



155 East Broad Street
21st Floor
Columbus, Ohio, 43215
o: 614-222-1330
f: 614-222-1337

August 23, 2013

Ms. Barcy F. McNeal, Secretary
Public Utilities Commission of Ohio
180 East Broad Street, 11th Floor
Columbus, OH 43215-3716

Re: PUCO Case No. 89-8002-GA-TRF

Dear Ms. McNeal,

Please find enclosed the updated Gas Curtailment Plan of Duke Energy Ohio. We have enclosed one copy that is redlined to show the revisions being made as compared to the previously filed plan, as well as a clean copy of the Gas Curtailment Plan, as updated. This Gas Curtailment Plan is filed pursuant to the requirements of O.A.C. Rule 4901:5-25-02.

Please feel free to contact me if there are any questions.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Jeanne W. Kingery', with a long, sweeping horizontal line extending to the right.

Jeanne W. Kingery
Associate General Counsel

Duke Energy Ohio, Inc. Gas Supply Emergency Curtailment Plan

APPLICABILITY

In the event of an emergency that necessitates emergency curtailment of gas service, Duke Energy Ohio, Inc. ("Duke Energy Ohio"), may curtail gas service to its customers in the manner set forth herein, either at its sole discretion, or under applicable policies, guidelines, directives, or procedures issued by the Governor of the State of Ohio, the Public Utilities Commission of Ohio (PUCO) or other authority having jurisdiction in accordance with the Ohio Administrative Code (O.A.C.).

DEFINITIONS

Interruptible Transportation Customers: A customer who receives gas under a Gas Transportation Agreement, Duke Energy Ohio Rate IT (P.U.C.O. Gas No. 18, Sheet No. 51.14). These customers are subject to interruption in accordance with the Duke Energy Rate IT Curtailment Plan.

Priority Use Customers: Gas supply needed for human needs customers and for plant protection purposes; including, but not limited to: residential sites; medical facilities; governmental offices; utility companies; production, processing, or transportation of perishable medicines or foods; and other similar uses as may be determined by the PUCO.

Firm Customers: A firm customer shall mean any customer being served under Duke Energy Ohio Rates: GS-S, GS-L, FT-S, FT-L, RS, RFT, RSLI, and RFTLI.

PRIORITY USE CUSTOMER DESIGNATION APPLICATION

Any non-residential customer may apply to be considered a Priority Use Customer, provided such customer notifies Duke Energy Ohio through the Duke Energy Ohio website of this request and provides the specific reasons why it should be considered a Priority Use Customer. Duke Energy Ohio will respond in writing within ten days of receipt of the request informing the customer whether, in Duke Energy Ohio's sole discretion, it will be classified as a Priority Use Customer.

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CURTAILMENT COMMUNICATIONS

Under declaration of an emergency by the Governor of the State of Ohio, and to the extent practicable, Duke Energy Ohio shall appeal to all customers to voluntarily reduce their consumption prior to and during a curtailment. This appeal shall include actions identified under O.A.C. 4901:5-25-04 and 4901:5-25-05.

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To the extent practicable, Duke Energy Ohio shall communicate with customers and suppliers directly via its electronic bulletin board, email, fax and/or telephone. Where such communication is not practical, Duke Energy Ohio shall utilize media, governmental, and other outlets deemed appropriate.

In the event of an emergency declared by the Governor of the State of Ohio, Duke Energy Ohio Gas Control will advise the PUCO, as required by the PUCO or as Duke Energy Ohio may otherwise deem appropriate, of the nature, time, and duration of implemented emergency conditions and procedures that affect normal service to customers.

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CURTAILMENT SEQUENCE

In case of a declared emergency, the order of curtailment below refers to those customers whose curtailment will allow Duke Energy Ohio to maintain operating pressures in areas that have been or may be affected by a supply or capacity disruption.

Duke Energy Ohio will minimize to the extent possible the number of Priority Use Customers whose service will be disrupted. To the extent practicable, Duke Energy Ohio will work with other affected parties, including transferring gas supplies to other gas companies, to meet the needs of their Priority Use Customers.

