

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of)
Duke Energy Ohio, Inc., for)
Authority to (1) Issue and Sell First) Case No. 14-0304-GE-AIS
Mortgage Bonds, Unsecured Debt,)
Long-Term Notes, (2) Execute and Deliver)
Long-Term Loan Agreements, (3) Enter Into)
Capital Lease Obligations, and (4) Enter Into)
Interest Rate Management Agreements)

NOTICE OF FILING OF SUPPLEMENTAL EXHIBIT

To the honorable Public Utilities Commission of Ohio (Commission):

Duke Energy Ohio, Inc. (Duke Energy Ohio or the Company), a public utility as defined by R.C. 4905.02 and 4905.03, respectfully states as follows:

1. On February 25, 2014, Duke Energy Ohio filed an Application under R.C. 4905.40 and 4905.41 to (a) issue and sell, from time to time over a period ending June 30, 2015, up to \$600 million principal amount of first mortgage bonds (Bonds), senior unsecured indebtedness (Debentures), or issue other long-term unsecured indebtedness (Long-Term Notes) or any combination thereof (Debt Securities), provided the aggregate amount of Debt Securities shall not exceed \$600 million; (b) borrow, from time to time over a period ending June 30, 2015, from the Ohio Air Quality Development Authority and/or the Ohio Water Development Authority, any statutory successor thereto or other authorized issuer of tax exempt bonds in the State of Ohio (collectively, the Authority), the proceeds of a

maximum of \$450 million aggregate principal amount of Authority revenue bonds that may be issued in one or more series (Authority's Bonds); (c) enter into, from time to time over a period ending June 30, 2015, up to \$100 million principal amount of additional capital lease obligations (Capital Leases); and, (d) enter into interest rate management agreements to manage the interest costs of its financial obligations (Interest Rate Management Agreements) (Application).

2. Duke Energy Ohio indicated that it would supplement its request with the filing of a balance sheet and income statement after such information was publicly available.¹
3. The balance sheet and income statement are now available and Duke Energy Ohio gives notice of its filing of a supplemental exhibit, a copy of which is attached hereto as Exhibit C.

Duke Energy Ohio thus respectfully represents and requests that the Commission review Exhibit C in conjunction with the Application² and grant it the necessary authority to perform the long-term financing transactions as requested in the Application.³

¹ *In the Matter of the Application of Duke Energy Ohio, Inc., for Authority to (1) Issue and Sell First Mortgage Bonds, Unsecured Debt, Long-term Notes, (2) Execute and Deliver Long-Term Loan Agreements, (3) Enter Into Capital Lease Obligations, and (4) Enter Into Interest Rate Management Agreement*, February 25, 2014 (page 16, 17)

² *Id.*

³ *Id.*, (pages 17-18)

DUKE ENERGY OHIO, INC.



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Exhibit C
Page 1 of 3

DUKE ENERGY OHIO, INC.
CONSOLIDATED BALANCE SHEETS

(In millions)	December 31, 2013
ASSETS	
Current Assets	
Cash and cash equivalents	\$ 36
Receivables (net of allowance for doubtful accounts of \$2)	121
Receivables from affiliated companies	121
Notes receivable from affiliated companies	57
Inventory	229
Regulatory assets	57
Other	270
Total current assets	891
Investments and Other Assets	
Goodwill	920
Other	232
Total investments and other assets	1,152
Property, Plant and Equipment	
Cost	11,143
Accumulated depreciation and amortization	(2,908)
Net property, plant and equipment	8,235
Regulatory Assets and Deferred Debits	
Regulatory assets	471
Other	14
Total regulatory assets and deferred debits	485
Total Assets	\$ 10,763

DUKE ENERGY OHIO, INC.
CONSOLIDATED BALANCE SHEETS

(In millions)	December 31, 2013
LIABILITIES AND COMMON STOCKHOLDER'S EQUITY	
Current Liabilities	
Accounts payable	\$ 319
Accounts payable to affiliated companies	77
Notes payable to affiliated companies	43
Taxes accrued	167
Interest accrued	17
Current maturities of long-term debt	47
Regulatory liabilities	27
Other	110
Total current liabilities	807
Long-term Debt	
	2,141
Deferred Credits and Other Liabilities	
Deferred income taxes	2,012
Accrued pension and other post-retirement benefit costs	58
Asset retirement obligations	28
Regulatory liabilities	262
Other	186
Total deferred credits and other liabilities	2,546
Commitments and Contingencies	
Common Stockholder's Equity	
Common stock, \$8.50 per value, 120,000,000 shares authorized; 89,863,086 shares outstanding	762
Additional paid-in capital	4,882
Accumulated deficit	(378)
Accumulated other comprehensive loss	-
Total common stockholder's equity	5,289
Total Liabilities and Common Stockholder's Equity	\$ 10,793

Exhibit C
Page 3 of 3

DUKE ENERGY OHIO, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME

Year Ended
December 31,
2013

(In millions)	
Operating Revenues	
Regulated electric	\$ 1,368
Non-regulated electric and other	1,364
Regulated natural gas	513
Total operating revenues	3,245
Operating Expenses	
Fuel used in electric generation and purchased power - regulated	429
Fuel used in electric generation and purchased power - nonregulated	1,020
Cost of natural gas	152
Operation, maintenance and other	774
Depreciation and amortization	354
Property and other taxes	265
Impairment charges	5
Total operating expenses	2,999
Gains on Sales of Other Assets and Other, net	5
Operating Income	251
Other Income and Expenses, net	4
Interest Expense	78
Income Before Income Taxes	177
Income Tax Expense	76
Net Income	102
Other Comprehensive Income, net of tax	
Pension and OPEB adjustments	1
Comprehensive Income	\$ 103

This foregoing document was electronically filed with the Public Utilities

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in

Case No(s). 14-0304-GE-AIS

Summary: Notice Notice of Filing of Supplemental Exhibit electronically filed by Dianne Kuhnell on behalf of Duke Energy Ohio, Inc. and Spiller, Amy B.