



35
Duke Energy
139 E. Fourth Street
Cincinnati, OH 45202

November 12, 2013

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

RECEIVED-DOCKETING DIV
2013 NOV 12 AM 9:47
PUCO

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 December 2013. This filing is based on supplier tariff rates expected to be in effect on December 2, 2013 and the NYMEX close of November 7, 2013 for the month of December 2013.

Duke's GCR rate effective December 2013 is \$4.914 per MCF, which represents a decrease of \$0.235 per MCF from the current GCR rate in effect for November 2013.

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,

Dana Patten

Enclosure

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

r:\gcr/restored\cge/Monthly OHGCRLTR.doc

This is to certify that the original document is an accurate and complete reproduction of a true file document delivered in the regular course of business.
Technician AS Date Processed 11/12/13

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

PARTICULARS	UNIT	AMOUNT
EXPECTED GAS COST (EGC)	\$/MCF	4.850000
SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT (RA)	\$/MCF	0.000000
ACTUAL ADJUSTMENT (AA)	\$/MCF	0.064000
GAS COST RECOVERY RATE (GCR) = EGC + RA + AA	\$/MCF	<u>4.914000</u>

GAS COST RECOVERY RATE EFFECTIVE DATES: December 2, 2013 THROUGH January 1, 2014

EXPECTED GAS COST CALCULATION

DESCRIPTION	UNIT	AMOUNT
TOTAL EXPECTED GAS COST COMPONENT (EGC)	\$/MCF	4.850000

SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTERLY SUPPLIER REFUND & RECONCILIATION ADJUSTMENT	\$/MCF	0.000000
PREVIOUS QUARTERLY REPORTED SUPPLIER REFUND & RECONCILIATION ADJUSTMENT	\$/MCF	0.000000
SECOND PREVIOUS QUARTERLY REPORTED SUPPLIER REFUND & RECONCILIATION ADJUSTMENT	\$/MCF	0.000000
THIRD PREVIOUS QUARTERLY REPORTED SUPPLIER REFUND & RECONCILIATION ADJUSTMENT	\$/MCF	0.000000
SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT (RA)	\$/MCF	<u>0.000000</u>

ACTUAL ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTERLY ACTUAL ADJUSTMENT	\$/MCF	0.062000
PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	(0.412000)
SECOND PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	0.091000
THIRD PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	0.323000
ACTUAL ADJUSTMENT (AA)	\$/MCF	<u>0.064000</u>

THIS MONTHLY REPORT FILED PURSUANT TO ORDER NO 76-515-GA-ORD
OF THE PUBLIC UTILITIES COMMISSION OF OHIO, DATED OCTOBER 18, 1979

DATE FILED: November 12, 2013

BY: DON WATHEN

TITLE: DIRECTOR,
Rates & Regulatory Strategy - OH/KY

PURCHASED GAS ADJUSTMENT

SCHEDULE I

COMPANY NAME: DUKE ENERGY OHIO

EXPECTED GAS COST RATE CALCULATION

DETAILS FOR THE EGC RATE IN EFFECT AS OF December 2, 2013
PROJECTED VOLUME FOR THE TWELVE MONTH PERIOD ENDED November 30, 2014

<u>DEMAND COSTS</u>	<u>DEMAND EXPECTED GAS COST AMT (\$)</u>	<u>MISC EXPECTED GAS COST AMT (\$)</u>	<u>TOTAL DEMAND EXPECTED GAS COST AMT (\$)</u>
INTERSTATE PIPELINE SUPPLIERS (SCH. I-A)			
Columbia Gas Transmission Corp.	15,799,817	0	15,799,817
Duke Energy Kentucky	522,072	0	522,072
Columbia Gulf Transmission Co.	7,010,772	0	7,010,772
Texas Gas Transmission Corp.	7,893,515	0	7,893,515
K O Transmission Company	786,048	0	786,048
PRODUCER/MARKETER (SCH. I - A)	51,315	0	51,315
SYNTHETIC (SCH. I - A)			
OTHER GAS COMPANIES (SCH. I - B)			
OHIO PRODUCERS (SCH. I - B)			
SELF-HELP ARRANGEMENTS (SCH. I - B)		(11,774,993)	(11,774,993)
SPECIAL PURCHASES (SCH. I - B)			
TOTAL DEMAND COSTS:	32,063,539	(11,774,993)	\$20,288,546

PROJECTED GAS SALES LESS SPECIAL CONTRACT IT PURCHASES:

27,586,324 MCF

DEMAND (FIXED) COMPONENT OF EGC RATE:

\$0.735 /MCF

COMMODITY COSTS:

GAS MARKETERS	\$2.762 /MCF
GAS STORAGE	
COLUMBIA GAS TRANSMISSION	\$0.937 /MCF
TEXAS GAS TRANSMISSION	\$0.360 /MCF
PROPANE	\$0.000 /MCF
STORAGE CARRYING COSTS	\$0.056 /MCF
COMMODITY COMPONENT OF EGC RATE:	\$4.115 /MCF

TOTAL EXPECTED GAS COST:

\$4.850 /MCF

PURCHASED GAS ADJUSTMENT

SCHEDULE I - A
PAGE 1 OF 8

COMPANY NAME: DUKE ENERGY OHIO

PRIMARY GAS SUPPLIER / TRANSPORTER

DETAILS FOR THE EGC IN EFFECT AS OF December 2, 2013 AND THE PROJECTED
VOLUME FOR THE TWELVE MONTH PERIOD ENDED November 30, 2014

SUPPLIER OR TRANSPORTER NAME Columbia Gas Transmission, LLC
 TARIFF SHEET REFERENCE Fourth Revised Volume No. 1 V.9.1V.8
 EFFECTIVE DATE OF TARIFF 02/1/2013 / 10/1/2013 RATE SCHEDULE NUMBER FSS/SST

TYPE GAS PURCHASED ☒ NATURAL ☐ LIQUIFIED ☐ SYNTHETIC
 UNIT OR VOLUME TYPE ☐ MCF ☐ CCF ☒ OTHER DTH
 PURCHASE SOURCE ☒ INTERSTATE ☐ INTRASTATE

INCLUDABLE GAS SUPPLIERS

PARTICULARS	UNIT RATE (\$ PER)	TWELVE MONTH VOLUME	EXPECTED GAS COST AMOUNT (\$)
DEMAND			
CONTRACT DEMAND - FSS MDSQ	1.5090	2,598,168	3,920,636
CONTRACT DEMAND - FSS SCQ	0.0289	110,928,948	3,205,847
CONTRACT DEMAND - SST (Oct-Mar)	4.4510 *	1,299,084	5,782,223
CONTRACT DEMAND - SST (Apr-Sep)	4.4510 *	649,542	2,891,111
TOTAL DEMAND			15,799,817
COMMODITY			
COMMODITY			
OTHER COMMODITY (SPECIFY)			
TOTAL COMMODITY			-
MISCELLANEOUS			
TRANSPORTATION	-	-	-
OTHER MISCELLANEOUS (SPECIFY)	-	-	-
TOTAL MISCELLANEOUS			-
TOTAL EXPECTED GAS COST OF PRIMARY SUPPLIER/TRANSPORTER			15,799,817

NOTE: IF ANY RATE SHOWN ABOVE IS DIFFERENT THAN THE UNIT RATE REPORTED IN PREVIOUS QUARTERLY REPORT,
 INDICATE WITH AN ASTERISK (*) AND ATTACH COPY OF SUPPLIER TARIFF SHEET. IF TARIFF SHEET IS NOT
 AVAILABLE, THEN PROVIDE A DETAILED EXPLANATION.

