BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

| In the Matter of the Application of |) | |
|--------------------------------------|---|--------------------------|
| Duke Energy Ohio, Inc., for Approval |) | Case No. 13-0536 -EL-RDR |
| to Adjust Rider DDR. |) | |
| | | |

DUKE ENERGY OHIO, INC.'S APPLICATION TO ADJUST AND SET RIDER DDR

Pursuant to R.C. 4909.18, Duke Energy Ohio, Inc., (Duke Energy Ohio) requests approval to adjust the rate for its pilot decoupling rider, Rider DDR.

Duke Energy Ohio is an Ohio corporation engaged in the business of supplying electric transmission, distribution, and generation service to customers in southwestern Ohio, all of whom will be affected by this Application, and is a public utility as defined by R. C. 4905.02 and 4905.03. Duke Energy Ohio serves incorporated communities and unincorporated territory within its entire service area, which includes all or parts of Adams, Brown, Butler, Clinton, Clermont, Hamilton, Montgomery, and Warren Counties in Ohio.

In support of its Application, Duke Energy Ohio states as follows:

1. This Application is made pursuant to the Finding and Order issued by the Public Utilities Commission of Ohio (Commission) on November 22, 2011, in Case Nos. 11-3549-EL-SSO, wherein the Commission adopted and approved the Stipulation filed by the Parties that included an agreement the Duke Energy Ohio would subsequently file for approval of a distribution decoupling mechanism to adjust rates between rate cases. Subsequent to the Commission's approval of the Stipulation in that

proceeding, Duke Energy Ohio did file an application for approval of a pilot decoupling mechanism That application was approved by the Commission in a Finding and Order on May 30, 2012 in Case No. 11-5905-EL-RDR, December 21, 2012.

- 2. In its Finding and Order in Case No. 11-5905-EL-RDR, the Commission approved the proposed decoupling mechanism and directed the Company to accrue positive or negative differences in a balancing account specific to each rate class and to submit an application to adjust Rider DRR by March 1 of each year.
- At the conclusion of the pilot, Duke Energy Ohio is to provide a report to the Commission discussion the results of the pilot and justification for extending or terminating the program.
- 4. Attachment 1 to this Application shows the calculation of the proposed rider rates. The proposed rider rates are \$0.000720 per kWh for all residential rates, \$0.000662 per kWh for Rate EH, and (\$0.002222) per kWh for Rate DM.
- 5. Attachment 2 is a proposed draft tariff for the Commission's review.
- 6. These rates for Duke Energy Ohio customers subject to Rider DDR are just and reasonable and should be approved. A copy of the proposed tariff sheet is included as Attachment 2 to this Application.

WHEREFORE, Duke Energy Ohio respectfully requests that the Commission approve the new decoupling distribution rider rate for Rider DDR as proposed in this Application.

Respectfully submitted, Duke Energy Ohio, Inc.

Amy B. Spiller (0047277)

Elizabeth H Watte

Deputy General Counsel

Elizabeth H. Watts (0031092)

Associate General Counsel

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Cincinnati, Ohio 45201-0960

614-222-1331

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and accurate copy of the foregoing document was served this 26th day of February, 2013, by U.S. mail, postage prepaid, or by electronic mail upon the persons listed below.

Elizabeth H. Watts

Elizabeth H Watte

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Cathryn N. Loucas Ohio Environmental Council 1207 Grandview Avenue, Suite 201 Columbus, Ohio 43212-3449

Christopher J. Allwein Williams Allwein and Moser, LLC 1373 Grandview Ave., Suite 212 Columbus, Ohio 43212 Attorney for the Natural Resources Defense Council

M

Three Percent Cap (Page 6)

