

FILE

PUCO EXHIBIT FILING

Date of Hearing: 11/7/14

Case No. 14-841-EL-SSO/14-843-EL-ATA

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

Energy Ohio for Authority to Establish a Standard Service

Offer Pursuant to Section 4928.143, Revised Code, in the

Form of an Electric Security Plan, Accounting Modifications

and Tariffs for Generation and in the Matter of the Application
of Duke Energy Ohio for Authority to Amend its Certified Supply Contract

P.U.C.O. No. 20

List of exhibits being filed:

Volume XIII

IGS 7

IGS 8

Company 38

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Reporter's Signature: Karen Sue Gibson

Date Submitted: 11/21/14

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

- - -

In the Matter of the :
Application of Duke Energy:
Ohio for Authority to :
Establish a Standard :
Service Offer Pursuant to :
Section 4928.143, Revised : Case No. 14-841-EL-SSO
Code, in the Form of an :
Electric Security Plan, :
Accounting Modifications :
and Tariffs for Generation:
Service. :

- - -

In the Matter of the :
Application of Duke Energy:
Ohio for Authority to : Case No. 14-842-EL-ATA
Amend its Certified :
Supplier Tariff, P.U.C.O. :
No. 20. :

- - -

PROCEEDINGS

before Ms. Christine M.T. Pirik and Mr. Nick Walstra,
Attorney Examiners, at the Public Utilities
Commission of Ohio, 180 East Broad Street, Room 11-A,
Columbus, Ohio, called at 9:00 a.m. on Friday,
November 7, 2014.

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VOLUME XIII

- - -

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- - -



Duke Energy Ohio
Case No. 14-841-EL-SSO, 14-842-EL-ATA
STAFF Seventeenth Set Data Requests
Date Received: September 11, 2014

STAFF-DR-17-001
SUPPLEMENTAL

REQUEST:

On pages 7 and 21, Lee Testimony, references are made to the Commission selecting the least cost bids/bidders.

Please clarify: Does the Company actually intend for the Commission to select the winning bids/bidders, or does the Company intend for the Commission to accept/reject the Auction Manager's selection of the winning bids/bidders.

RESPONSE:

Duke Energy Ohio, Inc., intends that the Commission approve or reject the results of the auction subsequent to receipt and review of the auction manager's report. Duke Energy Ohio does not intend that the Commission determine the winning bidders.

PERSON RESPONSIBLE: Legal

Forwarded 6/24/14

Ohio Valley Electric Corporation
Inter-Company Power Agreement (ICPA) Billable Cost Summary
Calendar Years 2014-2040
In thousands of dollars

Generation Sales	Demand Charge										
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Estimated Delivered Power Sales from OVEC Generation (MWH)											
Estimated Surplus Energy Use Factor %											
Projected Annual Capital Expenditure Costs (including SO2, NO2, CO2, SO3, NOx, HAPs, and Other Projected Projects)											
Projected Debt Expense and Short-Term Debt Costs (including Dry Pay, 444, 518, 544, and Landfill Expansion (from 1994))											
\$445 million - 5.20% Senior Unsecured Notes - Series 2008-A (\$22 million referenced 5.40%)											
\$300 million - 5.20% Senior Unsecured Notes - Series 2007-A/C (\$46.9 million referenced 5.20%)											
\$50 million - 5.20% Senior Unsecured Notes - Series 2006-A											
\$20 million - 6.17% Senior Unsecured Notes - Series 2008-B/C (\$80.3 million referenced 5.91%)											
\$100 million - 5.20% Senior Unsecured Notes - Series 2009-A/D (\$100 million referenced 5.20%)											
\$100 million - Floating Rate Bonds - OACPA Tax Exempt 2009-A/E											
\$100 million - Floating Rate Bonds - IFA Tax Exempt 2010-A/B											
\$200 million - Floating Rate Bonds - IFA Tax Exempt 2012-A											
\$100 million - Floating Rate Bonds - IFA Tax Exempt 2012-B/C											
\$100 million - Floating Rate Bonds - Series 2013-A											
Projected Capital Improvements and Debt Costs (ICPA Component A)											
Projected Operation and Maintenance Costs (ICPA Component B)											
Projected Administration and General Costs (ICPA Component C)											
Projected Transmission and Dispatch Costs (ICPA Component D)											
Projected Team (ICPA Component E)											
Projected Insurance (ICPA Component F)											
Projected Decommissioning and Demolition Obligation (ICPA Component G)											
Total Projected Demand Costs (ICPA Components A, B, C, D, E & F)											
Projected Demand Costs - \$MMW											
Projected Coal Cost (Delivered)											
Projected Allowance Cost (Based on projected weighted average inventory)											
Projected Other Fuel-Related Costs (including fuel oil and coal handling fees byproduct sales)											
Total Projected Energy Costs											
Projected Energy Costs - \$MMW											
Projected Transmission Charge											
Line Transmission Charge											
Total Transmission Costs											
Projected Transmission Costs - \$MMW											
Total Projected Power Production Costs											
Projected Dividend											
Total Projected Power Production Costs Less Projected Dividend											
Projected Power Production Costs Less Projected Dividend - \$MMW											
Global Assumptions:											
Major Environmental Capital Projects (180, Compliance, Dry Fly Ash Conversion, Pond Modifications, and Landfill Expansion) funded by Long Term Contracting Agreement in 2013.											
Estimated contributions to Generation Benefit Obligation from 1/1/2013 to 12/31/2014.											
Estimated contributions to Decommission and Demolition Obligation through 11/1/2015.											
Forecast assumes ICPS Generation is 6,500,000.											

