

**BEFORE**

**THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Duke )	
Energy Ohio, Inc., for Approval to )	Case No. 13-2417-GA-UNC
Implement a Capital Expenditure Program. )	

In the Matter of the Application of Duke )	
Energy Ohio, Inc., for Approval to Change )	Case No. 13-2418-GA-AAM
Accounting Methods. )	

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**2015 ANNUAL INFORMATIONAL FILING OF  
DUKE ENERGY OHIO, INC.**

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On December 20, 2013, Duke Energy Ohio, Inc., (Duke Energy Ohio or Company) filed an Application in the above-captioned cases, seeking approval of a Capital Expenditure Program (CEP). On October 1, 2014, the Public Utilities Commission of Ohio (Commission) issued a Finding and Order (Order), modifying and approving the Application.

In the Order, the Commission required the Company to make annual informational filings regarding its CEP on April 30, beginning in 2015. Such annual filings are required to consist of the following information: the CEP regulatory asset balance at December 31; calculations used to determine monthly deferred amounts, including a breakdown of investments in post-in service carrying costs (PISCC), depreciation expense, and property tax for each budget type; a breakdown of rate impact by customer class; capital budget for the calendar year in which the informational filing is made and the succeeding year; estimate of the effect that the deferred amounts would have on residential customer bills, if they were included in rates; schedules showing the calculations and inputs for deferrals; and an explanation of any substantial deviation

between the planned, estimated CEP expenditures and actual expenditures, where such substantial deviation would reasonably impede Staff's ability to monitor or review the filing.<sup>1</sup>

In accordance with the Order, Duke Energy Ohio is making this annual filing, including the following schedules:

- Exhibit 1: Estimated Capital Budget – 2015
- Exhibit 2: Cumulative Estimated Bill Impact – Deferred Amounts
- Exhibit 3: Monthly CEP Investments
- Exhibit 4a: Deferred Depreciation – Distribution Improvement
- Exhibit 4b: Deferred Depreciation – Information Technology
- Exhibit 5: Post In-Service Carrying Costs (PISCC)
- Exhibit 6: Property Tax Deferral
- Exhibit 7: Incremental Revenue Associated with CEP Investments
- Exhibit 8: Actual – Authorized CEP Explanations
- Exhibit 9: Estimated Capital Budget - 2016

The attached exhibits contain the information required by the Order. Duke Energy Ohio respectfully requests that the Commission accept such information in compliance with its requirements, thereby approving ongoing deferral authority under the CEP.

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<sup>1</sup> Order, pg. 10.

Respectfully submitted,



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Associate General Counsel

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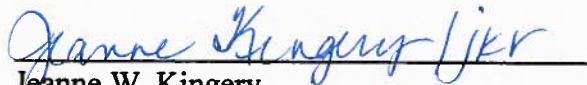
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*Attorneys for Duke Energy Ohio, Inc.*

## CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing was delivered, via electronic mail delivery, facsimile, or regular mail delivery, postage prepaid, on this 29<sup>th</sup> day of April, 2016, to the persons listed below.

  
Jeanne W. Kingery

John H. Jones  
Assistant Attorney General  
Public Utilities Commission of Ohio  
180 East Broad Street, 6<sup>th</sup> floor  
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Counsel for Staff, Public Utilities Commission of Ohio

**DUKE ENERGY OHIO, INC.**  
**CAPITAL EXPENDITURE PROGRAM (CEP)**  
**CASE NO. 13-2417-GA-UNC and 13-2418-GA-AAM**  
**ESTIMATED CAPITAL BUDGET**  
**FOR THE 12 MONTHS ENDED DECEMBER 31, 2015**  
**(\$ MILLIONS)**

**Description: Provide approved Capital Budget for the previous year per 13-2417-GA-UNC**

Line No. Category		<u>2015</u>
1 Distribution Improvement	[A]	\$ 56.8
2 Information Technology		5.4
3 Compliance with Rules, Regulations and Orders		<u>3.0</u>
4 Total		<u><u>\$ 65.2</u></u>

[A] Does not include investments recovered through Rider AMRP or Rider AU cost-recovery mechanisms.