\$746,164

\$48,115

| | | | | | | January - I | December 2012 A | ctual, Weather | Normalized (fro | om page 3) | | | | |
|---|---|--|----------------------|-----------|------------|--|-----------------|-----------------------------|----------------------------|-------------|----------------------------|-----------------------|-----------------------|-----------------------|
| | kWh | NON-RI | SIDENTIAL | | | | | | RESIDENTIAL | | | | | |
| | | DM | EH | ORH | ORHP | RS | CUR | RS3P | RSLI | RSPP T | D - | TDBS T | DMX T | OPL |
| Α | | 537,333,29 | 4 67,945,693 | 6,398,946 | 18,749 | 6,721,368,208 | 91,120,874 | 4,367,119 | 72,548,419 | 357,885,437 | 423,652 | 45,178 | 45,578 | 52,403 |
| | | · _ | | | | | January - Decen | nber 2012 Actua | I (from page 2) | | | | | |
| | No. Bills | NON-RI | SIDENTIAL | | | | | | RESIDENTIAL | | | | | |
| | | DM | EH | ORH | | RS | | | | RSPP T | | | | OPL |
| В | | 465,23 | 4 6,89 | 5 2,379 | 2 | 6,921,450 | 164,641 | 1,987 | 95,731 | 340,280 | 272 | 87 | 65 | 89 |
| | | | | | | | | | | | | | | |
| | | DM | EH | | | | | | RESIDENTIAL | | | | | |
| | | Note | | Note 1 | Note 1 | 60.022426 | 60.022426 | Ć0 022426 | ¢0.022426 | Ć0.022426 | Note 1 | ¢0.022426 | ¢0.022426 | ć0.022426 |
| C D = A * C | Distribution Rate (\$ per kWh) 2012 Distribution Revenue | \$0.02763 \$14,849,43 | | | \$0.025646 | \$0.022126 \$148,716,993 | • | \$0.022126 \$96,627 | \$0.022126 \$1,605,206 | | \$0.019216 \$8,141 | \$0.022126 \$1,000 | \$0.022126 \$1,008 | \$0.022126 \$1,159 |
| D1 | 2012 Residential Distribution Revenue | \$14,645,43 | 1 3573,354 | \$104,110 | 2401 | \$146,710,333 | \$2,010,140 | | \$1,003,200 | \$7,516,575 | 90,141 | \$1,000 | \$1,008 | \$1,135 |
| E = D / B * 12 | 2012 Revenue Per Customer | \$383.0 | 2 \$1,694.43 | \$827.79 | \$2,885.06 | \$257.84 | \$146.95 | \$583.55 | \$201.21 | \$279.25 | \$359.15 | \$137.88 | \$186.18 | \$156.33 |
| E1 = D / B * 12 | 2012 Residential Rev per Customer | | | | | | · | | \$255.93 | | | | | |
| F G H = F / G * 12 H1 = F / G * 12 | 2008 Distribution Revenue (<i>Note 2</i>) 2008 No. Bills (<i>Note 2</i>) (Page 4) 2008 Revenue Per Customer 2008 Residential Revenue per Customer | DM \$14,798,11 504,88 \$351.7 | 5,160 | 2,445 | | \$164,144,297 7,383,847 \$266.76 | 158,024 | \$17,596 513 \$411.60 | RESIDENTIAL \$264.47 | | \$5,588 228 \$294.11 | | | |
| | 2008 Revenue Adjusted | DM | EH | | | | | | RESIDENTIAL | | | | | |
| I = H * B / 12 | For 2012 Customer Count | \$13,635,89 | 7 \$1,692,912 | 2 | | | | | \$165,887,552 | | | | | |
| J = I - D | Decoupling True-up Revenue | DM -\$1,213,53 | EH \$719,31 8 | 8 | | | | | RESIDENTIAL \$5,358,114 | | | | | |
| | | DM | EH | | | | | | RESIDENTIAL | | | | | |
| K | Forecast kWh, Jul 2013 - Jun 2014 (page 5) | 546,137,34 | | 1 | | | | | 7,445,489,204 | | | | | |
| L = J / K | Rider DDR rate, \$ per kWh | -\$0.00222 | | | | | | | \$0.000720 | | | | | |
| L1 = M / K | Rider DDR rate, \$ per kWh, 3% Cap Applied | | \$0.00066 | 2 | | | | | | | | | | |

