



Public Utilities Commission of Ohio
Docketing Division
13th Floor
180 East Broad Street
Columbus, Ohio 43215

GE

Re: Case Nos. 09-543-~~EL~~-UNC, 09-544-GE-ATA, and 09-545-GE-AAM

Dear Sir/Madam:

Relative to the cases above, Mr. William Don Wathen stated in his Direct Testimony, page 7, which was filed on June 30, 2009 that he would update relevant schedules to include capital structure and capital cost rates approved in the Company's most recent distribution rate case, Case No. 08-709-EL-AIR. The enclosed are the updated schedules as promised. Please docket these schedules in the cases noted above. Thank you.

Respectfully submitted,

Elizabeth H. Watts
Assistant General Counsel
Duke Energy Ohio
155 East Broad Street
Columbus, Ohio 43215

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ELIZABETH H WATTS
Assistant General Counsel
Duke Energy Shared Services, Inc.

Duke Energy Ohio, Inc.
155 E. Broad St., 21st Floor
Columbus, OH 43215

614-222-1330
614-222-1331 office
614-222-1337 fax
614-202-2509 cell
elizabeth.watts@duke-energy.com

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**Duke Energy Ohio
Calculation of Rider DR-IM**

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Duke Energy Ohio
Calculation of Rider DR-IM

Revenue Requirement

Line No.		Actual 4/1/08-12/31/08	Cumulative thru 12/31/08	Reference
	<u>Return on Investment</u>			
	Plant In-Service			
1	Additions	\$20,306,473	\$20,306,473	Schedule 2
2	Total Plant In-Service	20,306,473	20,306,473	
	Less: Accumulation Provision for Depreciation			
3	Depreciation Expense	282,319	282,319	Schedule 3
4	Total Accumulated Provision for Depreciation	282,319	282,319	
5	Net Regulatory Asset--Post In-Service Carrying Cost	375,640	375,640	Schedule 4
6	Net Deferred Tax Balance--PISCC, Deferred Depreciation & CC and Deferred O&M & CC	(255,300)	(255,300)	Schedule 5
7	Deferred Taxes on Liberalized Depreciation	(3,791,883)	(3,791,883)	Schedule 6
8	Net Rate Base	16,352,611	16,352,611	
9	Approved Pre-tax Rate of Return	12.48%	12.48%	Schedule 7
10	Annualized Return on Rate Base	2,040,806	2,040,806	
	<u>Operating Expenses</u>			
11	Annualized Provision for Depreciation For Additions	1,402,116	1,402,116	Schedule 8
12	Annualized Amortization of PISCC	22,034	22,034	Schedule 9
13	Deferred O&M Expense and Carrying Costs	353,789	353,789	Schedule 10
14	Annualized Property Tax Expense	714,093	714,093	Schedule 11
15	Reduction in Operation & Maintenance Expense	0	0	Schedule 12
16	Annualized Revenue Requirement	\$4,532,838	\$4,532,838	

