

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Duke)
Energy Ohio, Inc., for Approval to Change) Case No. 16-0387-GA-AAM
Accounting Methods Associated with its)
Integrity Management Program.

**ANNUAL REPORT OF DUKE ENERGY OHIO, INC.,
FOR 2020 EXPENSES**

Duke Energy Ohio, Inc., (Duke Energy Ohio or Company) respectfully submits the following report, detailing its integrity management related expenses incurred during 2020 and eligible for deferral:

1. Duke Energy Ohio is an Ohio corporation engaged in the business of providing natural gas service in southwest Ohio and, as such, is a public utility as defined by R.C. 4905.02 and 4905.03.

2. On January 4, 2017, the Public Utilities Commission of Ohio (Commission) issued an Opinion and Order in the above-captioned proceeding, approving the Company's application to defer expenses related to the implementation of its gas integrity management program (IMP) developed in response to federal regulations.¹

3. The IMP approved in the Order comprises six initiatives:
- a. Enhancing risk assessment and analysis
 - b. Improving records
 - c. Training
 - d. Damage prevention
 - e. Inline inspection and pressure testing techniques

¹ *In the Matter of the Application of Duke Energy Ohio, Inc., for Approval to Change Accounting Methods Associated with its Integrity Management Program, Opinion and Order (January 4, 2017)(Order).*

- f. Maximum allowable operating pressure verification
- 4. The Company's application specifically requested authority to defer its income statement recognition of the IMP costs incurred after December 31, 2015, with the annual increase not to exceed \$4 million per calendar year. In addition, the Company requested authority to recover carrying charges on the deferred balance.
- 5. Duke Energy Ohio and Staff of the Commission entered into a stipulation (Stipulation) that, *inter alia*, proposed a process to be followed with regard to the proposed deferral authority.² One of the steps in the process provided that:

By June 1 of each year, Duke shall file an annual report detailing the deferred expenses, external auditor findings, baseline performance levels for each safety initiative, safety performance improvements compared to baselines, results of ongoing and future investigations, any mid-term adjustments, and efforts towards identifying efficiencies and implementing cost-savings measures.

- 6. For purposes of this Annual Report, the Company provides the following attachments:

- Attachment A: 2020 IMP-Related Deferrals
- Attachment B: Audit Report
- Attachment C: 2020 Programmatic Review

WHEREFORE, Duke Energy Ohio respectfully provides this annual report for the Commission's review and requests that all 2020 IMP-related expenses be deferred, together with associated carrying costs.

² The Commission specifically approved the Stipulation in the Order, at ¶¶ 15, 23.

Respectfully submitted,

DUKE ENERGY OHIO, INC.

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Willing to accept service via email

CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing motion was delivered by U.S. mail (postage prepaid), personal, or electronic mail, on this 1st day of June, 2021, to the parties listed below.

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of
Duke Energy Ohio, Inc.
550 South Tryon Street, Suite 4400
Charlotte, North Carolina 28202

We have performed the procedures enumerated below, which were agreed to by the management and board of directors of Duke Energy Ohio, Inc. (the "Company") and the Public Utilities Commission of Ohio (the "PUCO"), related to the Company's compliance with the determination of Gas Integrity Management (GIM) deferral costs for the year ended December 31, 2020 as described in PUCO Case No. 16-387-GA-AAM (the "Order"). Management of the Company is responsible for the Company's compliance with the Order. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The procedures and the associated findings are as follows:

- A. We obtained from the Company's management the Integrity Management Deferrals schedule ("the schedule") for the period from January 1, 2020 to December 31, 2020 which included the GIM cost deferrals by month, as outlined within the Order, and to be filed as a part of the annual report, and proved the mathematical accuracy of the schedule, noting whether amounts were in agreement.
 - a. We compared the monthly GIM costs from the schedule obtained in step A. above to the general ledger and noted that the amounts agreed without exception.
 - b. We randomly selected three months (April, September, December) from the period January 1, 2020 through December 31, 2020. For each selected month, we obtained a detail of all GIM costs deferred for that month, and compared the total of the detail to the monthly total for the selected month in the schedule obtained in step A above. Through these procedures, D&T noted that all amounts per the schedule and the monthly details agreed. As the total deferred GIM costs in 2020 fell beneath the \$4M cap set forth by PUCO Case No. 16-387-GA-AAM, no adjustments were made to the GIM Cost Deferrals in 2020.
 - c. We randomly selected 25 items from the selected details of GIM costs obtained in Step b above. For each selection, we agreed the selected GIM expense to the underlying support provided by management, noting the support received and any exceptions. We also compared the category and nature of the expense to the guidelines established within the Order, noting any exceptions. See below for the results of our procedures performed, including the support received.
 - i. We selected 1 Risk Assessment and Analysis charge, and agreed the selected charge to the third-party invoice.
 - ii. We selected 7 Improving Records charges, and agreed the selected charges to the contractor billing detail and/or third-party invoice.
 - iii. We selected 2 Training charges, and agreed the selected charges to the contractor billing detail and/or third-party invoice.
 - iv. We selected 15 Damage Prevention charges, and agreed the selected charge to the contractor billing detail and/or third-party invoice.

We found no exceptions as a result of the procedures in steps A.a. and A.b. Through A.c. procedures, D&T identified two expenses which related to services performed during the 2019 period as follows:

2020 Selection Month	Period Incurred per Invoice	Date Invoiced	Expense Description	Expense Amount
April 2020	December 2019	January 21, 2020	Untoneable 2020	\$301,600
December 2020	April 2019	April 17, 2019	24361964 ACCTGACCRUALS	\$150

- B. We obtained from the Company's management the monthly G/L detail of the carrying costs included in the GIM cost deferrals for the period January 1, 2020 through December 31, 2020 and performed the following procedures:
- a. We agreed the monthly G/L detail of the carrying charges to the total carrying charges included in the schedule (detail obtained in Step A above) and identified a \$8,597 difference. Per Company management, this difference was due to a credit recorded in the general ledger in March of 2021 to correct a 2020 carrying cost entry in the general ledger. As the general ledger detail only captures carrying cost entries recorded during 2020, the correcting credit entry of \$8,597 was not reflected within the general ledger detail. Note that the carrying costs in both the Schedule and general ledger agreed without exception after taking into account the correcting journal entry recorded in March of 2021.

Carrying Costs per the Schedule	Carrying Costs per the Monthly G/L Detail	Variance
\$450,901	\$459,498	\$8,597

- b. We randomly selected three months (April, September, December) and recalculated the monthly carrying charges for the selected months by multiplying the Company's average of the monthly beginning and ending balance by the PUCO approved three percent per annum rate without compounding and noted that the amounts were in agreement.
- c. We reviewed the Order and confirmed that the PUCO approved carrying charge rate is three percent per annum.

We found no exceptions as a result of the procedures in steps B.b. and B.c.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Company's compliance with the Order for the year ended December 31, 2020. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the board of directors and management of the Company and the PUCO and is not intended to be, and should not be, used by anyone other than the specified parties.

Deloitte & Touche LLP

May 7, 2021



**DUKE
ENERGY®**

**OH
Deferral**

2020

This document is intended to show how Duke Energy Ohio is using the Deferral request from the PUCO to establish programs to reduce risk and provide a higher level of safety to the public.

**Programs & Performance; 2020 Deferral
Summary Report to PUCO**

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CHANGES TO THE 2018 REPORT AND BEYOND

In 2018 Duke Energy Ohio started utilizing Power BI software. This software allows for a greater level of analysis over a conventional Excel pivot chart. Power BI connects to the same data shown in previous reports but allows the visualization of what has changed year over year for a more in-depth explanation of where the change is rooted. Readers of this report will notice that most the charts provided in the metrics sections have been enlarged and the significant year to year changes are shown to provide that deeper level of understanding.

EXPLANATION OF VARIANCE

Duke Energy Ohio, Inc., spent \$3.75 million of the projected \$3.78 million in 2020 for the system integrity deferral initiatives listed in its approved application. Duke Energy Ohio is aware that \$4,000,000 is available to be deferred. This is a variance of 0.88% under the projected amount. Actual spend was on target with deferral budget.

Deferral Initiative	2020 Actual Spend	Deferral Application Spend	Actual - Projection	% Variance
DIMP – Risk Assessment and Analysis	\$355,391	\$850,000	(\$494,609)	-58.19%
DIMP – Records	\$1,894,175	\$1,200,000	\$694,175	57.85%
DIMP – Training	\$117,789	\$200,000	(\$82,211)	-41.11%
DIMP – Damage Prevention	\$1,379,981	\$750,000	\$629,981	84.00%
TIMP – ILI and Pressure Test	\$0	\$1,000,000	(\$1,000,000)	-100.00%
TIMP – MAOP Verification	(\$634)	\$0	(\$634)	N/A
Total	\$3,746,702	\$4,000,000	(\$253,298)	-6.33%

Table 1: Deferral Variance

DIMP – RISK ASSESMENT & ANALYSIS

This program consists of implementing new software, and improving data collection and data quality to support the risk assessment models. Improving the collection of our data to be used in analysis software will allow improved ability to meet the requirement in CFR 49 192.1007(a), which states a gas operator must demonstrate and understanding of its gas distribution system. As a result of better system knowledge, the requirement in CFR 49 192.1007(c) (to evaluate and rank risk) will experience an improvement in quality because information gathered about the distribution system is used to calculate and rank risk.

The overall program goal for improving risk assessment and analysis will have a safety benefit to the general public by allowing Duke Energy Ohio to develop programs and activities to reduce risk. These programs are a requirement under CFR 49 192.1007(d) (to identify and implement measures to address risks). However, as the code is not specific with regard to what programs are required to address risk, it is up to the individual operator to determine what programs they will implement based on their risk profile. With a deferral program that is specific to risk assessment and analysis, Duke Energy Ohio should be able to create more specific and targeted programs that eliminate more risk at a lower cost, thereby providing more benefit to the general public.

Program Metrics

Program metrics are high-level measures of performance that are not specific to any single project under the program but should reflect improvement based on the cumulative effect of all the individual projects. These metrics tend to be leakage based, lagging indicators, which means that the information was collected from a repaired leak during a specific year. Every leak has a potential impact to public safety. Thus, a reduction in leaks will have a direct impact on safety.

Leaks Caused by Corrosion on Mains & Services

Due to the fact that the only project under this program is specific to corrosion, there should be a reduction in the rate of corrosion leaks at the completion of the project. The chart below shows how corrosion leaks have been dropping consistently from 2013 to 2018. This drop is attributed to other programs and activities to reduce risk, outside the scope of this program (e.g. AMRP), that have had an impact on corrosion leaks. In 2018 the count of leaks was dropped from 2017. Further analysis of the data showed that leaks on copper pipe and coated steel continued to drop but that was slightly offset by an increase in leaks on bare steel. Furthermore, a decrease was noted in both hazardous and non-hazardous leaks.

As a baseline, a rolling six years of data will be utilized. At the conclusion of the project under this program, the baseline will be noted as the leak rate of that rolling six years. Improvements resulting from the project will be determined based on the leak rate of the rolling six years of information at the conclusion of the project.