\$8,019,858

DUKE ENERGY OHIO CALCULATION OF RIDER DDR (DECOUPLING) RATES ACTUAL USAGE AND CUSTOMER COUNTS - JANUARY - DECEMBER 2012

| COMPANY | 1 |
|---------|---|
| SERV | Е |

| Sum of USAG | SE . | RATECODE | | | | | | | | | | | | | |
|-------------|--------|-------------|--------------|-----------|-------|-----------------|------------|-----------|------------|-------------|---------|-------|-------|-------------|-----------------|
| MONTH | | DM | EH | ORH | ORHP | RS | RS01 | RS3P | RSLI | RSPP | TD | TDBS | TDMX | TDPL | Grand Total |
| | Jan-12 | 47,818,689 | 11,491,820 | 860,128 | 8,08 | 0 662,977,848 | 9,364,400 | 424,555 | 7,316,167 | 33,908,288 | 43,536 | | | | 774,213,511 |
| | Feb-12 | 44,346,423 | 3 10,894,667 | 729,731 | 7,12 | 0 587,695,929 | 8,526,425 | 319,427 | 6,443,988 | 32,377,671 | 44,533 | | | | 691,385,914 |
| | Mar-12 | 41,239,295 | 5 8,861,013 | 538,089 | | 498,368,263 | 7,824,110 | 317,800 | 5,244,616 | 28,083,533 | 34,697 | | | | 590,511,416 |
| | Apr-12 | 38,504,779 | 9 6,587,200 | 390,754 | 2,00 | 0 407,108,679 | 6,948,993 | 278,209 | 4,070,405 | 22,966,261 | 25,555 | | | | 486,882,835 |
| | May-12 | 39,363,799 | 6,689,082 | 364,741 | | 426,771,141 | 6,656,114 | 308,217 | 4,842,880 | 23,042,443 | 26,300 | | | | 508,064,717 |
| | Jun-12 | 47,347,280 | 148,123 | 427,039 | | 560,150,497 | 6,892,182 | 399,497 | 6,030,818 | 28,272,591 | 35,083 | | | | 649,703,110 |
| | Jul-12 | 57,072,849 | 9 -9,892 | 558,107 | | 789,154,241 | 7,305,977 | 475,854 | 8,579,650 | 39,706,135 | 47,090 | | | | 902,890,011 |
| | Aug-12 | 52,294,661 | 12 | 471,309 | | 729,710,644 | 6,908,275 | 433,633 | 7,894,471 | 38,421,111 | 37,029 | | | | 836,171,145 |
| | Sep-12 | 49,237,388 | 3 -18,316 | 420,588 | | 611,209,533 | 6,818,552 | 411,676 | 6,307,390 | 31,701,197 | 35,182 | | | | 706,123,190 |
| | Oct-12 | 38,829,451 | 6,058,946 | 344,604 | | 403,187,850 | 6,310,988 | 306,987 | 4,279,557 | 21,706,195 | 23,534 | | | | 481,048,112 |
| | Nov-12 | 39,224,412 | 7,506,293 | 512,729 | | 451,480,988 | 7,284,183 | 313,605 | 5,064,649 | 24,991,127 | 31,143 | 10,69 | 99 1 | 3,059 13,83 | 6 536,446,723 |
| | Dec-12 | 44,451,481 | 9,009,072 | 650,654 | | 564,456,627 | 8,586,744 | 353,915 | 6,211,744 | 30,383,973 | 35,950 | 32,3 | 75 3 | 0,643 36,28 | 2 664,239,460 |
| Grand Total | | 539,730,507 | 7 67,218,020 | 6,268,473 | 17,20 | 0 6,692,272,240 | 89,426,943 | 4,343,375 | 72,286,335 | 355,560,525 | 419,632 | 43,0 | 74 4: | 3,702 50,11 | 8 7,827,680,144 |

