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Elizabeth H. Watts
Associate General Counsel

October 27, 2015

Ms. Barcy F. McNeal, Secretary
Public Utilities Commission of Ohio
180 East Broad Street, 11th Floor
Columbus, Ohio 43215

Re: Case No. 15-795-EL-RDR

Dear Ms. McNeal:

Pursuant to the Public Utilities Commission of Ohio's (Commission) Opinion and Order in Case No. 14-841-EL-SSO, Duke Energy Ohio, Inc., submits herein the required schedules and tariff pages related to the update of its Distribution Capital Investment Rider (Rider DCI).¹

As part of the approval of Rider DCI, the Commission ordered that quarterly filings be made, with such filings automatically approved. The Commission further ordered that Rider DCI be audited annually, with the August quarterly filing. Consistent therewith, this update to Rider DCI rate will be implemented with the first billing cycle of January 2015. The proposed Rider DCI rate is based on investment data from the FERC Form 3Q and Form 1, for the third quarter of 2015 and is supported by two attachments. Attachment A is the proposed tariff sheet reflecting the revised Rider DCI rate and Attachment B contains the schedules and workpapers supporting the calculation of the proposed Rider DCI rate. The attached schedules demonstrate that the revenue requirement is below the permitted cap for 2015 for the third quarter.

Should you have any questions please feel free to contact me.

Respectfully submitted,

Amy B. Spiller
Deputy General Counsel
Elizabeth H. Watts
Associate General Counsel
Duke Energy Ohio, Inc.
139 E. Fourth Street
Cincinnati, Ohio 45201-0960
(614) 222-1330

¹ *In the Matter of the Application of Duke Energy Ohio, Inc., for Authority to Establish a Standard Service Offer Pursuant to R.C. 4928.143 in the Form of an Electric Security Plan, Accounting Modifications, and Tariffs for Generation Service*, Case No. 14-841-EL-SSO, *et al.*, Opinion and Order, at pp. 70-72 (April 2, 2015).

Duke Energy Ohio
139 East Fourth Street
Cincinnati, Ohio 45202

P.U.C.O. Electric No. 19
Sheet No. 103.2
Cancels and Supersedes
Sheet No. 103.1
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**RIDER DCI
DISTRIBUTION CAPITAL INVESTMENT RIDER**

Applicable to all retail jurisdictional customers in the Company's electric service areas including those customers taking generation service from a Competitive Retail Electric Service Providers. This tariff does not apply to customers taking service under Rate TS, service at transmission voltage.

All retail jurisdictional customers shall be assessed a charge of 6.801% of the customer's applicable base distribution charges (*i.e.*, customer charge plus base distribution charge) to recover the revenue requirement associated with incremental distribution capital costs incurred by the Company. This Rider shall be adjusted periodically to recover amounts authorized by the Commission.

Filed pursuant to an Order dated April 2, 2015 in Case No.14-841-EL-SSO before the Public Utilities Commission of Ohio.

Issued: October 27, 2015

Effective: January 4, 2016

Issued by James P. Henning, President

Duke Energy Ohio
Revenue Requirement for Rider DCI

Line	Description	March 31, 2012	September 30, 2015	Reference
1	Gross Distribution Plant	\$1,878,034,210	\$2,068,469,640	Pages 2 & 3
2	Accumulated Depreciation on Distribution Plant	646,781,562	705,522,848	Pages 4 & 5
3	Net Distribution Plant in Service	\$1,231,252,648	\$1,362,946,792	
4	Accum Def Income Taxes on Distr Plant	(\$249,112,366)	(\$288,995,029)	Pages 6 & 7
5	Distribution Rate Base for Rider DCI	<u>\$982,140,282</u>	<u>\$1,073,951,763</u>	Line (3) + Line (4)
6	Return on Rate Base (Pre-Tax %)	10.68%	10.68%	Per Stipulation
7	Return on Rate Base (Pre-Tax)	\$104,892,582	\$114,698,048	Line (5) * Line (6)
8	Depreciation Expense	\$49,047,161	\$54,552,577	Page 8
9	Property Tax Expense (Excludes M&S)	<u>\$65,218,326</u>	<u>\$77,338,948</u>	Page 9
10	Revenue Requirement Before CAT	\$219,158,069	\$246,589,574	Line (7) + Line (8) +Line (9)
11	Change in Revenue Requirement		\$27,431,505	Line (10) _{current} - Line (10) _{base}
12	Incremental Commercial Activities Tax		\$71,508	{1/(1-CAT) * Line (11)}
13	Total Rider DCI Revenue Requirement (1)		\$27,503,013	Line (11) + Line (12)
14	Annual Base Distribution Revenue (2)		<u>\$404,401,058</u>	
15	DEO Percentage of Base Distribution Revenue		<u>6.801%</u>	Line (16) ÷ Line (17)

Notes: (1) See Revenue schedule for amount collected year to date 2015.
The Company will be under the \$17 million cap as ordered in
Case No. 14-841-EL-SSO.