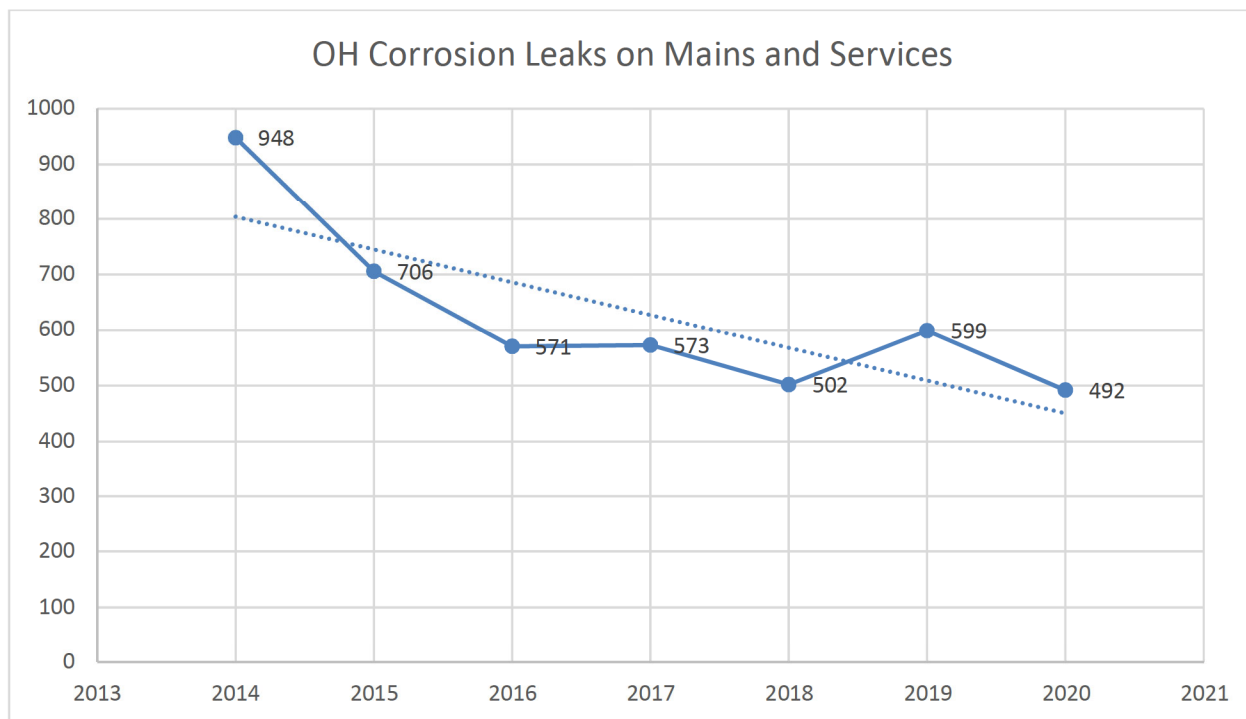


Figure 1: Ohio Corrosion Leaks on Mains & Services

Cathodic Protection (CP) Manager Project

History

The CP Manager Project was initiated on February 17, 2014, as part of a larger overall project known as Gas SMART. The SMART acronym stands for the following:

- Simplify the Portfolio
- Mobility
- Automation
- Reporting
- Technology Strategy

Many inefficiencies were targeted under this project, which included improving customer information for meter inspections, providing field personnel access to maps, asset information, key gas operations records, operational procedure documents and the CP Manager Project. The following table provides a list of goals and objectives for the entire Gas SMART Project.

Goals	Objectives
Increase work process efficiencies	<ul style="list-style-type: none"> • Provide access to map and Gas asset information for field personnel, to provide efficiencies in decision-making and work processes. • Provide additional customer data to Meter Tracking System (MTS) to reduce research time
Reduce time required to handle data for work being scheduled, performed, and closed.	<ul style="list-style-type: none"> • Utilize currently existing capabilities for work to be performed and stored while out of mobile device communication range, and synchronize when crew is within range. • Provide and receive electronic information that is legible (not handwritten) • Decrease back office support currently required with paper forms
Reduce time to provide managerial and regulatory reporting, both scheduled and ad hoc.	<ul style="list-style-type: none"> • Provide inspection information in structured data that can be reported on • Retire paper forms • Provide pre-filled information to field personnel that can be determined from data stores/databases
Reduce risk of regulatory fines from incomplete and/or inaccurate data	<ul style="list-style-type: none"> • Improve data quality error prevention via the data entry design. • Ensure that data housed in data stores for multiple applications is consistent and well defined
Promote environmental sustainability	<ul style="list-style-type: none"> • Replace paper field forms with mobile, electronic forms

The goals listed above for the Gas SMART project provide safety and financial benefits to the Company. Having a more efficient method of performing work results in less downtime for employees. Record improvements and CP manager were designed to provide better information to front-line workers to make better decisions and manage their daily work schedule. Better information that allows better decisions is a benefit to the public because it reduces the chances of human error while performing work on our pipelines.

Goal

The goal of the Cathodic Protection (CP) Manager project is to improve cathodic protection records accuracy by integrating all pipeline test circuits from our Corrosion Department’s software (Pipeline Compliance System, PCS) with our GIS mapping software (Smallworld by GE). Smallworld is the system of record for pipelines, corrosion circuits, and cathodic protection (CP) read locations. PCS is the system of record for field-generated CP reads. This project is merging the two systems into one business process. By using Smallworld as a single source for system records, duplicate data entry will be eliminated and data quality, availability, and accessibility will be improved.

Scope

The following was the original scope of the project identified by the project team:

- Integrate corrosion data between EGIS and Pipeline Compliance System (PCS)

- Upload historical riser data into EGIS
- Provide reporting capabilities of inspection status
- Enable scheduling functions for corrosion inspections
- Reconcile casing ID number and test points used in EGIS and PCS
- Provide ability to add additional assets required for corrosion monitoring in EGIS
- Provide ability to record corrosion maintenance activities
- Provide ability to view corrosion data points that have anomalies
- Coordinate corrosion and casing inspections within the same vicinity
- Provide a read sequence for test points

Timeline

Step 1 – Reconciliation

A reconciliation process is currently underway to match circuits between PCS and Smallworld. Part of the reconciliation process involves field work to verify insulated sections of steel main and services, and to add cathodic test stations at insulated joints. The reconciliation process alone will have a positive impact on public safety by ensuring that Duke Energy Ohio is providing cathodic protection and taking reads on all steel pipelines and pipeline appurtenances. This is an essential piece of corrosion protection that is required by federal code under CFR 49 192.451 through CFR 49 192.491, and is a program or activity to reduce risk. There are approximately 13,000 circuits that need to be built and approximately 20% of those will need to be field verified. The reconciliation process was completed in 2020.

Step 2 – Risk Assessment

Once this project is completed, the CP reads will be used in a pipe segment corrosion risk model to identify areas within our system where corrosion is more likely to occur. The model will create a heat map that will graphically target areas that our corrosion technicians can concentrate on providing additional cathodic protection to the pipeline segments identified. In addition, Duke Energy Ohio can develop additional programs and activities to address risk, such as more frequent leak surveys, on the identified areas in the corrosion risk model. We expect to see a reduction in the number of test reads falling below the minimum accepted criterion of -850 mV listed under appendix D of CFR 49 Part 192 for adequate cathodic protection. A reduction in the number of reads not meeting the criterion lowers the chances of a potential leak caused by corrosion which provides an increased safety benefit to the public. The corrosion risk model has been developed and is ready to implement CP reads as a factor once the reconciliation process is complete. The image below is an example output from our segment-based corrosion risk model.

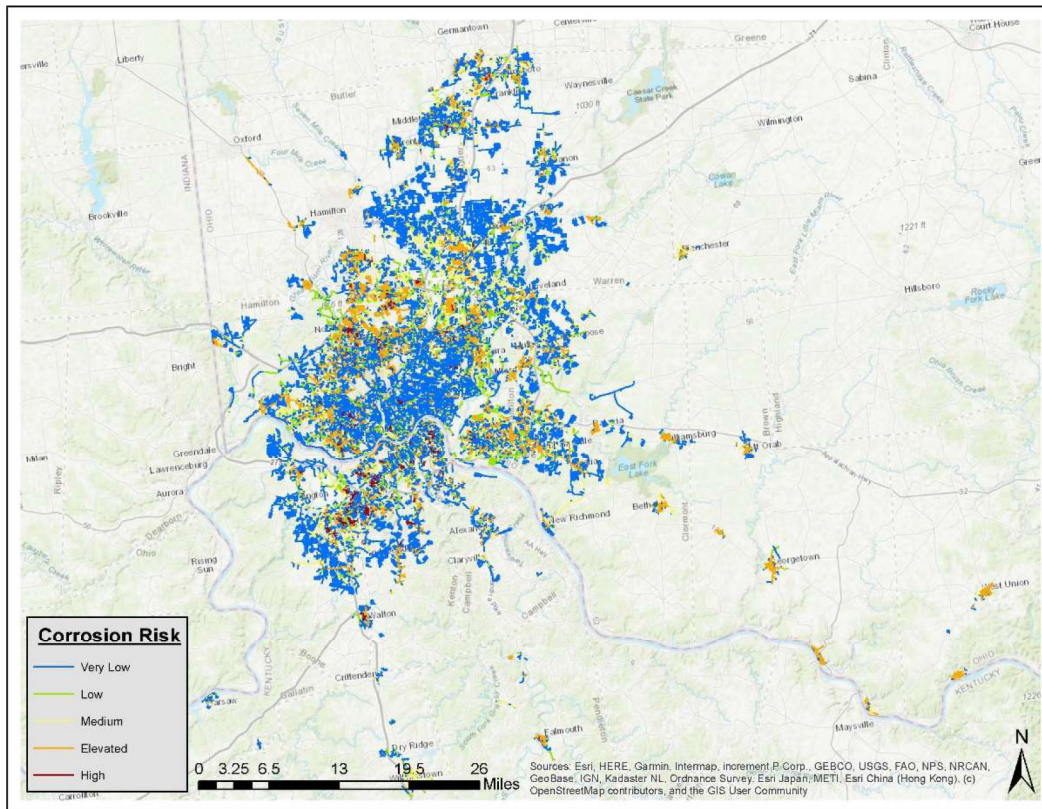


Figure 2: Sample Output from GIS Based Corrosion Risk Model

Metrics

Metrics associated with the CP manager project are designed to show the benefits of having reconciled information between PCS and Smallworld and improvements in risk assessment.

CP Manager Metric 1 – Percent of Inadequate CP Reads

This metric shows our performance measure of the percent of total reads that fall below the criterion for adequate cathodic protection described previously. The established baseline will be the average of reads falling outside this criterion between the years 2012 to 2016. A drop to below the baseline average is expected after the completion of this project. It should be noted that there may be a brief increase in the total percentage of reads outside the criterion before a drop, due to the fact that, in the execution of this project, Duke Energy Ohio may find new segments that are unprotected or below the criterion that had not been previously known. The table below shows the performance measure of the percent of inadequate CP reads.

In 2018 all values were revised because a more sophisticated search query was available through SQL. The same query was applied across the entire range of dates for

consistency. The results show an increase in the percentage of total test reads showing inadequate cathodic protection which was not unexpected because the program is helping Duke Energy Ohio discover find new segments that may not have been previously known. In 2019 there was a similar increase as seen in 2018 and is attributed to the same reason. In 2020, this number decreased.

Year	Percentage of Total Test Reads showing inadequate CP
Baseline	5.94% (2012-2016 Avg)
2017	6.71%
2018	7.33%
2019	9.06%
2020	6.00%

Table 2: Percent of CP Reads Above -850mV

CP Manager Metric 2 – Additional Programs and Activities to Address Risk

Upon the completion of the reconciliation process and utilization of the risk model, Duke Energy Ohio may develop additional programs and activities that are targeted to high-risk segments of pipeline identified by the corrosion risk model (See Figure 2 above). The year the program was implemented, name of the program, and a brief description of the program will be listed in the table below.

Year	Program to Address Risk	Description
2017	No Programs Added	CP Manager is currently under the reconciliation process.
2018	No Programs Added	CP Manager is currently under the reconciliation process.
2019	No Programs Added	CP Manager is currently under the reconciliation process.
2020	No Programs Added	CP Manager reconciliation process completed.

Table 3: Additional Programs Initiated from use of Corrosion Risk Model

Safety Intent

CP manager is designed to improve public safety by having a centralized location of verified information that can be used as a factor in predictive analysis of corrosion leaks. This predictive analysis will enable Duke Energy Ohio to be proactive in establishing programs to address risks, such as accelerated leak surveys, additional cathodic protection, etc. Having a complete and verified CP manager program improves the data

used to perform this predictive analysis. Having a higher quality information source produces higher quality results in evaluating risk with respect to corrosion. CP manager will play a major role in this effort.

811 Risk Ranking Software

History

Beginning in mid-July 2018 in Ohio we utilized a third party risk ranking software to rank 811 tickets as they came in from the call center. By July of 2020 the contract with the 3rd party vendor was up for renewal and it was decided not to renew the contract.

In 2019 the Duke Energy NGBU received approval for a deferral in North Carolina. We solicited proposals from vendors to provide a Ticket Risk Ranking model for the Watch and Protect Program. Among the groups that were solicited was an internal group of contracted data scientist called the MADLab. The MADLab utilizes contract employees to create data driven solutions to improve our ability to address threats and opportunities within the enterprise. In early 2020 the software development was awarded to the MADLab team. They began working to build a risk ranking software that could accurately predict which tickets pose the highest risk to our system. By July of 2020 the model was ready to be launched in North Carolina. Almost immediately after the proof of concept in North Carolina the team began working on a similar model for Ohio. That risk model was completed in late 2020 and is currently being utilized by our Watch and Protect Program contractors in Ohio.

