



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

May 31, 2012

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

RE: In the Matter of the Application of Duke Energy)
Ohio, Inc. for Approval of an Adjustment to Its) Case No. 12-318-GA-UEX
Uncollectible Expense Rider Rate)

Docketing Division:

For purposes of updating the Company's gas tariffs, enclosed are four (4) copies of Rider UE-G, Uncollectible Expense Rider. Also attached is an updated Index.

One copy of the enclosed tariff is for filing with TRF Docket Number 89-8002-GA-TRF.

Please time-stamp the enclosed extra copy and return for our file. Thank you.

Very truly yours,

Dana Patten

Enclosures

Duke Energy Ohio
139 East Fourth Street
Cincinnati, Ohio 45202

P.U.C.O. Gas No. 18
Sheet No. 67.5
Cancels and Supersedes
Sheet No. 67.4
Page 1 of 1

RIDER UE-G

UNCOLLECTIBLE EXPENSE RIDER

APPLICABILITY

Applicable to all sales service and firm transportation customers.

DESCRIPTION

This rider enables the recovery of costs associated with uncollectible accounts arising from those customers responsible for paying the Uncollectible Expense Rider. The Company shall file an application with the Public Utilities Commission of Ohio if the Company determines that an adjustment of more than plus or minus ten (10) percent is needed to adjust for prior period over or under-collections.

MONTHLY CHARGE

A charge of \$0.003209 per CCF shall be applied to all gas volumes delivered to customers in the customer classes noted above.

SERVICE REGULATIONS

The supplying 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.

Filed pursuant to an Order dated _____, 2012 in Case No. 12-318-GA-UEx before the Public Utilities Commission Ohio.

Issued: _____, 2012

Effective: _____, 2012

Issued by Julie Janson, President

Duke Energy Ohio
139 East Fourth Street
Cincinnati, Ohio 45202

P.U.C.O. Gas No. 18
Sheet No. 67.54
Cancels and Supersedes
Sheet No. 67.43
Page 1 of 1

RIDER UE-G

UNCOLLECTIBLE EXPENSE RIDER

APPLICABILITY

Applicable to all sales service and firm transportation customers.

DESCRIPTION

This rider enables the recovery of costs associated with uncollectible accounts arising from those customers responsible for paying the Uncollectible Expense Rider. The Company shall file an application with the Public Utilities Commission of Ohio if the Company determines that an adjustment of more than plus or minus ten (10) percent is needed to adjust for prior period over or under-collections.

MONTHLY CHARGE

A charge of ~~(\$0.020632)~~ \$0.003209 per CCF shall be applied to all gas volumes delivered to customers in the customer classes noted above.

SERVICE REGULATIONS

The supplying 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.

Filed pursuant to an Order dated January 23, 2012 in Case No. 44-12-318-GA-UEx before the Public Utilities Commission Ohio.

Issued: January 24, 2012

Effective: February 1, 2012

Issued by Julie Janson, President

Duke Energy Ohio Gas
Calculation of Uncollectible Expense Rider Rate

ATTACHMENT-1
PAGE 1

Line	Description	Source	Amount	Projected Volume (CCF) Page 5	Unit Rate (\$/CCF)
1	Actual Uncollectible Tracker Balance through April 30, 2012 (a)	Page 2	(\$4,068,835)		
2	Projected Bad Debt Write-offs May 1, 2012 - April 30, 2013	Page 4	<u>\$5,792,811</u>		
3	Unrecovered Uncollectible Expenses through March 31, 2013	Line 1 + Line 2	<u>\$1,723,976</u>	537,195,638	\$0.003209
4	Current Uncollectible Rider Rate	See Note (b)			<u>(\$0.020632)</u>
5	Increase/(Decrease) in Total Uncollectible Expense Rate	Line 3 - Line 4			<u>\$0.023841</u>
6	Percentage Difference in Recovery of Uncollectible Expenses				-116%

(a) Actual uncollectible expense less amounts recovered in base rates and Rider UE-G plus carrying charges

(b) Rate approved in Case No. 11-318-GA-UEx; effective February 1, 2012.

