored charity programs and activities.⁹ A
2 review of these expenses shows that they include the salary expense for the Duke
3 Foundation Manager who oversees the operation of the Duke Foundation,
4 including its programs and processes that support Duke philanthropy.¹⁰ Based on
5 a Supreme Court decision,¹¹ the Commission has held that charitable
6 contributions are not a cost to the utility for the rendition of public utility
7 service.¹² Costs associated with charitable donations should not be included in
8 operating expenses and, therefore, should not be paid to the utility by customers.
9
10 Duke's Governmental Affairs-Federal Expenses do not provide a direct and
11 primary benefit to customers. Additionally, these expenditures should be
12 excluded because they support lobbying-related activities. Indeed, a review of
13 these expenditures shows that some of them were used to support the efforts of
14 federal and state governmental affairs to effectively manage, on behalf of the
15 corporation, the political strategy surrounding political action committee,
16 corporate and other political contributions to elected officials.¹³ The Commission

⁹ Duke response to OCC-INT-01-008, Attachment (b) (see Attachment JEG-4).

¹⁰ Duke response to OCC-INT-01-008, Attachment (a) (see Attachment JEG-3).

¹¹ *Cleveland v. Public Utilities Commission*, 63 Ohio St. 2d 62, 406 N.E.2d 1370 (1980).

¹² *In the Matter of the Application of the Cleveland Electric Illuminating Company for Authority to Amend and Increase Certain of its Filed Schedules Fixing Rates and Charges for Electric Service*, Case No. 78-677-EL-AIR, Order on Rehearing at 7 (Jan. 21, 1981).

¹³ Duke response to OCC-INT-01-008, Attachments (a) and (b) (see Attachments JEG-3 and JEG-4).

1 has consistently excluded lobbying-related expenses in numerous proceedings,
2 and should protect customers from paying those expenses to Duke.¹⁴

3

4 **V. UNCLAIMED FUNDS**

5

6 ***Q18. DID THE STAFF INCLUDE UNCLAIMED FUNDS AS AN OFFSET TO***
7 ***RATE BASE ON SCHEDULE B-6, OTHER RATE BASE ITEMS?***

8 ***A18.*** No. The Staff did not reduce rate base by the balance of unclaimed funds as of
9 date certain despite the Commission's previous determination that these funds
10 should be excluded from rate base to ensure that Duke's investors do not earn a
11 return on non-investor supplied funds.¹⁵

12

13 ***Q19. WHAT DO YOU PROPOSE WITH REGARD TO THE UNCLAIMED FUNDS***
14 ***BALANCE?***

15 ***A19.*** I propose that the unclaimed funds balance be used to reduce rate base. This
16 adjustment should have been included on Schedule B-6, Other Rate Base Items of
17 the Staff Report.

18

¹⁴ Ohio Bell Telephone Company, Case No. 79-1184-TP-AIR, (Entry on Rehearing); Cincinnati Bell Telephone Company, Case No. 80-476-TP-AIR, Opinion and Order (May 19, 1981); Ohio Bell Telephone Company, Case No. 81-436-TP-AIR, Opinion and Order at 21 (April 21, 1982).

¹⁵ Columbus Southern Power Company, Case No. 91-418-EL-AIR, Opinion and Order at 44-45 (May 12, 1992).

1 ***Q20. WHY ARE YOU PROPOSING SUCH AN ADJUSTMENT?***

2 ***A20.*** Rate base represents the investment (i.e., plant and other assets) upon which a
3 utility's investors are allowed the opportunity to earn a return.¹⁶ If the funds for
4 the investment are provided to the utility from sources other than investors, then
5 rate base should be reduced to recognize those other sources. For example, the
6 rational for excluding customer deposits from rate base is to ensure that Duke's
7 investors do not earn a return on non-investor supplied funds and to ensure that
8 Duke's customers do not pay a return on non-investor supplied funds.¹⁷ Since
9 unclaimed funds are not supplied by investors, they should also be excluded from
10 rate base.

11

12 ***Q21. HOW DID YOU ARRIVE AT YOUR ADJUSTMENT TO RATE BASE FOR***
13 ***UNCLAIMED FUNDS?***

14 ***A21.*** Through discovery, Duke responded that it had an unclaimed fund balance at date
15 certain of \$207,252 (see Attachment JEG-1). In that same discovery response,
16 Duke stated that it did not track unclaimed funds by electric and gas operations.
17 As such, I have calculated an allocation factor developed from balances shown in
18 Duke's account titled "Special Customer Deposits," which was provided in
19 response to the Staff's Data Request-14-001 (see Attachment JEG-2). I then
20 applied this calculated allocation factor of 67.0053% to Duke's total unclaimed

¹⁶ See, Staff Report at 4 for the Staff's explanation of rate base.

¹⁷ See, Duke Witness Laub testimony at 8 (July 20, 2012) for an explanation that customer service deposits "provide the Company with a source of capital."

1 funds balance of \$207,252 to arrive at my exclusion of \$138,870 to Duke's rate
2 base. This adjustment to reduce Duke's rate base is set forth on my Schedule
3 JEG-B-6.1a, which was provided to OCC Witness Soliman and is reflected on
4 Schedule OCC-B-6.