Currently Effective Rates
 Applicable to Rate Schedule FSS
 Rate Per Dth

Rate Schedule FSS	Base Tariff Rate 1/	Transportation Cost		Electric Power		Annual Charge Adjustment 2/	Total Effective Rate	Daily Rate
		Rate Current	Surcharge	Costs Current	Adjustment Surcharge			
Reservation Charge 3/ \$	1.509	-	-	-	-	-	1.509	0.0496
Capacity 3/ ¢	2.89	-	-	-	-	-	2.89	2.89
Injection ¢	1.53	-	-	-	-	-	1.53	1.53
Withdrawal ¢	1.53	-	-	-	-	-	1.53	1.53
Overrun 3/ ¢	10.91	-	-	-	-	-	10.91	10.91

40153

- 1/ Excludes Account 858 expenses and Electric Power Costs which are recovered through Columbia's Transportation Costs Rate Adjustment (TCRA) and Electric Power Costs Adjustment (EPCA), respectively.
- 2/ ACA assessed where applicable pursuant to Section 154.402 of the Commission's Regulations.
- 3/ Shippers utilizing the Eastern Market Expansion (EME) facilities for FSS service will pay a total FSS MDSQ reservation charge of \$4.130 and a total FSS SCQ capacity rate of 6.80 cents. If EME customers incur an overrun for FSS services that is provided under their EME Project service agreements, they will pay a total FSS overrun rate of 23.44 cents. The additional EME demand charges and EME overrun charges can be added to the applicable surcharges above to develop the EME Total Effective Rate.

Currently Effective Rates
Applicable to Rate Schedule SST
Rate Per Dth

Rate Schedule SST		Base Tariff Rate 1/ 2/	TCRA Rates	EPCA Rates	OTRA Rates	CCRM Rates	Total Effective Rate 2//	Daily Rate 2/
Reservation Charge 3/4/	\$	5.092	0.335	0.065	0.066		5.558	0.1827
Commodity		0.0102	0	+ .0068	0 = .017			
Maximum	¢	1.02	0.00	0.68	0.00		1.70	1.70
Minimum	¢	1.02	0.00	0.68	0.00		1.70	1.70
Overrun 4/								
Maximum	¢	17.76	1.10	0.89	0.22		19.97	19.97
Minimum	¢	1.02	0.00	0.68	0.00		1.70	1.70

4.451
to
discontinued

1/ Excludes Account 858 expenses and Electric Power Costs which are recovered through Columbia's Transportation Costs Rate Adjustment (TCRA) and Electric Power Costs Adjustment (EPCA), respectively.

2/ Excludes the Annual Charge Adjustment (ACA) Surcharge. An ACA Commodity surcharge per Dth shall be assessed where applicable pursuant to Section 154.402 of the Commission's Regulations and in accordance with Section 34 of the GTC of Transporter's FERC Gas Tariff. The ACA unit charge authorized for each fiscal year (commencing October 1) by the Commission and posted on its website (<http://www.ferc.gov>) is incorporated herein by reference.

3/ Minimum reservation charge is \$0.00.

4/ Shippers utilizing the Eastern Market Expansion (EME) facilities for Rate Schedule SST service will pay a total SST reservation charge of \$17.625. If EME customers incur an overrun for SST services that is provided under their EME Project service agreements, they will pay a total overrun rate of 58.97 cents. The applicable EME demand charge and EME overrun charge can be added to the applicable surcharges above to calculate the EME Total Effective Rates.

.017 withdrawal
+ .0012 ACA

.0182 injection rate



NiSource Gas Transmission & Storage

5151 San Felipe, Suite 2500
Houston, Texas 77056

August 18, 2009

Mr. James L. Turner
Group Executive, President & COO
US FEG
139 East Fourth Street
EM025
Cincinnati, OH 45202

RE: Revision 2 to SST Service Agreement No. 79971
Discount Letter Agreement

Dear Mr. Turner:

This letter shall serve as an amendment to the SST Service Agreement between Columbia Gas Transmission, LLC (Transporter) and Duke Energy Ohio, Inc. (Shipper) designated as Transporter's Contract No. 79971.

A) Transporter and Shipper hereby agree that Section 3 of the above-referenced contract number shall be amended to include the following additional language:

- 1) The rate for service, for the period from 11/01/09 to 3/31/10, shall include a discounted demand rate, inclusive of the base rate and all demand surcharges, of \$3.963 for deliveries to the primary delivery points: CIN Gas & Electric OP-7 (14), CINC Gas & Electric – 10 (13-10), CINC Gas & Electric – 11 (13-11), KOT DEO MLI (833949) and the following primary receipt points: MRTCO – Master Receipt TCO / RP Storage Point TCO. Shipper shall also provide the then-existing Retainage and shall pay the then-existing maximum commodity charge plus commodity surcharges as set forth in Transporter's FERC Gas Tariff from time to time.
- 2) The rate for service, for the period from 4/01/10 to 3/31/12, shall include a discounted demand rate, inclusive of the base rate and all demand surcharges, of \$4.2372 for deliveries to the primary delivery points: CIN Gas & Electric OP-7 (14), CINC Gas & Electric – 10 (13-10), CINC Gas & Electric – 11 (13-11), KOT DEO MLI (833949) and the following primary receipt points: MRTCO – Master Receipt TCO / RP Storage Point TCO. Shipper shall also provide the then-existing Retainage and shall pay the then-existing maximum commodity charge plus commodity surcharges as set forth in Transporter's FERC Gas Tariff from time to time.

- 3) The rate for service, for the period from 4/01/12 to 3/31/15, shall include a discounted demand rate, inclusive of the base rate and all demand surcharges, of \$4.451 for deliveries to the primary delivery points: CIN Gas & Electric OP-7 (14), CINC Gas & Electric – 10 (13-10), CINC Gas & Electric – 11 (13-11), KOT DEO MLI (833949) and the following primary receipt points: MRTCO – Master Receipt TCO / RP Storage Point TCO. Shipper shall also provide the then-existing Retainage and shall pay the then-existing maximum commodity charge plus commodity surcharges as set forth in Transporter's FERC Gas Tariff from time to time.
- 4) The discounted rate provided in paragraph one, two and three above is limited to the primary receipt/delivery point combinations set forth in Appendix A of the above-referenced service agreement. Except to the extent Federal Energy Regulatory Commission ("FERC") policies, rules and/or regulations, and/or Transporter's FERC Gas Tariff provide otherwise, for service under the above-referenced Service Agreement from secondary receipt points or to secondary delivery points, in lieu of the rates set forth in Paragraph 1 above, Transporter shall charge and Shipper shall pay the then existing maximum Recourse Rate set forth in Transporter's FERC Gas Tariff from time to time.
- 5) Notwithstanding the foregoing, the charge to be paid by Shipper and Transporter shall be no lower than the applicable total effective minimum charges or higher than the applicable total effective maximum charges as set for in Transporter's FERC Gas Tariff from time to time. Rates provided for in this Discount Letter Agreement will be adjusted as necessary so that the rate will be no lower than the total effective minimum charges nor higher than the applicable total effective maximum charges as set forth in Transporter's FERC Gas Tariff from time to time. In the event that a rate component which was at or below the applicable maximum rate at the time this Discount Letter Agreement was executed subsequently exceeds the applicable maximum rate due to a change in Transporter's maximum rate so that such rate component must be adjusted downward to equal the new applicable maximum rate, then other rate components may be adjusted upward to achieve the agreed overall rate, so long as none of the resulting rate components exceed the maximum rate applicable to that rate component. In the event the monthly Recourse Rate applicable to SST service is reduced to a level below \$3.963, \$4.2372 or \$4.451 per Dth of Transportation Demand during the term of the above-referenced individual Service Agreement, the rates under the SST Service Agreement referenced above will be adjusted to the new monthly Recourse Rate.
- 6) This discounted transportation rate shall be apportioned in accordance with Section 20 of the General Terms and Conditions of Transporter's FERC Gas Tariff.
- 7) Shipper shall pay all then existing maximum overrun charges, if incurred, as set forth in Transporter's FERC Gas Tariff from time to time.