Goal

The ultimate goal of using this software is to risk rank excavation tickets which will ensure that the inspectors with the Watch and Protect Program (See Damage Prevention Section), are addressing the tickets with the highest risk. Additional value added benefit of using this software with the Watch and Protect program are:

- Add a proactive element to damage prevention
- Employ the power of data analytics and GIS to predict risk
- Identify high risk excavation before it occurs
- Develop process/systems with proactive preventative actions to mitigate risk
- Targeted Public Awareness Programs
- Alert internal locators and 2nd party contractor locators of high risk excavations
- Improve pipeline safety, decrease outages, reduce costs from damage
- Because it is an internally sourced and maintained product, we have more flexibility if we want something changed or fixed.

Scope

The scope of the 811 Risk Ranking Software currently covers the three districts with natural gas service in the state of Ohio served by Duke Energy Ohio. All 811 tickets that warrant a locate near Duke Energy Ohio facilities, will be risk ranked and prioritized for additional outreach through the Watch and Protect Program.

Timeline

The 3rd party software was first purchased in 2018. That contract was active through July 2020. It was decided not to renew the contract with the 3rd party vendor at that time. The MADLab began development of the 811 Risk Ranking Software for Ohio shortly after that time and the model was operational in mid-December.

Metrics

Due to the program starting mid-December of 2020 we have not been running the program in Ohio long enough to establish accurate performance metrics. The 2021 report will have a years' worth of data to provide metrics on how the software is performing. Metrics that we are currently watching in North Carolina, where the program has been operational since July of 2020 include:

- Count of Tickets Modeled by Month
- Count of Verified Damages with a modeled ticket
- Percent of damages within the top risk tier

DIMP – RECORDS

This program will improve the processes and procedures on how records are collected, stored, and retrieved, as well as consolidating and cleaning up record information to achieve traceable, verifiable, and complete records. New technologies designed to reduce human errors and risks associated with data collection will be implemented to provide more accurate information.

The overall program goal is to have complete records in a common location that provides easy indexing and retrieval. This improvement creates a system of record that provides accurate information to all facets of Duke Energy Ohio. This program also helps Duke Energy Ohio meet the requirement under CFR 49 192.1007(a) that a Gas Operator must take steps to learn more about its system. This system knowledge is key in identifying threats that could create risk to the public.

Program Metrics

As a direct result of having accurate records, our contractors and company personnel will be able to locate our facilities with improved accuracy. If a gas facility is not locatable by conventional methods, it can be located by as-built drawings if the drawings are available. Thus, damages caused by inaccurate or missing maps or records should trend downward in future years.

The baseline for analysis of the overall program will be the leak rate on damages – facility records/maps inaccurate, on a rolling seven years of data. For 2018, there was an increase over the previously flat baseline. It was determined that this increase can be attributed by the use of a third party contractor to perform root cause analysis on all damages which started halfway through 2017. The use of this contractor has led to a precipitous decline in the use of “other”, “unknown” and “abandoned facilities” as the root cause. The second chart below illustrates this decline. The largest decline was shown in the use of “abandoned facility”. Duke Energy Ohio made the decision that “abandoned facility” was not sufficient as a root cause and should be placed under “facility records / maps inaccurate”. In the future, we expect this program will drive the leak rate on this metric below zero. The following graph shows the damages – facility records/maps inaccurate, for Ohio.

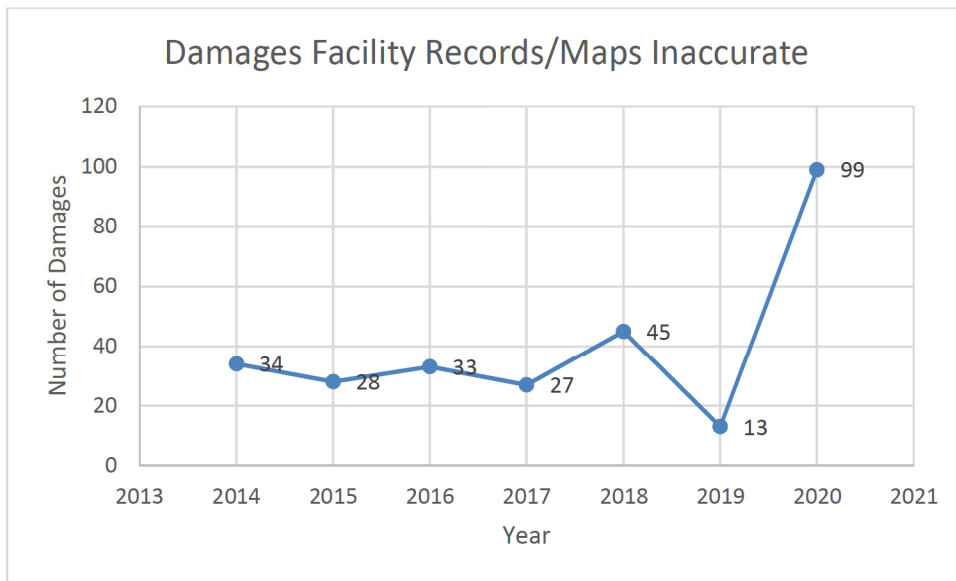


Figure 3: Ohio Damages Cause by Facility Records / Maps Inaccurate

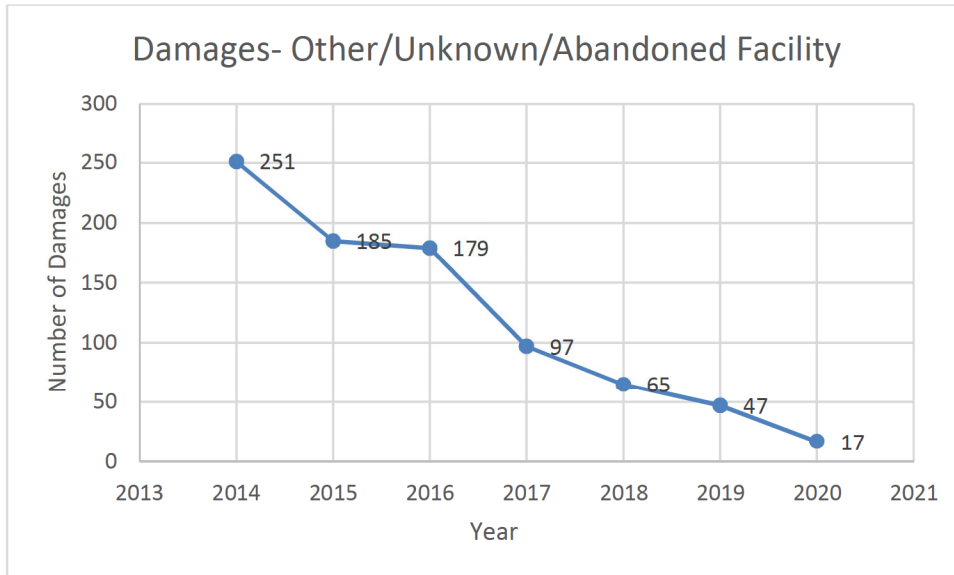


Figure 4: Ohio Damages by Other, Unknown & Abandoned Facility

Scanning & Indexing Project

Duke Energy Ohio is committed to having reliable, traceable, verifiable, complete, and accessible records for its system. As part of this effort, Duke Energy Ohio has found many paper records that were not yet scanned into the system of record. This project accelerates the rate of scanning these records and provides a structured file system so they can be more easily retrieved in the future.

History

Prior to this project, staff was scanning and loading only current jobs (all associated paper records) into the company Document Management System. For all legacy jobs (prior to 2008), staff had to pull paper records from file storage or from network drives and make them available to engineering or field operations. This was a long process, making it difficult to track documentation or retrieve any records supporting engineering or field operations.

Goal

The goal of scanning documents is to have all records in one central system of record. Indexing documents allows the easy location and retrieval of necessary records. Both parts of the scanning and indexing project provide a benefit to the public by having necessary information to perform operations and maintenance on our pipelines.

Scope

This project consists of:

- Transforming paper records, reel and frame records, and microfiche records to digital format;
- Loading digital data into our document management system known as Fusion/FileNet;
- Adding metadata to digital records for indexing and future retrieval from Fusion /FileNet;
- Validating System of Record attributes using verifiable asset data;
- Populating System of Record attributes using verifiable asset data; and
- Establishing processes for new pipeline asset records and data.

Timeline

Project is divided into two phases. Phase one includes the original scope of documents identified, and phase two includes the additional documents found. Phase two was added because of additional documents not found in the original search. Phase one was completed in 2017 while Phase two was completed in February 2020.

Metrics

Metrics to evaluate the performance specific to the scanning and indexing project consist of the following:

- Paper Pages Scanned – The count of paper documents that have been scanned and placed into the system of record
- Files Indexed – The count of files indexed to the new indexing system
- Index Count – Total count of indexes across all files
- Records Uploaded to Fusion / FileNet – Records uploaded that can be accessed through our GIS system of record

The baseline on each metric will be the total population of items identified by the project. Since this project has a clear start and finish identified by the baseline, the performance of each of the metrics will be evaluated on the progress toward completion. The table below shows the baseline and progress toward completion.

Description of Work	Estimated Project Total Quantity (Baseline)	Completion
Paper Pages Scanned	758,442	Completed
Files Indexed	2,828,245	Completed
Index Count	9,449,762	Completed

Records Uploaded to Fusion / FileNet	1,094,647	Completed
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Table 4: Scanning Project Progress Toward Completion

Safety Intent

Scanning and indexing of records improves the safety to the public by providing Duke Energy Ohio contractors and employees with a common source of easily retrievable information when performing operations and maintenance on our pipelines. Quick retrieval of work orders and documents is essential when in an emergency situation and more information is required in order to make a good decision. In addition to emergency situations, this common repository of easily accessible information allows engineering, field operations, system operations, construction, and other groups to be able to make more informed decisions that impact the scope of work they perform. Finally, this repository allows Duke Energy Ohio to comply with the requirement to keep records for the lifetime of the asset.

Gas Fusion Document Classes Project

After the project deployed, Fusion became a 3-tiered structured with 12 document classes, 47 document types, and 260 document subtypes. This reorganization of the classes and application structure provides a better means to manage legacy records in various stages, making them easier to look up for faster customer response, while providing for expansion to meet the growing needs of Integrity Management and new regulations.

History

The project was used to expand the document libraries in our document management system in support of the Scan & Index Project. Prior to this project Duke Energy Ohio filed hard-copy records that were not classified in the document library with supporting

metadata. These files were added to a completed file-job folder, which could contain many documents. This made finding a specific document, such as a pressure chart, very difficult. The libraries and additional document classes provided a more organized structure and allowed for more efficient access to records, as well as the ability to store additional metadata supporting those documents. The metadata enhancements to the documents allow us to make Reliable, Traceable, Verifiable and Complete (RTVC) records more accessible. This project was the platform for record storage and growth as more documents have been identified concerning our assets.

Goal

The goal of the Gas Fusion Document Class project was to enhance the class structure of Gas Operations' document management system known as Fusion/FileNet, making it easier for office and field personnel to access and search records.

Scope

The scope of this project was to take the 10 document classes and create a 3-tiered structure with 12 document classes, 47 document types and 260 document subtypes. This allowed Duke Energy Ohio much more accuracy in document classification, going from a limited 10 combinations of information to 146,640 possible combinations.

Timeline

This project began in fall of 2015 and was completed July 2016, however additional documents continue to be found in excess of the original projected scope of the project. This project will be ongoing to allow for the processing of the additional documents

Metrics

This project is 100% complete with regard to the original projected scope. No current metrics are available for this project. Refer to the overall program metrics in table 4 for scanning and indexing.

Safety Intent

Gas Fusion Document Classes project improved public safety by providing Duke Energy Ohio contractors and employees with a common source of easily retrievable information when performing operations and maintenance on our pipelines. Quick retrieval of work orders and documents is essential when in an emergency situation and more information is required in order to make a good decision. In addition to emergency situations, this common repository of easily accessible information allows engineering, field operations, system operations, construction and other groups to be able to make more informed decisions that impact the scope of work they perform. Finally, this repository allows Duke Energy Ohio to comply with the requirement to keep records for the lifetime of the asset.