5
6 **VI. CONCLUSION**

7
8 ***Q22. WHAT ARE YOUR RECOMMENDATIONS TO DUKE'S OPERATING***
9 ***INCOME AND RATE BASE?***

10 ***A22.*** I recommend that the Commission adjust test year operating expense to include an
11 annualized level of \$66,034,635 for real and personal property tax expense.
12 Accepting this recommendation would result in a \$559,165 reduction to Duke's
13 test year operating expense. I also recommend the exclusion of \$618,056 to non-
14 jurisdictional operating expense shown on Staff's Schedule C-3.14 and an
15 additional exclusion of \$122,732, for a total exclusion of \$740,788. Finally, I
16 propose the unclaimed funds balance at date certain of \$138,870 be used to reduce
17 Duke's rate base.

18
19 ***Q23. DOES THIS CONCLUDE YOUR TESTIMONY AT THIS TIME?***

20 ***A23.*** Yes. However, I reserve the right to incorporate new information that may
21 subsequently become available. I also reserve the right to supplement my
22 testimony in the event that Duke, the PUCO Staff or other parties submit new or
23 corrected information, if additional information is provided through discovery

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- 1 and/or if the PUCO Staff provides testimony and/or changes any of its positions
- 2 made in the Staff Report.

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing *Direct Testimony of James E. Gould (Public Version)* was served via electronic transmission to the persons listed below on this 19th day of February 2013.

/s/ Terry L. Etter

Terry L. Etter
Assistant Consumers' Counsel

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**Duke Energy Ohio
Case No. 12-1682-EL-AIR
OCC First Set of Interrogatories
Date Received: July 31, 2012**

OCC-INT-01-015

REQUEST:

If the Company has any unclaimed funds as of the date certain in this case, please provide the dollar amount of the unclaimed funds balance as of the date certain.

RESPONSE:

Total unclaimed funds for Duke Energy Ohio are \$207,251.90. This includes unclaimed funds for customer deposits of \$158,182.16 and for vendor and payroll checks of \$49,069.74. The company does not track these by gas and electric.

PERSON RESPONSIBLE: Peggy Laub

Duke Energy Ohio
Case No. 12-1682-EL-AIR
Staff Fourteenth Set Data Requests
Date Received: August 3, 2012

STAFF-DR-14-001

REQUEST:

Please provide the balance sheet as of date certain reflecting all items listed on Schedule B-6.

RESPONSE:

See Staff-DR-14-001 Attachment.

PERSON RESPONSIBLE: Peggy Laub

DUKE ENERGY OHIO
Balance Sheet Detail for Schedule B-6

<i>Assets</i>	March 2012	Gas	Electric
	<u>YTD (1)</u>	<u>B-6</u>	<u>B-6</u>
0182023 - AMRP 2001 Plast Carry Costs	290,110		290,110
0182025 - AMRP 2001 Services Carry Costs	49,651		49,651
0182031 - AMRP 2002 Steel Carry Costs	236,784		236,784
0182033 - AMRP 2002 Plast Carry Costs	558,653		558,653
0182035 - AMRP 2002 Services Carry Costs	97,391		97,391
0182041 - AMRP 2003 Steel Carry Costs	333,257		333,257
0182043 - AMRP 2003 Plastic Carry Costs	516,112		516,112
0182045 - AMRP 2003 Services Carry Costs	138,655		138,655
0182051 - AMRP 2004 Steel Carry Costs	241,636		241,636
0182053 - AMRP 2004 Plastic Carry Costs	644,119		644,119
0182055 - AMRP 2004 Services Carry Costs	127,981		127,981
0182061 - AMRP 2005 Steel Carry Costs	49,881		49,881
0182062 - AMRP 2005 Plastic Carry Costs	869,620		869,620
0182063 - AMRP 2005 Services Carry Costs	150,384		150,384
0182071 - AMRP 2006 Steel Carry Costs	126,798		126,798
0182072 - AMRP 2006 Plastic Carry Costs	1,087,385		1,087,385
0182073 - AMRP 2006 Services Carry Costs	112,736		112,736
0182081 - AMRP 2007 Steel Carry Costs	168,069		168,069
0182082 - AMRP 2007 Plastic Carry Costs	1,426,038		1,426,038
0182083 - AMRP 2007 Services Carry Costs	127,191		127,191
0182091 - AMRP 2008 Steel Carry Costs	110,688		110,688
0182092 - AMRP 2008 Plastic Carry Costs	624,669		624,669
0182093 - AMRP 2008 Services Carry Costs	174,013		174,013
0182363 - 2008 SmartGrid PISCC	396,588		69,515

