

FILE

PUCO EXHIBIT FILING

10

Date of Hearing: 4-29-13

Case No. 12-1685-GA-AIR

PUCO Case Caption: In the Matter of the Application
of Duke Energy Ohio

Volume I

PUCO

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List of exhibits being filed:

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Reporter's Signature: Karen Sue Gibson
Date Submitted: 5-8-13

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Technician SM Date Processed MAY 14 2013

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

- - -

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

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

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

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

- - -

PROCEEDINGS

before Ms. Christine M. T. Pirik and Ms. Katie
Stenman, Attorney Examiners, at the Public Utilities
Commission of Ohio, 180 East Broad Street, Room 11-A,
Columbus, Ohio, called at 10:00 a.m. on Monday, April
29, 2013.

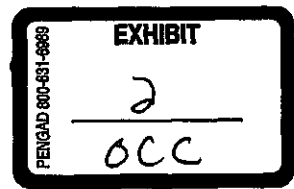
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VOLUME I

- - -

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- - -



**Duke Energy Ohio
Case No. 12-1685-GA-AIR
OCC Eleventh Set of Interrogatories
Date Received: November 21, 2012**

OCC-INT-11-441

REQUEST:

What technologies were considered in development of the remedial action plan for the East End MGP site?

RESPONSE:

Technologies considered included, but were not limited to, monitoring natural attenuation, excavation, solidification, in-situ chemical oxidation, thermal heating, containment, engineering controls, and institutional controls. Combinations of technologies were also considered.

PERSON RESPONSIBLE:

Jessica Bednarcik

**Duke Energy Ohio
Case No. 12-1685-GA-AIR
OCC Eleventh Set of Interrogatories
Date Received: November 21, 2012**

OCC-INT-11-452

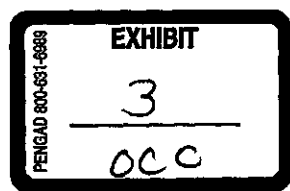
REQUEST:

What technologies were considered in development of the remedial action plan for the West End MGP site?

RESPONSE:

Technologies considered included, but were not limited to, monitoring natural attenuation, excavation, solidification, in-situ chemical oxidation, thermal heating, containment, engineering controls, and institutional controls. Combinations of technologies were also considered.

PERSON RESPONSIBLE:
Jessica Bednarcik



Duke Energy Ohio
Case No. 12-1685-GA-AIR
OCC Fifteenth Set Production of Documents
Date Received: December 15, 2012

OCC-POD-15-156

REQUEST:

Referencing the Company's response to OCC Interrogatory Nos. 627-632, since 2006, please provide all East End and West End management approved budgets, and all East End and West end actual versus budget management reports wherein over/under spending variances are explained to management.

RESPONSE:

Project ID GL	Project Descr GL	2008 Budget	2009 Budget	2010 Budget	2011 Budget	2012 Budget
OMGPESEND	MGP Reserve - East End	200,000	2,520,618	7,425,340	14,215,328	703,497
OMGPWSEND	MGP Reserve - West End	10,000	12,209	3,099,221	20,558,036	18,715,839
		210,000	2,532,827	10,524,562	34,773,363	19,419,336

Budgets prior to 2008 were not accessible.

Actual versus budget management reports were not generated. All discussions between project managers and management concerning variances to the budget were done verbally, as information arose concerning site conditions, approvals, schedules, etc., that led to variances in the expected budget.

PERSON RESPONSIBLE: Jessica Bednarcik

**Duke Energy Ohio
Case No. 12-1685-GA-AIR
OCC Fifteenth Set of Interrogatories
Date Received: December 12, 2012**

OCC-INT-15-627

REQUEST:

What is the process whereby the Company pre-approved a budget(s) for the MGP remediation activities?

RESPONSE:

Budgets are initially compiled in June or July of the previous year. As there is a lot of uncertainty in the budgets related to remediation, uncertainty that includes but is not limited to permits, negotiations with outside parties, review cycles, the discovery of unknown impacts or additional quantities, as well as the fact that Duke is obligated to reserve funds related to environmental liabilities when they are probable and can be estimated, the budget process is for remedial activities must be flexible.

Changes to the scope of work and/or the expected budget are reviewed throughout the year with Environmental Management as issues or changes arise.

PERSON RESPONSIBLE:

Jessica Bednarcik

Duke Energy Ohio
Case No. 12-1685-GA-AIR
OCC Fifteenth Set of Interrogatories
Date Received: December 12, 2012

OCC-INT-15-631

REQUEST:

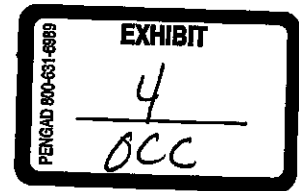
What are the variance tolerances whereby MGP expenditures over/under a pre-approved budget which mandates a report to management to explain the over/under spending variances?

RESPONSE:

There are no set dollar limits that mandate a report to management.

PERSON RESPONSIBLE:

Jessica Bednarcik



Duke Energy Ohio
Case No. 12-1685-GA-AIR
OCC Eleventh Set of Interrogatories
Date Received: November 21, 2012

OCC-INT-11-495

REQUEST:

Has Duke or its predecessors (i.e. Cinergy, Cincinnati Gas and Electric Company, etc) included in filings (quarterly and/or annual) with the Securities and Exchange Commission ("SEC") information pertaining to the MGP remediation issue to provide shareholders notice of this risk?

RESPONSE:

Yes, multiple Form 10-Qs and 10-Ks going back to 1997 have referred to the MGP remediation issue in the "Commitments and Contingencies" note to the consolidated financial statements.

PERSON RESPONSIBLE: Michael Covington

Duke Energy Ohio
Case No. 12-1685-GA-AIR
OCC Seventeenth Set of Interrogatories
Date Received: December 20, 2012

OCC-INT-17-662

REQUEST:

From the point in time that the East End MGP Site was closed, when did Duke, or its predecessors, first know that site remediation would be required?

RESPONSE:

Duke Energy knew that site remediation would be required once impacted material was confirmed on the site, during the initial subsurface investigation in 2006.

PERSON RESPONSIBLE:

Jessica Bednarcik

**Duke Energy Ohio
Case No. 12-1685-GA-AIR
OCC Seventeenth Set of Interrogatories
Date Received: December 20, 2012**

OCC-INT-17-665

REQUEST:

If Duke, or its predecessors, knew that West MGP site remediation would be required dates back more than 15 years, why has it taken this long to undertake the site remediation?

RESPONSE:

Objection. This Interrogatory is overly broad and unduly burdensome, given that it is based on an assumption that is contrary to fact. Without waiving said objection, to the extent discoverable, and in the spirit of discovery, Duke Energy Ohio knew that site remediation would be required once impacted material was confirmed on the site, during the initial subsurface investigation in 2010.

PERSON RESPONSIBLE:

As to objection: Legal
As to response: Jessica Bednarcik