Dynamic Linking Project

History

There is a Comma Separated Value (CSV) Checker / Loader application in Enterprise Geographical Information System (EGIS) that allows image files in FileNet to be referenced and retrieved for display from within EGIS. The application includes a batch validation process that launches from within EGIS to validate new gas image file information against related gas objects in EGIS to ensure they are in sync, and creates the URL linkage between EGIS objects and FileNet files in Fusion.

Goal

The CSV Checker / Loader application needs to be updated to create URLs to FileNet using the new Fusion Document Class structure that was implemented in August 2016. Document Classes went from a flat structure with ten Document Classes to a structure with Document Classes, Document Types, and Document SubTypes.

Scope

Pre-Work Completed: Analysis of Document Classes to provide the business with a list of valid Document Classes, Document Types, and Document SubTypes.

Project Work: Update the Checker Loader application in EGIS to be able to create a URL string to FileNet in Fusion for the new Document Class file structure, including Document Type, Document Sub Type, and Document Sub Class. (Checker Loader logic is written in Magik code.)

- The business needs to determine which documents in Fusion are required by the business to access from EGIS. Now that the merged organization structure is available, meetings can be set up to match managers to the documents required by their groups.
- Identify the specific class meta data values for each document class that need to be displayed in EDMDS search screen.
- Build additional EDMDS configurations for additional document classes to display the specific class meta data values.
- Configure EGIS to go to the EDMDS search display (even if only one document is found) instead of auto-opening objects. The EDMDS search display will be configured to display valid meta data for the object. (This was done as a production configuration modification and does not require additional hours in this project.)
- The EGIS Magik code will need to be modified to accommodate multiple document classes providing the capability to build the URLs.

- Perform analysis to determine if EGIS has sufficient memory and database resources to handle the influx of document reference objects and remediate as needed.
- Load the MyWorld table(s) with the new EDMDS URL link, and also assess any other downstream application impacts. This may need to be tied to an EGIS hotfix or release.

Metrics

	Number of static links assignments TOTAL (edmds in name)	Number of Static Links being Replaced	Number of Static Links Remaining	Number of new Dynamic Links (from metadata)
Mains	159,966	83,092	76,874	2,722
Casings	552	0	552	Unknown at this time
Valves	924	0	924	Unknown at this time
Services	397,818	385,205	12,613	291,971
Measurement	12	0	12	Unknown at this time
Event History	229,942	225,347	4,595	236,598

Safety Intent

Dynamic linking of documents allows more efficient work processes. This added efficiency is crucial to obtaining records in emergency situations when seconds count. In addition, it will allow our contractors to have more detailed information available to them when needed. This increase in available information will help all parties make better decisions.

Material Investigations

As part of Duke Energy Ohio’s continued dedication to public safety and reduction of methane emissions we completed our Accelerated Main Replacement Program in 2015. That Program was tasked with replacing all bare steel, cast iron and copper mains in in our system with either coated steel or plastic. Over the past 5 years though we have continued to report a very small amount of cast iron, bare steel and copper main on the DOT report.

History

When the replacement program finished up there were a few very small segments that remained in GIS. It was thought that many of these were due to gaps in as-builts and that the segments were errors in GIS instead of actual bare steel or cast iron remaining in the system. Never-the-less we continued to report these segments on the annual report as required. In early 2019 we were asked to investigate these segments further in an effort to eliminate them from the Annual DOT Report. After a thorough records search, we were eliminated the majority of the segments of bare steel and cast iron. We performed several

inspections that year and had some carry over charges into 2020. There were no actual inspections completed in 2020. All remaining segments will be excavated in 2021.

Scope

With all other options exhausted we built a program to employ contractors to excavate around these segments and visually verify the material. The focus of this program was bare steel and cast iron. In 2019 the findings of the inspections we completed were documented on a job control form and given to the GIS group to make any changes if necessary. Many of these segments were in the immediate vicinity of regulator stations so the work had to be performed in a slow and careful manner. In all we excavated 17 different segments in 2019 that we believed most likely to be active bare steel or cast iron. Some of these locations included both the inlet and outlet piping of a regulator pit or vault. These excavations were either done by hydro-vacuum or hand digging.

Timeline

The initial inspections in 2019 were completed on the segments of pipe that were the highest risk based a few factors identified during the investigation portion. Those segments were investigated and any bare steel that was identified was replaced in 2020 using capital funds. The remaining segments of bare steel and cast iron will be investigated in 2021. Copper mains, for the most part, will not require investigation but rather will be replaced with a capital improvement program.

Metrics

For this program we are using the remaining mileage, as reported on the DOT report as our main performance metric. The goal is to report ZERO bare steel and cast iron. This program is focused on identifying the segments that will require replacement with a capital charter.

Material	Mile of Main Reported on the 2019 report	Miles of Main Reported on the 2020 report
Cast Iron	0.023	0.002
Bare Steel	0.92	0.326

Safety Intent

Bare steel and cast iron have both been known to be highly susceptible to corrosion, cracking, and other forces that can cause the pipe to fail. Duke Energy Ohio completed the AMRP program to reduce the number of leaks to our system. Reducing the number of underground leaks protects our community from potential natural gas incidents while also reduce methane emissions. The investigation and eventual replacement of these segments is the last step to removing these substandard materials from our system.

DIMP – TRAINING

Reducing incidents has a direct safety benefit to the public. Well trained and educated employees are critical to Duke Energy Ohio performing successful and incident free operations and maintenance to its pipelines. The activities associated with operations and maintenance, such leak surveys and pipeline inspections, prevent incidents from occurring and thereby reduce exposure to risk.

The goal of this program is to have a workforce prepared to support the growth and safety of a reliable natural gas distribution system. To attain this goal, the program will assist with educating employees on the importance of safe work practices, project life cycles, code requirements, customer interaction, and data collection and documentation. Existing workforce training methods were assessed before making program enhancements, which enhancements can include changing the core training curriculum, increasing human performance fundamentals, increasing hands-on evaluations, improving training facilities, and increasing the number of training personnel.

Program Metrics

Having employees performing their duties on the job with a higher level of training should lead to fewer instances of leaks caused by incorrect operations. The baseline for measuring the effectiveness of the overall program will be the leakage rate on a rolling 7 years of leaks caused by incorrect operations in Ohio. The graph below shows a trending decrease in leaks caused by incorrect operations and is attributed to a more robust training program. In addition, there was an abrupt increase in the number of incorrect operations leaks from 2010 through 2013. This increase is attributed to the start of the Distribution Integrity Management Program's effort to improve leak reporting. A negative leak rate is desirable for this metric and the Company expects to see a continuing decreasing rate and has seen the number of incorrect operations leaks drop from 2017 to 2020.

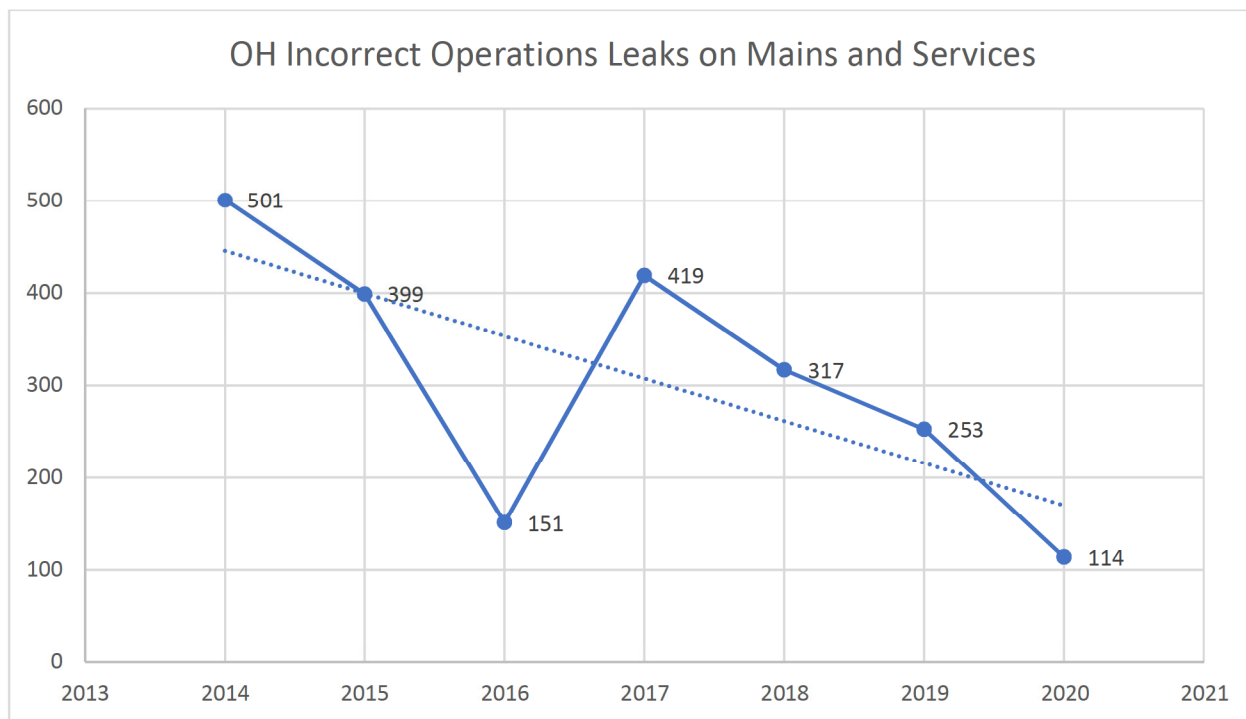


Figure 5: Total Ohio Incorrect Operations Leaks by Year

Training Curriculum Project

Learning Services teaches classes for Mechanics, Mechanic Operators, Inspecting Mechanics, Meter Specialists, and Service Mechanics. This work is complete; however, there are several more small projects for updating training facilities and curriculum that will be tracked under this project code in coming years.

The goal of proper training is to instruct employees on the correct procedures for installation and maintenance of gas facilities.

History

Since the start of DIMP in 2012, Duke Energy Ohio has been trying to identify the organizational issues that contribute to risk for the gas distribution system. The issue of training was identified early on by analysis of data that was coming in as a result of DIMP. It was determined that an insufficient training program can lead to a host of issues such as poor workmanship, poor completion of required documentation, and insufficient knowledge in emergency response. Those issues contribute not only to risk in the field but also the analysis of risk by the DIMP group. In order to meet the requirements of a strong DIMP program, Duke Energy Ohio has determined its training program will be more comprehensive with more learning tools available for educating employees about what they may have to deal with as front line workers.

Goal

The goal of the training curriculum project is to provide field employees educational opportunities related to proper principles and practices of performing sound operations and maintenance to Duke Energy Ohio’s pipelines.

Scope

Improvements were made to the core curriculum for craft employees to increase focus on human performance fundamentals and hands-on evaluations. Improvements were also made to the training facility.

Timeline

As new projects are added they will have established timelines in this section.

Metrics

Metrics around the training curriculum projects are divided into two categories. The first category is how many new projects have been initiated by year and the second is the passing rate of field employees on training.

Training Curriculum Project Metric 1 – New Training Projects Added by Year

This metric keeps track of how many new and/or improved initiatives are developed by training staff to better educate and train field employees by year. Training provides field employees with competencies in a shorter amount of time than experience in a real world situations. In addition, some real world situations may be hazardous so, if employees can be trained in a safe environment, they can gain experience in that situation without being exposed to danger. Duke Energy Ohio expects to add at least one project a year to the original project. New projects provide a direct benefit to public safety by ensuring Duke Energy Ohio has a highly trained and fully competent staff.

Year	Training Project	Description
2017	CIP 1 Training	Duke Energy Ohio in partnership with BTS (Contractor), hosted a NACE CIP 1 certification course.
2017	Pig Launcher/Receiver Training	A small scale pig launcher/receiver was built to educate employees on how to properly use. The apparatus uses compressed air to demonstrate functionality. (See Figure 6 below)
2018	Excavator Simulator	See the excavator simulator section of this document for details.
2019	Excavator Simulator	The excavator simulator was not delivered to Duke Energy Ohio, so the company was reimbursed for the cost and the purchase was cancelled.
2019	Coating Inspection Training	Training included preparation and application of various types of coatings for steel pipelines (See Figure 7 below).

