



Duke Energy
139 E. Fourth Street
Cincinnati, OH 45202

August 8, 2014

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

Docketing Division:

Enclosed for filing is the Duke Energy Ohio ("Duke") gas cost recovery (GCR) report, as required by Section 4901:1-14, O.A.C., for the month commencing September 2014. This filing is based on supplier tariff rates expected to be in effect on August 29, 2014 and the NYMEX close of August 5, 2014 for the month of September 2014.

Duke's GCR rate effective September 2014 is \$5.684 per MCF, which represents a decrease of \$0.106 per MCF from the current GCR rate in effect for August 2014.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Susan Miller", with a stylized flourish at the end.

Susan Miller

Enclosure

cc: Mr. R. J. Lehman
Mr. Robert Clark
L. Schmidt

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

COMPANY NAME: DUKE ENERGY OHIO
GAS COST RECOVERY RATE CALCULATIONS

PARTICULARS	UNIT	AMOUNT
EXPECTED GAS COST (EGC)	\$/MCF	5.251
SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT (RA)	\$/MCF	0.000
ACTUAL ADJUSTMENT (AA)	\$/MCF	0.433
GAS COST RECOVERY RATE (GCR) = EGC + RA + AA + BA	\$/MCF	<u>5.684</u>

GAS COST RECOVERY RATE EFFECTIVE DATES: August 29, 2014 THROUGH September 29, 2014

EXPECTED GAS COST CALCULATION

DESCRIPTION	UNIT	AMOUNT
TOTAL EXPECTED GAS COST COMPONENT (EGC)	\$/MCF	5.251

SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTERLY SUPPLIER REFUND & RECONCILIATION ADJUSTMENT	\$/MCF	0.000
PREVIOUS QUARTERLY REPORTED SUPPLIER REFUND & RECONCILIATION ADJUSTMENT	\$/MCF	0.000
SECOND PREVIOUS QUARTERLY REPORTED SUPPLIER REFUND & RECONCILIATION ADJUSTMENT	\$/MCF	0.000
THIRD PREVIOUS QUARTERLY REPORTED SUPPLIER REFUND & RECONCILIATION ADJUSTMENT	\$/MCF	0.000
SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT (RA)	\$/MCF	<u>0.000</u>

ACTUAL ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTERLY ACTUAL ADJUSTMENT	\$/MCF	(0.335)
PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	0.191
SECOND PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT (1)	\$/MCF	0.515
THIRD PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	0.062
ACTUAL ADJUSTMENT (AA)	\$/MCF	<u>0.433</u>

THIS QUARTERLY REPORT FILED PURSUANT TO ORDER NO. 76-515-GA-ORD
OF THE PUBLIC UTILITIES COMMISSION OF OHIO, DATED OCTOBER 18, 1979.DATE FILED: August 8, 2014BY: DON WATHENTITLE: 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 August 29, 2014
PROJECTED VOLUME FOR THE TWELVE MONTH PERIOD ENDED August 31, 2015

<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	522,072	0	522,072
Columbia Gulf Transmission Co.	7,010,772	0	7,010,772
Texas Gas Transmission Corp.	5,017,745	0	5,017,745
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)		(8,657,296)	(8,657,296)
SPECIAL PURCHASES (SCH. I - B)			
TOTAL DEMAND COSTS:	29,187,769	(8,657,296)	\$20,530,473

PROJECTED GAS SALES LESS SPECIAL CONTRACT IT PURCHASES: 26,011,549 MCF

DEMAND (FIXED) COMPONENT OF EGC RATE: \$0.789 /MCF

COMMODITY COSTS:

GAS MARKETERS \$4.124 /MCF
GAS STORAGE
COLUMBIA GAS TRANSMISSION \$0.000 /MCF
TEXAS GAS TRANSMISSION \$0.000 /MCF
PROPANE \$0.000 /MCF
STORAGE CARRYING COSTS \$0.338 /MCF
COMMODITY COMPONENT OF EGC RATE: \$4.462 /MCF

TOTAL EXPECTED GAS COST: \$5.251 /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 August 29, 2014 AND THE PROJECTED
VOLUME FOR THE TWELVE MONTH PERIOD ENDED August 31, 2015

SUPPLIER OR TRANSPORTER NAME Columbia Gas Transmission, LLC
 TARIFF SHEET REFERENCE Fourth Revised Volume No. 1 V.9/V.8
 EFFECTIVE DATE OF TARIFF 02/1/2013 / 5/1/2014 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

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.