DUKE ENERGY OHIO, INC.  
CAPITAL EXPENDITURE PROGRAM (CEP)  
CASE NO. 13-2417-GA-UNC and 13-2418-GA-AAM  
CUMULATIVE ESTIMATED BILL IMPACT - DEFERRED AMOUNTS  
FOR THE PERIODS ENDED DECEMBER 31, 2014 AND DECEMBER 31, 2015

Description: Estimated bill impacts related to deferrals of depreciation, PISCC, and Property Taxes on CEP Investments.  
Represents an estimated rate impact related to deferred activity.

Line No.	Description	Balance at 12/31/2013 [2]	Balance at 12/31/2014	Balance at 12/31/2015	
1	Deferred Depreciation Expense	\$ 246,242	\$ 906,019	\$ 1,757,223	Exhibit No. 4a, Line 1 + Exhibit No. 4b, Line 1
2	Deferred PISCC	\$ 384,149	\$ 1,455,187	\$ 2,814,325	Exhibit No. 5, Line 3
3	Deferred Property Tax Expense	\$ -	\$ 509,951	\$ 1,111,178	Exhibit No. 6, Line 3
4	Incremental Revenue Offset Deferral	\$ (1,043,238)	\$ (1,811,413)	\$ (4,121,558)	Exhibit No. 7, Line 4
5	Total Deferred CEP Amounts [2]	\$ (402,847)	\$ 1,059,744	\$ 1,561,168	Sum of Lines 1 - 4
6	Deferred Taxes - Depreciation		\$ (317,107)	\$ (615,028)	Line 1 x -35%
7	Deferred Taxes - PISCC		\$ (509,315)	\$ (985,014)	Line 2 x -35%
8	Net Cumulative Deferred CEP Amounts		\$ 233,322	\$ (38,874)	Sum of Lines 5 - 7
9	Rate of Return		10.60%	10.60%	Pre-Tax rate of return approved in Case No. 12-1885-GA-AIR
10	Pre-Tax Return on Deferred CEP Amounts		\$ 24,732	\$ (4,121)	Line 8 x Line 9
11	Amortization of Deferred Depreciation Regulatory Asset		\$ 55,399	\$ 107,448	Line 1 x 2.54% [1]
12	Amortization of Deferred PISCC Regulatory Asset		\$ 88,978	\$ 172,083	Line 2 x 2.54% [1]
13	Amortization of Deferred Property Tax Regulatory Asset		\$ 31,181	\$ 67,943	Line 3 x 2.54% [1]
14	Amortization of Revenue Offset Deferral		\$ (110,759)	\$ (262,014)	Line 4 x 2.54% [1]
15	Total Annual Revenue Requirement		\$ 89,531	\$ 91,337	Sum of Lines 11 - 14
<u>Allocation %</u>					
16	Rate RS / RFT / RSLI		72.3475%	72.3475%	Case No. 12-1885-GA-AIR, Schedule E-3.2f, page 7 of 14
17	Rate GS / FT Small		7.4832%	7.4832%	Case No. 12-1885-GA-AIR, Schedule E-3.2f, page 7 of 14
18	Rate GS / FT Large		15.8175%	15.8175%	Case No. 12-1885-GA-AIR, Schedule E-3.2f, page 7 of 14
19	Rate IT		4.5718%	4.5718%	Case No. 12-1885-GA-AIR, Schedule E-3.2f, page 7 of 14
20	Total Allocation		100.0000%	100.0000%	Sum of Lines 16 - 19
<u>Annual Revenue Requirement</u>					
21	Rate RS / RFT / RSLI		\$ 64,773	\$ 66,079	Line 15 x Line 16
22	Rate GS / FT Small		\$ 9,682	\$ 6,817	Line 15 x Line 17
23	Rate GS / FT Large		\$ 13,893	\$ 14,265	Line 15 x Line 18
24	Rate IT		\$ 4,093	\$ 4,178	Line 15 x Line 19
25	Total Annual Revenue Requirement		\$ 89,531	\$ 91,337	Sum of Lines 21 - 24
<u>Annual Bills Issued</u>					
26	Rate RS / RFT / RSLI		4,718,733	4,733,059	Work Paper 7.2
27	Rate GS / FT Small		249,180	238,052	Work Paper 7.2
28	Rate GS / FT Large		91,938	103,440	Work Paper 7.2
29	Rate IT		1,093	982	Work Paper 7.2
<u>Estimated Monthly Rate Impact</u>					
30	Rate RS / RFT / RSLI		\$ 0.01	\$ 0.01	Line 21 / Line 28 (Cap is \$1.50 per month)
31	Rate GS / FT Small		\$ 0.03	\$ 0.03	Line 22 / Line 27
32	Rate GS / FT Large		\$ 0.15	\$ 0.14	Line 23 / Line 28
33	Rate IT		\$ 3.74	\$ 4.21	Line 24 / Line 29

[1] For purposes of this calculation Duke Energy Ohio used a composite depreciation rate calculated using data from 2015 FERC Form 2. It includes carrying costs on the unamortized balance. The actual amortization period will be determined in Duke Energy Ohio's next gas base rate case.

[2] No deferral related to calendar year 2013 since net deferral is less than zero.

10	Budget Category
11	Distribution Improvement
12	Information Technology
13	Total CFP In-Service Activity - Gross Assets Above 0 Cdb

[illegible]

DUKE ENERGY OHIO, INC.  
CAPITAL EXPENDITURE PROGRAM (CEP)  
CASE NO. 13-2417-GA-UNC and 13-2418-GA-AAM  
ADDITIONS BY FERC ACCOUNT  
FOR THE MONTHS - JANUARY 2015 - DECEMBER 2015  
SOURCE: POWERPLAN

HB 95 Category	FERC ACCT	CO. ACCOUNT	ACCOUNT TITLE	Rate	201501	201502	201503	201504	201505	201506	201507	201508	
Distribution Improvement	374	2740	Land and Land Rights	0.00%									
	374	2741	Rights of Way	1.54%									
	374	2742	City Gate Check Station	0.00%									
	375	2750	Structures & Improvements	2.09%									
	376	2761, 2764	Mains - Cast Iron & Copper	2.72%									
	376	2762, 65, 67, 69	Mains - Steel	1.87%	\$ 127,361	\$ 33,916	\$ 566,719	\$ 248,793	\$ 789,634	\$ 71,719	\$ 40,416	\$ 58,540	
	376	2763, 2766, 2768	Mains - Plastic	2.08%	\$ 1,631,535	\$ 228,032	\$ 1,194,459	\$ 318,245	\$ 268,591	\$ 984,446	\$ 336,773	\$ 276,485	
	378	2780	System Meas. & Reg. Station Equipment	2.35%	\$ 146	-	\$ 12,720	-	-	\$ 13,628	\$ 245,598	\$ -	
	378	2781	System Meas. & Reg. Station Equipment-Elec	7.00%									
	378	2782	District Regulating Equipment	2.40%									
	378	2790	Meas. & Reg. - City Gate	6.67%									
	380	2801	Services- Cast Iron & Copper	3.11%									
	380	2802, 2804, 2804	Services-Steel	2.88%	\$ 18,447	\$ 28,085	\$ 60,128	\$ 9,261	\$ 21,216	\$ 35,281	\$ 21,226	\$ 55,240	
	380	2803, 05, 06, 07	Services-Plastic	3.59%	\$ 803,360	\$ 1,507,541	\$ 1,195,087	\$ 1,174,410	\$ 1,078,042	\$ 1,891,907	\$ 638,179	\$ 1,685,036	
	381	2810, 2811	Meters	2.22%	\$ (8,604)	\$ 68,571	\$ 100,496	\$ 51,244	\$ 163,352	\$ 136,378	\$ 158,138	\$ 535,513	
	381	2812	Utility of the Future Motors	5.00%									
	382	2820, 2821	Meter Installations	2.00%	-	-	-	-	-	-	-	-	-
	383	2830	House Regulators	2.00%	\$ 111,157	\$ 70,037	\$ 59,497	\$ 26,443	\$ 2,166	-	-	-	-
	384	2840	House Regulator Installations	2.00%	-	-	-	-	-	-	-	-	-
	385	2850	Large Industrial Meas. & Reg. Equipment	2.63%	-	-	-	-	-	-	-	-	-
	385	2851	Large Industrial Meas. & Reg. Equipment - Comm	4.20%	-	-	-	-	-	-	-	-	-
	387	2870	Other Equipment - Other	6.67%	-	-	-	-	-	-	-	-	-
	387	2871	Street Lighting Equipment	2.67%	-	-	-	-	-	-	-	-	-
	390	2900	Structures & Improvements	3.33%	-	-	-	-	-	-	-	-	-
	394	2940	Tools, Shop & Garage Equipment	4.00%	\$ 5,021	\$ 49,281	\$ 30,475	\$ 3,836	\$ 6,303	\$ 599	\$ 225	\$ 12,846	
	395	2950	Laboratory Equipment	6.67%	-	-	-	-	\$ 29,253	-	-	-	-
	396	2960	Power Operated Equipment	6.36%	-	-	-	-	-	-	-	-	-
	397	2970	Communication Equipment	6.67%	-	-	-	-	-	-	\$ 25,744	-	-
Distribution Improvement Sum					\$ 2,757,962	\$ 2,247,411	\$ 3,280,171	\$ 1,978,692	\$ 2,335,220	\$ 3,556,349	\$ 1,440,597	\$ 2,623,549	
Information Technology	391	2911	Electronic Data Processing	20.00%	\$ 226,353	-	-	-	\$ 15,270	-	\$ 32,016	-	-
		2930	Miscellaneous Intangible Plant	0.00%	-	-	-	-	-	-	-	-	-
Information Technology Sum					\$ 226,353	-	-	-	\$ 15,270	-	\$ 32,016	-	-
Total CEP Additions					\$ 2,984,315	\$ 2,247,411	\$ 3,280,171	\$ 1,994,982	\$ 2,335,220	\$ 3,688,366	\$ 1,440,657	\$ 2,623,649	