2020	No New Projects	
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Table 5: Additional Training Projects Added by Year

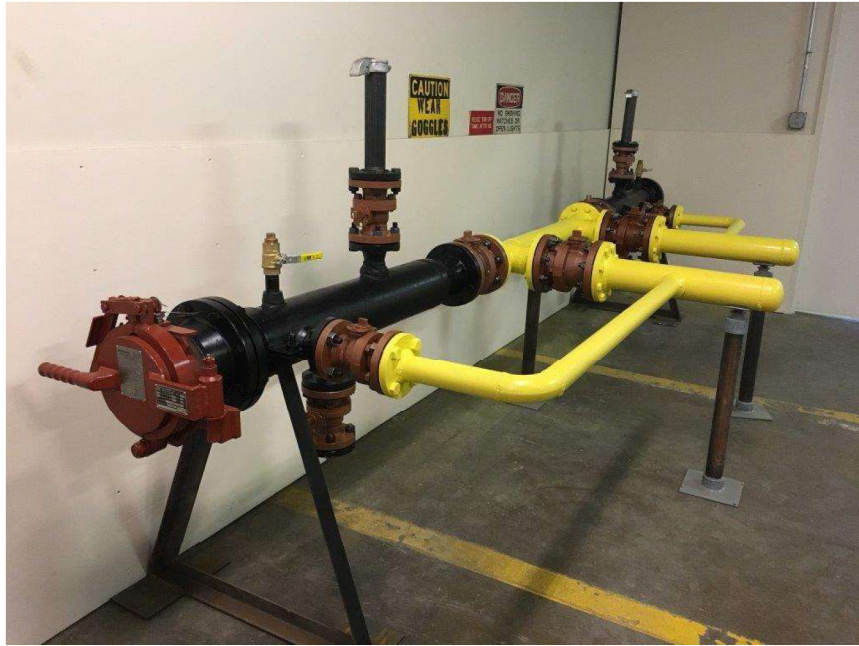


Figure 6: Pig launcher/receiver training apparatus



Figure 7: 2019 Field Coating Training

Training Curriculum Project Metric 2 – Passing Rate of Training

The performance of the training curriculum project will be measured based on the passing rate of the field employees. The table below illustrates the passing rate for training new employees.

Year	Passing Rate
2017	100%
2018	100%
2019	100%
2020	N/A

Table 6: Passing Rate of Training by Year

Safety Impact

The training program is designed to impact safety by ensuring that Duke Energy Ohio’s field employees are confident and experienced in dealing with situations they encounter in the field. Properly trained employees will possess enhanced abilities to assess situations dealing with leaking gas and take appropriate actions to save life and property. In addition, a soundly trained workforce will be able to provide more consistent and complete information to the integrity management programs that rank risk and establish programs to address risk.

DIMP – DAMAGE PREVENTION

Excavation damages are the largest risk to Duke Energy Ohio’s natural gas facilities. This program will add damage claims investigators, improve records access to locate companies, and decrease unlocatable facilities by correcting the root cause of the problems.

The goal of the Damage Prevention Program is to keep damages from happening before they occur. Duke Energy Ohio classifies excavation damages as hazardous leaks, which are defined as an immediate danger to life and property. For every damage prevented with the damage prevention program, this danger is avoided.

Program Metrics

The performance of the overall damage prevention program will be evaluated at high level on the metric of damages per thousand locates. This metric takes in many factors and can be influenced by two different mechanisms. The number can be decreased either by increasing excavation one call tickets or by reducing damages. Both are influenced by individual projects in the damage prevention program. The baseline for this metric will be based on a rolling 7 years of data and a decrease in the rate of damages per thousand locates is the desired outcome. Currently, damages per thousand locates are trending down. Using a rolling 7 years of data will drive continuous improvement and a yearly rate at or under the rolling 7-year baseline is expected. The chart below shows the historical damages per thousand locates for Duke Energy Ohio with the baseline trend.

The steady drop continued in 2020 down to 2.8 damages per thousand locates.

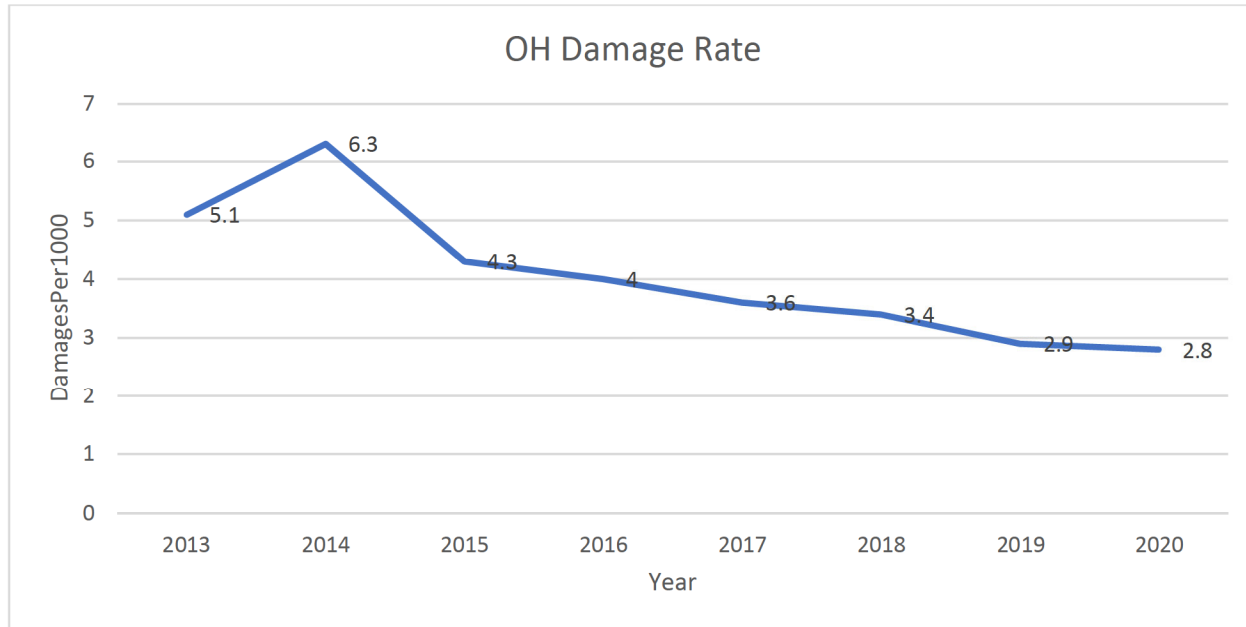


Figure 8: Ohio Rate of Damages per 1000 Tickets by Year

Radio Ads / Mailings / Training Videos Project

The work performed under this project include various means of reaching out to Duke Energy Ohio costumers to increase Public Awareness of Duke Energy Ohio’s gas distribution system.

History

Public awareness and the understanding of pipeline operations are vital to the continued safe operation of pipelines. On December 17, 2002, the President of the United States of America signed into law the Pipeline Safety Improvement Act (PSIA)¹ that required an owner or operator of a gas or hazardous liquid pipeline facility to take action to improve its public education program and allowed the Secretary of the U.S. Department of Transportation to issue standards prescribing the elements of an effective public education program. In response, the Office of Pipeline Safety (OPS) promulgated regulations that revised 49 CFR Parts 192.616 and 195.440 and incorporated by reference the American Petroleum Institute's (API) Recommended Practice (RP) 1162, “Public Awareness Program for Pipeline Operators.” The regulation states in part that the Company must develop and implement a written continuing public education program that follows the guidance provided in RP 1162.

Goal

The goals of the radio ads / mailings / training videos project are:

1. Educating the public, appropriate government organizations, and persons engaged in excavation related activities on:
 - a. Use of the 811 one-call notification system (Call Before You Dig) prior to excavation and other activities that might damage lines;
 - b. Possible hazards associated with unintended releases from a natural gas or hazardous liquid pipeline facility;
 - c. Physical indications that such a release may have occurred;
 - d. Steps that should be taken for public safety in the event of a natural gas or hazardous liquid pipeline release; and
 - e. Procedures to report such an event.
2. Advising affected municipalities, school districts, businesses, and residents of buried natural gas or hazardous liquid pipeline facility locations and an effort to raise stakeholder awareness of the presence of pipelines in the communities we serve.
3. Use media that is as comprehensive as necessary to reach all areas in which Duke Energy Ohio transports natural gas.
4. Conduct the program in English and in other languages commonly understood by a significant number and concentration of the non-English speaking population in the area of Duke Energy Ohio pipelines.
5. Educate stakeholders on how to recognize potential leaks of all kinds near pipelines owned by Duke Energy Ohio and what to do if a leak is recognized. This would include any natural gas pipelines and pipelines carrying hazardous liquids, liquefied natural gas and propane. Note: Duke Energy Ohio does not operate any hazardous liquids, liquefied natural gas or propane pipelines at this time.
6. Raise stakeholder awareness of the necessity to Call Before You Dig/Call 811 and take other damage prevention actions when conducting any kind of excavation work or landscaping.
7. Help excavators understand the steps that they should take to prevent damage to the pipeline and respond properly if the pipeline is damaged.
8. Help emergency response agencies and first responders understand the proper actions to take in response to a pipeline emergency.
9. Maintain this written Public Awareness Plan (PAP) that provides a continuing public education program that follows the general program recommendations of API RP1162.
10. Assess the unique attributes and characteristics of the Duke Energy Ohio pipelines and facilities.

Scope

This project varies in scope based on the needs of the Company. At a minimum it involves Duke Energy Ohio's Health & Safety group using local media outlets to provide

communications to the public. An example of such a communication is show below and was an actual advertisement displayed in 2017:



Figure 9: Image of billboard in Duke Energy Ohio operating territory

Timeline

This project was started during the fourth quarter of 2017. Project will be ongoing.

Metrics

The metric for the radio ads / mailings / training videos will show how many of each were utilized by year. The more customers and general public Duke Energy Ohio can reach to provide information on the one call law, the higher the benefit to the public by ensuring they know the law and have their facilities located before digging.

Radio Ad / Mailings / Training Videos Project Metric 1 – Number of Radio Ads by Year

Radio advertisements are designed to reach the public to inform them of the one call law and the safety benefits of calling before you dig. Radio ads have not been done since 2010. The intent is to bring back radio advertising. Once radio advertising is started, a baseline will be established based on the number of times the advertisements run and several key performance indicators generated by the advertising campaign.

Year	Station	Spots	Total Spots
2017	WEBN-FM	184	677
	WKFS-FM	184	
	WLW_AM	309	
2018	WFTKFM	280	1696
	WGRRFM	262	

	WIZFFM	266	
	WKRCAM	21	
	WKRQFM	247	
	WLW AM	196	
	WRRMFM	228	
	WUBEFM	196	
2019	WEBNFM	154	1190
	WFTKFM	192	
	WGRRFM	184	
	WKRCAM	80	
	WKRQFM	40	
	WLW AM	120	
	WOFXFM	156	
	WRRMFM	132	
	WUBEFM	60	
	WYGYFM	72	
2020	WRRM-FM	199	1703
	WOFX-FM	294	
	WLW-AM	116	
	WKRC-AM	94	
	WKFS-FM	305	
	WGRR-FM	247	
	WFTK-FM	264	
	WEBN-FM	184	
Total			5266

Table 7: Radio Ads by Year

Radio Ad / Mailings / Training Videos Project Metric 2 – Number of Mailings by Year

Mailings are designed to be a direct communication channel between Duke Energy Ohio and our customers, to inform them about the one call law and safe digging practices. The baseline for this metric and the performance is based on the number of mailers sent out. A year-to-year increase in the number of mailers is desired. The table below shows the number of mailers sent by date.

Year	Number of Mailers
2017	480,000
2018	1,200,000
2019	1,634,000
2020	1,800,000

Table 8: Mailings Sent Out by Year

Pipeline Purpose and Reliability

Pipelines carry natural gas that fuels our homes and businesses, providing heat and vital resources to manufacturing. Our pipelines and facilities are designed, installed, operated, maintained and monitored according to the government's safety requirements.

NATURAL GAS FACTS

Natural gas is lighter than air. Therefore, if it escapes from a pipeline, it will rise into the atmosphere and dissipate.