If you are in agreement with the above amendment, please execute both originals of this letter and return them to the Transporter at the address above, Attention: Sandra Dibello.

Terms agreed to this 16 day of September, 2009.

**COLUMBIA GAS
TRANSMISSION, LLC**

By: [Signature]

Its: Director, Commercial Services



PTB
DCF

Duke Energy Ohio, Inc

By: [Signature]

Its: Group Executive; President and COO
USFE+G

As To Form
[Signature]



RETAINAGE PERCENTAGES

Transportation Retainage	1.957%	<i>SS+ fuel %</i>
Gathering Retainage	1.234%	
Storage Gas Loss Retainage	0.120%	<i>fss fuel %</i>
Ohio Storage Gas Lost Retainage	0.110%	
Columbia Processing Retainage/1	0.000%	

1/ The Columbia Processing Retainage shall be assessed separately from the processing retainage applicable to third party processing plants set forth in Section 25.3 (f) of the General Terms and Conditions.

PURCHASED GAS ADJUSTMENT

SCHEDULE I - A
PAGE 2 OF 8

COMPANY NAME: DUKE ENERGY OHIO

PRIMARY GAS SUPPLIER / TRANSPORTER

DETAILS FOR THE EGC IN EFFECT AS OF December 2, 2013 AND THE PROJECTED
VOLUME FOR THE TWELVE MONTH PERIOD ENDED November 30, 2014SUPPLIER OR TRANSPORTER NAME Duke Energy Kentucky

TARIFF SHEET REFERENCE _____

EFFECTIVE DATE OF TARIFF 7/25/2013

RATE SCHEDULE NUMBER _____

TYPE GAS PURCHASED ☒ NATURAL☐ LIQUIFIED☐ SYNTHETICUNIT OR VOLUME TYPE ☐ MCF☐ CCF☒ OTHER DTHPURCHASE SOURCE ☒ INTERSTATE☐ INTRASTATE

INCLUDABLE GAS SUPPLIERS

PARTICULARS	UNIT RATE (\$ PER)	TWELVE MONTH VOLUME	EXPECTED GAS COST AMOUNT (\$)
DEMAND			
CONTRACT DEMAND	0.2417	2,160,000	522,072

TOTAL DEMAND			522,072
COMMODITY			
COMMODITY			
OTHER COMMODITY (SPECIFY)			

TOTAL COMMODITY			-
MISCELLANEOUS			
TRANSPORTATION	-	-	-
OTHER MISCELLANEOUS (SPECIFY)	-	-	-

TOTAL MISCELLANEOUS			-
TOTAL EXPECTED GAS COST OF PRIMARY SUPPLIER/TRANSPORTER			522,072

NOTE: IF ANY RATE SHOWN ABOVE IS DIFFERENT THAN THE UNIT RATE REPORTED IN PREVIOUS QUARTERLY REPORT, INDICATE WITH AN ASTERISK (*) AND ATTACH COPY OF SUPPLIER TARIFF SHEET. IF TARIFF SHEET IS NOT AVAILABLE, THEN PROVIDE A DETAILED EXPLANATION.

accordance with Paragraph 4 of the December 2008 Order, attached hereto as Exhibit 1 are the cost and throughput data supporting derivation of the rate, and associated work papers, in the form specified in Section 154.313 of the Commission's regulations.¹⁶

B. Rate Design

DE-Kentucky developed the proposed rate based on a straight-fixed-variable rate design with a maximum monthly reservation charge of \$0.2417 per dekatherm ("Dth") of demand and a commodity charge of \$0.000 per Dth. DE-Kentucky thus proposes a 100 percent reservation charge rate, as in its previous rate approval filings. The proposed reservation charge would replace the existing monthly reservation charge of \$0.2781 per Dth, and therefore represents a reduction from the existing rate. The fact that DE-Kentucky's interstate rate is significantly lower than its distribution rate is a function of the limited scope of facilities dedicated to the interstate service in comparison with the net distribution plant and associated expenses.

C. Cost of Service Elements

To effectuate the service authorized by the Order No. 63 blanket certificate, DE-Kentucky utilizes certain facilities that are also necessary to perform DE-Kentucky's intrastate retail distribution service. Consequently, DE-Kentucky has developed an overall revenue requirement (exclusive of administrative and general expenses) associated with the specific facilities utilized to render both interstate and intrastate service ("shared facilities"), and allocates the revenue requirement between the interstate transportation service and intrastate distribution service. The allocation is based upon the ratio of interstate delivered volumes to overall volumes transported

¹⁶ 18 CFR § 154.313 (2013).

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

OFFICE OF ENERGY MARKET REGULATION

In Reply Refer To:
Letter Order Pursuant to § 375.307
Duke Energy Kentucky, Inc.
Docket No. PR13-56-000

Issued: October 30, 2013

Duke Energy Kentucky, Inc.
c/o Thompson Hine LLP
1919 M Street, N.W., Suite 700
Washington, DC 20036-1600

Attention: Peter C. Lesch
Attorney for Duke Energy Kentucky, Inc.

Reference: Petition for Rate Approval

Dear Mr. Lesch:

On July 15, 2013, you filed on behalf of Duke Energy Kentucky, Inc. (DE-Kentucky) an application pursuant to section 284.123(b)(2)(i) of the Commission's regulations¹ for approval of section 311 firm transportation rates and minor changes to the Statement of Operating Conditions (SOC).² DE-Kentucky proposes to decrease its maximum reservation charge for firm transportation from \$0.2781 per Dth per month to \$0.2417 per Dth per month for section 311 transportation service. DE-Kentucky's commodity charge will remain at the present rate of \$0.0 per Dth. In a supplemental letter of transmittal filed September 16, 2013, DE-Kentucky agreed to file, on or before July 25, 2018, a rate petition, pursuant to section 284.123(b) of the regulations or to propose a new rate applicable to NGPA section 311 service. Noting DE-Kentucky's commitment to file a new rate petition by July 25, 2018, the referenced tariff record is accepted effective July 25, 2013 as proposed.

¹ 18 C.F.R. § 284.123(b)(2)(i) (2013).

² Duke Energy Kentucky, Inc., FERC NGPA Gas Tariff, Gas Tariffs, Operating Statement, Section 284.224 Service, 1.0.0.

$$.2417 \times 180,000 = 43,506 \times 12 = 522,072$$

Public notice of the filing was issued on July 17, 2013 with interventions and protests due on or before July 31, 2013. Pursuant to Rule 214 (18 C.F.R § 385.214 (2013)), all timely filed motions to intervene and any unopposed motion to intervene out-of-time filed before the issuance date of this order are granted. Granting late intervention at this stage of the proceeding will not disrupt the proceeding or place additional burdens on existing parties. No protests or adverse comments were filed.

This acceptance for filing shall not be construed as constituting approval of the referenced filing or of any rate, charge, classification, or any rule, regulation, or practice affecting such rate or service contained in your SOC; nor shall such acceptance be deemed as recognition of any claimed contractual right or obligation associated therewith; and such acceptance is without prejudice to any findings or orders which have been or may hereafter be made by the Commission in any proceeding now pending or hereafter instituted by or against your company.

This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date this order issues, pursuant to 18 C.F.R. § 385.713 (2013).

Sincerely,

Nils Nichols, Director
Division of Pipeline Regulation

SERVICE AGREEMENT

No. 001

THIS AGREEMENT, made and entered into this 31st day of March, 2010, by and between DUKE ENERGY KENTUCKY, INC., a Kentucky corporation, (hereinafter referred to as "Transporter"), and DUKE ENERGY OHIO, INC (hereinafter referred to as "Shipper").