(2) From Stipulation Attachment 1 as filed and approved in Case No. 12-1682-EL-AIR, et al.
This number represents total retail distribution revenue excluding transmission customers
and miscellaneous revenues.

Duke Energy Ohio, Inc.
Plant in Service Summary by Major Property Groupings (As of September 30, 2015)

Line No.	Account Number		Account Title	Per Books	Adjustments ^(a)	Adjusted Total Company
	FERC	Company				
Distribution Accounts						
1	360	3600	Land and Land Rights	\$13,797,714		\$13,797,714
2	360	3601	Rights of Way	26,243,855		26,243,855
3	361	3610	Structures and Improvements	18,589,365		18,589,365
4	362	3620	Station Equipment	203,878,527	(31,603,630)	172,274,897
5	362	3622	Major Equipment	111,769,943	(3,606,452)	108,163,491
6	363	3635	Station Equipment Electronic	0	(22,539)	(22,539)
7	364	3640	Poles, Towers & Fixtures	290,503,165	(3,581,655)	286,921,510
8	365	3650, 3651	Overhead Conductors and Devices	523,231,487	(28,765,883)	494,465,604
9	366	3660	Underground Conduit	106,163,813		106,163,813
10	367	3670	Underground Conductors and Devices	322,428,539		322,428,539
11	368	3680, 3681	Line Transformers	335,214,128		335,214,128
12	368	3682	Customer Transformer Installations	3,755,297		3,755,297
13	369	3691	Services - Underground	5,911,878		5,911,878
14	369	3692	Services - Overhead	76,681,311		76,681,311
15	370	3700	Meters	7,535,851		7,535,851
16	370	3700	Meter Instrument Transformers	7,409,920		7,409,920
17	370	3701	Leased Meters	9,230,873		9,230,873
18	370	3701	Leased Meter Instrument Transformers	5,983,622		5,983,622
19	370	3702	Utility of the Future Meters	65,188,887	(65,447,240)	(258,353)
20	371	3710	Installations on Customers' Premises	4,658,802		4,658,802
21	371	3712	Company Owned Outdoor Light	1,018,479	(1,018,479)	0
22	372	3720	Leased Property on Customers' Premises	102,503		102,503
23	373	3730, 3731	Street Lighting	20,579,639		20,579,639
24	373	3732	Street Lighting - Boulevard	27,587,764		27,587,764
25	373	3733	Light Security OL POL Flood	15,050,158		15,050,158
26	373	3734	Light Choice OLE - Public	7,543,512	(7,543,512)	0
27				\$2,210,059,029	(\$141,589,389)	\$2,068,469,640

Notes: (a) Grid Mod additions

Duke Energy Ohio, Inc.
Plant in Service Summary by Major Property Groupings (As of March 31, 2012)

Line No.	Account Number		Account Title	Per Books	Adjustments ^(a)	Adjusted Total Company
	FERC	Company				
			Distribution Accounts			
1	360	3600	Land and Land Rights	\$13,109,977		\$13,109,977
2	360	3601	Rights of Way	26,110,943		26,110,943
3	361	3610	Structures and Improvements	8,317,815		8,317,815
4	362	3620	Station Equipment	182,040,569	(17,100,300)	164,940,269
5	362	3622	Major Equipment	103,229,213	(2,103,326)	101,125,887
6	362	3635	Station Equipment Electronic	2,620,440	(2,719,820)	(99,380)
7	364	3640	Poles, Towers & Fixtures	243,486,355	(1,162,056)	242,324,299
8	365	3650, 3651	Overhead Conductors and Devices	396,969,778	(12,365,335)	384,604,443
9	366	3660	Underground Conduit	88,227,723		88,227,723
10	367	3670	Underground Conductors and Devices	282,336,871		282,336,871
11	368	3680, 3681	Line Transformers	367,228,972		367,228,972
12	368	3682	Customer Transformer Installations	5,272,832		5,272,832
13	369	3691	Services - Underground	3,391,901		3,391,901
14	369	3692	Services - Overhead	64,385,178		64,385,178
15	370	3700	Meters	41,968,249		41,968,249
16	370	3701	Leased Meters	17,699,187		17,699,187
17	370	3702	Utility of the Future Meters	40,433,742	(40,433,742)	0
18	371	3710	Installations on Customers' Premises	241,509		241,509
19	371	3712	Company Owned Outdoor Light	714,040	(714,040)	0
20	372	3720	Leased Property on Customers' Premises	102,503		102,503
21	373	3730, 3731	Street Lighting	21,127,345	(180,809)	20,946,536
22	373	3732	Street Lighting - Boulevard	28,103,634		28,103,634
23	373	3733	Light Security OL POL Flood	17,694,862		17,694,862
24	373	3734	Light Choice OLE - Public	1,364,763	(1,364,763)	0
25				\$1,956,178,401	(\$78,144,191)	\$1,878,034,210