Plant Additions by Month

Line No.	Plant Account	Balance at 12/31/2007	1/31/2008	2/29/2008	3/31/2008	4/30/2008	5/31/2008	6/30/2008	7/31/2008	8/31/2008	9/30/2008	10/31/2008	11/30/2008	12/31/2008		
<u>Cumulative</u>																
1	Meters	37002	\$0	\$12,706	\$43,994	\$57,438	\$274,255	\$1,458,474	\$2,111,474	\$5,090,948	\$5,361,603	\$5,603,441	\$8,001,994	\$8,250,574	\$8,774,890	
2	Envision Center Leasehold Improvements	39000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$451,243	
3	Electronic Data Processing Equip	39101	\$0	\$0	\$0	\$0	\$0	\$0	\$27,313	\$27,313	\$27,313	\$27,313	\$27,313	\$27,313	\$27,313	
4	Communication Equipment Electric	39700	\$0	\$1,083	\$2,020	\$2,249	\$3,085	\$61,151	\$666,939	\$3,019,840	\$4,776,680	\$8,049,979	\$10,337,667	\$12,016,987	\$12,016,987	
5	Communication Equipment Common	19700	\$0	\$7,520	\$8,111	\$10,622	\$16,892	\$26,230	\$40,848	\$203,508	\$294,337	\$315,434	\$839,754	\$920,748	\$1,036,040	
6	Total		\$0	\$20,226	\$53,188	\$70,080	\$293,485	\$1,487,789	\$2,213,473	\$5,988,708	\$8,702,893	\$10,722,788	\$14,919,040	\$17,538,282	\$20,306,473	
<u>Incremental</u>																
7	Meters	37002		\$12,706	\$31,288	\$13,444	\$216,817	\$1,184,219	\$653,000	\$2,979,474	\$270,555	\$241,938	\$398,553	\$248,580	\$524,318	\$8,774,890
8	Envision Center Leasehold Improvements	39000		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$451,243	\$451,243
9	Electronic Data Processing Equip	39101		\$0	\$0	\$0	\$0	\$0	\$27,313	\$0	\$0	\$0	\$0	\$0	\$0	\$27,313
10	Communication Equipment Electric	39700		\$0	\$1,083	\$937	\$229	\$838	\$58,066	\$605,788	\$2,352,901	\$1,758,740	\$3,273,399	\$2,287,678	\$1,679,330	\$12,016,987
11	Communication Equipment Common	19700		\$7,520	\$591	\$2,511	\$5,359	\$8,248	\$14,618	\$162,660	\$90,829	\$21,097	\$524,320	\$80,994	\$115,292	\$1,036,040
12	Total			\$20,226	\$32,962	\$16,892	\$223,405	\$1,194,304	\$726,684	\$3,775,235	\$2,714,285	\$2,019,775	\$4,196,272	\$2,617,252	\$2,770,181	\$20,306,473
															Total Activity	

Duke Energy Ohio
Calculation of Rider DR-4M

Provision for Depreciation

Line No.	Plant Account	Balance at 12/31/2007	1/31/2008	2/29/2008	3/31/2008	4/30/2008	5/31/2008	6/30/2008	7/31/2008	8/31/2008	9/30/2008	10/31/2008	11/30/2008	12/31/2008	
<u>Cumulative</u>															
1	Meters 37002	\$0	\$0	\$12	\$55	\$307	\$1,511	\$7,916	\$17,189	\$39,547	\$63,093	\$87,701	\$114,060	\$141,510	
2	Envision Center Leasehold Improvements 39000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
3	Electronic Data Processing Equip 39101	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$284	\$568	\$852	\$1,136	\$1,420	
4	Communication Equipment Electric 39700	\$0	\$0	\$0	\$5	\$15	\$26	\$41	\$329	\$3,469	\$17,687	\$40,177	\$78,079	\$126,752	
5	Communication Equipment Common 19700	\$0	\$0	\$35	\$73	\$123	\$203	\$327	\$519	\$1,477	\$2,863	\$4,348	\$8,302	\$12,637	
6	Total	\$0	\$0	\$47	\$133	\$445	\$1,740	\$8,284	\$18,037	\$44,777	\$84,211	\$133,078	\$201,577	\$282,319	Total Activity
<u>Incremental</u>															
7	Meters 37002	\$0	\$0	\$12	\$43	\$252	\$1,204	\$6,405	\$9,273	\$22,358	\$23,546	\$24,608	\$26,369	\$27,450	\$141,510
8	Envision Center Leasehold Improvements 39000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	Electronic Data Processing Equip 39101	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$284	\$284	\$284	\$284	\$284	\$1,420
10	Communication Equipment Electric 39700	\$0	\$0	\$0	\$5	\$10	\$11	\$15	\$288	\$3,140	\$14,218	\$22,490	\$37,902	\$49,673	\$126,752
11	Communication Equipment Common 19700	\$0	\$0	\$35	\$38	\$50	\$80	\$124	\$192	\$958	\$1,386	\$1,485	\$3,954	\$4,335	\$12,637
12	Total	\$0	\$0	\$47	\$86	\$312	\$1,295	\$6,544	\$9,753	\$26,740	\$39,434	\$48,667	\$68,499	\$80,742	\$282,319
<u>Depreciation Percent</u>															
<u>Incremental</u>															
13	Meters 37002			5.27%											
14	Envision Center Leasehold Improvements 39000			40.00%											
15	Electronic Data Processing Equip 39101			12.47%											
16	Communication Equipment Electric 39700			5.65%											
17	Communication Equipment Common 19700			5.65%											