| COMPANY | 1 |
|---------|---|
| SERV | E |

| Sum of CUSTOMERS | RATI | ECODE | | | | | | | | | | | | |
|------------------|------|---------|-------|-------|----|-----------|---------|-------|--------|---------|------|------|------|--------------|
| MONTH | DM | EH | ORH | ORHP | RS | RSO | 1 RS3P | RSLI | RSPP | TD TD | TDBS | TDMX | TDPL | Grand Total |
| Jan- | 12 | 38,540 | 864 | 196 | 1 | 579,642 | 13,651 | 166 | 7,952 | 26,670 | 23 | | | 667,705 |
| Feb- | 12 | 38,631 | 873 | 199 | 1 | 579,762 | 13,629 | 164 | 7,722 | 28,240 | 23 | | | 669,244 |
| Mar- | 12 | 38,625 | 870 | 199 | | 578,964 | 13,678 | 164 | 7,543 | 29,197 | 23 | | | 669,263 |
| Apr- | 12 | 38,597 | 864 | 198 | 0 | 576,013 | 13,663 | 166 | 7,384 | 29,500 | 22 | | | 666,407 |
| May- | 12 | 38,626 | 855 | 197 | | 575,692 | 13,717 | 156 | 8,585 | 28,990 | 22 | | | 666,840 |
| Jun- | 12 | 38,857 | 36 | 200 | | 573,708 | 13,710 | 166 | 8,475 | 28,556 | 23 | | | 663,731 |
| Jul-: | 12 | 38,974 | 6 | 198 | | 573,761 | 13,711 | 165 | 8,288 | 28,520 | 23 | | | 663,646 |
| Aug-1 | 12 | 38,996 | 4 | 199 | | 574,050 | 13,727 | 164 | 8,166 | 28,648 | 22 | | | 663,976 |
| Sep- | 12 | 38,881 | 14 | 198 | | 573,688 | 13,771 | 167 | 7,984 | 28,229 | 23 | | | 662,955 |
| Oct- | 12 | 38,823 | 846 | 196 | | 577,635 | 13,771 | 172 | 7,978 | 28,170 | 22 | | | 667,613 |
| Nov- | 12 | 38,840 | 834 | 200 | | 578,569 | 13,775 | 168 | 7,918 | 28,035 | 23 | 40 | 29 | 41 668,472 |
| Dec- | 12 | 38,844 | 829 | 199 | | 579,966 | 13,838 | 169 | 7,736 | 27,525 | 23 | 47 | 36 | 48 669,260 |
| Grand Total | | 465,234 | 6,895 | 2,379 | 2 | 6,921,450 | 164,641 | 1,987 | 95,731 | 340,280 | 272 | 87 | 65 | 89 7,999,112 |

Source: Duke Energy Ohio Revenue Reports

DUKE ENERGY OHIO CALCULATION OF RIDER DDR (DECOUPLING) RATES ACTUAL USAGE WEATHER NORMALIZED - JANUARY - DECEMBER 2012

| Weather Normal | ORH | ORHP | RS | RS01 | RS3P | RSLI | RSPP | TD | TDBS | TDMX | TDPL |
|----------------|-----------|-------|-----------------|------------|-----------|------------|-------------|---------|--------|--------|--------|
| Jan-12 | 930,222 | 8,73 | 717,005,643 | 10,127,529 | 459,153 | 7,912,381 | 36,671,563 | 47,084 | - | - | - |
| Feb-12 | 801,487 | 7,82 | 645,485,481 | 9,364,849 | 350,837 | 7,077,641 | 35,561,445 | 48,912 | - | - | - |
| Mar-12 | 593,017 | - | 549,241,790 | 8,622,797 | 350,241 | 5,779,987 | 30,950,305 | 38,239 | - | - | - |
| Apr-12 | 428,075 | 2,19 | 1 445,992,171 | 7,612,701 | 304,781 | 4,459,175 | 25,159,799 | 27,996 | - | - | - |
| May-12 | 344,681 | - | 403,299,899 | 6,290,046 | 291,266 | 4,576,535 | 21,775,172 | 24,854 | - | - | - |
| Jun-12 | 416,466 | - | 546,281,484 | 6,721,535 | 389,606 | 5,881,498 | 27,572,577 | 34,214 | - | - | - |
| Jul-12 | 455,734 | - | 644,400,599 | 5,965,850 | 388,569 | 7,005,895 | 32,422,885 | 38,452 | - | - | - |
| Aug-12 | 432,913 | - | 670,262,788 | 6,345,474 | 398,306 | 7,251,327 | 35,291,031 | 34,012 | - | - | - |
| Sep-12 | 418,067 | - | 607,546,054 | 6,777,683 | 409,208 | 6,269,585 | 31,511,186 | 34,971 | - | - | - |
| Oct-12 | 384,288 | - | 449,618,830 | 7,037,759 | 342,340 | 4,772,389 | 24,205,873 | 26,244 | - | - | - |
| Nov-12 | 492,643 | - | 433,794,647 | 6,998,832 | 301,320 | 4,866,246 | 24,012,123 | 29,923 | 10,280 | 12,547 | 13,294 |
| Dec-12 | 701,353 | - | 608,438,822 | 9,255,819 | 381,492 | 6,695,760 | 32,751,478 | 38,751 | 34,898 | 33,031 | 39,109 |
| Total | 6,398,946 | 18,74 | 9 6,721,368,208 | 91,120,874 | 4,367,119 | 72,548,419 | 357,885,437 | 423,652 | 45,178 | 45,578 | 52,403 |