Notes: (a) Grid Mod additions

Duke Energy Ohio, Inc.
Accumulated Depreciation by Major Property Groupings (As of September 30, 2015)

Line No.	Account Number		Account Title	Per Books	Adjustments ^(a)	Adjusted Total Company
	FERC	Company				
Distribution Accounts						
1	360	3600	Land and Land Rights	\$2,765		\$2,765
2	360	3601	Rights of Way	3,739,329		3,739,329
3	361	3610	Structures and Improvements	4,303,385		4,303,385
4	362	3620	Station Equipment	74,502,383	(2,595,589)	71,906,794
5	362	3622	Major Equipment	42,569,233	(310,847)	42,258,386
6	363	3635	Dist Station Equip Elec	(13,210)	(130,006)	(143,216)
7	364	3640	Poles, Towers & Fixtures	120,028,880	(227,671)	119,801,209
8	365	3650, 3651	Overhead Conductors and Devices	114,162,431	(2,667,094)	111,495,337
9	366	3660	Underground Conduit	41,958,741		41,958,741
10	367	3670	Underground Conductors and Devices	89,024,373		89,024,373
11	368	3680, 3681	Line Transformers	153,493,338		153,493,338
12	368	3682	Customer Transformer Installations	2,575,126		2,575,126
13	369	3691	Services - Underground	2,505,216		2,505,216
14	369	3692	Services - Overhead	44,530,842		44,530,842
15	370	3700	Meters	(4,341,761)		(4,341,761)
16	370	3700	Meter Instrument Transformers	2,046,686		2,046,686
17	370	3701	Leased Meters	6,697,993		6,697,993
18	370	3701	Leased Meter Instrument Transformers	1,180,770		1,180,770
19	370	3702	Utility of the Future Meters	16,023,099	(16,148,740)	(125,641)
20	371	3710	Installations on Customers' Premises	460,280		460,280
21	371	3712	Company Owned Outdoor Light	(841,607)	841,607	0
22	372	3720	Leased Property on Customers' Premises	(61,465)		(61,465)
23	373	3730, 3731	Street Lighting - Overhead	10,125,152		10,125,152
24	373	3732	Street Lighting - Boulevard	8,180,289		8,180,289
25	373	3733	Light Security OL POL Flood	7,687,895		7,687,895
26	373	3734	Light Choice OLE - Public	(385,640)	385,640	0
27		108	Retirement Work in Progress	(13,778,974)		(13,778,974)
28				\$726,375,548	(\$20,852,700)	\$705,522,848

Notes: (a) Grid Mod additions

Duke Energy Ohio, Inc.
Accumulated Depreciation by Major Property Groupings (As of March 31, 2012)

Line		Account Number		Account Title	Per Books	Adjustments ^(a)	Adjusted Total Company
No.		FERC	Company				
Distribution Accounts							
1	360	3600		Land and Land Rights	\$1,539		\$1,539
2	360	3601		Rights of Way	2,520,994		2,520,994
3	361	3610		Structures and Improvements	4,004,656		4,004,656
4	362	3620		Station Equipment	70,648,575	(452,294)	70,196,281
5	362	3622		Major Equipment	36,923,264	(86,536)	36,836,728
6	363	3635		Dist Station Equip Elec	209,328	(178,269)	31,059
7	364	3640		Poles, Towers & Fixtures	108,050,272	(13,609)	108,036,663
8	365	3651		Overhead Conductors and Devices	99,685,733	(367,470)	99,318,263
9	366	3660		Underground Conduit	35,969,974		35,969,974
10	367	3670		Underground Conductors and Devices	73,293,965		73,293,965
11	368	3680, 3681		Line Transformers	143,569,293		143,569,293
12	368	3682		Customer Transformer Installations	2,628,003		2,628,003
13	369	3691		Services - Underground	2,248,643		2,248,643
14	369	3692		Services - Overhead	36,808,118		36,808,118
15	370	3700		Meters	12,697,346		12,697,346
16	370	3701		Leased Meters	4,187,966		4,187,966
17	370	3702		Utility of the Future Meters	2,853,005	(2,853,005)	0
18	371	3710		Installations on Customers' Premises	2,770		2,770
19	371	3712		Company Owned Outdoor Light	(244,226)	244,226	0
20	372	3720		Leased Property on Customers' Premises	(76,085)		(76,085)
21	373	3730, 3731		Street Lighting - Overhead	8,989,199	1,748,866	10,738,065
22	373	3732		Street Lighting - Boulevard	5,929,055		5,929,055
23	373	3733		Light Security OL POL Flood	5,507,955		5,507,955
24	373	3734		Light Choice OLE - Public	(375,920)	375,920	0
25		108		Retirement Work in progress	(7,669,689)		(7,669,689)
26					\$648,363,733	(\$1,582,171)	\$646,781,562