The O.A.C. does not preclude Duke Energy Ohio from initiating its Gas Curtailment Plan, in accordance with Rate IT, in order to meet operational needs.

ORDER OF CURTAILMENT

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There is no distinction made between supply or capacity shortage, related scenarios for implementation of the Gas Supply Emergency Curtailment Plan, as both have a similar impact with regard to potential disruptions of service.

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Methods to be utilized for curtailing gas usage shall be determined by Gas Operations' personnel in accordance with the O.A.C. on an as-needed basis, in response to the particular needs of the situation. Methods may include, but are not limited to, the actions described below.

Stage 1 – Under a mandatory curtailment, the first stage will include the following actions:

- Interruption of all Rate IT customers in accordance with the Duke Energy Ohio Rate IT Gas Curtailment Plan;
- In consultation with Corporate Communications personnel, implement general public service announcement(s), in accordance with the requirements as set forth in O.A.C. 4901:5-25-05(B).

Stage 2 – Under a mandatory curtailment where stage one is elevated, the following provisions will be added to the previous stage restrictions:

- All firm gas to customers using more than fifty thousand cubic feet per day shall be curtailed, except for service to any Priority Use Customer for such priority use;
- In consultation with Corporate Communications personnel, implement general public service announcement(s), in accordance with the requirements as set forth in O.A.C. 4901:5-25-05(C).

Stage 3 - Under a mandatory curtailment where stage two is elevated, the following provisions will be added to the previous stage restrictions:

- Gas to all firm customers shall be curtailed, except for service to any Priority Use Customer for such priority use;
- In consultation with Corporate Communications personnel, implement general public service announcement(s), in accordance with the requirements as set forth in O.A.C. 4901:5-25-05(D).

Stage 4 - Under a mandatory curtailment where stage three is elevated, the following provision will be added to the previous stage restrictions:

Duke Energy Ohio recognizes that, if the PUCO or the governor determines that provisions of stage three do not adequately protect priority use or the public health, safety, or welfare, the PUCO, by order, may further curtail or restrict gas supply and usage. In this event, Duke Energy Ohio will use its best efforts to take such further actions as may be required by the PUCO or governor to further curtail gas supply and usage.

OPERATIONS TO RESTORE SERVICE

Upon termination of a gas emergency if service to customers has been curtailed due to an emergency situation, the service restoration process will be based upon the configuration of the distribution system at the time and system supply distribution, with consideration for Priority Use Customers, as practicable.

SERVICE RESTRICTIONS DURING CURTAILMENT

During an emergency curtailment period, unless otherwise ordered by the PUCO or other authority having jurisdiction in the matter, Duke Energy Ohio reserves the right to restrict or permit service as set forth in O.A.C. 4901:5-25-06.

CONSEQUENCES OF NONCOMPLIANCE

During periods of curtailment, if deliveries of gas to a Non-Priority Use Customer exceed its authorized daily volumetric limitation, Duke Energy Ohio will give such customer notice to cease such unauthorized usage. In the event such customer does not cease,

Duke Energy Ohio may disconnect gas service to the customer. The customer shall be liable for all gas costs, transportation costs, penalties, and fines incurred by Duke Energy Ohio as a result of the unauthorized usage.

COOPERATION WITH OTHER GAS UTILITIES

Duke Energy Ohio cooperates with other gas utilities within the state of Ohio in managing available gas supplies during emergencies other than those declared by the Governor of the State of Ohio. Under the auspices of the Ohio Gas Association (OGA), member companies have developed an Ohio/Kentucky Gas Association Supply Contingency Plan further defining natural gas supply, delivery options, and methods of mutual assistance. This information is available to member companies, governmental authorities, and other entities only on a need-to-know basis due to security considerations.

In the event an Ohio gas utility formally contacts Duke Energy Ohio with a critical supply request due to a force majeure event, Duke Energy Ohio, or its Asset Manager, will cooperate to deliver Duke Energy Ohio's non-utilized gas swing supply using available firm transportation capacity to the requesting gas utility; provided, however, that there is no legal obligation on the part of Duke Energy Ohio to deliver gas to the requesting gas utility.

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Duke Energy Ohio, Inc.

Gas Supply Emergency Curtailment Plan

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