Health hazards: Extremely high concentrations may cause irritation or asphyxiation

Fire hazards: Extremely flammable and easily ignited by heat, sparks or flames

WHAT WE'RE DOING TO KEEP YOU SAFE

We work diligently to help ensure the safe and reliable operation of our natural gas distribution and transmission pipeline systems through a variety of measures, including:

- Routine inspections to ensure the integrity of pipelines, valves and other equipment
- Maintenance and testing programs
- Patrols of pipeline rights of way for encroachment and erosion
- Verification of safe natural gas pipeline operating pressures
- Corrosion protection
- Pipeline markers and identification
- Our goal is to proactively identify and resolve any issues that could potentially pose a threat to public safety.



BUILDING A SMARTER ENERGY FUTURE®

CALL 811 BEFORE YOU DIG



To help prevent serious personal injury, property damage and damage to underground facilities, you must call your state's 811 Call Center.

State	Number	Minimum required time to call before digging
Ohio	800.362.2764	2 business days
Kentucky	800.752.6007	2 business days

HOW TO IDENTIFY A NATURAL GAS LEAK



SMELL
Natural gas smells like rotten eggs



LOOK
Natural gas leaks often cause bubbling water, blowing dirt or dead plants. You may also see sinkholes and/or exposed pipe



LISTEN
Natural gas leaks often cause a hissing sound near a natural gas line or meter

IF YOU SUSPECT A NATURAL GAS LEAK

- Leave the area immediately
- DO NOT use anything electrical that may create a spark — this includes a cellphone
- Call 911
- DO NOT attempt to locate the source of a leak
- DO NOT attempt to stop a leak
- Call 811 before you dig anywhere on your property – no matter how small

Get more information

This is very important information. Please translate, if necessary, and share with others.

©2020 Duke Energy Corporation 201247-DEK DEO 7/20

XXXXX-X-XXXX

Figure 10: Sample Bill Insert From July 2020

Radio Ad / Mailings / Training Videos Metric 3 – Number of Training Videos by Year

Duke Energy Ohio will advertise on its website videos on the importance of calling 811 and safe digging. We are also planning on getting involved in a national safe digging campaign with a well-known television celebrity. Metrics are yet to be determined. As of 2020, Duke Energy Ohio is not participating in this program and is still determining the value.

Radio Ad / Mailings / Training Videos Metric 4 – Damage Rate

Since this project is designed to reach third parties that are excavating around our pipeline, the most important metric is a reduction in third-party damages. If third-party damages are being reduced, there is a direct impact on the safety of the public. A baseline of the rate of damages of a rolling 7 years of data will be used to measure the effectiveness of the program. Currently, the trend is negative. A negative rate is desirable and Duke Energy Ohio expects to see the rate decrease at a constant rate as shown in Figure 9: Ohio Damage Rate.

Safety Intent

This project is intended to improve safety by creating more awareness by customers, contractors and the general public about the one call law. Excavation damages are Duke Energy Ohio's greatest contributor to risk. An increased use of the one call system by all parties will improve the safety of not only the excavator/homeowner, but also everyone else in the general area. Any damage prevented has a direct impact to public safety.

GIS-Based Leak Survey / Line Patrol Records

A leak survey program is a requirement under CFR 49 192.723. The code prescribes maximum intervals between an operator's performance of leak surveys, based on the location of a pipeline. Proper leak surveys are a critical piece of any operations and maintenance program because they allow gas operators to find leaks expeditiously, and to place them on a schedule for repair or repair them immediately. In addition to being a code requirement, a leak survey program provides a safety benefit to the public by being proactive in finding and fixing leaks.

History

This project replaced a manual tracking method for leak surveys and line patrols that used a Microsoft Access database and paper gas maps. The new program uses the Inspection & Survey module for myWorld, developed by Ubisense. Duke Energy Ohio seeks to eliminate stand-alone access databases and incorporate them into the GIS system of record.

Goal

The goal of this project is to eliminate manual tracking methods for leak surveys as well as the access database where they are stored and replace them with a more automated process that ties into our GIS system of record. The equipment uses GPS tracking to track leak surveyors as they perform their work. This provides Duke Energy Ohio and the public the verification that a leak survey has taken place. This process should free some company employees to perform other work for our customers that would have been previously associated with doing work in the tracking database.

Scope

Leak survey/line patrol orders are automatically generated from myWorld and sent to handheld GPS enabled devices that breadcrumb track the work as the surveys are being performed. These devices forward the data to a central server database where it will be made available through dashboards to office personnel for reporting, monitoring, and editing. Once implemented, the Inspection & Survey solution will increase data integrity and accuracy related to Leak Survey and Line Patrol inspections. It should also reduce the required number personnel to manage this work.

Timeline

The solution is approximately 100% complete. It was being tested in 2017 and was deployed in 2018. No additional funds will be expended on this program because it is fully implemented.

Metrics

The metric to measure the effectiveness of the Leak Survey / Line Patrol Records project will be leaks found on leak surveys in Ohio. The baseline will be determined on a 7-year baseline. Due to the fact that this project increases employee accountability and improves accuracy, there may be a temporary increase in the number of leaks found by leak surveys but, over time, the number of leaks should decrease.

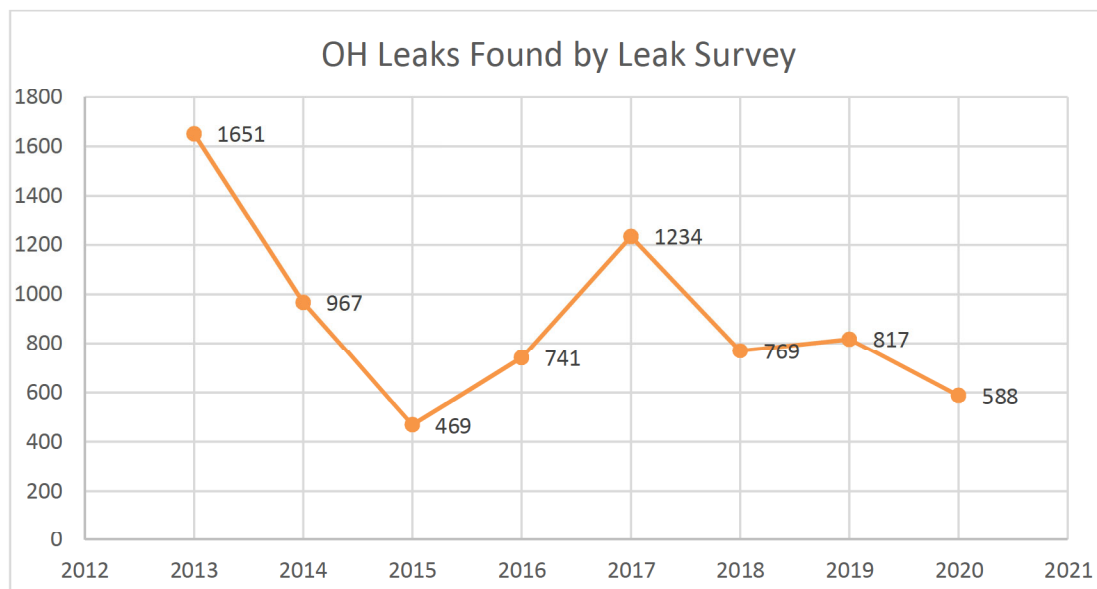


Figure 11: Leaks found by Leak Survey

Safety Intent

Proactive leak detection is not only a code requirement but also an essential program to address risk. Early detection of leaks provides Duke Energy Ohio the ability to immediate fix a leak or place it on a schedule for repair. Adding the GPS component provides quality

assurance to Duke Energy Ohio and its customers by being able to plot where a leak survey technician has been and what the readings were at each point. This plotting technique, known as “breadcrumbing,” displays a visual trace of the entire survey to ensure that no locations were left uninspected. This program is intended to ensure the entire system is leak surveyed as required in our procedure.

Untoneable Repairs on Mains & Services

History

This project was instituted as an audit of our existing 811-locate company to make sure they were putting forth a good effort to locate gas facilities. Tickets turned in as untoneable by the locate contractor were given to a third-party vendor to verify whether the gas facility was truly unlocatable/untoneable. Once the untoneable asset is confirmed, the contractor is responsible for completing repairs on services and main in order to make them tonable and locatable again.

Goal

The goal of this project is to find the locations where our facilities cannot be located and perform corrective action to make sure they can be located in the future. In addition, the goal is to ensure compliance with CFR 49 192.321(e), which specifies that plastic pipe must be locatable.

Scope

The scope of this project includes all mains and services across Duke Energy Ohio’s service territory that cannot be located with standard locate equipment. The untoneable repair contractor is notified of an untoneable asset via a turn back ticket that the locate contractor sends anytime an asset is determined to be untoneable. The contractor then reports to the site and performs the work necessary to repair tonability to that asset.

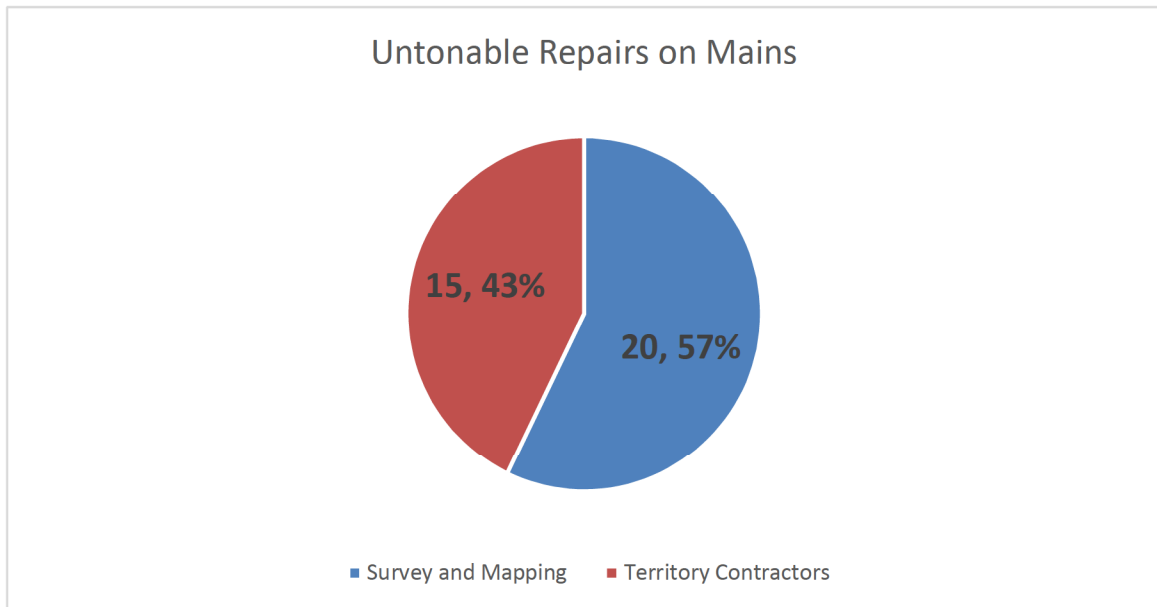
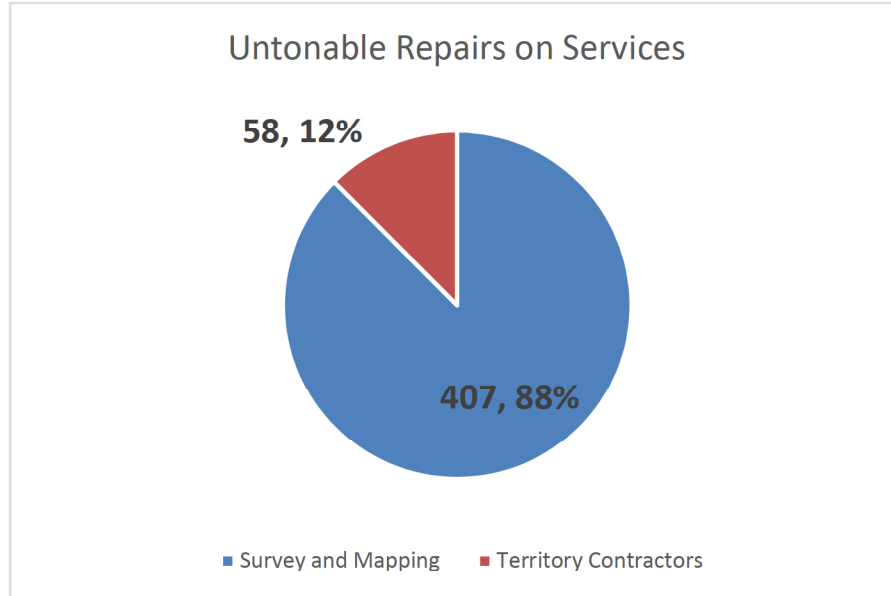
Timeline