Columbia Gas Transmission, LLC
FERC Tariff
Fourth Revised Volume No. 1

V.8.
Currently Effective Rates
SST Rates
Version 25.0.0

Currently Effective Rates
Applicable to Rate Schedule SST
Rate Per Dth

adjusted to 4.451

	Base Tariff Rate 1/ 2/	TCRA Rates	EPCA Rates	OTRA Rates	CCRM Rates	Total Effective Rate 2/	Daily Rate 2/
Rate Schedule SST							
Reservation Charge 3/4/	\$ 4.830	0.280	0.059	0.336	0.393	5.898	0.1938
Commodity							
Maximum	\$ 1.02	0.00	0.50	0.00	0.00	1.52	1.52
Minimum	\$ 1.02	0.00	0.50	0.00	0.00	1.52	1.52
Overrun 4/							
Maximum	\$ 16.90	0.92	0.69	1.10	1.29	20.90	20.90
Minimum	\$ 1.02	0.00	0.50	0.00	0.00	1.52	1.52

- 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.

*, 0152 withdrawal
+ .0012 ACA
= 0164 injection rate*

The following images were scanned as received



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
US FE + G

As To Form
[Signature]



RETAINAGE PERCENTAGES

Transportation Retainage	1.917%	<i>55¢ fuel %</i>
Gathering Retainage	0.534%	
Storage Gas Loss Retainage	0.120%	<i>155¢ fuel %</i>
Ohio Storage Gas Lost Retainage	0.150%	
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 August 29, 2014 AND THE PROJECTED
VOLUME FOR THE TWELVE MONTH PERIOD ENDED August 31, 2015SUPPLIER 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

DTH

PURCHASE 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.

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 Julie Janson

Title President

Duke Energy Kentucky, Inc.

By Patricia K. Walker

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. [Signature]
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 August 29, 2014 AND THE PROJECTED
VOLUME FOR THE TWELVE MONTH PERIOD ENDED August 31, 2015SUPPLIER 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-1TYPE 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>			
Reservation Charge			
Maximum	4.2917	4.2917	0.1411
Minimum	0.000	0.000	0.000
Commodity			
Maximum	0.0109	0.0109	0.0109
Minimum	0.0109	0.0109	0.0109
Overrun			
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.

$$\begin{array}{r}
 .0109 \\
 + .0012 \text{ ACA} \\
 \hline
 .0121
 \end{array}$$

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 August 29, 2014 AND THE PROJECTED
VOLUME FOR THE TWELVE MONTH PERIOD ENDED August 31, 2015

SUPPLIER 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-4

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 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.

	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

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

- 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:

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.

Request No. 6344

Rate Schedule STF
Agreement No.: 33501
Dated: January 15, 2014

This Agreement is entered into by and between Texas Gas Transmission, LLC, ("Texas Gas") and Duke Energy Ohio, Inc., ("Customer").

Services under this Agreement are provided pursuant to Subpart B or Subpart G, Title 18, of the Code of Federal Regulations. Service is subject to and governed by the applicable Rate Schedule and the General Terms and Conditions of the Texas Gas FERC Gas Tariff ("Tariff") as they exist or may be modified from time to time and such are incorporated by reference. In the event the language of this Agreement conflicts with Texas Gas' then-current Tariff, the language of the Tariff will control.

Receipt and Delivery Points: Primary Receipt and Primary Delivery Points shall be listed on Exhibit "A".

Contract Demand(s): 42,000 MMBtu/day each November – March
14,000 MMBtu/day each April - October

Term: This Agreement shall be effective beginning April 1, 2014 and shall continue in full force and effect through October 31, 2017.

Rate: The rate for this Agreement shall be the maximum applicable rate (including all other applicable charges Texas Gas is authorized to charge pursuant to its Tariff) unless the parties have entered into an associated discounted or negotiated rate letter agreement.

Exhibit(s): The following Exhibit(s) are attached and made a part of this Agreement:
Exhibit A, Primary Points
Exhibit B, Contract Notice Address

IF YOU ARE IN AGREEMENT WITH THE FOREGOING, PLEASE INDICATE IN THE SPACE PROVIDED BELOW.