WITNESSETH:

That in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

Section 1

Service to be Rendered. Transporter shall perform and Shipper shall receive service in accordance with the provisions of the applicable General Terms and Conditions of Transporter's Operating Statement on file with the Federal Energy Regulatory Commission (Commission), as the same may be amended or superseded in accordance with the rules and regulations of the Commission. The maximum obligation of Transporter to deliver gas hereunder to or for Shipper, the designation of the points of delivery at which Transporter shall deliver or cause gas to be delivered to or for Shipper, and the points of receipt at which Shipper shall deliver or cause gas to be delivered, are specified in Appendix A, as the same may be amended from time to time by agreement between Shipper and Transporter, or in accordance with the rules and regulations of the Commission. Service hereunder shall be provided subject to the provisions of Part 284.224 of the Commission's regulations. Shipper warrants that service hereunder is being provided on behalf of the shipper.

Section 2

Term. Service under this Agreement shall commence as of April 1, 2010 and shall continue in full force and effect until March 31, 2011 and from year-to-year thereafter unless terminated by either party upon thirty days written notice to the other party.

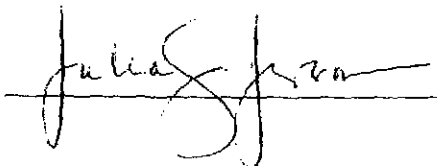
Section 3

Rates. Shipper shall pay Transporter those charges as approved by the Commission, unless otherwise agreed to by the parties in writing and specified as an amendment to the Service Agreement.

Section 4

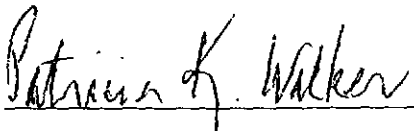
Notices. Notices to Transporter under this Agreement shall be addressed to it at 139 East Fourth Street, Cincinnati, Ohio 45202, Attention: Patricia Walker, Senior Vice President. Notices to Shipper under this Agreement shall be addressed to it at 139 East Fourth Street, Cincinnati, Ohio 45202, Attention: Julie Janson, President.

Shipper: Duke Energy Ohio, Inc.

By 

Title President

Duke Energy Kentucky, Inc.

By 

Title Senior Vice President, Gas Operations

Revision 001

Appendix A to Service Agreement No. 001

Between Duke Energy Kentucky, Inc. (Transporter)
and Duke Energy Ohio, Inc. (Shipper)

Transportation Quantity: 180,000 Dth/day

Primary Receipt Point: Cold Spring Station

Primary Delivery Point: Front & Rose Station
Eastern Avenue Station
Anderson Ferry Station

Shipper: Duke Energy Ohio, Inc.

By Julia S. Jones
Its President
Date March 26, 2010

Duke Energy Kentucky, Inc.

By Patricia K. Walker
Its Senior Vice President, Gas Operations
Date March 26, 2010

PURCHASED GAS ADJUSTMENT

SCHEDULE I - A
PAGE 3 OF 8

COMPANY NAME: DUKE ENERGY OHIO

PRIMARY GAS SUPPLIER / TRANSPORTER

DETAILS FOR THE EGC IN EFFECT AS OF December 2, 2013 AND THE PROJECTED
VOLUME FOR THE TWELVE MONTH PERIOD ENDED November 30, 2014

SUPPLIER OR TRANSPORTER NAME Columbia Gulf Transmission Corp.
 TARIFF SHEET REFERENCE Third Revised Volume No. 1 V.1. Version 11.0.0
 EFFECTIVE DATE OF TARIFF 10/1/2013 RATE SCHEDULE NUMBER FTS-1

TYPE GAS PURCHASED ☒ NATURAL ☐ LIQUIFIED ☐ SYNTHETIC
 UNIT OR VOLUME TYPE ☐ MCF ☐ CCF ☒ OTHER DTH
 PURCHASE SOURCE ☒ INTERSTATE ☐ INTRASTATE

INCLUDABLE GAS SUPPLIERS

PARTICULARS	UNIT RATE (\$ PER)	TWELVE MONTH VOLUME	EXPECTED GAS COST AMOUNT (\$)
DEMAND			
FTS-1 DEMAND (NOV-MAR)	4.2917	816,070	3,502,328
FTS-1 DEMAND (APR-OCT)	4.2917	782,495	3,358,234
FTS-1 DEMAND (NOV-MAR)	4.2917	35,000	150,210
TOTAL DEMAND			7,010,772
COMMODITY			
COMMODITY			
OTHER COMMODITY (SPECIFY)			
TOTAL COMMODITY			0
MISCELLANEOUS			
TRANSPORTATION	-	-	-
OTHER MISCELLANEOUS (SPECIFY)	-	-	-
TOTAL MISCELLANEOUS			-
TOTAL EXPECTED GAS COST OF PRIMARY SUPPLIER/TRANSPORTER			7,010,772

NOTE: IF ANY RATE SHOWN ABOVE IS DIFFERENT THAN THE UNIT RATE REPORTED IN PREVIOUS QUARTERLY REPORT,
 INDICATE WITH AN ASTERISK (*) AND ATTACH COPY OF SUPPLIER TARIFF SHEET. IF TARIFF SHEET IS NOT
 AVAILABLE, THEN PROVIDE A DETAILED EXPLANATION.

Currently Effective Rates
 Applicable to Rate Schedule FTS-1
 Rates in Dollars per Dth

Rate Schedule FTS-1	<u>Base Rate</u> (1) 1/	<u>Total Effective Rate</u> (2) 1/	<u>Daily Rate</u> (3) 1/
<u>Market Zone</u>			
<u>Reservation Charge</u>			
Maximum	4.2917	4.2917	0.1411
Minimum	0.000	0.000	0.000
<u>Commodity</u>			
Maximum	0.0109	0.0109	0.0109
Minimum	0.0109	0.0109	0.0109
<u>Overrun</u>			
Maximum	0.1520	0.1520	0.1520
Minimum	0.0109	0.0109	0.0109

1/ Excludes the Annual Charge Adjustment (ACA) Surcharge. An ACA Commodity surcharge per Dth shall be assessed where applicable pursuant to Section 154.402 of the Commission's Regulations and in accordance with Section 31 of the GTC of Transporter's FERC Gas Tariff. The ACA unit charge authorized for each fiscal year (commencing October 1) by the Commission and posted on its website (<http://www.ferc.gov>) is incorporated herein by reference.

1,0104
 + 1,0012 ACA
 1,0121

PURCHASED GAS ADJUSTMENT

SCHEDULE I - A
PAGE 4 OF 8

COMPANY NAME: DUKE ENERGY OHIO

PRIMARY GAS SUPPLIER / TRANSPORTER

DETAILS FOR THE EGC IN EFFECT AS OF December 2, 2013 AND THE PROJECTED
VOLUME FOR THE TWELVE MONTH PERIOD ENDED November 30, 2014SUPPLIER OR TRANSPORTER NAME Texas Gas Transmission, LLC
TARIFF SHEET REFERENCE Fourth Revised Volume No. 1 Section 4.4 Version 5.0.0
EFFECTIVE DATE OF TARIFF 10/1/2013 RATE SCHEDULE NUMBER NNS-4TYPE GAS PURCHASED ☒ NATURAL ☐ LIQUIFIED ☐ SYNTHETIC
UNIT OR VOLUME TYPE ☐ MCF ☐ CCF ☒ OTHER DTH
PURCHASE SOURCE ☒ INTERSTATE ☐ INTRASTATE

INCLUDABLE GAS SUPPLIERS

PARTICULARS	UNIT RATE (\$ PER)	TWELVE MONTH VOLUME	EXPECTED GAS COST AMOUNT (\$)
DEMAND			
CONTRACT DEMAND Nom&Unnom (Nov-Mar)	0.4190	4,718,750	1,977,156
CONTRACT DEMAND Nom&Unnom (April)	0.4190	798,210	334,450
CONTRACT DEMAND Nom (May-Sep)	0.4190	1,680,246	704,023
CONTRACT DEMAND Nom&Unnom (October)	0.4190	968,750	405,906
TOTAL DEMAND			3,421,535
COMMODITY			
COMMODITY			
OTHER COMMODITY (SPECIFY)			
TOTAL COMMODITY			-
MISCELLANEOUS			
TRANSPORTATION	-	-	-
OTHER MISCELLANEOUS (SPECIFY)	-	-	-
TOTAL MISCELLANEOUS			-
TOTAL EXPECTED GAS COST OF PRIMARY SUPPLIER/TRANSPORTER			3,421,535

NOTE: IF ANY RATE SHOWN ABOVE IS DIFFERENT THAN THE UNIT RATE REPORTED IN PREVIOUS QUARTERLY REPORT,
INDICATE WITH AN ASTERISK (*) AND ATTACH COPY OF SUPPLIER TARIFF SHEET. IF TARIFF SHEET IS NOT
AVAILABLE, THEN PROVIDE A DETAILED EXPLANATION.