Note: The plant additions shown before April 1, 2008, were not included in the rate base calculation for the electric distribution rate case, Case No. 08-709-EL-AJR.

Duke Energy Ohio
Calculation of Rider DR-1M

Net Regulatory Asset -- Post In-Service Carrying Cost

Line No.	Account Description	Balance at 12/31/2007	1/31/2008	2/29/2008	3/31/2008	4/30/2008	5/31/2008	6/30/2008	7/31/2008	8/31/2008	9/30/2008	10/31/2008	11/30/2008	12/31/2008	Balance at 12/31/2008
Regulatory Asset--Deferrals															
1	182362 Meters	\$0	\$7	\$32	\$64	\$859	\$4,489	\$9,266	\$18,713	\$27,219	\$28,686	\$30,492	\$32,324	\$34,491	\$186,642
2	182362 Envision Center Leasehold Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	182362 Electronic Data Processing Equip	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$141	\$142	\$143	\$144	\$144	\$714
4	182362 Communication Equipment Electric	\$0	\$0	\$3	\$8	\$11	\$14	\$166	\$1,885	\$9,551	\$20,234	\$33,354	\$47,916	\$58,429	\$171,571
5	182362 Communication Equipment Common	\$0	\$19	\$41	\$49	\$72	\$113	\$175	\$635	\$1,294	\$1,590	\$3,010	\$4,592	\$5,123	\$16,713
6	Total	\$0	\$26	\$76	\$121	\$942	\$4,616	\$9,607	\$21,233	\$38,205	\$50,652	\$66,999	\$84,976	\$98,187	\$375,640
Cumulative--Regulatory Asset--Deferrals			\$26	\$102	\$223	\$1,165	\$5,781	\$15,389	\$36,621	\$74,826	\$125,478	\$192,477	\$277,453	\$375,640	
Regulatory Asset--Amortization															
7	182362 Meters	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	182362 Envision Center Leasehold Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	182362 Electronic Data Processing Equip	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10	182362 Communication Equipment Electric	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	182362 Communication Equipment Common	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12	Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cumulative--Regulatory Asset--Deferrals			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Regulatory Asset--Net															
13	182362 Meters	\$0	\$7	\$32	\$64	\$859	\$4,489	\$9,266	\$18,713	\$27,219	\$28,686	\$30,492	\$32,324	\$34,491	\$186,642
14	182362 Envision Center Leasehold Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	182362 Electronic Data Processing Equip	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$141	\$142	\$143	\$144	\$144	\$714
16	182362 Communication Equipment Electric	\$0	\$0	\$3	\$8	\$11	\$14	\$166	\$1,885	\$9,551	\$20,234	\$33,354	\$47,916	\$58,429	\$171,571
17	182362 Communication Equipment Common	\$0	\$19	\$41	\$49	\$72	\$113	\$175	\$635	\$1,294	\$1,590	\$3,010	\$4,592	\$5,123	\$16,713
18	Total	\$0	\$26	\$76	\$121	\$942	\$4,616	\$9,607	\$21,233	\$38,205	\$50,652	\$66,999	\$84,976	\$98,187	\$375,640