Texas Gas Transmission, LLC

Signature: 

Date: 1/27/14

Name: DAVID W MOSELEY

Title: VP, Southern/Midwest Markets

 Duke Energy Ohio, Inc.

Signature: 

Date: 1/30/14

Name: Keith Trent

Title: EVPI COO Reg. Util. it

As To Form
OK

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 August 29, 2014 AND THE PROJECTED
VOLUME FOR THE TWELVE MONTH PERIOD ENDED August 31, 2015

SUPPLIER OR TRANSPORTER NAME Texas Gas Transmission, LLC
TARIFF SHEET REFERENCE N/A
EFFECTIVE DATE OF TARIFF 4/1/2014 RATE SCHEDULE NUMBER STF
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			
STF - DEMAND (Nov - Mar)	0.1950	6,342,000	1,236,690
STF - DEMAND (Apr - Oct)	0.1200	2,996,000	359,520
			0
TOTAL DEMAND			1,596,210
COMMODITY			
COMMODITY			
OTHER COMMODITY (SPECIFY)			
TOTAL COMMODITY			0
MISCELLANEOUS			
TRANSPORTATION	-	-	-
OTHER MISCELLANEOUS (SPECIFY)	-	-	-
TOTAL MISCELLANEOUS			-
TOTAL EXPECTED GAS COST OF PRIMARY SUPPLIER/TRANSPORTER			1,596,210

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.



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

January 15, 2014

Mr. Jeff Kern
Duke Energy Ohio, Inc.
139 E 4th St EX460
Cincinnati, OH 45202-4003

Re: Discounted Rates Letter Agreement to
STF Service Agreement No. 33501
between TEXAS GAS TRANSMISSION, LLC and
DUKE ENERGY OHIO, INC.
dated January 15, 2014

Dear Jeff:

This Discounted Rates Letter Agreement ("Agreement") specifies additional terms and conditions applicable to the referenced Firm Service Agreement ("Contract") between Texas Gas Transmission, LLC ("Texas Gas") and Duke Energy Ohio, Inc. ("Customer"). This Agreement is subject to all applicable Federal Energy Regulatory Commission ("FERC") regulations. In the event the language of this Agreement conflicts with the Contract, the language of this Agreement will control. In the event the language of this Agreement conflicts with Texas Gas' FERC Gas Tariff currently in effect or any superseding tariff ("Tariff"), the language of the Tariff will control.

1. Texas Gas shall provide primary firm service under the Agreement from Primary Receipt Point(s) to the Primary Delivery Point(s) listed in the attached Exhibit A. The rates charged for this service also shall be set forth in Exhibit A.

(a) The Contract Demand(s) for this Agreement shall be: 42,000 MMBtu per day each November – March
14,000 MMBtu per day each April - October

2. The rates in Exhibit A are applicable only for transportation service utilizing the Primary Point(s) specifically listed on Exhibit A, up to Customer's Contract Demand. The rates in Exhibit B are applicable only for transportation service utilizing the eligible secondary point(s) specifically listed on Exhibit B. If Customer utilizes any other receipt or delivery point, then the applicable maximum rate(s), including all other applicable charges Texas Gas is authorized to charge pursuant to its Tariff, shall apply unless the parties amend Exhibits A and/or B in writing, pursuant to the requirements of the Tariff and prior to nomination, to include such transportation service. If Customer or its Replacement Shipper(s) deliver gas to a point not listed on Exhibit A or B, Customer shall pay the maximum applicable rate for the quantity delivered to such point(s), up to Customer's Contract Demand.

3. This Agreement shall be effective beginning April 1, 2014 and shall continue in full force and effect through October 31, 2017.

4. All rates and services described in this Agreement are subject to the terms and conditions of Texas Gas' Tariff. Texas Gas shall have no obligation to make refunds to Customer unless the maximum rate ultimately established by the FERC for any service described herein is less than the rate paid by Customer under this Agreement. Texas Gas shall have the unilateral right to file with the appropriate regulatory authority and make

changes effective in the filed rates, charges, and services in Texas Gas' Tariff, including both the level and design of such rates, charges and services and the general terms and conditions therein.