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0182101 - AMRP 2009 Steel Carry Costs	27,586	
0182102 - AMRP 2009 Plastic Carry Costs	952,597	
0182103 - AMRP 2009 Services Carry Cost	150,719	
0182104 - AMRP 2009 Risers Carry Costs	158,311	
0182094 - AMRP 2008 Risers Carry Costs	14,547	
0182368 - 2009 SmartGrid PISCC	1,668,482	
0182372 - 2010 SmartGrid PISCC	2,949,914	
0182378 - 2011 SmartGrid PISCC	5,060,583	
0182116 - AMRP 2010 Steel Carry Costs	19,736	
0182117 - AMRP 2010 Plastic Carry Costs	1,017,059	
0182118 - AMRP 2010 Service Carry Costs	476,438	
0182119 - AMRP 2010 Risers Carry Costs	453,061	
0182120 - AMRP 2011 Steel Carry Costs	20,453	
0182121 - AMRP 2011 Plastic Carry Costs	675,454	
0182122 - AMRP 2011 Service Carry Costs	482,817	
0182123 - AMRP 2011 Risers Carry Costs	156,027	
0182125 - AMRP 2012 Plastic Carry Costs	386	
0182126 - AMRP 2012 Service Carry Costs	19,684	
0182127 - AMRP 2012 Risers Carry Costs	838	
0182337 - 2012 Smart Grid PISCC	797,365	
Sub-Total PISCC	15,796,710	

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0190000 - Adit: Assets			
0190001 - Adit: Prepaid: Federal Taxes	19,119		
0190002 - Adit: Prepaid: State Taxes	127,420,035	20,548,696	29,647,357
0190008 - Deferred Federal Tax Asset - Current	1,882,996	269,855	461,385
0190009 - Deferred SIT - Current	44,367,290	12,124,517	4,841,119
	421,283	115,171	7,834
Total	174,110,723	33,058,239	34,957,695
<i>Liabilities and Other Credits</i>			
0235140 - Special Customer Deposits	25,619,838	8,453,180	17,166,658
0252050 - Gas Contributions Post 1992	3,597,473	3,597,473	
0255000 - Accum Def Inv Tax Credits	5,568,493	2,851,685	2,047,402
0282100 - Adit: PpandE: Federal Taxes	1,296,543,545	264,015,333	361,545,558
0282101 - Adit: PpandE: State Taxes	25,429,890	7,220,122	2,049,316
Total Account 282	1,321,973,435	271,235,455	363,594,874
0283011 - Current Portion - Dlt	(2,148,270)	(5,791,368)	1,506,175
0283100 - Adit: Other: Federal Taxes	246,844,582	48,822,778	46,447,399
0283101 - Adit: Other: State Taxes	6,707,427	909,251	888,479
0283012- Current Portion - DSIT	(40,008)	(107,855)	28,050
Total Account 283	251,363,731	43,832,806	48,870,103

(1) Balance per Supplemental D(15) Test Year Trial Balance

**Duke Energy Ohio
Case No. 12-1682-EL-AIR
OCC First Set of Interrogatories
Date Received: July 31, 2012**

OCC-INT-01-008

REQUEST:

If the response to any or all subparts of the previous Interrogatory is affirmative, what is:

- a. The test year unadjusted and adjusted expense, by account, and by each type of activity listed in (a) through (d) of the previous Interrogatory?
- b. The names, titles and job description of each employee for which associated expenses are provided in response to part (a) of the Interrogatory?
- c. A description of the activities and responsibilities of each employee provided in response to part (b) of the Interrogatory?

RESPONSE:

- a. See OCC-INT-01-008 Attachment (a).
- b. Objection. Over broad and irrelevant. This information is not likely to lead to the discovery of admissible evidence as to employee names. Without waiving said objection, see OCC-INT-01-008 Attachment (b).
- c. See response to item b.

PERSON RESPONSIBLE:

- a. Peggy A. Laub
- b. Peter Kostiw

DUKE ENERGY OHIO, INC.
ELECTRIC DEPARTMENT

Center	Center Description	Account	Unadjusted Test Year Amount			Allocation Code	Allocation	Distribution Amount	Adjusted in Sch C-3.4	Eliminated in Sch C-3.14	Adjusted Distribution Case	
			Labor	Non-Labor	Total							
8756	Fed Gov & Reg Staff	920000	43,739	11,183	54,922	DLAB	87.319%	47,957	(10,824)	(8,043)	29,090	
		921100	0	12,085	12,085	DLAB	87.319%	10,553		(823)	9,730	
		921200	0	1,471	1,471	DLAB	87.319%	1,284		(3)	1,281	
		923000	0	322	322	DLAB	87.319%	281		(281)	0	
		926600	0	13,331	13,331	DLAB	87.319%	11,640		(2,078)	9,564	
8771	FERC	920000	13,525	3,421	16,946	DLAB	87.319%	14,797	(224)	(3,245)	11,328	
		921100	0	1,133	1,133	DLAB	87.319%	989		(313)	676	
		921200	0	75	75	DLAB	87.319%	65		(10)	55	
		923000	0	105,998	105,998	DALL	87.319%	92,555		(79,881)	12,574	
		926600	0	3,668	3,668	DLAB	87.319%	3,203		(712)	2,491	
8986	Federal Regulatory Policy	920000	33,689	8,827	42,516	DLAB	87.319%	36,950	1,228	(9,012)	29,166	
		921100	0	3,496	3,496	DLAB	87.319%	3,063		(108)	2,947	
		921200	0	1,095	1,095	DLAB	87.319%	956		(21)	935	
		923000	0	11,277	11,277	DLAB	87.319%	9,847			9,847	
		926600	0	9,139	9,139	DLAB	87.319%	7,680		(1,852)	6,028	
930210	0	203,156	203,156	DLAB	87.319%	177,394		0	177,394			
S409	Government & Reg. Affairs - KY	921100	0	1,522	1,522	DLAB	87.319%	1,329		(1,329)	0	
		921200	0	1,308	1,308	DLAB	87.319%	1,142		(1,142)	0	
9903	Governmental Affairs - Federal	920000	15,279	18,738	34,015	DLAB	87.319%	29,702	(2,083)	0	27,619	
		921100	0	6,975	6,975	DLAB	87.319%	6,091		0	6,091	
		921200	0	46,946	46,946	DLAB	87.319%	40,993		0	40,993	
		921400	0	4	4	DLAB	87.319%	3		0	3	
		923000	0	3,078	3,078	DLAB	87.319%	2,688		0	2,688	
926600	0	7,673	7,673	DLAB	87.319%	6,700		0	6,700			
S397	BR&D - Community Relations	588100	0	0	0	DALL	100.000%	0	3,499	0	3,499	
		903000	0	0	0	DALL	100.000%	0	308	0	308	
		910000	206,830	319,910	526,740	DALL	100.000%	526,740	52,581	0	579,321	
		920000	0	0	0	DALL	100.000%	0	2,545	0	2,545	
		921200	0	4	4	DLAB	87.319%	3		0	3	
		923000	0	5,526	5,526	DLAB	87.319%	4,825		0	4,825	
		926600	0	56,063	56,063	DLAB	87.319%	48,971		0	48,971	
		931001	0	57	57	DLAB	87.319%	50		0	50	
S408	Government & Reg Affairs - OH	903000	0	23	23	DALL	100.000%	23	174	0	197	
		920000	84,768	22,604	107,372	DLAB	87.319%	93,756	(17,839)	0	75,917	
		921100	0	92,402	92,402	DLAB	87.319%	80,685		0	80,685	
		921200	0	23,969	23,969	DLAB	87.319%	20,929		0	20,929	
		923000	0	91,571	91,571	DLAB	87.319%	79,959		0	79,959	
		926600	0	35,158	35,158	DLAB	87.319%	30,700		0	30,700	
930200	0	7,596	7,596	DLAB	87.319%	6,633		0	6,633			
9421	Corporate Community Relations	920000	21,375	9,080	30,455	DLAB	87.319%	26,593	(749)	0	25,844	
		921100	0	4,435	4,435	DLAB	87.319%	3,873		0	3,873	
		921200	0	3,801	3,801	DLAB	87.319%	3,319		0	3,319	
		923000	0	514	614	DLAB	87.319%	536		0	536	
		926600	0	5,802	5,802	DLAB	87.319%	5,068		0	5,068	
			419,205	1,154,352	1,573,557				1,440,813	28,816	(109,049)	1,360,380

**Duke Energy Ohio
Case No. 12-1682-EL-AIR
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RESPONSE:

- a. See OCC-INT-01-008 Attachment (a).
- b. Objection. Over broad and irrelevant. This information is not likely to lead to the discovery of admissible evidence as to employee names. Without waiving said objection, see OCC-INT-01-008 Attachment (b).
- c. See response to item b.

PERSON RESPONSIBLE:

- a. Peggy A. Laub
- b. Peter Kostiw

Resp Center LAUR	Co	Title	Description
8756	110	VP Federal Regulatory Policy	Responsible for developing, coordinating, and advocating federal regulatory policy, with a focus on matters affecting electric markets and operations. Anticipates and researches opportunities and risks related to federal regulation of the electric and gas distribution business, with a specific focus on transmission and generation issues. Serves as Duke Energy's lead regulatory policy interface with Federal Energy Regulatory Commission, other federal administrative agencies regulating some aspect of Duke Energy's business (i.e., Department of Energy, Federal Communications Commission), and with national non-governmental entities on federal regulatory policy issues. Works closely with Federal Policy & Government Affairs to ensure successful implementation of legislative and regulatory policies and strategies, and coordinates with state regulatory and legislative policy leaders to ensure alignment on policy issues.
8756	110	VP Federal Policy & Govt Affairs	Has primary responsibility for representing the organization in legislative and regulatory matters with federal, state and local governments by providing policy direction, coordinating operating unit government affairs initiatives and lobbying for the organization's interests.
8756	110	VP EH&S Policy	Has primary responsibility for developing the organization's positions on environmental policy issues regarding the impact of the organization's operations on water, air and land quality. Responsible for establishing organization-wide policies and programs that comply with regulations and ensure overall compliance at all sites.
8771	110	Sr Counsel	Provides counsel to gas and electric management on pending proposed FERC proceedings on services, pricing, rates, take-or-pay provisions, and tariffs, which require a broad thorough understanding of the regulated energy industry. Responsible for regulatory proceedings, the defense or prosecution of Appellate Cases as assigned and numerous rulemakings, interventions in third party rate cases and other related matters. Represents the company in regulatory matters such as rate cases, certificates, support applications, rulemakings, gas and electric supply matters and appellate cases requiring specialized expertise in FERC proceedings and a thorough understanding of the regulatory concerns facing the company in order to negotiate the best possible terms and rates for the sale or transportation of gas and electricity. Reviews, analyzes, drafts, interprets, and negotiates contracts and tariff filings on behalf of the pipelines. Analyzes and interprets FERC regulations and orders to ensure corporate compliance with applicable statutes. Provides counsel on matters with respect to rate cases, tariff filings, marketing contracts, certificate matters, or take-or-pay matters, and appellate litigation.
8771	110	Sr Counsel	Provides counsel to gas and electric management on pending proposed FERC proceedings on services, pricing, rates, take-or-pay provisions, and tariffs, which require a broad thorough understanding of the regulated energy industry. Responsible for regulatory proceedings, the defense or prosecution of Appellate Cases as assigned and numerous rulemakings, interventions in third party rate cases and other related matters. Represents the company in regulatory matters such as rate cases, certificates, support applications, rulemakings, gas and electric supply matters and appellate cases requiring specialized expertise in FERC proceedings and a thorough understanding of the regulatory concerns facing the company in order to negotiate the best possible terms and rates for the sale or transportation of gas and electricity. Reviews, analyzes, drafts, interprets, and negotiates contracts and tariff filings on behalf of the pipelines. Analyzes and interprets FERC regulations and orders to ensure corporate compliance with applicable statutes. Provides counsel on matters with respect to rate cases, tariff filings, marketing contracts, certificate matters, or take-or-pay matters, and appellate litigation.
8006	110	Fed Energy Policy De-West DC	Serves as the critical point of interface with the Federal Energy Regulatory Commission (FERC), acting as Duke's primary liaison to FERC Commissioners and Staff, as well as taking a lead role in policy advocacy and representing Duke's interests in key industry organizations.
8006	110	Dir, Fed Reg Policy Integrate & Bus Mgr	Responsible for the development of Duke's policy positions relevant to regional transmission organizations (RTOs) and stand alone transmission companies (Transcos). This role coordinates closely with both the franchised gas & electric businesses and the commercial businesses to ensure that the company's regulatory positions are comprehensive and aligned.
8006	110	Non-Reg Gen Policy Develop Dir	Serves as the point of contact for any federal regulatory policy questions, concerns, or issues involving Duke's commercial businesses and will be responsible to keep the commercial business leadership aware of any issues that may arise.
8006	110	Franchised E&G Policy Develop Dir	Serves as the point of contact for Duke's regulated generation and nuclear organizations, as well as being responsible for the development of policy positions addressing transmission issues outside the realm of transmission organizations, including transmission siting, transmission incentives, and reliability standards.
8006	110	Federal Policy Sr Analyst	Supports entire Federal Environmental and Energy department and function. Provides consistency in processes, research functions for inquiries, as well as documentation of activity within the group.
8006	110	Exec Asst I	Performs full secretarial, administrative, and broad support activities of a highly responsible and confidential nature for an executive. This position serves in a critical support role to the executive and can impact the effectiveness of either the executive or their staff. Activities are diverse and involve close coordination with senior executives and their support staff. This position requires significant interface on a regular basis with high level governmental and regulatory officials or officers of other companies, as well as officers and executives within the corporation. It is the responsibility of the Executive Assistant to proactively manage the time and support the work effectiveness of the executive. The position anticipates the needs of the executive and based on knowledge of the executive's mode of operation and individual preferences, coordinates, researches, delegates, completes, and organizes any work necessary to meet those needs. Incumbents may exercise considerable judgment and discretion in the performance of their duties. This position requires a high degree of professionalism, knowledge of the enterprise, verbal and written communication skills, and interpersonal skills.
S408	110	Dr, State Env & Energy Pub Aff	Responsible for leading the research and analysis of proposed regulatory and legislative policies and development of the company's position and written response as it pertains to environmental and energy issues.
S409	110	Govt & Reg Affairs De-Kentucky	Facilitates and coordinates internal efforts to ensure accurate and timely delivery of key information in response to regulatory and/or legislative challenges. Assist in developing and delivering Duke Energy's position to support and/or register concerns with state legislation.