Notes: (a) Grid Mod additions

Duke Energy Ohio, Inc.

Plant Related Accumulated Deferred Income Taxes - Excluding Grid Modernization (September 30, 2015)

Line No.	Account Number		Account Title	Per Books	Adjustments	Adjusted Total Company
	FERC	Company				
			Account 282			
1	282	282.XXX	263A	\$ (39,520,287)	\$0	(\$39,520,287)
2	282	282.XXX	AFUDC Debt	(1,937,269)	0	(1,937,269)
3	282	282.XXX	Casualty Loss	(13,444,647)	0	(13,444,647)
4	282	282.XXX	CIAC	15,691,879	0	15,691,879
5	282	282.XXX	CWIP Differences	1,123,616	0	1,123,616
6	282	282.XXX	FAS109	(34,134,680)	34,134,680	0
7	282	282.XXX	Miscellaneous	3,215,867	0	3,215,867
8	282	282.XXX	Non-Cash Overheads	20,225,088	0	20,225,088
9	282	282.XXX	Section 174	(271,218)	271,218	0
10	282	282.XXX	Software	0	0	0
11	282	282.XXX	Tax Depreciation	(342,276,684)	64,052,871	(a) (278,223,813)
12	282	282.XXX	TIC	3,874,538	0	3,874,538
13			Total Plant-Related Accumulated Deferred Income Tax	\$ (387,453,797)	\$ 98,458,768	\$ (288,995,029)

Notes: (a) Grid Mod additions

Duke Energy Ohio, Inc.
Plant Related Accumulated Deferred Income Taxes - Excluding Grid Modernization (March 31, 2012)

Line No.	Account Number		Account Title	Per Books	Adjustments	Adjusted Total Company
	FERC	Company				
			Account 282			
1	282	282.XXX	263A	(\$40,129,780)	\$0	(\$40,129,780)
2	282	282.XXX	AFUDC Debt	(3,102,204)	0	(3,102,204)
3	282	282.XXX	Casualty Loss	(11,111,200)	0	(11,111,200)
4	282	282.XXX	CIAC	12,346,140	0	12,346,140
5	282	282.XXX	CWIP Differences	(2,544,571)	0	(2,544,571)
6	282	282.XXX	FAS109	(65,351,370)	65,351,370	0
7	282	282.XXX	Miscellaneous	(13,021,764)	0	(13,021,764)
8	282	282.XXX	Non-Cash Overheads	17,228,108	0	17,228,108
9	282	282.XXX	Section 174	(905,958)	905,958	0
10	282	282.XXX	Software	(2,621,760)	0	(2,621,760)
11	282	282.XXX	Tax Depreciation	(247,345,407)	35,925,450 (a)	(211,419,957)
12	282	282.XXX	TIC	5,264,622	0	5,264,622
13			Total Plant-Related Accumulated Deferred Income Tax	(\$351,295,144)	\$102,182,778	(\$249,112,366)