5. Except as otherwise provided in the FERC's regulations, this Agreement may not be assigned without the express written consent of the other party. Any assignment shall be in accordance with the Tariff and FERC regulations. Such consent shall not be unreasonably withheld. Any assignment made in contravention of this paragraph shall be void at the option of the other party. If such consent is given, this Agreement shall be binding upon and inure to the benefit of the parties and their successors and assigns.

6. In the event any provision of this Agreement is held to be invalid, illegal or unenforceable by any court, regulatory agency, or tribunal of competent jurisdiction, the validity, legality, and enforceability of the remaining provisions, terms or conditions shall not in any way be affected or impaired thereby, and the term, condition, or provision which is held illegal or invalid shall be deemed modified to conform to such rule of law, but only for the period of time such order, rule, regulation, or law is in effect.

7. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED UNDER THE LAWS OF THE COMMONWEALTH OF KENTUCKY, EXCLUDING ANY PROVISION WHICH WOULD DIRECT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION.

If Customer agrees with the terms and conditions, please so indicate by signing the duplicate originals in the appropriate spaces provided below and returning the originals to Texas Gas.

Very Truly Yours,

TEXAS GAS TRANSMISSION, LLC

By: 

Name: DAVID W MASOLEY

Title: V.P., Southern/Midwest Markets

Date: 1/27/14

ACCEPTED AND AGREED TO this 30th day of January, 2014.

DUKE ENERGY OHIO, INC.

By: 

Name: Keith Trent

Title: VP & COO - Reg. Utilities

As To Form

OK

Signature page to Discounted Rates Letter Agreement, Agreement No. 33501, dated January 15, 2014.

Rate Schedule STF
Agreement No.: 33501
Discounted Rates Letter Agreement dated January 15, 2014

EXHIBIT A

Primary Receipt Point(s)

All effective primary receipt point(s) listed under the Contract.

Primary Delivery Point(s)

<u>Meter Name</u>	<u>Meter No.</u>	<u>Zone</u>
Duke Energy OH Shipper DE	1229	4

Rate(s)

The following rates shall be applicable to any transaction utilizing (i) a Primary Receipt Point(s) or Eligible Secondary Receipt Point(s); and (ii) a Primary Delivery Point(s) or Eligible Secondary Delivery Point(s).

Demand:	\$0.1950 per MMBtu/day each November - March \$0.1200 per MMBtu/day each April - October
Commodity:	Texas Gas' minimum tariff rate per MMBtu plus applicable surcharges and fuel retention

Discount Qualification:	Customer may select Primary Receipt Point capacity up to 120% of Daily Contract Demand in the Winter Season and in the Summer Season with no impact on the discounted demand rates. If Customer selects Primary Receipt Point capacity greater than 120% of Daily Demand in the Winter Season or the Summer Season, then the maximum applicable rate shall apply to all of the Contract Demand.
-------------------------	---

The discounted demand and commodity rates are applicable for deliveries to the Primary and Eligible Secondary Delivery Points. To the extent Customer or its replacement shipper delivers gas to any other delivery point, or delivers more than the daily contract demand on any day and such volumes are not daily overrun, then Customer shall pay both the maximum demand and commodity rates for all gas quantities on that day.

**Currently Effective Minimum Transportation Rates (\$ per MMBtu)
 For Service Under Rate Schedules FT, STF, and IT**

Receipt-Delivery Zone	Minimum Base Rate
SL-SL	0.0028
SL-1	0.0110
SL-2	0.0162
SL-3	0.0218
SL-4	0.0226
1-1	0.0087
1-2	0.0145
1-3	0.0190
1-4	0.0200 + .0012 = .0212
2-2	0.0071
2-3	0.0116
2-4	0.0126
3-3	0.0058
3-4	0.0068
4-4	0.0023

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.