| Weather Normal | DM | Weather Normal | EH |
|----------------|-------------|----------------|------------|
| Jan-12 | 49,064,090 | Jan-12 | 11,702,909 |
| Feb-12 | 45,273,852 | Feb-12 | 11,079,309 |
| Mar-12 | 42,086,411 | Mar-12 | 8,975,820 |
| Apr-12 | 38,992,176 | Apr-12 | 6,662,793 |
| May-12 | 38,496,188 | May-12 | 6,540,739 |
| Jun-12 | 46,485,100 | Jun-12 | 145,410 |
| Jul-12 | 53,087,887 | Jul-12 | (9,201) |
| Aug-12 | 50,271,375 | Aug-12 | 12 |
| Sep-12 | 48,956,154 | Sep-12 | (18,211) |
| Oct-12 | 40,045,266 | Oct-12 | 6,225,354 |
| Nov-12 | 39,044,845 | Nov-12 | 7,475,282 |
| Dec-12 | 45,529,950 | Dec-12 | 9,165,477 |
| Total | 537,333,294 | | 67,945,693 |

DUKE ENERGY OHIO CASE NO. 08-709-EL-AIR

ANNUALIZED TEST YEAR REVENUES AT PROPOSED VS. MOST CURRENT RATES FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008

(ELECTRIC SERVICE)

DATA: 3 MONTHS ACTUAL & 9 MONTHS ESTIMATED

TYPE OF FILING: _X_ ORIGINAL ____ UPDATED ___ REVISED

WORK PAPER REFERENCE NO(S).:

SCHEDULE E-4 PAGE 1 OF 2 WITNESS: J.E. ZIOLKOWSKI

PROPOSED ANNUALIZED

| LINE NO. | RATE CODE (A) | CLASS / DESCRIPTION (B) | CUSTOMER BILLS (1) (C) | SALES (D) | PROPOSED RATES (E) | PROPOSED REVENUE LESS FUEL COST REVENUE (F) | % OF REV TO TOTAL LESS FUEL COST REVENUE (G) | FUEL COST REVENUE (H) | PROPOSED TOTAL REVENUE (F + H) (I) | PROPOSED TOTAL REVENUE EXCL CUST CHG |
|-------------|---------------------|-------------------------------------|------------------------|------------------------|--------------------------|---|--|-----------------------------|------------------------------------|--------------------------------------|
| | | | | (KWH) | (¢/KWH) | (\$) | (%) | (\$) | (\$) | (\$) |
| 1 | RS | RESIDENTIAL SERV | 7,383,847 | 7,418,615,972 | 2.760022 | 204,755,456 | 98.54 | 0 | 204,755,456 | 164,144,297 |
| 2 | ORH | OPTIONAL HEATING SERVICE | 2,445 | 7,643,980 | 2.117562 | 161,866 | 0.08 | 0 | 161,866 | 148,418 |
| 3 | TD | OPTIONAL TIME OF DAY SERVICE | 228 | 371,717 | 2.362012 | 8,780 | 0.00 | 0 | 8,780 | 5,588 |
| 4 | CUR | COMMON USE RESIDENTIAL SERVICE | 158,024 | 89,034,909 | 3.188771 | 2,839,119 | 1.37 | 0 | 2,839,119 | 1,969,987 |
| 5 | RS3P | RESIDENTIAL THREE-PHASE SERVICE | 516 | 795,277 | 2.699185 | 21,466 | 0.01 | 0 | 21,466 | 17,596 |
| 6 | TOTAL | . RESIDENTIAL | 7,545,060 | 7,516,461,855 | 2.764421 | 207,786,687 | 55.85 | 0 | 207,786,687 | 166,285,886 |
| 7 | DS | SEC DISTRIBUTION SERV | 270,289 | 6,844,371,590 | 1.558459 | 106,666,739 | 70.80 | 0 | 106,666,739 | |
| 8 | | SEC DISTRIBUTION SERV RTP | 381 | 4,792,372 | 4.245392 | 203,455 | 0.14 | 0 | 203,455 | |
| 9 | GSFL | UNMTRED SMALL FIXED LOAD | 3,358 | 29,101,782 | 1.894451 | 551,319 | 0.37 | 0 | 551,319 | |
| 10 | EH | ELEC SPACE HTG | 5,160 | 88,416,637 | 1.612323 | 1,425,562 | 0.95 | 0 | 1,425,562 | 1,266,922 |
| 11 | DM | SEC DIST SERV-SMALL | 504,887 | 549,503,054 | 3.568489 | 19,608,955 | 13.02 | 0 | 19,608,955 | 14,798,117 |
| 12 | DP | PRIM DIST VOLTAGE | 3,583 | 2,541,814,731 | 0.792099 | 20,133,684 | 13.36 | 0 | 20,133,684 | ,, |
| 13 | | PRIM DIST VOLTAGE RTP | 173 | 101,804,662 | 2.024128 | 2,060,657 | 1.37 | 0 | 2,060,657 | |
| 14 | | . DISTRIBUTION | 787,831 | 10,159,804,828 | 1.482808 | 150,650,371 | 40.49 | 0 | 150,650,371 | 16,065,039 |
| 15 | TS | TRANSMISSION SERV | 581 | 3,202,638,344 | 0.003254 | 104,200 | 86.98 | 0 | 104,200 | |
| 16 | | TRANSMISSION SERV RTP | 48 | 72,389,563 | 0.003254 | 15,600 | 13.02 | 0 | 15,600 | |
| 17 | | TRANSMISSION | 629 | 3,275,027,907 | 0.003658 | 119,800 | 0.03 | 0 | 119,800 | |
| 40 | 0.1 | OTDEET LIGHTING | 404.544 | 07.057.044 | | 4.5.40.700 | 50.04 | | 4.5.40.700 | |
| 18 | SL | STREET LIGHTING | 494,541 | 37,857,344 | 12.002247 | 4,543,732 | 59.24 | 0 | 4,543,732 | |
| 19 | | TRAFFIC LIGHTING | 403,826 | 20,985,795 | | 172,661 | 2.25 | 0 | 172,661 | |
| 20 | OL | OUTDOOR LIGHTING | 224,516 | 23,120,060 | 7.800910 | 1,803,575 | 23.52 | 0 | 1,803,575 | |
| 21 | NSU | NON STD STREET LIGHTING | 22,889 | 1,402,417 | 9.631940 | 135,080 | 1.76 | 0 | 135,080 | |
| 22 | NSP | NON STD POL'S | 27,519 | 1,511,127 | 17.103067 | 258,449 | 3.37 | 0 | 258,449 | |
| 23 | SC | S L - CUST OWNED | 254,052 | 34,033,887 | 1.154141 | 392,799 | 5.12 | 0 | 392,799 | |
| 24 | SE | S L - OVERHEAD EQUIV | 77,032 | 4,852,803 | 7.463666 | 362,197 | 4.72 | 0 | 362,197 | |
| 25 26 | | UNMETERED OUTDOOR LIGHTING LIGHTING | 3,653 1,508,028 | 301,104 124,064,537 | 0.460970 6.182170 | 1,388 7,669,881 | <u>0.02</u> 2.06 | 0 | 1,388 7,669,881 | |
| 27 | TOT | AL RETAIL | 9,841,548 | 21,075,359,127 | | 366,226,739 | 98.43 | 0 | 366,226,739 | |
| 00 | INITEDS | ED A DIMENTAL | | 0.000.700 | 4 5 40050 | 100.007 | 4.05 | | 100.007 | |
| 28 | | EPARTMENTAL | 12 | 6,998,760 | 1.543659 | 108,037 | 1.85 | 0 | 108,037 | |
| 29 | | IECK CHARGES | 0 | 0 | - | 184,709 | 3.16 | 0 | 184,709 | |
| 30 | | AYMENT CHARGES | 0 | 0 | - | 0 | 0.00 | 0 | 0 | |
| 31 | | NECTION CHARGES | 0 | 0 | - | 441,882 | 7.56 | Û | 441,882 | |
| 32 | | DISTRIBUTION | 0 | 0 | - | 2,610,016 | 44.68 | 0 | 2,610,016 | |
| 33 | | ONTACT RENTALS | 0 | 0 | - | 786,527 | 13.46 | U | 786,527 | |
| 34 35 | | OMPANY | 0 | F00 450 | - | 40.000 | 0.00 | 0 | 12.000 | |
| 35 | | L CONTRACTS | 24 | 583,459 | 2.056700 | 12,000 | 0.21 | 0 | 12,000 | |
| 36 37 | OTHER TOTAL | | 36 | 7,582,219 | 77.045030 | 1,698,552 5,841,723 | 29.08 1.57 | 0 - | 1,698,552 5,841,723 | |
| 01 | | | | 1,002,210 | | | | | | |
| 38 | TOTA | L COMPANY | 9,841,584 | 21,082,941,346 | 1.764784 | 372,068,462 | 100.00 | 0 | 372,068,462 | |