Resp Center	Co	Title	Description
5387	110	Dir Government & Community Rel	Plans, prepares and relays information concerning the organization to the press and the wider community to gain understanding and acceptance for the organization. Develops and maintains lines of communication with media contacts and other external audience groups. Acts as a key contributor in a complex environment. Requires depth and breadth of experience in own discipline. Interprets interdepartmental business issues and recommends best practices. Solves complex problems; takes a broad perspective to identify innovative solutions. Works independently with guidance on only the most complex tasks. May lead functional teams or projects. Responsible for the research, development, planning, design, maintenance and implementation of policies and programs that enhance the organization's relations with the community, the public, governmental and regulatory authorities, shareholders and employees. Delivers communications through print, audio and/or video media. Coordinates dissemination of the organization's communications with news or trade media contacts, through special events, public speaking or other means to reach defined audiences and meet specific program objectives. Develops and maintains a favorable relationship with the surrounding community. Prepares and coordinates community-contact programs to promote good will by disseminating information to the community and soliciting feedback from residents. May represent the organization at community gatherings or forums.
5397	110	Dir Government & Community Rel	Plans, prepares and relays information concerning the organization to the press and the wider community to gain understanding and acceptance for the organization. Develops and maintains lines of communication with media contacts and other external audience groups. Acts as a key contributor in a complex environment. Requires depth and breadth of experience in own discipline. Interprets interdepartmental business issues and recommends best practices. Solves complex problems; takes a broad perspective to identify innovative solutions. Works independently with guidance on only the most complex tasks. May lead functional teams or projects. Responsible for the research, development, planning, design, maintenance and implementation of policies and programs that enhance the organization's relations with the community, the public, governmental and regulatory authorities, shareholders and employees. Delivers communications through print, audio and/or video media. Coordinates dissemination of the organization's communications with news or trade media contacts, through special events, public speaking or other means to reach defined audiences and meet specific program objectives. Develops and maintains a favorable relationship with the surrounding community. Prepares and coordinates community-contact programs to promote good will by disseminating information to the community and soliciting feedback from residents. May represent the organization at community gatherings or forums.
5387	110	District Manager	Develops and maintains a favorable relationship with the surrounding community. Prepares and coordinates community-contact programs to promote good will by disseminating information to the community and soliciting feedback from residents. May represent the organization at community gatherings or forums. Acts as a key contributor in a complex environment. Requires depth and breadth of experience in own discipline. Interprets interdepartmental business issues and recommends best practices. Solves complex problems; takes a broad perspective to identify innovative solutions. Works independently with guidance on only the most complex tasks. May lead functional teams or projects.
5408	110	Govt & Reg Affairs Director - OH	This role assists the strategy development and communication of legislative items with Ohio regulatory and government officials. Also provides analysis and integration for various DE Ohio strategic initiatives and advises internal team on legislative and administrative regulation objectives. This role serves as a key interface with many DE Ohio stakeholders.
5408	110	Adm Spec State Gov & Reg Affairs	Assignment to this level requires an incumbent to perform moderately complex to complex assignments that require innovation and creativity, e.g., developing charts/graphs, redesigning reports, modifying work processes and coordinating department/division events. Is experienced in all areas of the assigned work unit. This position has an in-depth knowledge of department/location and work-related procedures and utilizes the knowledge by screening, prioritizing, and responding to mail, telephone calls and inquiries. Handles the most complicated cases or situations independently with little or no supervision. May generate or prepare non-technical reports. Composes letters for approval and signs routine correspondence in the absence of supervision/management. This position is proficient in the use of standard software packages and maintains applications as related to the job. Anticipates, responds and follows up effectively to customers' requests, which may include inquiries received in person, via telephone and/or in writing. This position may function in a lead role. Promotion to this level is not automatic, and should be based on the level of work activities needed to be performed and job performance.
5408	110	Exec Assistant I	Performs full secretarial, administrative, and broad support activities of a highly responsible and confidential nature for an executive. This position serves in a critical support role to the executive and can impact the effectiveness of either the executive or their staff. Activities are diverse and involve close coordination with senior executives and their support staff. This position requires a significant interface on a regular basis with high level governmental and regulatory officials or officers of other companies, as well as officers and executives within the corporation. It is the responsibility of the Executive Assistant to proactively manage the time and support the work effectiveness of the executive. This position anticipates the needs of the executive and based on knowledge of the executive's mode of operation and individual preferences, coordinates, researches, delegates, compiles, and organizes any work necessary to meet those needs. Incumbents may exercise considerable judgment and discretion in the performance of their duties. This position requires a high degree of professionalism, knowledge of the enterprise, verbal and written communication skills, and interpersonal skills.
9421	310	Community Relations Coordinator	This position is responsible for administering, evaluating and implementing the Duke Energy Volunteer Grant Program and managing the volunteers-in-action site.
9421	310	DE Foundation Sr Coordinator	This position is responsible for the analysis, processes and administration for the On-line Giving System and other philanthropic programs. Interface with Online Giving System's Vendor and Vendor Management Office to ensure successful execution of processes and system updates.
9421	310	Community & Outreach Affairs Mgr	This position is responsible for the company-wide United Way Campaign and relationship management, Arts & Science Council Campaign and relationship management, retiree affairs management, and year-round employee volunteerism including the employees Global Service Events program.
9421	310	DE Foundation Coordinator	This position is responsible for administering, evaluating and implementing the Duke Energy Volunteer Grant Program, managing the volunteers-in-action and matching gift sites of the Online Contribution System.
9421	310	Executive Assistant I	Performs full secretarial, administrative, and broad support activities of a highly responsible and confidential nature for an executive. This position serves in a critical support role to the executive and can impact the effectiveness of either the executive or their staff. Activities are diverse and involve close coordination with senior executives and their support staff. This position requires significant interface on a regular basis with high level governmental and regulatory officials or officers of other companies, as well as officers and executives within the corporation.
9421	310	DE Foundation Manager	The Duke Energy Foundation Manager oversees the operations of the Duke Energy Foundation, including its programs and processes that support Duke Energy's philanthropy. This role manages a group responsible for the developing, testing and deployment of philanthropic programs and programs that support and encourage employee engagement in the communities where we live and work. The Foundation manager also oversees the relationship with our service provider for the On-line Giving System, and interfaces with key business groups (i.e., Legal and Global Sourcing) to ensure successful management of our vendor contracts and relations.
9903	310	Manager PAC & Grassroots Administration	Supports the efforts of Federal and State Governmental Affairs to effectively manage, on behalf of the corporation, the political strategy surrounding FMC, corporate and other political contributions to elected officials. Manage all aspects of the DUREPAC and the corporate grassroots advocacy program in collaboration with Senior Management and Federal and State Government Affairs Staff.