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 August 29, 2014 AND THE PROJECTED
VOLUME FOR THE TWELVE MONTH PERIOD ENDED August 31, 2015

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: 04/01/2014

Status: Effective

FERC Docket: RP14-00560-001

FERC Order: Delegated Letter Order

Order Date: 03/26/2014

Part 3, Currently Effective Rates, 8.0.0

**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 0.885%

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 August 29, 2014 AND THE PROJECTED
VOLUME FOR THE TWELVE MONTH PERIOD ENDED August 31, 2015

SUPPLIER OR TRANSPORTER NAME Various Producers / Marketers
TARIFF SHEET REFERENCE _____
EFFECTIVE DATE OF TARIFF _____ RATE SCHEDULE NUMBER _____

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			
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 August 29, 2014 AND THE PROJECTED
VOLUME FOR THE TWELVE MONTH PERIOD ENDED August 31, 2015

SUPPLIER OR TRANSPORTER NAME	<u>Commodity Costs</u>		
TARIFF SHEET REFERENCE	<u></u>		
EFFECTIVE DATE OF TARIFF	<u></u>	RATE SCHEDULE NUMBER	<u></u>
TYPE GAS PURCHASED	<u>X</u> NATURAL	<u></u> LIQUIFIED	<u></u> SYNTHETIC
UNIT OR VOLUME TYPE	<u></u> MCF	<u></u> CCF	<u></u> OTHER
PURCHASE SOURCE	<u>X</u> INTERSTATE	<u></u> INTRASTATE	

GAS COMMODITY RATE FOR SEPTEMBER 2014:

GAS MARKETERS :

WEIGHTED AVERAGE GAS COST @ CITY GATE (\$/Dth) (1):

DUKE ENERGY OHIO FUEL	1.300%	\$0.0516	\$3.9706	\$/Dth
DTH TO MCF CONVERSION	1.0253	\$0.1018	\$4.0222	\$/Dth
ESTIMATED WEIGHTING FACTOR	100.000%		\$4.1240	\$/Mc
GAS MARKETERS COMMODITY RATE			\$4.124	\$/Mc

GAS STORAGE :

COLUMBIA GAS TRANS. - STORAGE INVENTORY RATE			\$0.0000	\$/Dth
COLUMBIA GAS TRANS. FSS WITHDRAWAL FEE		\$0.0153	\$0.0153	\$/Dth
COLUMBIA GAS TRANS. SST FUEL	1.917%	\$0.0003	\$0.0156	\$/Dth
COLUMBIA GAS TRANS SST COMMODITY RATE		\$0.0152	\$0.0308	\$/Dth
KO TRANS, COMMODITY RATE		\$0.0012	\$0.0320	\$/Dth
DUKE ENERGY OHIO FUEL	1.300%	\$0.0004	\$0.0324	\$/Dth
DTH TO MCF CONVERSION	1.0253	\$0.0008	\$0.0332	\$/Mc
ESTIMATED WEIGHTING FACTOR	0.000%		\$0.0000	\$/Mc
GAS STORAGE COMMODITY RATE - COLUMBIA GAS			\$0.000	\$/Mc
TEXAS GAS TRANSMISSION - STORAGE INVENTORY RATE			\$0.0000	\$/Dth
TEXAS GAS COMMODITY RATE		\$0.0626	\$0.0626	\$/Dth
DUKE ENERGY OHIO FUEL	1.300%	\$0.0008	\$0.0634	\$/Dth
DTH TO MCF CONVERSION	1.0253	\$0.0016	\$0.0650	\$/Mc
ESTIMATED WEIGHTING FACTOR	0.000%		\$0.0000	\$/Mc
GAS STORAGE COMMODITY RATE - TEXAS GAS			\$0.000	\$/Mc

PROPANE :

WEIGHTED AVERAGE PROPANE INVENTORY RATE			\$0.59695	\$/Ga
GALLON TO MCF CONVERSION	15.38	\$8.5841	\$9.1810	\$/Mc
ESTIMATED WEIGHTING FACTOR	0.000%		\$0.0000	\$/Mc
PROPANE COMMODITY RATE			\$0.000	\$/Mc

FOOTNOTE NO. (1) Weighted average cost of gas based on NYMEX prices on 8/5/14 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 August 29, 2014 AND THE PROJECTED
VOLUME FOR THE TWELVE MONTH PERIOD ENDED August 31, 2015

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 *	18,889,866	(3,267,947)
Contract Commitment Cost Recovery (CCCR) Credit (1)	0.000 *	24,515,983	5,515
EFBS Demand Credit	6.28	378,000	(2,373,840)
EFBS Volumetric Credit (1)	0.021	5,626,117	(118,148)
FRAS Capacity Assignment (CGT FTS-1)	4.2917	625,007	(2,682,343)
FRAS Capacity Assignment (KO FT)	0.356	619,476	(220,533)
TOTAL SELF-HELP ARRANGEMENT			(8,657,296)
<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