Line	Source	2012				Total
		January	February	March	April	
1	Unrecovered Balance - Beginning of Month	Ending Balance Prior Month	(\$5,654,293)	(\$7,761,946)	(\$6,055,018)	(\$4,782,102)
2	Bad Debts Written Off - Net of Customer Recoveries	Gross/Net Write Off Report	\$151,890	(\$13,550)	\$31,174	\$144,319
3	Recovery - Base Rates	Page 3	\$0	\$0	\$0	\$0
4	Recovery - Uncollectible Rider	See Note (a)	(\$2,281,212)	\$1,698,162	\$1,224,238	\$554,653
5	Recovery - Other Adjustments	See Note (b)	\$0	\$0	\$0	\$0
6	Incremental Bad Debt	Lines (2)+(3)+(4)+(5)	(\$2,129,322)	\$1,684,612	\$1,255,413	\$698,972
7	Balance Sub-Total	Line (1) + Line (6)	(\$7,783,615)	(\$6,077,334)	(\$4,799,605)	(\$4,083,130)
8	Carrying Charges	Lines [((1)+(7))/(2)] * (Line 10)	\$21,669	\$22,316	\$17,503	\$14,295
9	Unrecovered Balance - End of Month	Line (7) + Line (8)	(\$7,761,946)	(\$6,055,018)	(\$4,782,102)	(\$4,068,835)
10	Monthly Carrying Charge rate	See Note (c)	0.32250%	0.32250%	0.32250%	0.32250%

(a) Rate approved in Case No. 11-318-GA-UEx; effective February 1, 2012.

(b) Not applicable at this time

(c) Source: Treasury

Rates for January 2012 - April 2012 are the same as August 2009 due to \$0 borrowing in those months.

Per Merger Order Case No. 05-732-EL-MER, carrying charge rate should be short term debt rate authorized in last distribution rate case. Since no short term debt in authorized capital structure, used money pool rate.

Line	Description	Source	Jan	Feb	Mar	Apr	TOTAL
CCF Sales							
1	Residential (RS)	Revenue Statistics	4,625,817	4,386,727	3,051,302	1,250,997	13,314,843
2	General Service (GS)	Revenue Statistics	1,641,564	1,561,456	1,073,795	454,970	4,731,785
3	Total Sales Service		6,267,381	5,948,183	4,125,097	1,705,967	18,046,628
Residential Transportation (RFT)							
4	Residential Transportation (RFT)	Revenue Statistics	2,193,158	2,121,882	1,563,603	651,545	6,530,188
5	Firm Transportation (FT)	Revenue Statistics	1,988,574	1,904,442	1,396,378	807,239	6,096,633
6	Interruptible Transportation (IT)	Revenue Statistics	1,965,833	2,181,921	2,087,081	1,819,311	8,054,146
7	Total Transportation Service		6,147,565	6,208,245	5,047,062	3,278,095	20,680,967
Other							
8	Interdepartmental	Revenue Statistics	14,119	8,241	7,269	3,209	32,838
9	Street Lighting	Revenue Statistics	-	-	-	-	-
10	Total Other		14,119	8,241	7,269	3,209	32,838
11	Total Throughput	Line 3 + Line 7 + Line 10	12,429,065	12,164,669	9,179,428	4,987,271	38,760,433
Exclude Sales not eligible for Uncollectible							
12	Interruptible Transportation (IT)	Line 6	(1,965,833)	(2,181,921)	(2,087,081)	(1,819,311)	(6,234,835)
13	Interdepartmental	Line 8	(14,119)	(8,241)	(7,269)	(3,209)	(29,629)
14	Total Sales Excluded from Uncollectible		(1,979,952)	(2,190,162)	(2,094,350)	(1,822,520)	(6,264,464)
15	Total Sales Recovering Uncollectible Expense	Line 11 + Line 14	10,449,113	9,974,507	7,085,078	3,164,751	32,495,969
16	Recovery Rate (\$/CCF)	See Note (a)	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000
17	Revenue Recovered For Uncollectible Expense	Line 15 * Line 16	\$0	\$0	\$0	\$0	\$0
			To Page 2	To Page 2	To Page 2	To Page 2	

(a) Uncollectible expense was removed from base rates effective December 1, 2009 per Order in Case No. 09-773-GA-UEx

Duke Energy Ohio Gas
Projected Bad Debt Expense for Upcoming Twelve Months

ATTACHMENT-1
PAGE 4

Line	Source	2012 PROJECTED								2013 PROJECTED				Total
		May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	
1	Unrecovered Balance - Beginning o Ending Balance Prior Mo	(\$4,068,835)	(\$3,529,728)	(\$2,804,821)	(\$2,006,750)	(\$1,368,486)	(\$624,325)	(\$117,949)	\$302,747	\$745,104	\$1,211,904	\$1,522,769	\$1,588,161	
2	Bad Debts Written Off - Net of Cust Projection	\$539,107	\$724,907	\$798,071	\$638,264	\$744,161	\$506,376	\$420,696	\$442,357	\$466,800	\$310,865	\$65,392	\$135,815	\$ 5,792,811
3	Recovery - Base Rates	See Note (a)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	To Page 1
4	Recovery - Uncollectible Rider	See Note (b)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5	Recovery - Other Adjustments	See Note (c)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
6	Incremental Bad Debt	Lines (2)+(3)+(4)+(5)	\$539,107	\$724,907	\$ 798,071	\$ 638,264	\$ 744,161	\$ 506,376	\$ 420,696	\$ 442,357	\$ 466,800	\$ 310,865	\$ 65,392	\$ 135,815
7	Balance Sub-Total	Line (1) + Line (6)	(\$3,529,728)	(\$2,804,821)	(\$2,006,750)	(\$1,368,486)	(\$624,325)	(\$117,949)	\$302,747	\$745,104	\$1,211,904	\$1,522,769	\$1,588,161	\$1,723,976
8	Carrying Charges	Lines [((1)+(7))/(2)] * (Lir	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	Unrecovered Balance - End of Month Line (7) + Line (8)		(\$3,529,728)	(\$2,804,821)	(\$2,006,750)	(\$1,368,486)	(\$624,325)	(\$117,949)	\$302,747	\$745,104	\$1,211,904	\$1,522,769	\$1,588,161	\$1,723,976