Comp Center LAGE	Co	Title	Description
9903	110	Director, Federal Governmental Affairs	Ensures that the organization's interests are represented and protected in legislative proceedings and in the development of market rules and procedures. Prepares and organizes forums and gatherings with government officials to exchange ideas and information on business activities and potential legislation that may affect the organization. Implements strategic and tactical plans at the federal level for a defined area of the organization's overall activities.
9903	110	Office Manager	Responsible for the variety of activities involved in the day to day administration of the office. Coordinates office activities to ensure accuracy in meeting and reporting, contract preparation, supply reporting etc.
9903	110	Director, Federal Governmental Affairs	Primarily responsible for implementing strategic and tactical plans at the federal level for a defined area of the organization's overall activities. Responsibilities include protecting and advocating the organization's interests with regard to current or proposed federal tax, regulatory, or legislative issues that may have material significance for the assigned part of the organization, its customers and other stakeholders. In addition, this position may be involved in supporting the organization's overall campaigns and initiatives as needed.

CONFIDENTIAL

DUKE ENERGY OHIO, INC.
Case No. 12-1862-EL-AIR
Personal Property Tax Calculation
Schedule JEG-C-3.8a

		Plant Balance 12/31/2011 (a)	True Value (b)	Assessment Rate (c)	Taxable Value (d)	Taxable Value to Plant Value (e)	Plant Allocated to Distribution (f)	Real Plant (g)	Adjusted Plant Allocated to Distribution (h)	Distribution Taxable Value (i)
(1)	Distribution	\$		85.00%	\$	38.93%	\$ 1,878,034,210	\$ 47,538,735	\$ 1,830,495,475	\$ 712,648,498
(2)	General			24.00%		10.22%	84,323,093	22,409,594	61,913,499	6,324,464
(3)	Common			24.00%		5.65%	106,419,826	47,483,099	58,936,727	3,326,978
(4)	Plant Material & Supplies			24.00%		23.31%	46,947,409		46,947,409	10,943,441
(5)	Total	\$			\$		\$ 2,115,724,538	\$ 117,431,428	\$ 1,998,293,110	\$ 733,243,382
(6)	Tax Rate Per \$1,000 (k)									89.058
(7)	Personal Property Tax (5) x (6)									\$ 65,301,189

- (a) OCC-POD-16-048 Attachment, OCC-INT-16-182 Attachment (a), and OCC-INT-16-182 Attachment (b)
(b) OCC-POD-16-048 Attachment, OCC-INT-16-182 Attachment (a), and OCC-INT-16-182 Attachment (b)
(c) OCC-POD-03-013, 2012 Valuation Notice
(d) Column (b) x Column (c)
(e) Column (d) ÷ Column (a)
(f) PUCO Staff's Schedules B-2 & B-5.1
(g) Staff's Schedule B-2.1
(h) Column (F) - Column (G)
(i) Column (E) * Column (h)
(j) ODT Plant Balance as of 12/31/11 = (\$171,390,676 x 82.02%) , ODT True Value = (\$40,314,748 x 82.02%)
(k) Applicant's Schedule WPC-3.8c

Duke Energy Ohio, Inc.
Case No. 12-1862-EL-AIR
Real Property Tax Calculation
Schedule JEG-C-3.8b

		<u>Distribution</u>	<u>General</u>	<u>Common</u>	<u>Total</u>
(1)	Land & Land Rights (a)	\$ 13,109,977	\$ 949,213	\$ 2,121,647	
(2)	Rights of Way (a)	26,110,943		37,969	
(3)	Structures and Improvements (a)	<u>8,317,815</u>	<u>23,341,187</u>	<u>124,713,921</u>	
(4)	Total (1)+(2)+(3)	47,538,735	24,290,400	126,873,537	
(5)	Allocation to Electric Percentage (a)	<u>100.000%</u>	<u>100.000%</u>	<u>83.500%</u>	
(6)	Plant Allocated to Electric (4) x (5)	47,538,735	24,290,400	105,939,403	
(7)	Allocation to Distribution Percentage (a)	<u>100.000%</u>	<u>92.257%</u>	<u>44.821%</u>	
(8)	Plant Allocated to Distribution (6) x (7)	47,538,735	22,409,594	47,483,100	
(9)	Assessment Value Percentage (b)	<u>5.725%</u>	<u>14.703%</u>	<u>14.703%</u>	
(10)	Assessed Value (8) x (9)	2,721,593	3,294,883	6,981,440	
(11)	Tax Rate Per \$1,000 (c)	56.428	56.428	56.428	
(12)	Real Estate Taxes (10) x (11)	<u>\$ 153,574</u>	<u>\$ 185,924</u>	<u>\$ 393,949</u>	<u>\$ 733,446</u>