PISCC Rate 6.48%

Duke Energy Ohio
Calculation of Rider DR-IM

Net Deferred Tax Balance -- PISCC

Line No.		Balance at 12/31/2007	1/31/2008	2/29/2008	3/31/2008	4/30/2008	5/31/2008	6/30/2008	7/31/2008	8/31/2008	9/30/2008	10/31/2008	11/30/2008	12/31/2008
Net Deferred Tax Balance - PISCC														
1	Beginning Balance	\$0	\$0	\$26	\$102	\$223	\$1,165	\$5,781	\$15,388	\$36,621	\$74,826	\$125,478	\$192,477	\$277,453
2	Monthly Activity	\$0	\$26	\$76	\$121	\$942	\$4,616	\$9,607	\$21,233	\$38,205	\$50,652	\$66,999	\$84,976	\$98,187
3	Ending Balance	\$0	\$26	\$102	\$223	\$1,165	\$5,781	\$15,388	\$36,621	\$74,826	\$125,478	\$192,477	\$277,453	\$375,640
4	Tax Rate	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%
5	Cumulative ADIT @ 35%	\$0	(\$9)	(\$36)	(\$78)	(\$408)	(\$2,023)	(\$5,386)	(\$12,817)	(\$26,189)	(\$43,917)	(\$67,367)	(\$97,109)	(\$131,474)
Net Deferred Tax Balance - Deferred Depreciation and Carrying Costs														
6	Beginning Balance	\$0	\$0	\$0	\$47	\$133	\$447	\$1,748	\$8,319	\$18,142	\$45,049	\$84,826	\$134,272	\$203,662
7	Monthly Activity	\$0	\$0	\$47	\$86	\$314	\$1,301	\$6,571	\$9,823	\$26,907	\$39,777	\$49,446	\$69,390	\$82,030
8	Ending Balance	\$0	\$0	\$47	\$133	\$447	\$1,748	\$8,319	\$18,142	\$45,049	\$84,826	\$134,272	\$203,662	\$285,692
9	Tax Rate	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%
10	Cumulative ADIT @ 35%	\$0	\$0	(\$16)	(\$47)	(\$156)	(\$812)	(\$2,912)	(\$6,350)	(\$15,767)	(\$29,689)	(\$46,995)	(\$71,282)	(\$99,992)
Net Deferred Tax Balance - Deferred O&M and Carrying Costs														
11	Beginning Balance	\$0	\$0	\$0	\$0	\$0	\$18,222	\$20,567	\$20,675	\$21,971	\$33,660	\$41,108	\$60,335	\$83,068
12	Monthly Activity	\$0	\$0	\$0	\$0	\$18,222	\$2,345	\$108	\$1,296	\$11,689	\$7,448	\$19,227	\$2,733	\$5,029
13	Ending Balance	\$0	\$0	\$0	\$0	\$18,222	\$20,567	\$20,675	\$21,971	\$33,660	\$41,108	\$60,335	\$63,068	\$88,097
14	Tax Rate	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%
15	Cumulative ADIT @ 35%	\$0	\$0	\$0	\$0	(\$6,378)	(\$7,198)	(\$7,236)	(\$7,690)	(\$11,781)	(\$14,388)	(\$21,117)	(\$22,074)	(\$23,834)

Duke Energy Ohio
Calculation of Rider DR-IM

Deferred Taxes on Liberalized Depreciation

Line No.		Tax Year 2008				Total Deferred Tax Balance
		7-Year MACRS	10-Year MACRS	39-Year MACRS	Total	
1	Total Plant In-Service	\$13,053,028	\$6,802,202	\$451,243	\$20,306,473	
2	Book to Tax Basis Adjustments:	\$0	\$0	\$14,413	\$14,413	
3	Tax Base In-Service subject to:					
4	MACRS	\$13,053,028	\$6,802,202	\$436,830	\$20,292,060	
5	Total Tax Depreciation Base	\$13,053,028	\$6,802,202	\$436,830	\$20,292,060	
6	Tax Depreciation - MACRS	\$932,639	\$255,083	\$933	\$1,188,655	
7	Tax Depreciation - Bonus	\$6,526,514	\$3,401,101	\$0	\$9,927,615	
8	Total Tax Depreciation	\$7,459,153	\$3,656,184	\$933	\$11,116,270	
9	Book Depreciation					
10	Total Book Depreciation	\$139,389	\$142,930	\$0	\$282,319	
11	Less: Book Depr on AFUDC Equity	\$0	\$0	\$0	\$0	
12	Plus: Originating Dif. Exclusive of AFUDC Equity	\$0	\$0	\$0	\$0	
13	Net Book Depreciation	\$139,389	\$142,930	\$0	\$282,319	
14	Tax Depreciation in Excess of Book Depreciation	\$7,319,764	\$3,513,254	\$933	\$10,833,951	
15	Federal Deferred Taxes @ 35.00%	(\$2,561,917)	(\$1,229,639)	(\$327)	(\$3,791,883)	
16	Federal Deferral Rate				35.00%	
						<u>(\$3,791,883)</u>

Duke Energy Ohio
Calculation of Rider DR-IM

Approved Rate of Return ^(a)

Line No.		Balance at 12/31/2008	Percent of Total ^(a)	Rate	Weighted Cost	Tax Gross Up Factor ^(b)	Pre-Tax Rate of Return
1	Long-term debt	\$1,787,741,777	41.72%	6.45%	2.70%	1.0167355	2.75%
2	Preferred stock	-	0.00%	5.58%	0.00%	1.5700221	0.00%
3	Common equity	2,497,378,912	58.28%	10.63%	6.20%	1.5700221	9.73%
4	Total Capitalization	<u>\$4,285,120,689</u>	<u>100.00%</u>		<u>8.90%</u>		<u>12.48%</u>

Note: ^(a) Per Stipulation approved in Case No. 08-709-EL-AIR. See paragraph 1 of the Stipulation.

^(b) Per Schedule A-1.1 in the Staff Report of Investigation in Case No. 08-709-EL-AIR.

5	Operating Revenues			100.000%			
6	Less: Uncollectible Accounts		1.276%				
7	City of Cincinnati Franchise Tax		0.110%				
8	Commercial Activities Tax		<u>0.260%</u>	<u>1.646%</u>			
9	Income before Income Tax			98.354%	<u>1.0167355</u>	Debt Gross Up	
10	State and Municipal Income Tax (.37% * 98.354%)			<u>0.364%</u>			
11	Income before Federal Income Tax			97.990%			
12	Federal Income Tax (35% x 97.990%)			<u>34.297%</u>			
13	Operating Income Percentage			<u>63.693%</u>			
14	Gross Revenue Conversion Factor (100%/63.693%)			<u>1.5700221</u>			

Duke Energy Ohio
Calculation of Rider DR-IM

Annualized Depreciation Associated with Additions

Line No.		Plant Account	Balance at 12/31/2008	Depreciation Rate	Annualized Depreciation
	<u>Depreciable Plant Basis</u>				
1	Meters	37002	\$6,774,890	5.10%	\$345,519
2	Envision Center Leasehold Improvements	39000	451,243	40.00%	180,497
3	Electronic Data Processing Equip	39101	27,313	20.00%	5,463
4	Communication Equipment Electric	39700	12,016,987	6.67%	801,533
5	Communication Equipment Common	19700	1,036,040	6.67%	69,104
6			<u>\$20,306,473</u>		<u>\$1,402,116</u>

Duke Energy Ohio
Calculation of Rider DR-IM

Annualized Amortization of PISCC

Line No.			Balance at 12/31/2008	Amortization Rate	Annualized Amortization
		<u>Regulatory Asset Deferrals</u>			
1	182362	Meters	\$186,642	5.00%	\$9,332
2	182362	Envision Center Leasehold Improvements	-	40.00%	-
3	182362	Electronic Data Processing Equip	714	20.00%	143
4	182362	Communication Equipment Electric	171,571	6.67%	11,444
5	182362	Communication Equipment Common	16,713	6.67%	1,115
6		Total	<u>\$375,640</u>		<u>\$22,034</u>

Duke Energy Ohio
Calculation of Rider DR-IM

Regulatory Asset – Deferred O&M Expenses, Carrying Cost and Amortization

Line No.	Account Description	Balance at 12/31/2007	1/31/2008	2/29/2008	3/31/2008	4/30/2008	5/31/2008	6/30/2008	7/31/2008	8/31/2008	9/30/2008	10/31/2008	11/30/2008	12/31/2008	Balance at 12/31/2008
Regulatory Asset—Deferred O&M Expenses															
1	(a) DR-IM 2008 Envision Center Operating Costs	\$0	\$0	\$0	\$0	\$2,503	\$9	\$0	\$19	\$2,618	\$2,748	\$2,748	\$2,411	\$2,425	\$15,481
2	(a) DR-IM 2008 Misc. Material, Labor & Expenses	-	-	-	-	15,670	2,234	-	1,166	8,928	4,504	16,214	-	2,263	50,977
3	(a) DR-IM 2008 Book Depreciation	-	-	47	86	312	1,295	6,544	9,753	26,740	39,434	48,867	68,499	80,742	282,319
4	Total	\$0	\$0	\$47	\$86	\$18,485	\$3,538	\$6,544	\$10,938	\$38,284	\$46,686	\$67,829	\$70,910	\$85,430	\$348,777
	Cumulative—Regulatory Asset—Deferrals	\$0	\$0	\$47	\$133	\$18,618	\$22,156	\$28,700	\$39,638	\$77,922	\$124,608	\$192,437	\$263,347	\$348,777	
Regulatory Asset—Deferred O&M Expenses Carrying Cost															
5	(a) DR-IM 2008 Envision Center Operating Costs	\$0	\$0	\$0	\$0	\$7	\$13	\$13	\$13	\$20	\$35	\$49	\$63	\$76	\$289
6	(a) DR-IM 2008 Misc. Material, Labor & Expenses	0	0	0	0	42	89	95	98	126	161	216	259	266	1,350
7	(a) DR-IM 2008 Book Depreciation	0	0	0	0	2	6	27	70	167	343	579	891	1,288	3,373
8	Total	\$0	\$0	\$0	\$0	\$51	\$108	\$135	\$181	\$312	\$539	\$844	\$1,213	\$1,628	\$5,012
	Cumulative—Regulatory Asset—Deferrals	\$0	\$0	\$0	\$0	\$51	\$169	\$294	\$475	\$787	\$1,326	\$2,170	\$3,383	\$5,012	
Regulatory Asset—Total															
9	(a) DR-IM 2008 Envision Center Operating Costs	\$0	\$0	\$0	\$0	\$2,610	\$22	\$13	\$32	\$2,638	\$2,783	\$2,767	\$2,474	\$2,501	\$15,770
10	(a) DR-IM 2008 Misc. Material, Labor & Expenses	-	-	-	-	15,712	2,323	95	1,284	9,051	4,865	16,430	259	2,528	\$2,327
11	(a) DR-IM 2008 Book Depreciation	-	-	47	86	314	1,301	6,571	9,823	26,907	39,777	49,446	69,390	82,030	285,662
12	Total	\$0	\$0	\$47	\$86	\$18,636	\$3,648	\$6,879	\$11,119	\$38,596	\$47,225	\$68,673	\$72,123	\$87,059	\$353,789
13	Cumulative—Regulatory Asset—Total		\$0	\$47	\$133	\$18,688	\$22,315	\$28,984	\$40,113	\$78,709	\$125,934	\$194,607	\$266,730	\$353,789	
	Carrying Cost Rate														6.39%

Note: (a) Deferral accounts to be established and expenses transferred.

Duke Energy Ohio
Calculation of Rider DR-IM

Annualized Property Taxes

Line No.	OHIO PROPERTY TAX	YEAR 2008		Total
		15-Year General Plant	25-Year Distribution Plant	
	Property Tax Expense (Amounts Exclude Post In-Service Carrying Costs)			
1	Current Year Investment	\$13,080,340	\$6,774,890	
2	Less: AFUDC In-Service	-	-	
3	Net Cost of Taxable Property	\$13,080,340	\$6,774,890	
4	Percent Good ^(a)	98.7%	98.0%	
5	True Value of Taxable Property (excluding PISCC)	\$12,648,689	\$6,639,392	
6	Valuation Percent	24%	85%	
7	Total Taxable Value	\$3,035,685	\$5,643,483	
8	Retired Net Taxable Plant End of Year (@ 15%)	-	-	
9	Net Property Tax Valuation	\$3,035,685	\$5,643,483	
10	Ohio Property Tax @ \$81.856 per \$1,000 of Valuation	\$248,489	\$461,853	\$710,442
11	Ohio Property Tax Calculation:			
12	Average Property Tax Rate per \$1,000 of Valuation	\$81.856		
13	^(a) From Electric Company Annual Report -			
14	Schedule C - 15 Year Class Life (General Plant)			
15	Schedule C - 25 Year Class Life (Distribution Plant)			

KENTUCKY PROPERTY TAX		YEAR 2008	
16	Net Book Value at December 31, 2008	\$451,253	
17	2008 State Approved Assessment Rate	87.457754%	
18	2008 Assessed Value	\$394,656	
19	State Real Estate Tax Rate	0.122%	
20	Local Real Estate Tax Rate	0.803%	
21	Total Real Estate Tax Rate	0.925%	
22	Estimated Kentucky Property Tax	\$3,651	\$3,651
23	Total Annualized Property Taxes		\$714,093

Duke Energy Ohio
Calculation of Rider DR-IM

Incremental Operation & Maintenance Expenses/(Savings)

Line No.		Current Year	Included in Base Rates ^(a)	Incremental (Savings)/Costs ^(b)
1	Metering Expenses			
2	Acct 586 - Meter Operation Expenses	\$0	\$0	\$0
3	Acct 597 - Maintenance of Meter	-	-	-
4	Acct 902 - Meter Reading Expenses	-	-	-
5	Total Metering Expenses for Period	\$0	\$0	\$0
6	Customer Service Expense			
7	Acct 903 Cust Records & Collection Expense	\$0	\$0	\$0
8	Total Customer Service Expense	\$0	\$0	\$0
9	Other Costs	\$0	\$0	\$0
10	Total	\$0	\$0	\$0

Notes: ^(a) Base rates for 2008 were established in Case No. 05-059-EL-AIR.

^(b) No savings are projected until 2009 and later.

Duke Energy Ohio
Calculation of Rider DR-IM

Charge Per Bill

Line No.		Total	Residential ^(a)	Non-Residential	Source
1	Total Rider DR-IM Revenue Requirement	4,532,838	\$3,852,912	\$679,926	Schedule 1
2	Customer Bills ^(b)		7,343,232	878,892	Internal Company Data
3	Rider DR-IM Charge - Per Bill		\$0.52	\$0.77	Line 1 ÷ Line 2
4	Cap per Stipulation		\$0.50	N/A	Stipulation in Case No. 08-920-EL-SSO

Note: ^(a) Per Stipulation in Case No. 08-920-EL-SSO, residential customer class is allocated 85% of Rider DR-IM revenue requirement.

^(b) Excludes all lighting customers.