Notes: (a) Grid Mod additions

Duke Energy Ohio, Inc.
Depreciation Expense by Major Property Groupings

		Gross Plant Balance		Depreciation Rate (%)	Depreciation Expense	
		Base Case	Sep-15		Base Case	Sep-15
Distribution Accounts						
1	360			-	\$0	\$0
2	360	\$13,109,977	\$13,797,714	1.33	\$347,276	\$349,043
3	361	\$26,110,943	\$26,243,855	1.69	140,571	314,160
4	362	\$8,317,815	\$18,589,365	1.92	3,166,853	3,307,678
5	362	\$164,940,269	\$172,274,897	1.92	1,941,617	2,076,739
6	362	\$101,125,887	\$108,163,491	5.00	(4,969)	(1,127)
7	364	(\$99,380)	(\$22,539)	2.40	5,815,783	6,886,116
8	365	\$242,324,299	\$286,921,510	2.80	10,768,924	13,845,037
9	366	\$384,604,443	\$494,465,604	2.00	1,764,554	2,123,276
10	367	\$88,227,723	\$106,163,813	2.16	6,098,476	6,964,456
11	368	\$282,336,871	\$322,428,539	2.50	9,180,724	8,380,353
12	368	\$367,228,972	\$335,214,128	2.22	117,057	83,368
13	369	\$5,272,832	\$3,755,297	2.00	67,838	118,238
14	369	\$3,391,901	\$5,911,878	3.26	2,098,957	2,499,811
15	370	\$64,385,178	\$76,681,311	Amortization	3,508,121	3,508,121
16	370	\$32,936,648	\$14,945,770	Amortization	1,570,224	1,570,224
17	370	\$17,699,187	\$9,230,873	2.86	258,304	171,132
18	370	\$9,031,601	\$5,983,622	6.67	0	(17,232)
19	371	\$0	(\$258,353)	6.67	16,109	310,742
20	371	\$241,509	\$4,658,802	6.67	-	-
21	372	\$0	\$0	4.00	4,100	4,100
22	373	\$102,503	\$102,503	3.93	823,199	808,780
23	373	\$20,946,536	\$20,579,639	2.44	685,729	673,141
24	373	\$28,103,634	\$27,587,764	3.83	677,713	576,421
25	373	\$17,694,862	\$15,050,158	4.20	-	-
26		\$1,878,034,210	\$2,068,469,640		\$49,047,161	\$54,552,577

DUKE ENERGY OHIO, INC.
PROPERTY TAXES ALLOCABLE TO ELECTRIC DISTRIBUTION

Property Taxes			
	Personal ⁽¹⁾	Real ⁽²⁾	Total
1 Distribution	\$76,749,702	\$589,247	\$77,338,948

Notes: ⁽¹⁾ See page 9.

⁽²⁾ See page 10.

DUKE ENERGY OHIO, INC.
PERSONAL PROPERTY TAXES ALLOCABLE TO ELECTRIC DISTRIBUTION

Line	Description	Distribution
1	Jurisdictional Plant in Service	\$2,068,469,640
2	Jurisdictional Real Property	58,630,934
3	Net Cost of Taxable Personal Property	\$2,009,838,706
4	True Value Percentage (1)	48.29%
5	True Value of Taxable Personal Property	\$970,551,111
6	Assessment Percentage	85.0%
7	Assessment Value	\$824,968,444
8	Personal Property Tax Rate	9.3034%
9	Personal Property Tax	\$76,749,702

(1) Percentage based on 2014 Valuation of Dec 2013 property

Assessed Value	1,015,548,962
Distr Plant in Service per 2013 Form 1 (Excludes real Property)	2,103,224,765
	48.29%

DUKE ENERGY OHIO, INC.
REAL PROPERTY TAXES ALLOCABLE TO ELECTRIC DISTRIBUTION

Line	Description	Distribution
1	Real Property associated with electric distribution	\$58,630,934
2	Assessment Percentage (1)	<u>14.631%</u>
3	Assessment Value	\$8,578,292
4	Real Property Tax Rate	<u>6.86904%</u>
5	Real Property Tax	<u><u>\$589,247</u></u>

(1) DEO 2014 property taxes paid in 2015

Electric Distribution Real Property cost per return	\$27,759,878
Assessed Value	<u>\$4,061,606</u>
Assessment Percentage	<u><u>14.631%</u></u>

DUKE ENERGY OHIO, INC.
Revenue Collected
Rider DCI
Calendar Year 2015

June, 2015	\$ 137.68
July, 2015	1,745,462.61
August, 2015	1,789,751.80
September, 2015	1,719,503.26
October, 2015	
November, 2015	
December, 2015	

Unbilled Balance	<u>949,000.00</u>
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Total	\$ 6,203,855.35
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Note: Cap for calendar year 2015 is \$17 million

This foregoing document was electronically filed with the Public Utilities

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10/27/2015 1:27:28 PM

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Case No(s). 15-0795-EL-RDR

Summary: Correspondence Correspondence enclosing quarterly Rider DCI schedules and tariff filings electronically filed by Dianne Kuhnell on behalf of Duke Energy Ohio, Inc. and Watts, Elizabeth H. and Spiller, Amy B.