**Currently Effective Maximum Transportation Rates (\$ per MMBtu)
 For Service Under Rate Schedule NNS**

	Base Tariff Rates
Zone SL	
Daily Demand	0.1800
Commodity	0.0253
Overrun	0.2053
Zone 1	
Daily Demand	0.2782
Commodity	0.0431
Overrun	0.3213
Zone 2	
Daily Demand	0.3088
Commodity	0.0460
Overrun	0.3548
Zone 3	
Daily Demand	0.3543
Commodity	0.0490
Overrun	0.4033
Zone 4	
Daily Demand	0.4190
Commodity	0.0614 + .0012 = .0626
Overrun	0.4804

The above rates shall be increased to include the ACA unit charge pursuant to Section 6.9[7] of the General Terms and Conditions.

Minimum Rate: Demand \$-0-; Commodity - Zone SL 0.0163
 Zone 1 0.0186
 Zone 2 0.0223
 Zone 3 0.0262
 Zone 4 0.0308

Notes:

- The maximum reservation charge component of the maximum firm volumetric capacity release rate shall be the applicable maximum daily demand rate herein pursuant to Section 6.16 of the General Terms and Conditions.
- For receipts from Duke Field Services' Carthage Plant/Gulf South Pipeline Company, LP, Enbridge Pipelines, L.P./Gulf South Pipeline Company, LP, Energy Transfer Company/Gulf South Pipeline Company, LP, and Enterprise Texas Pipeline L.P./Gulf South Pipeline Company, LP interconnects in Panola County, Texas, Customer shall pay an incremental transportation charge of:

Daily Demand	\$0.1288
Commodity	\$0.0068
Overrun	\$0.1356

These receipt points are available to those customers agreeing to pay the incremental rate(s) applicable to such points and are not available for pooling under Rate Schedule TAPS.

PURCHASED GAS ADJUSTMENT

SCHEDULE I - A
PAGE 5 OF 8

COMPANY NAME: DUKE ENERGY OHIO

PRIMARY GAS SUPPLIER / TRANSPORTER

DETAILS FOR THE EGC IN EFFECT AS OF December 2, 2013 AND THE PROJECTED
VOLUME FOR THE TWELVE MONTH PERIOD ENDED November 30, 2014

SUPPLIER OR TRANSPORTER NAME Texas Gas Transmission, LLC
 TARIFF SHEET REFERENCE N/A
 EFFECTIVE DATE OF TARIFF 9/15/2010 RATE SCHEDULE NUMBER FT

TYPE GAS PURCHASED ☒ NATURAL ☐ LIQUIFIED ☐ SYNTHETIC
 UNIT OR VOLUME TYPE MCF ☐ CCF ☒ OTHER DTH
 PURCHASE SOURCE ☒ INTERSTATE ☐ INTRASTATE

INCLUDABLE GAS SUPPLIERS

PARTICULARS	UNIT RATE (\$ PER)	TWELVE MONTH VOLUME	EXPECTED GAS COST AMOUNT (\$)
DEMAND			
FT - DEMAND Direct Assignment (Nov - Mar)	-	-	-
FT - DEMAND Direct Assignment (Apr - Oct)	-	-	-
FT - DEMAND (Gulf South)	0.4084	10,950,000	4,471,980
STF - DEMAND (Zone SL) (Nov-Mar)			0
TOTAL DEMAND			4,471,980
COMMODITY			
COMMODITY			
OTHER COMMODITY (SPECIFY)			
TOTAL COMMODITY			0
MISCELLANEOUS			
TRANSPORTATION	-	-	-
OTHER MISCELLANEOUS (SPECIFY)	-	-	-
TOTAL MISCELLANEOUS			-
TOTAL EXPECTED GAS COST OF PRIMARY SUPPLIER/TRANSPORTER			4,471,980

NOTE: IF ANY RATE SHOWN ABOVE IS DIFFERENT THAN THE UNIT RATE REPORTED IN PREVIOUS QUARTERLY REPORT,
 INDICATE WITH AN ASTERISK (*) AND ATTACH COPY OF SUPPLIER TARIFF SHEET. IF TARIFF SHEET IS NOT
 AVAILABLE, THEN PROVIDE A DETAILED EXPLANATION.



TEXAS GAS
TRANSMISSION, LLC

3800 Frederica Street
P.O. Box 20008
Owensboro, KY 42304-0008
270/926-8686

FORM OF NEGOTIATED RATE AGREEMENT

September 16, 2009

Mr. Jim Henning
Duke Energy Ohio, Inc.
139 E 4th Street, #EM025
Cincinnati, OH 45202-4003

Re: Negotiated Rate Agreement

Dear Jim:

Texas Gas Transmission, LLC (Texas Gas) and Duke Energy Ohio, Inc. (Duke) have agreed on negotiated transportation rate(s) for the time period(s) listed below. Accordingly, Texas Gas and Duke agree as follows:

Contract No.:	25573
Rate Schedule:	FT
Time Period(s):	October 1, 2009 through March 31, 2014
Quantity(ies):	30,000 MMBtu/d
Point(s):	
Qualified Primary Receipt Point(s):	Gulf South-Duke East TX/Meter No. 9085
Qualified Secondary Receipt Point(s):	Gulf South-Enbridge E TX/Meter No. 9086 Gulf South-ETC East Texas/Meter No. 9087 Gulf South-Enterprise ETX/Meter No. 9088 Texas Gas receipt points located in zones 1, 2, 3 and 4
Qualified Primary Delivery Point(s):	Duke Energy Ohio, Inc./Meter No. 1229
Eligible Secondary Delivery Point(s):	Duke Energy Kentucky/Meter No. 1872
Qualified Secondary Delivery Point(s):	Texas Gas delivery points located in zones 1, 2, 3 and 4
Negotiated Rate(s):	
Demand:	Components of demand charge: \$0.1242/MMBtu for firm Gulf South lease capacity \$0.2842/MMBtu for Texas Gas Zone 1-4 firm capacity \$0.4084/MMBtu total firm demand charge
Commodity:	\$0.0266/MMBtu for deliveries to the Primary Delivery Point and Eligible Secondary Delivery Point, plus applicable ACA surcharge.
Fuel Retention:	Duke shall pay the applicable fuel retention, including fuel attributable to the Gulf South lease, per Texas Gas' tariff.