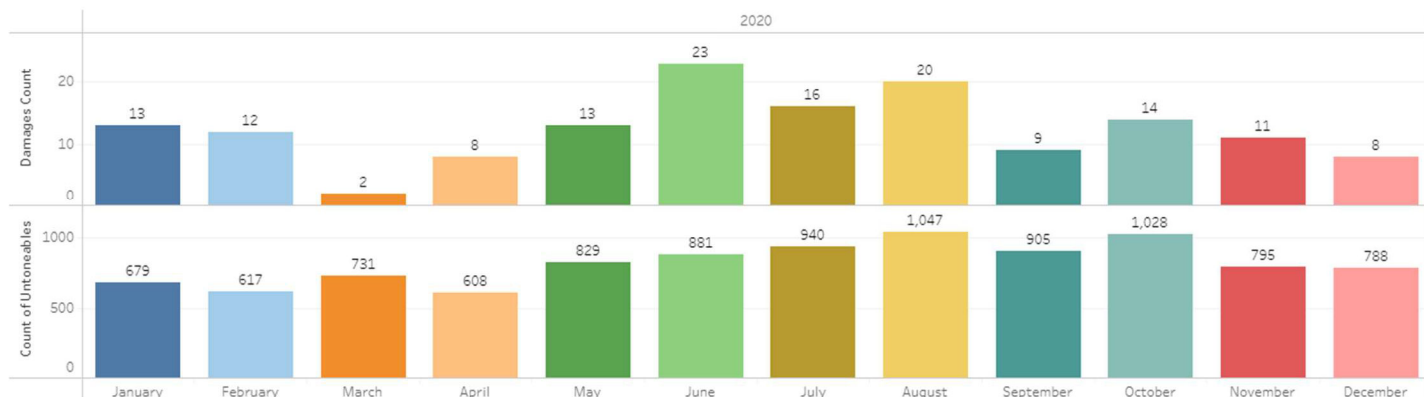
This project was initiated near the end of 2016 and is an ongoing project. Initially the untoneable repair contractor was working off an existing back log of services and mains that had been identified as untoneable at some point in the past. Due to the volume of work this list continued to grow. There were several changes implemented to the program in early 2021 to make the program a quick reaction program. The goal of the program is now to repair tonability to the line before the excavation takes place. We will outline those changes in detail on the 2021 report.

Metrics

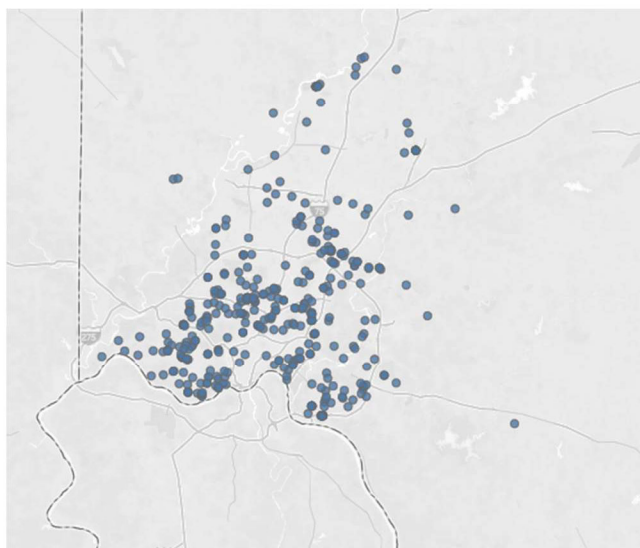
Metrics for the untoneable repair program have changed throughout the course of the program. In 2020 we tracked metrics to ensure that untoneable repair contractor was efficient and completing a satisfactory number of repairs. We also began tracking the number of damages on untoneable tickets. Over time this number should decrease.

Untenable Repairs on Services and Mains Project Metric 1





The figure above shows number damages on untoneable tickets



Map of Facilities Repaired in 2020

Safety Intent

This program is intended to improve safety by ensuring that all gas facilities are locatable. The majority of excavation damages occur on services and this project targets services. Due to the fact that services are generally closer to a structure than mains, not having a locatable service increases the chances for an excavation close to a structure, which creates an immediate risk to life and property.

Watch and Protect

Duke Energy Ohio Watch and Protect Program (W&P) utilizes inspectors and output from the 811 ticket risk ranking software, to ensure that excavators are complying with the rules and regulations of the State of Ohio and Duke Energy Ohio regarding work performed within a designated area of the Duke Energy Ohio natural gas system to

prevent and reduce excavation damages to the system. The W&P Program is designed to protect the natural gas system by preventing excavation damages caused by excavators and their equipment; identify improper excavation activities; educate contractors on the requirements of the Ohio Safe Digging regulations and violations of the law.

History

The program was started in 2018 to address the threat that excavation damages pose to our natural gas system. This program started out by visiting a random selection of tickets. The Watch and Protect contractor typically pulled these tickets based on geography and would target different areas each day so as not to overlap. While they were visiting these tickets at random were having a third party build a risk model to tell us which 811 tickets were the highest risk, meaning which ones had the highest probability of getting hit and the highest consequence if it was to become a hit. Towards the middle of 2018 the Watch and Protect contractor began using the output of this risk model to prioritize the tickets that they would be visiting. When the contract with the third party risk ranking software expired they continued their work but selected tickets based on risk factors that we had identified such as type of work, equipment, excavator etc. Once the Risk Ranking Software from MADLab was complete the contractors began utilizing that to prioritize their work.

Scope

Utilizing the output provided by the 811 Risk Ranking Software, the Watch and Protect contractor performs mitigative activities on site in order to prevent a damage from occurring. The scope of work includes all tasks necessary to complete and record visits to contractors and or excavation sites as determined through 811 Ticket Risk Ranking Software. Inspectors will travel daily throughout designated Duke Energy Ohio territories to ensure excavator contractors are adhering to Ohio regulations regarding safe excavation practices; conversing with excavators and other contractors to determine if there are any concerns or issues regarding the mark out or underground facility location; notification to Duke Energy Ohio if there are any immediate concerns; and advise excavator contractor and or other contractors to contact Ohio Utilities Protection Service (OUPS) or Duke Energy Ohio for re-marks and clarification.

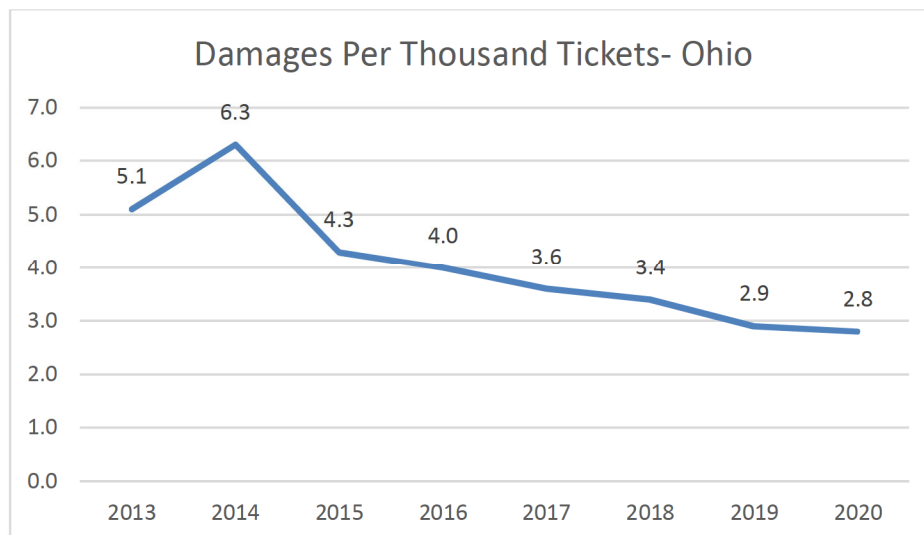
The inspectors have also been asked to be conscious of any excavation activity not associated with the identified locations received from Duke Energy Ohio i.e. no evidence of an underground facility mark out. The inspectors have been instructed to immediately notify Duke Energy Ohio if an excavator is seen digging without a ticket.

Timeline

This program started in 2019 and will be ongoing in conjunction with the 811 Risk Ranking Model.

Metrics

Metrics will measure the desired output of this program, which is an improvement on damages per 1000 locates and reduced damages from excavators not using proper precaution in the tolerance zone. In 2019 we had 180 damages due to this root cause. This number decreased to 129 in 2020.



Safety Intent

Hitting a natural gas pipeline has serious consequences. Even a tiny gouge, scrape, dent or crease to a gas pipe or its coating may cause a leak that could lead to a catastrophic fire or explosion. Duke Energy Ohio's greatest risk to the distribution system has consistently been excavation damage for years. By being proactive and communicating with excavators on high risk tickets, Duke Energy Ohio can provide a greater safety benefit to excavators and the general public.

TIMP - MAOP VERIFICATION

This program consists of contractor help to perform a thorough, segment-by-segment review of pipelines operating above or near 20% SMYS (Specified Maximum Yield Strength) to verify the completeness and traceability of data, in order to support and establish pipeline maximum allowable operating pressures (MAOP). As as-builts are being reviewed, pipeline features and other information are added, validated, and updated in our GIS system (Smallworld) that will aid in determining the MAOP of pipe line segments. This initiative also includes integrating new software for calculating line MAOPs with our GIS system. The MAOP calculator pulls information from the GIS system (Smallworld).

Improving our MAOP data allows Duke Energy Ohio to perform detailed threat and risk analyses that integrate accurate data and information from the Company's entire pipeline system. These risk analyses are used in the identification of appropriate assessment methods, and preventive and mitigative measures.

Program Metrics

To be determined.

MAOP Verification

Verification of the MAOP of transmission pipelines allows Duke Energy Ohio to safely operate at pressures required to serve our customers. This project improves the safety of our customers by ensuring that our records are correct to operate as needed. Incomplete records can lead to events such as the incident in San Bruno, CA.

History

Prior to 1985, Duke Energy Ohio did not have a consistent, centralized location to store MAOP information. The need for this was recognized, which resulted in the creation of the MAOP electronic database. The effort of completing the work required to update and verify all system components was originally estimated to take 4 years. As a result of document research, 46 lines and 105 system stations were determined to have incomplete records. In addition, Duke Energy Ohio recognized the need to find pressure records for 5 years preceding 1970 to establish MAOP per 49 CFR 192.619(a)(3). Job completion processes were also modified to have a final review by engineering, as opposed to being closed out in the individual districts. This process adjustment created a final check and balance to the required MAOP documentation.

A series of laws came into effect that had implications for operators of transmission lines. These laws include the following:

- Accountable Pipeline Safety and Partnership Act of 1996
- PHMSA publishes integrity management regulations for hazardous liquid pipelines in 2000
- Final Rule for Pipeline Integrity Management in High Consequence Areas published in 2004
- Pipeline Inspection, Protection, Enforcement and Safety Act of 2006
- Pipeline Safety, Regulatory Certainty and Job Creation Act of 2011
- Gas Transmission Rule published October 2019

As a result of these laws and their intent to increase the level of safety to the public, Duke Energy Ohio has determined that it must take action to have the most up to date and complete transmission records possible to safely serve our customers.

Goal

The goal of this project is to ensure we have the most complete and up to date records in our system of record to establish a more accurate MAOP. Requirements in CFR 49 Part 192.105(a) and 192.619(a)(1) specify that, if any pipe segment or pipeline asset that carries natural gas has unknown attributes, then the most conservative value must be used. Therefore, if a segment of transmission class has any unknown factor, it must be de-rated according to the code. Updating our current records with information that is pertinent to the calculation will allow Duke Energy Ohio to safely operate transmission pipelines at pressures required to serve our customers.

Scope

This project includes all pipelines that operate around or above 20% SMYS.

