BEFORE THE PUBLIC UTLITIES COMMISSION OF OHIO

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In the Matter of the Application of)	
Duke Energy Ohio, Inc.)	Case No. 07-589-GA-AIR
for an Increase in Gas Rates	
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)	
In the Matter of the Application of)	
Duke Energy Ohio, Inc.	Case No. 07-590-GA-ALT
for Approval of an Alternative Rate Plan)	
for its Gas Distribution Service)	
)	
In the Matter of the Application of	
Duke Energy Ohio, Inc. for Approval)	Case No. 07-591-GA-AAM
to Change Accounting Methods	

INTERSTATE GAS SUPPLY, INC.'S MOTION FOR INTERVENTION AND MEMORANDUM IN SUPPORT

John W. Bentine, Esq. (0016388)

Trial Counsel

E-Mail: jbentine@cwslaw.com
Mark S. Yurick, Esq. (0039176)
Direct Dial: (614) 334-7197
Email: myurick@cwslaw.com
Direct Dial: (614) 334-6121
Chester, Willcox & Saxbe LLP
65 East State Street, Suite 1000
Columbus, Ohio 43215-4213
(614) 221-4000 (Main Number)
(614) 221-4012 (facsimile)

Attorneys for Interstate Gas Supply, Inc.

Vincent A. Parisi (0073283)
5020 Bradenton Ave.
Dublin OH 43017
(614) 734-2649
(614) 923-1010 (facsimile)
vparisi@igsenergy.com
General Counsel, Interstate Gas Supply, Inc.

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MOTION FOR INTERVENTION

Pursuant to Section 4903.221 of the Ohio Revised Code and Rule 4901-1-11 of the Ohio Administrative Code, Interstate Gas Supply, Inc. ("IGS") moves to intervene in the above-captioned proceeding.

IGS has a real and substantial interest in the proceedings, which is not adequately represented by any other party to the proceedings. IGS requests intervention in these proceeding not only to protect its interests, as the same may be impacted by this proceeding, but also to preserve the right to intervene and be made a full party in any subsequent proceedings on these matters.

For the reasons stated above, as well as those more fully developed in the attached Memorandum in Support incorporated herein by reference as if fully set forth, IGS respectfully moves to intervene in these proceedings.

Respectfully submitted,

John W. Bentine (Esq. (00) 6388)

Trial Counsel

E-Mail: jbentine@cwslaw.com
Mark S. Yurick, Esq. (0039176)
Direct Dial: (614) 334-7197
Email: myurick@cwslaw.com
Direct Dial: (614) 334-6121
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Attorneys for Interstate Gas Supply, Inc.

Vincent A. Parisi (0073283) 5020 Bradenton Ave. Dublin OH 43017 (614) 734-2649 (614) 923-1010 (facsimile) vparisi@igsenergy.com

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INTERSTATE GAS SUPPLY, INC.'S MOTION FOR INTERVENTION AND MEMORANDUM IN SUPPORT

MEMORANDUM IN SUPPORT

I. Introduction

On or about July 18, 2007, Duke Energy Ohio, Inc ("Duke") filed applications requesting: (i) authority to increase rates for its Gas Distribution Service (Docket 07-0589-GA-AIR); (ii) approval of an Alternative Rate Plan for its Gas Distribution Services (Docket 07-0590-GA-ALT); and (iii) an application requesting approval to Change Accounting Methods (07-0591-GA-AAM). Interstate Gas Supply, Inc. ("IGS") is a certified natural gas marketer in Ohio and provides commodity service to many residential, commercial and industrial customers in the Duke service territory. Collectively, IGS' customers use a significant amount of natural gas each year, and represent a range in consumption from single residential users to larger commercial and industrial customers. As a supplier to these customers, IGS' business depends

upon the satisfaction of its customers so that IGS is directly impacted by any activities in the Duke service territory that may potentially affect such customers.

IGS supports the development of effective retail competitive natural gas markets. Through almost two decades of experience in the competitive natural gas market, first in the Commercial and Industrial markets, then, as Choice programs opened, at the residential and small commercial markets, IGS has learned that it is imperative to the development of effective retail competitive markets for costs be properly aligned and captured through appropriate mechanisms, so that barriers to entry do not exist to hinder development of effective retail competition. IGS should be permitted to intervene to examine all filings in these proceedings to assess how the requested changes will impact the competitive market, if at all, given that any impact to such market will also be directly relevant to IGS.

IGS has direct and substantial interests in the cases, and no other party to the proceedings can adequately represent these interests. Since this is the first rate case filed by Duke since its merger was approved, in order for IGS to ensure that any changes would not negatively impact further development of effective competition, it must be permitted to intervene in the above captioned proceedings.

II. IGS meets the standards of ORC §4903.221 and OAC §4901-1-11, and, therefore its Motion to Intervene should be granted.