Page 1 of 1

INCLUDABLE PROPANE (PEAK SHAVING @ EASTERN AVE) :

BOOK COST OF INCLUDABLE PROPANE (\$/GAL)		0.43390
INCLUDABLE PROPANE FOR 12 MO. ENDED	<u>June 30, 2014</u> (GALS)	2,463,609
SUB TOTAL		<u>1,068,960</u>

INCLUDABLE PROPANE (PEAK SHAVING @ DICKS CREEK PLANTS) :

BOOK COST OF INCLUDABLE PROPANE (\$/GAL)		0.34842
INCLUDABLE PROPANE FOR 12 MO. ENDED	<u>June 30, 2014</u> (GALS)	-
SUB TOTAL		<u>-</u>

INCLUDABLE PROPANE (PEAK SHAVING @ ERLANGER PLANT) :

BOOK COST OF INCLUDABLE PROPANE (\$/GAL)		0.94788
INCLUDABLE PROPANE FOR 12 MO. ENDED	<u>June 30, 2014</u> (GALS)	1,144,639
SUB TOTAL		<u>1,084,980</u>

TOTAL DOLLARS 2,153,940

TOTAL GALLONS 3,608,248

See Commodity Costs sheet, Page 8 of 8.

WEIGHTED AVERAGE RATE \$0.59695

**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 August 29, 2014

<u>Month</u>	<u>Beginning Storage Inventory</u>	<u>Monthly Storage Activity</u>		<u>Ending Storage Inventory</u>
		<u>Injected</u>	<u>Withdrawn</u>	
July 2014	\$23,047,293	\$4,858,765	\$0	\$27,906,058
August 2014	\$27,906,058	\$2,872,299	\$0	\$30,778,357
September 2014	\$30,778,357	\$3,907,767	\$0	\$34,686,124

**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 August 29, 2014

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	July 2014	\$27,906,058		0.8333%		
2	August 2014	\$30,778,357	\$29,342,207			
3	September 2014	\$34,686,124	\$32,732,240	\$272,758	807,103	\$0.338

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

3rd QUARTER

SCHEDULE II

PURCHASE GAS ADJUSTMENT
DUKE ENERGY OHIO
SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT
DETAILS FOR THE THREE MONTH PERIOD ENDED May 31, 2014

PARTICULARS			UNIT	AMOUNT
PROJECTED SALES: TWELVE MONTHS ENDED	August 31,	2015	MCF	24,248,086
TOTAL PROJECTED SALES: TWELVE MONTHS ENDED	August 31,	2015	MCF	24,248,086
RATIO OF JURISDICTIONAL SALES TO TOTAL SALES			RATIO	1.000
SUPPLIER REFUNDS RECEIVED AND RECONCILIATION ADJUSTMENTS ORDERED DURING THE THREE MONTH PERIOD	May 31, 2014		\$	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	August 31,	2015	MCF	24,248,086
CURRENT SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT			\$/MCF	0.000