~~0246~~
~~0019~~
~~0285~~

0266
+ 0012
0278

**Currently Effective Maximum Transportation Rates (\$ per MMBtu)
 For Service under Rate Schedule STF**

	<u>Peak (Winter)-Demand</u>	<u>Off-Peak (Summer)-Demand</u>
	<u>Currently Effective Rates [1]</u>	<u>Currently Effective Rates [1]</u>
SL-SL	0.1188	0.0516
SL-1	0.2322	0.1009
SL-2	0.3172	0.1378
SL-3	0.3731	0.1621
SL-4	0.4701	0.2042
1-1	0.1873	0.0814
1-2	0.2723	0.1183
1-3	0.3282	0.1426
1-4	0.4252	0.1847
2-2	0.1992	0.0866
2-3	0.2551	0.1108
2-4	0.3492	0.1517
3-3	0.1766	0.0768
3-4	0.2707	0.1177
4-4	0.2056	0.0893

Backhaul rates equal forward haul rates from Zone SL to zone of delivery; provided, however, that intra-zone rates shall apply to intra-zone transportation, whether such intra-zone transportation is forward haul or backhaul.

Notes:

- The STF commodity rate is the applicable FT commodity rate in Section 4.1.
 The STF overrun rate equals the daily demand rate plus applicable FT commodity rate.
 Minimum rate: Demand \$-0- The minimum commodity rate is presented in Section 4.12.
- For receipts from Duke Field Services' Carthage Plant/Gulf South Pipeline Company, LP, Enbridge Pipelines, L.P./Gulf South Pipeline Company, LP, Energy Transfer Company/Gulf South Pipeline Company, LP, and Enterprise Texas Pipeline L.P./Gulf South Pipeline Company, LP interconnects in Panola County, Texas, Customer shall pay an incremental Daily Demand charge of \$0.1288. These receipt points are available to those customers agreeing to pay the incremental rate(s) applicable to such points and are not available for pooling under Rate Schedule TAPS.

PURCHASED GAS ADJUSTMENT

SCHEDULE I - A
PAGE 6 OF 8

COMPANY NAME: DUKE ENERGY OHIO

PRIMARY GAS SUPPLIER / TRANSPORTER

DETAILS FOR THE EGC IN EFFECT AS OF December 2, 2013 AND THE PROJECTED
VOLUME FOR THE TWELVE MONTH PERIOD ENDED November 30, 2014

SUPPLIER OR TRANSPORTER NAME K O Transmission Company
 TARIFF SHEET REFERENCE Part 3
 EFFECTIVE DATE OF TARIFF 10/1/2013 RATE SCHEDULE NUMBER FTS

TYPE GAS PURCHASED ☒ NATURAL ☐ LIQUIFIED ☐ SYNTHETIC
 UNIT OR VOLUME TYPE MCF ☐ CCF ☒ OTHER DTH
 PURCHASE SOURCE ☒ INTERSTATE ☐ INTRASTATE

INCLUDABLE GAS SUPPLIERS

PARTICULARS	UNIT RATE (\$ PER)	TWELVE MONTH VOLUME	EXPECTED GAS COST AMOUNT (\$)
DEMAND			
FT - DEMAND	0.3560	2,208,000	786,048
TOTAL DEMAND			786,048
COMMODITY			
TOTAL COMMODITY			0
MISCELLANEOUS			
TRANSPORTATION	-	-	-
OTHER MISCELLANEOUS (SPECIFY)	-	-	-
TOTAL MISCELLANEOUS			-
TOTAL EXPECTED GAS COST OF PRIMARY SUPPLIER/TRANSPORTER			786,048

NOTE: IF ANY RATE SHOWN ABOVE IS DIFFERENT THAN THE UNIT RATE REPORTED IN PREVIOUS QUARTERLY REPORT,
 INDICATE WITH AN ASTERISK (*) AND ATTACH COPY OF SUPPLIER TARIFF SHEET. IF TARIFF SHEET IS NOT
 AVAILABLE, THEN PROVIDE A DETAILED EXPLANATION.

KO Transmission Company
Effective Date: 10/01/2013
FERC Docket: RP13-01183-000
FERC Order: Delegated Letter Order
Part 3, Currently Effective Rates, 7.0.0

Status: Effective
Order Date: 09/17/2013

**CURRENTLY EFFECTIVE RATES
APPLICABLE TO RATE SCHEDULES FTS AND ITS**

RATE LEVELS - RATE PER DTH

	Base Tariff Rate^{1/}
RATE SCHEDULE FTS	
Reservation Charge ^{2/}	
Maximum 1	\$0.3560
Maximum 2	\$0.3560
Daily Rate - Maximum 1	\$0.0117
Daily Rate - Maximum 2	\$0.0117
 Commodity	
Maximum	\$0.0000
Minimum	\$0.0000
Overrun	\$0.0117
 RATE SCHEDULE ITS	
Commodity	
Maximum	\$0.0117
Minimum	\$0.0000

^{1/} ACA assessed where applicable pursuant to Section 154.402 of the Commission's regulations and will be charged pursuant to Section 23 of the General Terms and Conditions at such time that initial and successive annual ACA assessments applicable to Transporter are made and posted on the Commission's website (<<http://www.ferc.gov>>).

^{2/} Minimum reservation charge is \$0.00.

Transportation Retainage Adjustment 0.92%

NOTE: Utilizing GISB standards 5.3.22 and 5.3.23, Transporter's Rate Schedule FTS Reservation Charge can be converted to an applicable daily rate by dividing the above monthly rate by 30.4 days.

PURCHASED GAS ADJUSTMENT

SCHEDULE I - A
PAGE 7 OF 8

COMPANY NAME: DUKE ENERGY OHIO

PRIMARY GAS SUPPLIER / TRANSPORTER

DETAILS FOR THE EGC IN EFFECT AS OF December 2, 2013 AND THE PROJECTED
VOLUME FOR THE TWELVE MONTH PERIOD ENDED November 30, 2014SUPPLIER OR TRANSPORTER NAME Various Producers / Marketers

TARIFF SHEET REFERENCE _____

EFFECTIVE DATE OF TARIFF _____

RATE SCHEDULE NUMBER _____

TYPE GAS PURCHASED ☒ NATURAL☐ LIQUIFIED☐ SYNTHETICUNIT OR VOLUME TYPE ☐ MCF☐ CCF☒ OTHER

DTH

PURCHASE SOURCE ☒ INTERSTATE☐ INTRASTATE

INCLUDABLE GAS SUPPLIERS

PARTICULARS	UNIT RATE (\$ PER)	TWELVE MONTH VOLUME	EXPECTED GAS COST AMOUNT (\$)
DEMAND			
Various Producers/Marketers	-	16,347,291	44,115
Needle Peaking @ City Gate (Various Suppliers)	-	400,000	7,200
TOTAL DEMAND			51,315
COMMODITY			
See Commodity Costs sheet, Page 8 of 8.			
TOTAL COMMODITY			-
MISCELLANEOUS			
TRANSPORTATION	-	-	-
OTHER MISCELLANEOUS (SPECIFY)	-	-	-
TOTAL MISCELLANEOUS			0
TOTAL EXPECTED GAS COST OF PRIMARY SUPPLIER/TRANSPORTER			51,315

NOTE: IF ANY RATE SHOWN ABOVE IS DIFFERENT THAN THE UNIT RATE REPORTED IN PREVIOUS QUARTERLY REPORT,
INDICATE WITH AN ASTERISK (*) AND ATTACH COPY OF SUPPLIER TARIFF SHEET. IF TARIFF SHEET IS NOT
AVAILABLE, THEN PROVIDE A DETAILED EXPLANATION.

PURCHASED GAS ADJUSTMENT

SCHEDULE I - A
PAGE 8 OF 8

COMPANY NAME: DUKE ENERGY OHIO

PRIMARY GAS SUPPLIER / TRANSPORTER

DETAILS FOR THE EGC IN EFFECT AS OF December 2, 2013 AND THE PROJECTED
VOLUME FOR THE TWELVE MONTH PERIOD ENDED November 30, 2014

SUPPLIER OR TRANSPORTER NAME Commodity Costs
TARIFF SHEET REFERENCE _____
EFFECTIVE DATE OF TARIFF _____ RATE SCHEDULE NUMBER _____

TYPE GAS PURCHASED X NATURAL _____ LIQUIFIED _____ SYNTHETIC _____
UNIT OR VOLUME TYPE _____ MCF _____ CCF _____ OTHER _____
PURCHASE SOURCE X INTERSTATE _____ INTRASTATE _____

GAS COMMODITY RATE FOR DECEMBER 2013:

GAS MARKETERS :

WEIGHTED AVERAGE GAS COST @ CITY GATE (\$/Dth) (1):			\$3.7377	\$/Dth
DUKE ENERGY OHIO FUEL	1.400%	\$0.0523	\$3.7900	\$/Dth
DTH TO MCF CONVERSION	1.0149	\$0.0565	\$3.8465	\$/Mcf
ESTIMATED WEIGHTING FACTOR	71.800%		\$2.7618	\$/Mcf
GAS MARKETERS COMMODITY RATE			\$2.762	\$/Mcf

GAS STORAGE :

COLUMBIA GAS TRANS. - STORAGE INVENTORY RATE			\$4.5696	\$/Dth
COLUMBIA GAS TRANS. FSS WITHDRAWAL FEE		\$0.0153	\$4.5849	\$/Dth
COLUMBIA GAS TRANS. SST FUEL	1.957%	\$0.0897	\$4.6746	\$/Dth
COLUMBIA GAS TRANS SST COMMODITY RATE		\$0.0170	\$4.6916	\$/Dth
KO TRANS. COMMODITY RATE		\$0.0012	\$4.6928	\$/Dth
DUKE ENERGY OHIO FUEL	1.400%	\$0.0657	\$4.7585	\$/Dth
DTH TO MCF CONVERSION	1.0149	\$0.0709	\$4.8294	\$/Mcf
ESTIMATED WEIGHTING FACTOR	19.400%		\$0.9369	\$/Mcf
GAS STORAGE COMMODITY RATE - COLUMBIA GAS			\$0.937	\$/Mcf
TEXAS GAS TRANSMISSION - STORAGE INVENTORY RATE			\$3.9142	\$/Dth
TEXAS GAS COMMODITY RATE		\$0.0626	\$3.9768	\$/Dth
DUKE ENERGY OHIO FUEL	1.400%	\$0.0557	\$4.0325	\$/Dth
DTH TO MCF CONVERSION	1.0149	\$0.0601	\$4.0926	\$/Mcf
ESTIMATED WEIGHTING FACTOR	8.800%		\$0.3601	\$/Mcf
GAS STORAGE COMMODITY RATE - TEXAS GAS			\$0.360	\$/Mcf

PROPANE :

WEIGHTED AVERAGE PROPANE INVENTORY RATE			\$0.45612	\$/Gal
GALLON TO MCF CONVERSION	15.38	\$6.5590	\$7.0151	\$/Mcf
ESTIMATED WEIGHTING FACTOR	0.000%		\$0.0000	\$/Mcf
PROPANE COMMODITY RATE			\$0.000	\$/Mcf

FOOTNOTE NO. (1) Weighted average cost of gas based on NYMEX prices on 11/7/13 and contracted hedging prices.

PURCHASED GAS ADJUSTMENT

SCHEDULE I - B
PAGE 1 OF 1

OTHER PRIMARY GAS SUPPLIERS

DETAILS FOR THE EGC IN EFFECT AS OF December 2, 2013 AND THE PROJECTED
VOLUME FOR THE TWELVE MONTH PERIOD ENDED November 30, 2014

SUPPLIER NAME	UNIT RATE	TWELVE MONTH VOLUME	EXPECTED GAS COST AMOUNT
<u>OTHER GAS COMPANIES</u>			

TOTAL OTHER GAS COMPANIES			-
<u>OHIO PRODUCERS</u>			

TOTAL OHIO PRODUCERS			-
<u>SELF-HELP ARRANGEMENT</u>			
TRANSPORTATION			
OTHER MISCELLANEOUS (SPECIFY)			
Firm Balancing Service (FBS) Credit (1)	0.173 *	18,877,394	(3,265,789)
Contract Commitment Cost Recovery (CCCR) Credit (1)	0.007 *	26,117,618	(192,181)
EFBS Demand Credit	6.28	486,000	(3,052,080)
EFBS Volumetric Credit (1)	0.021	7,240,224	(152,045)
FRAS Capacity Assignment (CGT FTS-1)	4.2917	1,100,868	(4,724,595)
FRAS Capacity Assignment (KO FT)	0.356	1,090,740	(388,303)
TOTAL SELF-HELP ARRANGEMENT			(11,774,993)
<u>SPECIAL PURCHASES</u>			

FOOTNOTE NO. (1) Unit rate and volumes are in \$/Mcf and Mcf respectively.

PURCHASED GAS ADJUSTMENT
DUKE ENERGY OHIO
ATTACHMENT TO SCHEDULE I

INCLUDABLE PROPANE (PEAK SHAVING @ EASTERN AVE) :

BOOK COST OF INCLUDABLE PROPANE (\$/GAL)		0.44332
INCLUDABLE PROPANE FOR 12 MO. ENDED	<u>September 30, 2013</u> (GALS)	469,366
	SUB TOTAL	<u>208,079</u>

INCLUDABLE PROPANE (PEAK SHAVING @ DICKS CREEK PLANTS) :

BOOK COST OF INCLUDABLE PROPANE (\$/GAL)		0.34839
INCLUDABLE PROPANE FOR 12 MO. ENDED	<u>September 30, 2013</u> (GALS)	33,064
	SUB TOTAL	<u>11,519</u>

INCLUDABLE PROPANE (PEAK SHAVING @ ERLANGER PLANT) :

BOOK COST OF INCLUDABLE PROPANE (\$/GAL)		0.57186
INCLUDABLE PROPANE FOR 12 MO. ENDED	<u>September 30, 2013</u> (GALS)	82,697
	SUB TOTAL	<u>47,291</u>

TOTAL DOLLARS 266,889

TOTAL GALLONS 585,127

See Commodity Costs sheet, Page 8 of 8.

WEIGHTED AVERAGE RATE \$0.45612

**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 December 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>	
October 2013	\$39,402,996	\$1,901,120	\$0	\$41,304,116
November 2013	\$41,304,116	\$0	\$1,993,200	\$39,310,916
December 2013	\$39,310,916	\$0	\$5,807,460	\$33,503,456

**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 December 2, 2013

Line No.	Ending Storage Balance Month	Estimated Ending Storage Inventory (Schedule I - C)	Average Monthly Storage Inventory Balance	Average Storage Balance times Monthly Cost of Capital (1)	Estimated Monthly MCF	\$/MCF
1	October 2013	\$41,304,116		0.8333%		
2	November 2013	\$39,310,916	\$40,307,516			
3	December 2013	\$33,503,456	\$36,407,186	\$303,381	5,400,673	\$0.056

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

PURCHASE GAS ADJUSTMENT
DUKE ENERGY OHIO
SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT
DETAILS FOR THE THREE MONTH PERIOD ENDED August 31, 2013

PARTICULARS			UNIT	AMOUNT
PROJECTED SALES: TWELVE MONTHS ENDED	November 30	2014	MCF	25,727,083
TOTAL PROJECTED SALES: TWELVE MONTHS ENDED	November 30	2014	MCF	25,727,083
RATIO OF JURISDICTIONAL SALES TO TOTAL SALES			RATIO	1.000
SUPPLIER REFUNDS RECEIVED AND RECONCILIATION ADJUSTMENTS ORDERED DURING THE THREE MONTH PERIOD	August 31, 2013		\$	0.00
JURISDICTIONAL SHARE OF SUPPLIER REFUNDS AND RECONCILIATION ADJUSTMENTS			\$	0.00
INTEREST FACTOR				1.0550
JURISDICTIONAL SHARE OF SUPPLIER REFUNDS AND RECONCILIATION ADJUSTMENTS, INCLUDING INTEREST			\$	0.00
JURISDICTIONAL SALES: TWELVE MONTHS ENDED	November 30	2014	MCF	25,727,083
CURRENT SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT			\$/MCF	0.000