DUKE ENERGY OHIO CALCULATION OF RIDER DDR (DECOUPLING) RATES FORECAST SALES JULY 2013 - JUNE 2014

| | DM | EH | ORH | ORHP | RS | RS3P | RSLI | RSPP | TD |
|-------------|-------------|------------|---------------|--------|---------------|-----------|------------|-------------|---------|
| Jul-13 | 49,926,959 | _ | 485,364 | _ | 709,238,684 | 428,287 | 7,368,904 | _ | 38,672 |
| Aug-13 | 52,602,223 | - | 468,948 | - | 740,507,699 | 412,858 | 7,651,601 | - | 39,940 |
| Sep-13 | 47,796,811 | - | 443,446 | - | 658,864,854 | 385,245 | 6,615,879 | - | 36,529 |
| Oct-13 | 39,264,265 | 6,616,157 | 401,621 | - | 482,691,560 | 323,770 | 5,217,160 | - | 28,364 |
| Nov-13 | 38,090,338 | 6,607,544 | 461,327 | - | 461,622,411 | 294,178 | 5,096,589 | - | 28,637 |
| Dec-13 | 46,270,101 | 9,426,828 | 725,450 | 7,371 | 649,506,533 | 395,722 | 7,039,987 | 8,802,910 | 41,646 |
| Jan-14 | 52,428,834 | 12,726,945 | 979,865 | 9,205 | 755,268,315 | 483,657 | 8,334,638 | 38,628,569 | 49,597 |
| Feb-14 | 47,644,456 | 11,735,618 | 838,986 | 8,186 | 675,686,684 | 367,252 | 7,408,783 | 37,224,820 | 51,200 |
| Mar-14 | 44,563,990 | 9,366,529 | 634,591 | - | 587,762,017 | 374,795 | 6,185,197 | 33,119,600 | 40,920 |
| Apr-14 | 40,067,678 | 8,742,111 | 530,505 | - | 506,760,835 | 305,766 | 6,505,940 | - | 32,272 |
| May-14 | 40,348,581 | 7,479,959 | 391,130 | - | 441,323,901 | 295,796 | 4,925,408 | - | 28,393 |
| Jun-14 | 47,133,104 | - | 422,229 | - | 568,499,682 | 351,899 | 5,954,374 | - | 32,051 |
| | | | | | | | | | |
| Total | 546,137,340 | 72,701,691 | 6,783,462 | 24,762 | 7,237,733,175 | 4,419,225 | 78,304,460 | 117,775,899 | 448,221 |
| Total Resid | ential | | 7,445,489,204 | | | | | | |