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ATTORNEY'S EYES ONLY

PENGAD 800-631-6988

EXHIBIT

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PCO Case No. 14-01, 14-02
OCC-00149-444 ledger Confidential Attachment M
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EX. TH-9

Generation Sales
Estimated Delivered Power Sales from OVEC Generation (MWh)
Estimated Surplus Energy Use Factor %

[illegible]

Ohio Valley Electric Corporation
Forecasted Inter-Company Power Agreement (ICPA) Billable Cost Summary
Calendar Years 2013
in thousands of dollars

		Budget 2013	Projected 2013	Dollar Over/Under	Percent Over/Under
Generation Sales					
Estimated Delivered Power Sales from OVEC Generation (MW/hr)					
Estimated Surplus Energy Use Factor					-16.73%
Demand Charge					
Projected Annual Capital Improvement Costs (excluding SCR, PRB Coal Switch, FGD and Other Financed Projects)					
Projected Debt Expense Amortization and Short-Term Debt Costs (including FGD Construction Interim Debt)					
\$445 Million - 5.80% Senior Unsecured Notes - Series 2006-A (\$62 million refinanced 6.40%)					
\$300 Million - 5.90% Senior Unsecured Notes - Series 2007-A-C (\$46.9 million refinanced 6.50%)					
\$50 Million - 5.92% Senior Unsecured Notes - Series 2008-A					
\$300 Million - 6.71% Senior Unsecured Notes - Series 2008-B-C (\$90.3 million refinanced 6.91%)					
\$100 Million - Floating Rate Notes - Series 2013-A (previous 2009A)					
\$100 Million - Floating Rate LOC Backed Bonds - OAQDA Tax Exempt 2009-A-D					
\$100 Million - 5.625% Bonds - OAQDA Tax Exempt 2009-E					
\$200 Million - 5.00% Bonds - IFA Tax Exempt 2012-A					
\$100 Million - Floating Rate Bonds - IFA Tax Exempt 2010-A&B					
\$200 Million - 5.00% Bonds - IFA Tax Exempt 2012-A					
\$100 Million - Floating Rate - IFA Tax Exempt 2012-B&C					
Projected Capital Improvements and Debt Costs (ICPA Component A)					
Projected Operation and Maintenance Costs (ICPA Component B)					
Projected Administration and General Costs (ICPA Component B)					
Projected Transmission and Dispatch Costs (ICPA Component B)					
Projected Taxes (ICPA Component C)					
Projected ROE Costs (ICPA Component D)					
Projected Postretirement Benefit Obligation (ICPA Component E)					
Projected Decommissioning and Demolition Obligation (ICPA Component F)					
Total Projected Demand Costs (ICPA Components A, B, C, D, E & F)				(16,739)	14.70%
Projected Demand Costs - \$/MWhr					
Energy Charge					
Projected Coal Cost (delivered)					
Projected Allowance Cost (based on projected weighted average inventory)					
Projected Other Fuel-Related Costs (reagents, fuel oil & coal handling less byproduct sales)					
Total Projected Energy Costs				(46,695)	4.52%
Projected Energy Costs - \$/MWhr					
Transmission Charge					
Projected Transmission Charges					
Less Transmission Charges Credit to Demand Charge (ICPA Component B)					
Total Transmission Costs				0	0.00%
Projected Transmission Costs - \$/MWhr					
Summary of ICPA Billable Power Production Costs					
Total Projected Power Production Costs				(63,434)	
Dividend					
Projected Dividend				(63,434)	
Summary of ICPA Billable Power Production Costs Less Projected Dividend					
Total Projected Power Production Costs Less Projected Dividend				(63,434)	9.69%
Projected Power Production Costs Less Projected Dividend - \$/MWhr					

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PENGAD 800-631-6889

EXHIBIT

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Ohio Valley Electric Corporation
Inter-Company Power Agreement (ICPA) Billable Cost Summary
Calendar Years 2014 - 2018
In thousands of dollars

	2014	2015	2016	2017	2018
Generation Sales					
Estimated Delivered Power Sales from OVEC Generation (MWhr)					
Estimated Surplus Energy Use Factor %					
Demand Charge					
Projected Annual Capital Improvement Costs (excluding SCR, PRB Coal Switch, FGD, Dry Fly Ash, 316B and Other Financed Projects)					
Projected Debt Expense and Short-Term Debt Costs (including Dry Fly Ash, 316B Clean Water Act, and Landfill Expansion Interim Debt)					
\$445 Million - 5.90% Senior Unsecured Notes - Series 2006-A (\$82 million refinanced 6.40%)					
\$300 Million - 5.90% Senior Unsecured Notes - Series 2007-A-C (\$46.9 million refinanced 6.50%)					
\$50 Million - 5.92% Senior Unsecured Notes - Series 2008-A					
\$300 Million - 6.71% Senior Unsecured Notes - Series 2008-B-C (\$90.3 million refinanced 6.91%)					
\$100 Million - Floating Rate LOC Backed Bonds - OAOA Tax Exempt 2009-A-D					
\$100 Million - Floating Rate Bonds - IFA Tax Exempt 2009-E					
\$100 Million - Floating Rate Bonds - IFA Tax Exempt 2010-A&B					
\$200 Million - 5.00% Bonds - IFA Tax Exempt 2012-A					
\$100 Million - Floating Rate - IFA Tax Exempt 2012-B&C					
\$100 Million - Floating Rate Notes - Series 2013-A					
Projected Capital Improvements and Debt Costs (ICPA Component A)					
Projected Operation and Maintenance Costs (ICPA Component B)					
Projected Administration and General Costs (ICPA Component B)					
Projected Transmission and Dispatch Costs (ICPA Component B)					
Projected Taxes (ICPA Component C)					
Projected ROE Costs (ICPA Component D)					
Projected Postretirement Benefit Obligation (ICPA Component E)					
Projected Decommissioning and Demolition Obligation (ICPA Component F)					
Total Projected Demand Costs (ICPA Components A, B, C, D, E & F)					
Projected Demand Costs - \$/MWhr					
Energy Charge					
Projected Coal Cost (delivered)					
Projected Allowance Cost (based on projected weighted average inventory)					
Projected Other Fuel-Related Costs (reagents, fuel oil & coal handling less byproduct sales)					
Total Projected Energy Costs					
Projected Energy Costs - \$/MWhr					
Transmission Charge					
Projected Transmission Charges					
Less Transmission Charges Credit to Demand Charge (ICPA Component B)					
Total Transmission Costs					
Projected Transmission Costs - \$/MWhr					
Summary of ICPA Billable Power Production Costs					
Total Projected Power Production Costs					
Dividend					
Projected Dividend					
Summary of ICPA Billable Power Production Costs Less Projected Dividend					
Total Projected Power Production Costs Less Projected Dividend					
Projected Power Production Costs Less Projected Dividend - \$/MWhr					
Projected Power Production Costs Less Projected Dividend - \$/MWhr at Estimated Surplus Energy Use Factor of 70%					
Projected Power Production Costs Less Projected Dividend - \$/MWhr at Estimated Surplus Energy Use Factor of 80%					

Critical Assumptions:

Major Environmental Capital Projects (316B Compliance, Dry Fly Ash Conversion, Pond Modifications, and Landfill Expansion) funded by Long Term financing beginning in 2019.
Election of 5 Year Funding Holiday on contributions to Postretirement Benefit Obligation from 10/1/2013 to 12/31/2018.

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