DETAILS OF REFUNDS / ADJUSTMENTS
RECEIVED DURING THE THREE MONTH PERIOD ENDED August 31, 2013

PARTICULARS (SPECIFY)	UNIT	AMOUNT
-----------------------	------	--------

SUPPLIER

TOTAL REFUNDS APPLICABLE TO THE CURRENT GCR

\$ 0.00

PURCHASE GAS ADJUSTMENT
DUKE ENERGY OHIO
ACTUAL ADJUSTMENT
DETAILS FOR THE THREE MONTH PERIOD ENDED **August 31, 2013**

PARTICULARS	UNIT	JUNE	JULY	AUGUST
SUPPLY VOLUME PER BOOKS				
PRIMARY GAS SUPPLIERS	MCF	757,564	708,232	508,316
UTILITY PRODUCTION	MCF	0	0	0
INCLUDABLE PROPANE	MCF	0	0	0
OTHER VOLUMES (SPECIFY) ADJUSTMENT	MCF	(238)	1,402	(189)
TOTAL SUPPLY VOLUMES	MCF	757,326	709,634	508,127

SUPPLY COST PER BOOKS

PRIMARY GAS SUPPLIERS	\$	4,792,799	4,198,065	3,454,246
TRANSITION COSTS	\$	0	0	0
GAS STORAGE CARRYING COSTS	\$	171,628	217,395	266,989
INCLUDABLE PROPANE	\$	0	0	0
OTHER COSTS (SPECIFY):				
MANAGEMENT FEE	\$	(62,350)	(62,350)	(62,350)
CONTRACT COMMITMENT COSTS RIDER	\$	(4,646)	(3,940)	(3,823)
TRANSPORTATION GAS COST CREDIT	\$	0	0	0
RATE "IT" CREDIT	\$	0	0	0
FIRM TRANSPORTATION SUPPLIER COST	\$	(11,210)	(1,205)	(463)
CUSTOMER POOL USAGE COST	\$	(476,745)	(406,624)	(380,681)
LOSSES - DAMAGED LINES	\$	(14)	(2,579)	(1,310)
SALES TO REMARKETERS	\$	0	0	0
WEIGHTED AVERAGE PIPELINE COST REFUNDED/(BILLED) TO SUPPLIERS	\$	0	0	0
TOTAL SUPPLY COSTS	\$	4,409,462	3,938,762	3,272,608

SALES VOLUMES

JURISDICTIONAL	MCF	523,270.7	458,875.6	389,443.8
NON-JURISDICTIONAL	MCF	0.0	0.0	0.0
OTHER VOLUMES (SPECIFY):	MCF	0.0	0.0	0.0
TOTAL SALES VOLUMES	MCF	523,270.7	458,875.6	389,443.8
UNIT BOOK COST OF GAS (SUPPLY \$ / SALES MCF)	\$/MCF	8.427	8.584	8.403
LESS: EGC IN EFFECT FOR THE MONTH	\$/MCF	5.288	5.513	5.372
DIFFERENCE	\$/MCF	3.139	3.071	3.031
TIMES: MONTHLY JURISDICTIONAL SALES	MCF	523,270.7	458,875.6	389,443.8
EQUALS MONTHLY COST DIFFERENCE	\$	1,642,546.73	1,409,206.97	1,180,404.16

PARTICULARS	UNIT	AMOUNT
TOTAL COST DIFFERENCE FOR THE THREE MONTH PERIOD	\$	4,232,157.86
BALANCE ADJUSTMENT FROM SCHEDULE IV	\$	(2,633,366.79)
TOTAL COST DIFFERENCE FOR USE IN THE CURRENT AA CALCULATION	\$	1,598,791.07
DIVIDED BY: 12 MONTH PROJECTED SALES ENDED <u>November 30</u> 2014	MCF	25,727,083
EQUALS CURRENT QUARTERLY ACTUAL ADJUSTMENT	\$/MCF	0.062

PURCHASE GAS ADJUSTMENT
DUKE ENERGY OHIO
BALANCE ADJUSTMENT
DETAILS FOR THE THREE MONTH PERIOD ENDED

August 31, 2013

PARTICULARS	UNIT	AMOUNT
COST DIFFERENCE BETWEEN BOOK AND EFFECTIVE EGC AS USED TO COMPUTE AA OF THE GCR IN EFFECT FOUR QUARTERS PRIOR TO THE CURRENTLY EFFECTIVE GCR (September 1, 2012)	\$	(8,437,969.80)
LESS: DOLLAR AMOUNT RESULTING FROM THE AA OF \$ (0.294) /MCF AS USED TO COMPUTE THE GCR IN EFFECT FOUR QUARTERS PRIOR TO THE CURRENTLY EFFECTIVE GCR TIMES THE JURISDICTIONAL SALES OF 20,509,209 MCF FOR THE PERIOD BETWEEN THE EFFECTIVE DATE OF THE CURRENT GCR RATE AND THE EFFECTIVE DATE OF THE GCR IN EFFECT APPROXIMATELY ONE YEAR PRIOR TO THE CURRENT RATE	\$	(6,029,707.46)
BALANCE ADJUSTMENT FOR THE AA	\$	(2,408,262.34)
DOLLAR AMOUNT OF SUPPLIER REFUNDS AND COMMISSION ORDERED RECONCILIATION ADJUSTMENTS AS USED TO COMPUTE RA OF THE GCR IN EFFECT FOUR QUARTERS PRIOR TO THE CURRENTLY EFFECTIVE GCR (September 1, 2012)	\$	(819,871.54)
LESS: DOLLAR AMOUNT RESULTING FROM THE UNIT RATE FOR SUPPLIER REFUNDS AND RECONCILIATION ADJUSTMENTS OF \$ (0.029) /MCF AS USED TO COMPUTE RA OF THE GCR IN EFFECT FOUR QUARTERS PRIOR TO THE CURRENTLY EFFECTIVE GCR TIMES THE JURISDICTIONAL SALES OF 20,509,209 MCF FOR THE PERIOD BETWEEN THE EFFECTIVE DATE OF THE CURRENT GCR RATE AND THE EFFECTIVE DATE OF THE GCR RATE IN EFFECT APPROXIMATELY ONE YEAR PRIOR TO THE CURRENT RATE	\$	(594,767.09)
BALANCE ADJUSTMENT FOR THE RA	\$	(225,104.45)
DOLLAR AMOUNT OF THE BALANCE ADJUSTMENT AS USED TO COMPUTE BA OF THE GCR IN EFFECT ONE QUARTER PRIOR TO THE CURRENTLY EFFECTIVE GCR (September 1, 2012)	\$	0.00
LESS: DOLLAR AMOUNT RESULTING FROM THE BA OF \$ 0.000 /MCF AS USED TO COMPUTE THE GCR IN EFFECT ONE QUARTER PRIOR TO THE CURRENTLY EFFECTIVE GCR TIMES THE JURISDICTIONAL SALES OF 0 MCF FOR THE PERIOD BETWEEN THE EFFECTIVE DATE OF THE CURRENT GCR RATE AND THE EFFECTIVE DATE OF THE GCR RATE IN EFFECT IMMEDIATELY PRIOR TO THE CURRENT RATE	\$	0.00
BALANCE ADJUSTMENT FOR THE BA	\$	0.00
TOTAL BALANCE ADJUSTMENT AMOUNT TO BE INCLUDED WITH CURRENT AA ON SCHEDULE III	\$	(2,633,366.79)

BA