DETAILS OF REFUNDS / ADJUSTMENTS
RECEIVED DURING THE THREE MONTH PERIOD ENDED May 31, 2014

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

SUPPLIER

TOTAL REFUNDS APPLICABLE TO THE CURRENT GCR

\$ 0.00

RA

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

May 31, 2014

PARTICULARS	UNIT	MARCH	APRIL	MAY
<u>SUPPLY VOLUME PER BOOKS</u>				
PRIMARY GAS SUPPLIERS	MCF	3,286,773	1,220,668	907,659
UTILITY PRODUCTION	MCF	0	0	0
INCLUDABLE PROPANE	MCF	1,833	0	0
OTHER VOLUMES (SPECIFY) ADJUSTMENT	MCF	37,739	2,808	28,722
TOTAL SUPPLY VOLUMES	MCF	3,326,345	1,223,476	936,381
<u>SUPPLY COST PER BOOKS</u>				
PRIMARY GAS SUPPLIERS	\$	21,732,182	7,275,878	5,477,728
TRANSITION COSTS	\$	0	0	0
GAS STORAGE CARRYING COSTS	\$	77,152	85,914	128,190
INCLUDABLE PROPANE	\$	12,776	0	0
OTHER COSTS (SPECIFY):				
MANAGEMENT FEE	\$	(87,682)	(72,420)	(72,420)
CONTRACT COMMITMENT COSTS RIDER	\$	(30)	96	53
TRANSPORTATION GAS COST CREDIT	\$	0	0	0
RATE "IT" CREDIT	\$	0	0	0
FIRM TRANSPORTATION SUPPLIER COST	\$	(73,230)	64,480	8,040
CUSTOMER POOL USAGE COST	\$	(1,232,157)	(1,007,118)	(697,132)
LOSSES - DAMAGED LINES	\$	(169)	(2,352)	(586)
SALES TO REMARKETERS	\$	0	0	0
WEIGHTED AVERAGE PIPELINE COST REFUNDED/(BILLED) TO SUPPLIERS	\$	0	0	0
TOTAL SUPPLY COSTS	\$	20,428,842	6,344,478	4,843,873
<u>SALES VOLUMES</u>				
JURISDICTIONAL	MCF	3,977,163.5	2,185,240.7	901,954.1
NON-JURISDICTIONAL	MCF	0.0	0.0	0.0
OTHER VOLUMES (SPECIFY):	MCF	0.0	0.0	0.0
TOTAL SALES VOLUMES	MCF	3,977,163.5	2,185,240.7	901,954.1
UNIT BOOK COST OF GAS (SUPPLY \$ / SALES MCF)	\$/MCF	5.137	2.903	5.370
LESS: EGC IN EFFECT FOR THE MONTH	\$/MCF	5.709	5.437	5.488
DIFFERENCE	\$/MCF	(0.572)	(2.534)	(0.118)
TIMES: MONTHLY JURISDICTIONAL SALES	MCF	3,977,163.5	2,185,240.7	901,954.1
EQUALS MONTHLY COST DIFFERENCE	\$	(2,274,937.52)	(5,537,399.93)	(106,430.58)
PARTICULARS	UNIT	AMOUNT		
TOTAL COST DIFFERENCE FOR THE THREE MONTH PERIOD	\$	(7,918,768.03)		
PRIOR PERIOD ADJUSTMENT	\$	(39.04)		
BALANCE ADJUSTMENT FROM SCHEDULE IV	\$	(214,164.75)		
TOTAL COST DIFFERENCE FOR USE IN THE CURRENT AA CALCULATION	\$	(8,132,971.82)		
DIVIDED BY: 12 MONTH PROJECTED SALES ENDED August 31, 2015	MCF	24,248,086		
EQUALS CURRENT QUARTERLY ACTUAL ADJUSTMENT	\$/MCF	(0.335)		

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

May 31, 2014

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 (JUNE 2, 2013)	\$	(2,390,873.54)
LESS: DOLLAR AMOUNT RESULTING FROM THE AA OF \$ (0.091) /MCF AS USED TO COMPUTE THE GCR IN EFFECT FOUR QUARTERS PRIOR TO THE CURRENTLY EFFECTIVE GCR TIMES THE JURISDICTIONAL SALES OF 22,153,518 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	\$	(2,176,708.79)
BALANCE ADJUSTMENT FOR THE AA	\$	(214,164.75)
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 (JUNE 2, 2013)	\$	0.00
LESS: DOLLAR AMOUNT RESULTING FROM THE UNIT RATE FOR SUPPLIER REFUNDS AND RECONCILIATION ADJUSTMENTS OF \$ 0.000 /MCF AS USED TO COMPUTE RA OF THE GCR IN EFFECT FOUR QUARTERS PRIOR TO THE CURRENTLY EFFECTIVE GCR TIMES THE JURISDICTIONAL SALES OF 22,153,518 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	\$	0.00
BALANCE ADJUSTMENT FOR THE RA	\$	0.00
DOLLAR AMOUNT OF THE BALANCE ADJUSTMENT AS USED TO COMPUTE BA OF THE GCR IN EFFECT ONE QUARTER PRIOR TO THE CURRENTLY EFFECTIVE GCR (JUNE 2, 2013)	\$	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	\$	(214,164.75)

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Case No(s). 14-0218-GA-GCR, 89-8002-GA-TRF

Summary: Tariff Duke Energy Ohio GCR filing August 2014 electronically filed by Mrs. Julie A. Lee on behalf of Duke Energy Ohio and Miller, Susan