



Duke Energy  
139 E. Fourth Street  
Cincinnati, OH 45202

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December 13, 2013

PUCO

13-218-GA-GCR

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

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 2014. This filing is based on supplier tariff rates expected to be in effect on January 2, 2014 and the NYMEX close of December 10, 2013 for the month of January 2014.

Duke's GCR rate effective January 2014 is \$5.404 per MCF, which represents an increase of \$0.490 per MCF from the current GCR rate in effect for December 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

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Technician lc Date Processed DEC 13 2013

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

| PARTICULARS  | UNIT   | AMOUNT   |
|--|--------|----------|
| EXPECTED GAS COST (EGC)                            | \$/MCF | 5.340000 |
| SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT (RA) | \$/MCF | 0.000000 |
| ACTUAL ADJUSTMENT (AA)                             | \$/MCF | 0.064000 |
| GAS COST RECOVERY RATE (GCR) = EGC + RA + AA       | \$/MCF | 5.404000 |

GAS COST RECOVERY RATE EFFECTIVE DATES: January 2, 2014 THROUGH January 30, 2014

**EXPECTED GAS COST CALCULATION**

| DESCRIPTION                             | UNIT   | AMOUNT   |
|---|--------|----------|
| TOTAL EXPECTED GAS COST COMPONENT (EGC) | \$/MCF | 5.340000 |

**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 | 0.000000 |

**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 | 0.064000   |

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: December 13, 2013

BY: DON WATHEN

TITLE: DIRECTOR  
Rates & Regulatory Strategy - OH/KY

**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, 2014  
PROJECTED VOLUME FOR THE TWELVE MONTH PERIOD ENDED November 30, 2014

| <b><u>DEMAND COSTS</u></b>               | <b>DEMAND<br/>EXPECTED GAS<br/>COST AMT (\$)</b> | <b>MISC<br/>EXPECTED GAS<br/>COST AMT (\$)</b> | <b>TOTAL DEMAND<br/>EXPECTED GAS<br/>COST AMT (\$)</b> |
|--|--|--|--|
| 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)           |  |  |  |
| <b>TOTAL DEMAND COSTS:</b>               | <b>32,063,539</b>                                | <b>(11,774,993)</b>                            | <b>20,288,546</b>                                      |

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                    | \$2.078 /MCF        |
| GAS STORAGE                      |                     |
| COLUMBIA GAS TRANSMISSION        | \$2.087 /MCF        |
| TEXAS GAS TRANSMISSION           | \$0.389 /MCF        |
| PROPANE                          | \$0.021 /MCF        |
| STORAGE CARRYING COSTS           | \$0.030 /MCF        |
| COMMODITY COMPONENT OF EGC RATE: | <b>\$4.605 /MCF</b> |

TOTAL EXPECTED GAS COST:

**\$5.340 /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, 2014 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 JANUARY 2014:**

**GAS MARKETERS:**

|   |         |          |                |               |
|---|---------|----------|----------------|---------------|
| WEIGHTED AVERAGE GAS COST @ CITY GATE (\$/Dth) (1): |         |          | \$4.3056       | \$/Dth        |
| DUKE ENERGY OHIO FUEL                               | 1.400%  | \$0.0603 | \$4.3659       | \$/Dth        |
| DTH TO MCF CONVERSION                               | 1.0149  | \$0.0651 | \$4.4310       | \$/Mcf        |
| ESTIMATED WEIGHTING FACTOR                          | 46.900% |          | \$2.0781       | \$/Mcf        |
| <b>GAS MARKETERS COMMODITY RATE</b>                 |         |          | <b>\$2.078</b> | <b>\$/Mcf</b> |

**GAS STORAGE:**

|  |         |          |                |               |
|--|---------|----------|----------------|---------------|
| COLUMBIA GAS TRANS. - STORAGE INVENTORY RATE (Not applicable during injection months)  |         |          | \$4.5609       | \$/Dth        |
| COLUMBIA GAS TRANS. FSS WITHDRAWAL FEE   |         | \$0.0153 | \$4.5762       | \$/Dth        |
| COLUMBIA GAS TRANS. SST FUEL   | 1.957%  | \$0.0896 | \$4.6658       | \$/Dth        |
| COLUMBIA GAS TRANS SST COMMODITY RATE  |         | \$0.0170 | \$4.6828       | \$/Dth        |
| KO TRANS, COMMODITY RATE   |         | \$0.0012 | \$4.6840       | \$/Dth        |
| DUKE ENERGY OHIO FUEL  | 1.400%  | \$0.0656 | \$4.7496       | \$/Dth        |
| DTH TO MCF CONVERSION  | 1.0149  | \$0.0708 | \$4.8204       | \$/Mcf        |
| ESTIMATED WEIGHTING FACTOR   | 43.300% |          | \$2.0872       | \$/Mcf        |
| <b>GAS STORAGE COMMODITY RATE - COLUMBIA GAS</b>                                       |         |          | <b>\$2.087</b> | <b>\$/Mcf</b> |
| TEXAS GAS TRANSMISSION - STORAGE INVENTORY RATE (Not applicable during payback months) |         |          | \$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   | 9.500%  |          | \$0.3888       | \$/Mcf        |
| <b>GAS STORAGE COMMODITY RATE - TEXAS GAS</b>  |         |          | <b>\$0.389</b> | <b>\$/Mcf</b> |

**PROPANE:**

|   |        |          |                |               |
|---|--------|----------|----------------|---------------|
| WEIGHTED AVERAGE PROPANE INVENTORY RATE |        |          | \$0.45612      | \$/Gal        |
| GALLON TO MCF CONVERSION                | 15.38  | \$6.5590 | \$7.0151       | \$/Mcf        |
| ESTIMATED WEIGHTING FACTOR              | 0.300% |          | \$0.0210       | \$/Mcf        |
| <b>PROPANE COMMODITY RATE</b>           |        |          | <b>\$0.021</b> | <b>\$/Mcf</b> |

FOOTNOTE NO. (1) Weighted average cost of gas based on NYMEX prices on 12/10/2013 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, 2014

| <u>Month</u>  | <u>Beginning<br/>Storage<br/>Inventory</u> | <u>Monthly Storage Activity</u> |                  |                             | <u>Ending<br/>Storage<br/>Inventory</u> |
|---------------|--|---------------------------------|------------------|-----------------------------|---|
|               |  | <u>Injected</u>                 | <u>Withdrawn</u> | <u>Financial<br/>Hedges</u> |   |
| November 2013 | \$41,304,116                               | \$0                             | \$3,459,938      | \$0                         | \$37,844,178                            |
| December 2013 | \$37,844,178                               | \$0                             | \$5,807,460      | \$0                         | \$32,036,718                            |
| January 2014  | \$32,036,718                               | \$0                             | \$10,278,480     | \$0                         | \$21,758,238                            |

**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, 2014

| 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 2013                | \$37,844,178                              |   | 0.8333%                                   |                       |         |
| 2        | December 2013                | \$32,036,718                              | \$34,940,448                              |   |                       |         |
| 3        | January 2014                 | \$21,758,238                              | \$26,897,478                              | \$224,137                                 | 7,369,474             | \$0.030 |

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