Ohio Revised Code § 4903.221 establishes the criteria for the Commission to consider when ruling on a Motion to Intervene. Those criteria are as follows:

- (1) The nature and extent of the prospective intervenor's interest;
- (2) The legal position advanced by the prospective intervenor and its probable relation to the case;

- (3) Whether intervention by the prospective intervenor will unduly prolong or delay the proceedings; and
- (4) Whether the prospective intervenor will significantly contribute to the full development and equitable resolution of the factual issues.

Pursuant to the Ohio Administrative Code, the Commission is instructed to permit any person to intervene in a proceeding upon a showing that "the person has a real and substantial interest in the proceeding, and the person is so situated that the disposition of the proceeding may, as a practical matter, impair or impede his or her ability to protect that interest, unless the person's interest is adequately represented by existing parties." O.A.C. §§4901:1-19-09; 4901-1-11(A)(2).

IGS has a real and substantial interest in this proceeding and is so situated that it will be impaired or impeded from protecting its interests if not permitted to intervene. No other party to the proceedings adequately represents IGS in the above referenced case. The disposition of the proceedings may, as a practical matter impair IGS' ability to protect its substantial interest in this proceeding, and its interests are not adequately represented by other parties. Intervention by IGS will not prolong or delay these proceedings and IGS will contribute to the development and equitable resolution of all issues to be raised herein. Duke may be entitled to recover its costs and the Commission approved rate of return, but IGS needs to be part of the process to ensure that disposition of the proceedings leads to no negative impact on development of effective retail competition in the Duke service territories, which would adversely impact IGS and all of its customers.

III. Conclusion

For the foregoing reasons, IGS has a real and substantial interest in this case and should be granted intervention. Wherefore, IGS respectfully moves for intervention in the above referenced dockets.

Respectfully submitted,

John W. Bentine, Esq. (001638

Trial Counsel

E-Mail: jbentine@cwslaw.com Mark S. Yurick, Esq. (0039176) Direct Dial: (614) 334-7197 Email: myurick@cwslaw.com

Direct Dial: (614) 334-6121 Chester, Willcox & Saxbe LLP 65 East State Street, Suite 1000

Columbus, Ohio 43215-4213

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Attorneys for Interstate Gas Supply, Inc.

Vincent A. Parisi (0073283)

5020 Bradenton Ave.

Dublin OH 43017

(614) 734-2649

(614) 923-1010 (facsimile)

vparisi@igsenergy.com

General Counsel, Interstate Gas Supply, Inc.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following parties of record or as a courtesy, via U.S. Mail postage prepaid, express mail, hand delivery, or electronic transmission, on August 3, 2007.

SERVICE LIST

DUKE ENERGY OHIO PAUL COLBERT, ESQ. 155 E. BROAD ST. COLUMBUS, OH 43215

DUKE ENERGY ROCCO O. D'ASCENZO, ESQ. 139 E. FOURTH ST. P.O. BOX 960 CINCINNATI, OH 45201-0960

OHIO CONSUMERS COUNSEL LARRY SAUER 10 W. BROAD ST., SUITE 1800 COLUMBUS, OH 43215-3485

OHIO CONSUMERS COUNSEL MICHAEL E. IDZKOWSKI 10 W. BROAD ST., SUITE 1800 COLUMBUS, OH 43215-3485

OHIO ENERGY GROUP, INC. DAVID BOEHM BOEHM, KURTZ & LOWRY 36 E. SEVENTH ST., SUITE 1510 CINCINNATI, OH 45202 JOHN FINNIGAN, JR. ASSOCIATE GENERAL COUNSEL 139 E. FOURTH ST., 2500 ATRIUM II CINCINNATI, OH 45201

OHIO CONSUMERS COUNSEL JANINE MIGDEN-OSTRANDER 10 W. BROAD ST., SUITE 1800 COLUMBUS, OH 43215-3485

OHIO CONSUMERS COUNSEL JOSEPH P. SERIO 10 W. BROAD ST., SUITE 1800 COLUMBUS, OH 43215-3485

DUANE LUCKEY ATTORNEY GENERAL'S OFFICE PUBLIC UTILITIES SECTION 180 E. BROAD ST. COLUMBUS, OH 43215

DAVID RINEBOLT 231 W. LIMA ST. P.O. BOX 1793 FINDLAY, OH 45839-1793 OHIO PARTNERS FOR AFFORDABLE ENERGY COLLEEN L. MOONEY 1431 MULFORD RD. COLUMBUS, OH 43212 MICHAEL L. KURTZ, ESQ. KURT J. BOEHM, ESQ. BOEHM, KURTZ & LOWRY 36 EAST SEVENTH STREET, SUITE 1510 CINCINNATI, OHIO 45202

JOHN M. DOSKER, TRIAL ATTORNEY GENERAL COUNSEL STAND ENERGY CORPORATION 1077 CELESTIAL ST., SUITE 110 CINCINNATI, OH 45202-1629

ND: 4846-5784-5761, v. 2

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