DUKE ENERGY OHIO CALCULATION OF RIDER DDR (DECOUPLING) RATES

CALCULATION OF THREE PERCENT CAP BASED ON JANUARY 2012 THROUGH DECEMBER 2012 DISTRIBUTION REVENUES

BILL PERIOD (AII)

| | Values | | | | | | |
|--------------------|---------------------|---------------------|---------------------|------------------|-----------------|-----------------|------------------|
| Row Labels | Sum of DISTRIBUTION | Sum of OHIO EXC TAX | Sum of UNIV SERVICE | Sum of SAW RECOV | Sum of Rider DR | Sum of RIDER EE | Sum of INFRA MOD |
| DM | \$19,491,339 | \$2,438,456 | \$660,133 | \$743,206 | \$177,638 | \$159,244 | \$1,202,123 |
| EH | \$1,113,740 | \$262,503 | \$82,318 | \$79,555 | \$24,833 | \$29,388 | \$11,498 |
| OR | \$143,586 | \$28,092 | \$7,688 | \$4,433 | \$840 | \$3,495 | \$3,960 |
| RS | \$200,944,054 | \$33,298,128 | \$8,817,708 | \$5,323,901 | \$2,660,716 | \$3,533,085 | \$12,542,206 |
| TD | \$11,615 | \$2,551 | \$680 | \$303 | \$163 | \$533 | \$879 |
| Grand Total | \$221,704,333 | \$36,029,729 | \$9,568,526 | \$6,151,399 | \$2,864,190 | \$3,725,746 | \$13,760,666 |

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 Total Residential (OR, RS, TD)
 \$267,328,616

 Total DM
 \$24,872,138

 Total EH
 \$1,603,835

 3% of Total Residential (OR, RS, TD)
 \$8,019,858

3% of Total DM \$746,164 3% of Total EH \$48,115

RIDER DDR

DISTRIBUTION DECOUPLING RIDER

APPLICABILITY

Applicable to all customers taking service under the Company's rate schedules listed below.

DECOUPLING RIDER RATES

As a three-year pilot program or until the Company's next distribution rate case, applicable customers shall be assessed a monthly charge or credit which reflects an adjustment to rates that will effectively remove Duke Energy Ohio's distribution-related through-put incentive.

CHARGES/CREDITS

Beginning July 1, 2013, the following Rider DDR rates apply:

| Tariff Sheet | DDR Charge/Credit (Per kWh) |
|---|--------------------------------|
| Rates RS, RS3P, RSLI, Residential Service All kWh | \$0.000720 |
| Rate ORH, Optional Residential Service With Electric Space Heating All kWh | \$0.000720 |
| Rate TD, Optional Time-of-Day Rate All kWh Rate TD-AM, Optional Time-of-Day Rate For Residential Service With | \$0.000720 |
| Advanced Metering All kWh Rate TD-2012, Optional Time-of-Day Rate For Residential Service With | \$0.000720 |
| Advanced Metering All kWh Rate TD-2013, Optional Time-of-Day Rate For Residential Service With | \$0.000720 |
| Advanced Metering All kWh Rate TD-CPP_LITE, Optional Critical Peak Pricing Rate For Residential | \$0.000720 |
| Service With Advanced Metering All kWh | \$0.000720 |
| Rate TD-LITE, Optional Time-of-Day Rate For Residential Service With Advanced Metering (Modified) All kWh | \$0.000720 |
| Rate CUR, Common Use Residential Service All kWh Rate EU, Ontional Rate For Floatric Space Heating | \$0.000720 |
| Rate EH, Optional Rate For Electric Space Heating All kWh Rate DM, Sacandary Distribution Service, Small | \$0.000662 |
| Rate DM, Secondary Distribution Service, Small All kWh | (\$0.002222) |
| | |
| Filed pursuant to an Order dated in Case No Utilities Commission of Ohio. | before the Public |

Issued: Effective: