

FILE



Duke Energy Corporation  
139 East Fourth Street  
P.O. Box 960  
Cincinnati, Ohio 45201-0960

December 13, 2012

Public Utilities Commission of Ohio  
ATTN: Docketing Division  
11<sup>th</sup> Floor  
180 East Broad Street  
Columbus, Ohio 43215-3793

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Docketing Division:

Enclosed for filing are ten (10) copies of Duke Energy Ohio ("Duke") gas cost recovery (GCR) report, as required by Section 4901:1-14, O.A.C., for the month commencing January 2013. This filing is based on supplier tariff rates expected to be in effect on January 2, 2013 and the NYMEX close of December 10, 2012 for the month of January 2013.

Duke's GCR rate effective January 2013 is \$5.069 per MCF, which represents an increase of \$0.236 per MCF from the current GCR rate in effect for December 2012.

Please time-stamp the extra copy that I have enclosed and return for our file. Thank you for your timely assistance in this regard.

Very truly yours,

John Linton

Enclosure

cc: Ms. Carolyn Tyson  
Mr. R. J. Lehman  
Mr. Robert Clark  
L. Schmidt

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Technician AD Date Processed 12/13/12

**COMPANY NAME: DUKE ENERGY OHIO**  
**GAS COST RECOVERY RATE CALCULATIONS**  
**SUPPLEMENTAL MONTHLY REPORT**

PARTICULARS	UNIT	AMOUNT
EXPECTED GAS COST (EGC)	\$/MCF	5.506000
SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT (RA)	\$/MCF	(0.039000)
ACTUAL ADJUSTMENT (AA)	\$/MCF	(0.398000)
GAS COST RECOVERY RATE (GCR) = EGC + RA + AA	\$/MCF	<u>5.069000</u>

GAS COST RECOVERY RATE EFFECTIVE DATES: January 2, 2013 THROUGH January 30, 2013

**EXPECTED GAS COST CALCULATION**

DESCRIPTION	UNIT	AMOUNT
TOTAL EXPECTED GAS COST COMPONENT (EGC)	\$/MCF	5.506000

**SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT SUMMARY CALCULATION**

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTERLY SUPPLIER REFUND & RECONCILIATION ADJUSTMENT	\$/MCF	(0.002000)
PREVIOUS QUARTERLY REPORTED SUPPLIER REFUND & RECONCILIATION ADJUSTMENT	\$/MCF	(0.029000)
SECOND PREVIOUS QUARTERLY REPORTED SUPPLIER REFUND & RECONCILIATION ADJUSTMENT	\$/MCF	(0.004000)
THIRD PREVIOUS QUARTERLY REPORTED SUPPLIER REFUND & RECONCILIATION ADJUSTMENT	\$/MCF	(0.004000)
SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT (RA)	\$/MCF	<u>(0.039000)</u>

**ACTUAL ADJUSTMENT SUMMARY CALCULATION**

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTERLY ACTUAL ADJUSTMENT	\$/MCF	0.032000
PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	(0.294000)
SECOND PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	(0.417000)
THIRD PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	0.281000
ACTUAL ADJUSTMENT (AA)	\$/MCF	<u>(0.398000)</u>

THIS MONTHLY REPORT FILED PURSUANT TO ORDER NO. 78-515-GA-ORD  
OF THE PUBLIC UTILITIES COMMISSION OF OHIO, DATED OCTOBER 18, 1979.

DATE FILED: December 13, 2012

BY: DON WATHEN

TITLE: VICE-PRESIDENT, RATES

**PURCHASED GAS ADJUSTMENT**  
**COMPANY NAME: DUKE ENERGY OHIO**

**SUPPLEMENTAL MONTHLY REPORT**

**EXPECTED GAS COST RATE CALCULATION**

DETAILS FOR THE EGC RATE IN EFFECT AS OF January 2, 2013  
PROJECTED VOLUME FOR THE TWELVE MONTH PERIOD ENDED November 30, 2013

<u>DEMAND COSTS</u>	DEMAND EXPECTED GAS COST AMT (\$)	MISC EXPECTED GAS COST AMT (\$)	TOTAL DEMAND EXPECTED GAS COST AMT (\$)
INTERSTATE PIPELINE SUPPLIERS (SCH. I-A)			
Columbia Gas Transmission Corp.	15,799,817	0	15,799,817
Duke Energy Kentucky	600,696	0	600,696
Columbia Gulf Transmission Co.	7,010,772	0	7,010,772
Texas Gas Transmission Corp.	7,906,609	0	7,906,609
K O Transmission Company	786,048	0	786,048
PRODUCER/MARKETER (SCH. I - A)	42,933	0	42,933
SYNTHETIC (SCH. I - A)			
OTHER GAS COMPANIES (SCH. I - B)			
OHIO PRODUCERS (SCH. I - B)			
SELF-HELP ARRANGEMENTS (SCH. I - B)		(10,470,350)	(10,470,350)
SPECIAL PURCHASES (SCH. I - B)			
<b>TOTAL DEMAND COSTS:</b>	<b>32,146,875</b>	<b>(10,470,350)</b>	<b>21,676,525</b>

PROJECTED GAS SALES LESS SPECIAL CONTRACT IT PURCHASES:

30,116,482 MCF

DEMAND (FIXED) COMPONENT OF EGC RATE:

**\$0.720 /MCF**

**COMMODITY COSTS:**

GAS MARKETERS	\$1.692 /MCF
GAS STORAGE	
COLUMBIA GAS TRANSMISSION	\$2.603 /MCF
TEXAS GAS TRANSMISSION	\$0.418 /MCF
PROPANE	\$0.028 /MCF
STORAGE CARRYING COSTS	\$0.045 /MCF
COMMODITY COMPONENT OF EGC RATE:	<b>\$4.786 /MCF</b>

TOTAL EXPECTED GAS COST:

**\$5.506 /MCF**

**PURCHASED GAS ADJUSTMENT  
COMPANY NAME: DUKE ENERGY OHIO**

**SUPPLEMENTAL MONTHLY REPORT**

**PRIMARY GAS SUPPLIER / TRANSPORTER**

DETAILS FOR THE EGC IN EFFECT AS OF January 2, 2013 AND THE PROJECTED  
VOLUME FOR THE TWELVE MONTH PERIOD ENDED November 30, 2013

SUPPLIER OR TRANSPORTER NAME Commodity Costs  
TARIFF SHEET REFERENCE \_\_\_\_\_  
EFFECTIVE DATE OF TARIFF \_\_\_\_\_ RATE SCHEDULE NUMBER \_\_\_\_\_  
  
TYPE GAS PURCHASED ☒ NATURAL ☐ LIQUIFIED ☐ SYNTHETIC  
UNIT OR VOLUME TYPE ☐ MCF ☐ CCF ☐ OTHER  
PURCHASE SOURCE ☒ INTERSTATE ☐ INTRASTATE

**GAS COMMODITY RATE FOR JANUARY 2013:**

**GAS MARKETERS :**

WEIGHTED AVERAGE GAS COST @ CITY GATE (\$/Dth) (1):					
DUKE ENERGY OHIO FUEL	1.400%	\$0.0545	\$3.8919	\$/Dth	
DTH TO MCF CONVERSION	1.0089	\$0.0351	\$3.9464	\$/Dth	
ESTIMATED WEIGHTING FACTOR	42.500%		\$3.9815	\$/Mcf	
<b>GAS MARKETERS COMMODITY RATE</b>			<b>\$1.6921</b>	<b>\$/Mcf</b>	

**GAS STORAGE :**

COLUMBIA GAS TRANS. - STORAGE INVENTORY RATE (Not applicable during injection months)			\$5.2693	\$/Dth	
COLUMBIA GAS TRANS. FSS WITHDRAWAL FEE		\$0.0153	\$5.2846	\$/Dth	
COLUMBIA GAS TRANS. SST FUEL	1.963%	\$0.1037	\$5.3883	\$/Dth	
COLUMBIA GAS TRANS SST COMMODITY RATE		\$0.0234	\$5.4117	\$/Dth	
KO TRANS. COMMODITY RATE		\$0.0018	\$5.4135	\$/Dth	
DUKE ENERGY OHIO FUEL	1.400%	\$0.0758	\$5.4893	\$/Dth	
DTH TO MCF CONVERSION	1.0089	\$0.0489	\$5.5382	\$/Mcf	
ESTIMATED WEIGHTING FACTOR	47.000%		\$2.6030	\$/Mcf	
<b>GAS STORAGE COMMODITY RATE - COLUMBIA GAS</b>			<b>\$2.603</b>	<b>\$/Mcf</b>	
TEXAS GAS TRANSMISSION - STORAGE INVENTORY RATE (Not applicable during payback months)			\$3.9840	\$/Dth	
TEXAS GAS COMMODITY RATE		\$0.0632	\$4.0472	\$/Dth	
DUKE ENERGY OHIO FUEL	1.400%	\$0.0567	\$4.1039	\$/Dth	
DTH TO MCF CONVERSION	1.0089	\$0.0365	\$4.1404	\$/Mcf	
ESTIMATED WEIGHTING FACTOR	10.100%		\$0.4182	\$/Mcf	
<b>GAS STORAGE COMMODITY RATE - TEXAS GAS</b>			<b>\$0.418</b>	<b>\$/Mcf</b>	

**PROPANE :**

WEIGHTED AVERAGE PROPANE INVENTORY RATE			\$0.44704	\$/Gal	
GALLON TO MCF CONVERSION	15.38	\$6.4285	\$6.8755	\$/Mcf	
ESTIMATED WEIGHTING FACTOR	0.400%		\$0.0275	\$/Mcf	
<b>PROPANE COMMODITY RATE</b>			<b>\$0.028</b>	<b>\$/Mcf</b>	

FOOTNOTE NO. (1) Weighted average cost of gas based on NYMEX prices on 12/10/2012 and contracted hedging prices

**PURCHASED GAS ADJUSTMENT  
COMPANY NAME: DUKE ENERGY OHIO**

**SUPPLEMENTAL MONTHLY REPORT**

**ESTIMATED COST OF GAS INJECTED AND WITHDRAWN FROM STORAGE**

Details for the EGC Rate in Effect as of January 2, 2013

<u>Month</u>	<u>Beginning Storage Inventory</u>	<u>Monthly Storage Activity</u>			<u>Ending Storage Inventory</u>
		<u>Injected</u>	<u>Withdrawn</u>	<u>Financial Hedges</u>	
November 2012	\$46,969,317	(\$2,699,585)		\$0	\$44,269,732
December 2012	\$44,269,732	\$0	\$6,435,780	\$0	\$37,833,952
January 2013	\$37,833,952	\$0	\$11,467,200	\$0	\$26,366,752

**PURCHASED GAS ADJUSTMENT  
COMPANY NAME: DUKE ENERGY OHIO**

**SUPPLEMENTAL MONTHLY REPORT**

**ESTIMATED CONTRACT STORAGE CARRYING COSTS**

Details for the EGC Rate in Effect as of January 2, 2013

Line No.	Ending Storage Balance Month	Estimated	Avg. Storage			
		Ending Storage Inventory (Schedule I - C)	Average Monthly Storage Inventory Balance	Balance times Monthly Cost of Capital (1)	Estimated Monthly MCF	\$/MCF
1	November 2012	\$44,269,732		0.8333%		
2	December 2012	\$37,833,952	\$41,051,842			
3	January 2013	\$26,366,752	\$32,100,352	\$267,492	5,978,586	\$0.045

Note (1): 10% divided by 12 months = 0.8333%