- (a) Uncollectible expense was removed from base rates effective December 1, 2009 per Order in Case No. 09-773-GA-UEx
(b) Uncollectible rider is currently \$(0.020632) per CCF
(c) Not applicable at this time

Line	Description	Source	Projected 12 Months Ended April 2013												Total Thru Apr-14
			May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-14	
1	CCF Sales														
2	Residential (RS)	Load Forecasting	7,854,311	4,651,058	3,488,491	3,153,119	3,360,860	4,598,344	11,931,783	26,746,186	36,173,960	36,146,705	29,212,527	16,170,720	183,468,064
3	General Service (GS)	Load Forecasting	3,571,576	2,418,934	2,049,112	1,962,459	2,129,510	2,733,403	5,103,916	10,307,650	13,425,858	13,295,707	10,733,519	6,244,287	73,975,931
3	Total Sales Service		11,425,887	7,069,992	5,537,603	5,115,578	5,490,370	7,331,747	17,035,699	37,053,836	49,599,818	49,442,412	39,946,046	22,415,007	257,463,995
4	Residential Transportation (RFT)	Load Forecasting	5,239,377	3,102,582	2,327,069	2,103,352	2,241,929	3,067,418	7,959,337	17,841,585	24,130,572	24,112,392	19,486,807	10,787,006	122,399,426
5	Firm Transportation (FT)	Load Forecasting	7,417,014	5,083,362	4,266,199	3,981,799	4,329,375	5,397,343	10,482,728	20,934,751	28,925,176	29,138,421	23,437,434	13,626,719	157,021,321
6	Interruptible Transportation (IT)	Load Forecasting	25,710,310	16,529,054	16,153,035	15,651,418	14,469,252	14,727,298	16,878,013	18,002,641	20,302,761	21,353,648	19,731,893	18,365,706	217,875,029
7	Total Transportation Service		38,366,701	24,714,998	22,746,303	21,736,569	21,040,556	23,192,059	35,320,078	56,778,977	73,358,509	74,605,461	62,656,134	42,779,431	487,295,776
8	Other														
9	Interdepartmental	Load Forecasting	48,120	44,643	48,513	25,923	49,590	17,883	37,103	96,333	141,473	108,507	102,527	60,900	781,515
10	Street Lighting	Load Forecasting	25,908	25,908	25,908	25,908	25,908	25,908	25,908	25,908	25,908	25,908	25,908	25,908	310,896
10	Total Other		74,028	70,551	74,421	51,831	75,498	43,791	63,011	122,241	167,381	134,415	128,435	86,808	1,092,411
11	Total Throughput	Line 3 + Line 7 + Line 10	49,866,616	31,855,541	28,358,327	26,903,978	26,606,424	30,567,597	52,418,788	93,955,054	123,125,708	124,182,288	102,730,615	65,281,246	755,852,182
12	Exclude CCF Sales not eligible for Uncollectible														
13	Interruptible Transportation (IT)	Line 6	(25,710,310)	(16,529,054)	(16,153,035)	(15,651,418)	(14,469,252)	(14,727,298)	(16,878,013)	(18,002,641)	(20,302,761)	(21,353,648)	(19,731,893)	(18,365,706)	(217,875,029)
14	Interdepartmental	Line 8	(48,120)	(44,643)	(48,513)	(25,923)	(49,590)	(17,883)	(37,103)	(96,333)	(141,473)	(108,507)	(102,527)	(60,900)	(781,515)
14	Total Sales Excluded from Uncollectible		(25,758,430)	(16,573,697)	(16,201,548)	(15,677,341)	(14,518,842)	(14,745,181)	(16,915,116)	(18,098,974)	(20,444,234)	(21,462,155)	(19,834,420)	(18,426,606)	(218,656,544)
15	Total CCF Sales Recovering Uncollectible Expense	Line 11 + Line 14	24,108,186	15,281,844	12,156,779	11,226,637	12,087,582	15,822,416	35,503,672	75,856,080	102,681,474	102,720,133	82,896,195	46,854,640	537,195,638