Timeline

This project was developed in conjunction with the MAOP calculator project to allow for better calculations from better information. As the MAOP calculator was being developed, it was discovered that several data points, necessary to the calculation of an accurate MAOP, were missing. This verification project was completed at the end of 2019.

Metrics - 2016

An Audit History Report from Smallworld shows that approximately 5,344 changes/additions were made to pipeline features in 2016 by the contingent employee currently working on this project. The baseline will be the average amount of each object modified over time. Duke Energy Ohio expects to see a rise in the rate of objects modified in the future, followed by a drop in the rate as work is completed.

Object Modified	Total
cap	31
coupling	23
elbow	674
flange	727
Flow control device	25
Line loop	82
main	1592
main catalog	33
Pipe change	212
reducer	757
sleeve	186
tee	386
valve	555
reg_sta_equipment	41
Regulator	18
Grand Total	5344

Table 80: Objects Modified in GIS

Metrics – 2017 and Beyond

The integrity management team began taking a closer look at the data contained in the MAOP database and determined that better information was available to represent the program goals. As stated in the goals section of this program, the intent of the MAOP verification program is to ensure the most up to date information is applied to the data in our system of record to be able to more accurately calculate the MAOP of a pipeline system. The data in the MAOP database was filtered for Ohio pipelines that had an MAOP verified by year. The data in the chart below shows a count of the segments of pipeline that were verified by year:

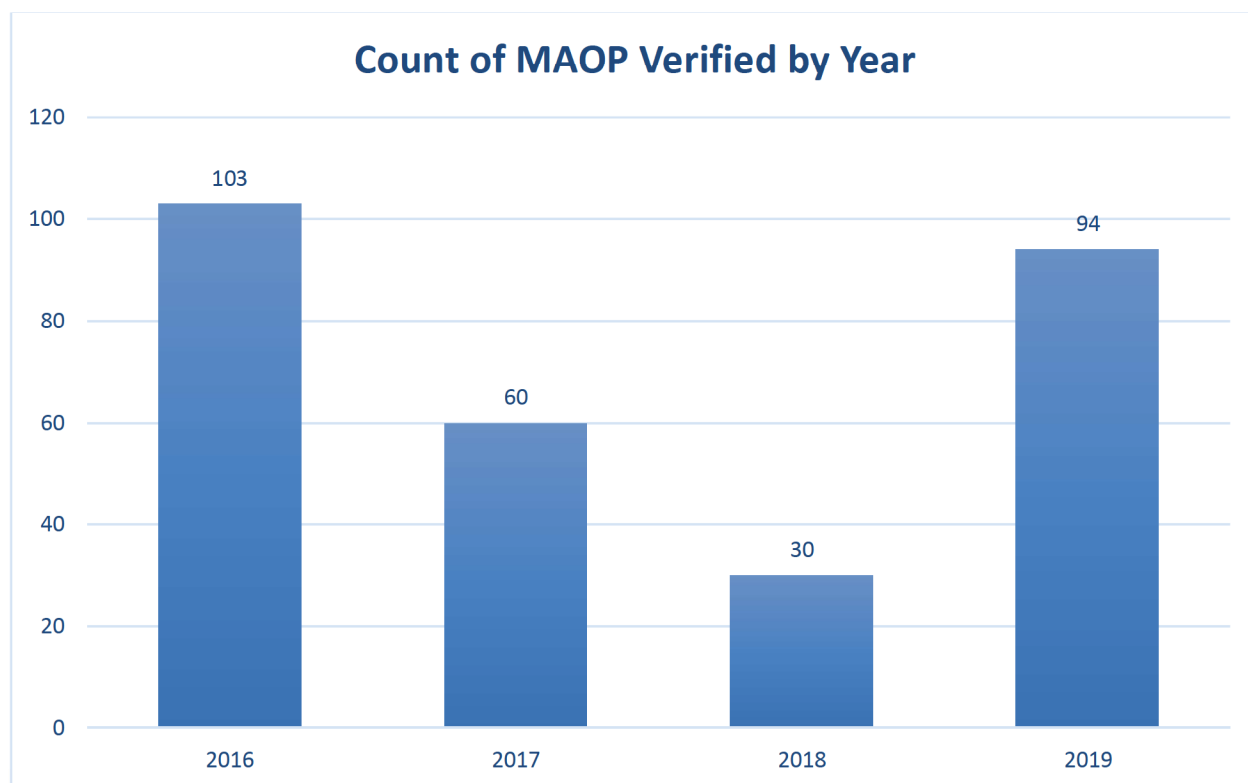


Figure 12: OH Pipeline Segments MAOP Verified

The chart shows an initial drop from 2016 to 2017. Integrity management expects to see a rise as work continues. The initial drop may be due to completion of work with specific pipeline systems and new systems starting work. Integrity Management will continue to closely monitor the metrics for the MAOP verification project.

Safety Intent

MAOP project improves the safety to the public by providing Duke Energy Ohio contractors and employees with a common source of verified pipeline components in our GIS. Having accurate records of pipeline components is essential when in an emergency

situation and more information is required in order to make a good decision. In addition to emergency situations, this common repository of easily accessible information allows engineering, field operations, system operations, construction and other groups to be able to make more informed decisions that impact the scope of work they perform. Finally, this repository allows Duke Energy Ohio to comply with the requirement to keep records for the lifetime of the asset.

Midwest Data Cleanup (Data for MAOP Calculator)

History

Duke Energy Ohio Gas Operations is required by US Code of Federal Regulations 49 CFR 192 to identify, manage and report the MAOP for each section of a gas pipeline or each segment of a gas distribution system. To meet this requirement Gas Operations uses a Microsoft Access database to perform and report these MAOP calculations. While this process meets federal regulations, it requires several Gas Engineering personnel nearly full time to manage. In addition, this Microsoft Access database is not integrated with Duke Energy Ohio's Smallworld platform (EGIS). This gap leads to data discrepancies that then in turn require large efforts across Gas Operations to correct.

In an effort to help gas utility companies and pipeline operators ensure safety through verifiable MAOP documentation, General Electric (GE) developed the MAOP Calculator. The Calculator, which was designed for integration into GE's Geospatial Information System called Smallworld, enables the calculation of MAOP for a line/loop of steel transmission pipelines for natural gas in a verifiable, traceable and complete method. The MAOP Calculator provides a completely customizable solution capable of performing extensive analysis, tracking and reporting on the data available via the connected GIS platform. In short, it provides a comprehensive solution to calculate the MAOP of any defined pipeline segment according to Pipeline and Hazardous Material Safety Administration (PHMSA) guidelines.

The MAOP calculator relies on complete records in the database to calculate an accurate MAOP for each pipeline segment. Therefore the project has shifted into a cleanup effort in order for the tool to be used effectively.

Goal

The project goal is to have a platform that can calculate MAOP on all transmission lines. This is intended to save time in the determination of MAOP so more time can be devoted to developing preventative and mitigative measures.

Scope

The Midwest Data Cleanup project includes all pipelines that operate at or above 20% SMYS. The HPDM project includes all pipelines under 20% SMYS. Running concurrently

with this project, in an effort to provide better information for the calculator, Duke Energy Ohio will perform a gas materials cleanup in the GIS. The scope for this project includes:

- Historical Construction Document Review
 - Vendor will review all historical construction documents and identify applicable GIS information.
 - Work will be assigned and tracked through a Duke Energy Ohio SharePoint list.
 - Documents will be accessed through corporate document management system based on work assignments.
 - Types of documents for review include:
 - As-Built
 - Bill of Material
 - Completion File - Project Folder
 - Daily Reports
 - Green Book
 - Historic Gas Maps
 - Historic Standards
 - Historical Pipeline Purchases
 - Invoice
 - Job Control Forms (JCF)
 - Leak - PCR
 - MAOP Database - Access DB
 - Material Reconcile Report -CUs
 - MTRs
 - Permit
 - Photos
 - Pressure Test Charts
 - Pressure Test Report
 - Reel and Frame - JCF
 - Weld Sheets
 - X-Rays
 - Update Duke Energy Ohio's Enterprise Smallworld GIS System
 - Vendor will use identified historical construction information to perform GIS data updates and/or additions.
 - Duke Energy Ohio will provide business rules to clarify when GIS updates and/or additions should be performed.
 - GIS updates will be performed in a version controlled production Smallworld environment.
- Quality Control

- Vendor will provide a quality control plan and procedure for identifying applicable GIS information from historical construction documents, and performing Smallworld GIS data updates and/or additions.
- Deliverables
 - Project plan
 - Quality control plan
 - GIS data updates and/or additions grouped by Duke Energy Ohio work assignments
 - Records split as indicated in project scope

Timeline

Release 1 of the MAOP Calculator project was completed in 2016. This work included implementation of the MAOP Calculator and another software package, Pipeline Integrity Data Manager (PIDM), produced by General Electric (GE). PIDM exports data from GE’s GTO module of Smallworld for use in the MAOP calculator. Other work included data sync fixes between Smallworld’s GDO module to its GTO module, minimal cleanup of the GDO catalog, and creation of a report export from the calculator to FileNet (document archive system). Releases 2 and 3 of this project include creating a web application that replaces the existing Microsoft Access MAOP and SR databases, creating an SQL server that centrally houses MAOP data for use in other applications, and developing reporting tools. Releases 2 and 3 of this project have been postponed until the integration plan with Piedmont Natural Gas is complete.

The Midwest Data Cleanup project began in March 2018 and completed at the end of 2019.

Metrics - Midwest Data Cleanup

Metrics for the Midwest Data Cleanup are how much of the total work has been completed.

Lines Completed	Total Lines	% of Total Lines	Footage Completed	Total Footage	% of Total Footage
26	68	38.2%	1,644,349	2,213,570	74.3%

Historic Pipeline Data Management (HPDM)

History

Duke Energy Ohio Gas Operations is required by US Code of Federal Regulations 49 CFR 192 to maintain a DIMP Program and part of that program is to gain and maintain system knowledge of the gas distribution

system. To meet this requirement the Historic Pipeline Data Management program was established. This program will be an in-depth review of the company's asset records.

This will include:

- Integrate historical asset data (as-builts, etc.)
- Validate GIS attributes using verifiable asset data
- Populate GIS attributes using verifiable asset data

Goal

The Historical Pipeline Data Management project team will evaluate as-built documentation and appropriately update the SmallWorld GIS, SmallWorld links and project document packages.

Scope

The high-level core functions listed below describe the scope to be completed:

- Historical Construction Document Review.
- Identify applicable GIS information.
- Update Duke's Enterprise Smallworld GIS System using identified information from identified historical records.
- Verify the critical Duke asset information that is shown in the linked documents is captured and available in the Duke Enterprise Smallworld GIS System

Timeline

Kicked off in February 2019 using 3rd party GIS vendor services. Project plan has effort wrapping up main reviews for the 3 Ohio districts in 2026.

Safety Intent

The HPDM project enables additional safety related functionality and expands existing functionality of business applications and process through adding of new asset data, correcting errors, and populating blank attributes in existing data.

- Damage Prevention: Smallworld GIS (enterprise Geographic Information System/asset system of record)- Project will lead to an increase in overall confidence of the asset system of record. Anticipated benefits include improved accuracy in field locates, 811 process efficiency, and reduction in excavation damage thereby improving the safety factor of the natural gas infrastructure.
- Improved Risk Analysis: (pipeline integrity risk application)- Calculate risk value of pipeline assets based on complex algorithm of consequence x likelihood. Project will allow for additional risk model calculations including vintage, size, fittings, materials, services, location, etc. Addition of data allows for clean risk processes by reducing/eliminating assumptions.

- Improved System Modeling: Synergi (gas modeling/system planning application)- Plan gas system assets to ensure a safe and reliable system to meet the demands. Project will allow for expanded hydraulic analysis accuracy through the addition of information on size, pressure class, location of assets, and mapped service laterals.

Metrics – HPDM

2019 and 2020 were focused on Monfort Heights district. Chart below is for Monfort Heights maps only. Will continue on to next district as Monfort Heights is completed.

Monfort Heights	Maps Completed	Total Maps	% of Total Maps	Footage Completed	Total Footage	% of Total Footage
2019	134	1192	11.2%	679,011	10,275,265	6.6%
2020	623	1192	52.3%	5,220,144	10,275,265	50.8%
Totals	757	1192	63.5%	5,899,155	10,275,265	57.4%