June 18, 2012

Amy Spiller, Counsel of Record

Duke Energy Ohio, Inc.

139 East Fourth Street

1303-Main P.O. Box 961

Cincinnati, OH 45201-0960

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| Re: | In the Matter of the Application of Duke Energy Ohio, Inc. for an Increase in Gas Rates.In the Matter of the Application of Duke Energy Ohio, Inc. for Tariff Approval.In the Matter of the Application of Duke Energy Ohio, Inc. for Approval of an Alternative Rate Plan for Gas Distribution Service.In the Matter of the Application of Duke Energy Ohio, Inc. for Approval to Change Accounting Methods. | :::::::::::: | Case No. 12-1685-GA-AIRCase No. 12-1686-GA-ATACase No. 12-1687-GA-AAMCase No. 12-1688-GA-AAM |

Ms. Spiller:

 As part of an application to increase rates, the Ohio Administrative Code (OAC), requires that the applicant company include an executive summary of its management policies, practices and organization employed to meet the corporate goals determined by the board of directors and corporate officers. Section 4901-7, App. A, Ch. II (B)(9), OAC. In addition to this summary, the company must also address three staff-identified functional areas of management policies or practices. The staff must file a letter, within ten business days of the pre-filing notice, setting forth the functional areas that the utility must address.

 Staff hereby selects two functional areas that Duke Energy Ohio, Inc. (Duke) must include in the applications to be filed in the above referenced cases. Duke shall provide the Standard Filing Requirements (SFR) information relating to Finance and Accounting, in the areas of accounting systems and financial reporting as provided in Section 4901-7, App. A, Ch. II (B)(9)(b)(ii), with a specific emphasis on the development and use of its cost allocation methodology and factors; and information technology, as provided in Section 4901-7, App. A, Ch. II (B)(9)(f)(ii).

Respectfully submitted,

Doris McCarter, Division Chief

Capital Recovery and Financial Analysis

Public Utilities Commission of Ohio

DDP/klk

cc: Parties of Record

# PROOF OF SERVICE

 I hereby certify that a true copy of the foregoing lettersubmitted on behalf of the Staff of the Public Utilities Commis­sion of Ohio,was served via electronic mail upon the following parties of record this 20th day of June, 2012.

**Devin D. Parram**

Assistant Attorney General

**Parties of Record:**

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| Amy SpillerDuke Energy Ohio, Inc.139 East Fourth Street1303-Main P.O. Box 961Cincinnati, OH 45201-0960 | John DoskerStand Energy Corporation1077 Celestial StreetSuite 110Cincinnati, OH 45202-1629 |