- (a) PUCO Staff's Schedule B-2.1 and B-7
(b) OCC-INT-18-188 Attachment
(c) PUCO Staff's Data Request-25-001

DUKE ENERGY OHIO, INC.
Case No. 12-1682-EL-AIR
Property Tax Expense Calculation
Schedule JEG-C-3.8c

(1)	Annual Personal Property Taxes (a)	\$ 65,301,189
(2)	Annual Real Estate Taxes (b)	<u>733,446</u>
(3)	Total Annual Property Taxes (1) + (2)	66,034,635
(4)	Less: Test Year Property Tax Expense (c)	<u>66,593,800</u>
(5)	OCC Annualization Adjustment to Property Tax (3) - (4)	\$ <u><u>(559,165)</u></u>

- (a) OCC Schedule WPC-3.8b
- (b) OCC Schedule WPC-3.8c
- (c) Applicant's Schedule C-2.1

Duke Energy Ohio, Inc.
Case No. 12-1682-EL-AIR
Eliminate Non-Jurisdictional Exp.
Schedule JEG-C-3.14a

Center	Center Description	Account	Account Description	Dollar Amount (a)	Additional Dollar Amount (b)	Total Dollar Amount (c)=(a)+(b)
(1)		588100	Misc. Distrigution Exp.-Other	\$ (1,760)		\$ (1,760)
(2)		910000	Misc. Cust. Serv/Inform Exp.	(48,640)		(48,640)
(3)		913001	Advertising Expense	(347,962)		(347,962)
(4)		920000	A&G Salaries	(20,300)		(20,300)
(5)		921100	Employee Expenses	(64,528)		(64,528)
(6)		921200	Office Expenses	(8,817)		(8,817)
(7)		923000	Outside Services Employed	(93,796)		(93,796)
(8)		926000	Empl. Pensions and Benefits	(851)		(851)
(9)		926600	Employee Benefits-Transferred	(4,741)		(4,741)
(10)		930150	Miscellaneous Advertising Exp.	(20,112)		(20,112)
(11)		931001	Rents-A&G	(6,549)		(6,549)
(12)			Expense to be Eliminated	(618,056)		(618,056)
(13)	9903	Governmental Affairs-Federal	920000	A & G Salaries	(27,619)	(27,619)
(14)	9903	Governmental Affairs-Federal	921100	Employee Expenses	(6,091)	(6,091)
(15)	9903	Governmental Affairs-Federal	921200	Office Expenses	(40,993)	(40,993)
(16)	9903	Governmental Affairs-Federal	921400	Computer Services Expenses	(3)	(3)
(17)	9903	Governmental Affairs-Federal	923000	Outside Services Employed	(2,688)	(2,688)
(18)	9903	Governmental Affairs-Federal	926600	Employee Benefits-Transferred	(6,700)	(6,700)
(19)			Expense to be Eliminated		(84,094)	(84,094)
(20)	9421	Corporate Community Relations	920000	A & G Salaries	(25,844)	(25,844)
(21)	9421	Corporate Community Relations	921100	Employee Expenses	(3,873)	(3,873)
(22)	9421	Corporate Community Relations	921200	Office Expenses	(3,319)	(3,319)
(23)	9421	Corporate Community Relations	923000	Outside Services Employed	(536)	(536)
(24)	9421	Corporate Community Relations	926600	Employee Benefits-Transferred	(5,066)	(5,066)
(25)			Expense to be Eliminated		(38,638)	(38,638)
(26)			Total Expense to be Eliminated (12)+(19)+(25)			\$ (740,788)

(a) Company's Schedule WPC-3.14a

(b) OCC-INT-01-008 Attachment (a)

DUKE ENERGY OHIO, INC.
Case No. 12-1682-EL-AIR
Unclaimed Funds
Schedule JEG-B-6.1a

Line No.	Account No.	Account Title	Total Company Adjustment	Allocation		Jurisdictional Adjustment
				Code	Percent	
(1)	235	Unclaimed Funds	\$ (138,870)	DALL	100.000%	\$ <u>(138,870)</u>

(a) Derived from OCC-INT-01-015 and Staff-DR-14-001 (\$207,252*67.0053%)

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in

Case No(s). 12-1682-EL-AIR, 12-1683-EL-ATA, 12-1684-EL-AAM

Summary: Testimony Direct Testimony of James E. Gould (Public Version) on Behalf of the Office of the Ohio Consumers' Counsel electronically filed by Patti Mallarnee on behalf of Etter, Terry L Mr.