DUKE ENERGY OHIO, INC.  
CAPITAL EXPENDITURE PROGRAM (CEP)  
CASE NO. 13-2417-GA-UNC and 13-2418-GA-AAM  
ADDITIONS BY FERC ACCOUNT  
FOR THE MONTHS - JANUARY 2016 - DECEMBER 2015  
SOURCE: POWERPLAN

HB 95 Category	FERC ACCT	GO. ACCOUNT	ACCOUNT TITLE	Rate	201509	201510	201511	201512	2015 Totals	
Distribution Improvement	374	2740	Land and Land Rights	0.00%					\$ -	
	374	2741	Rights of Way	1.54%					\$ -	
	374	2742	City Gate Check Station	0.00%					\$ -	
	375	2750	Structures & Improvements	2.05%					\$ -	
	376	2761, 2764	Mains - Cast Iron & Copper	2.72%					\$ -	
	376	2762, 65, 67, 69	Mains - Steel	1.87%	\$ 5,441,700	\$ 36,301	\$ 1,808,025	\$ 2,142,391	\$ 11,365,017	
	376	2763, 2768, 2768	Mains - Plastic	2.06%	\$ 1,854,621	\$ 480,338	\$ 82,136	\$ 1,587,595	\$ 9,243,336	
	378	2780	System Meas. & Reg. Station Equipment	2.35%	-	-	-	-	\$ 272,293	
	378	2781	System Meas. & Reg. Station Equipment-Elec	7.00%					\$ 595,385	
	378	2782	District Regulating Equipment	2.40%					\$ 513,781	
	379	2790	Meas. & Reg. - City Gate	5.67%	\$ 1,371	-	\$ (782)		\$ -	
	380	2801	Services- Cast Iron & Copper	3.11%					\$ -	
	380	2802, 2804, 2804	Services-Steel	2.88%	\$ 17,658	\$ 70,380	\$ 59,944	\$ 70,293	\$ 467,170	
	380	2803, 05, 06, 07	Services-Plastic	3.59%	\$ 1,623,388	\$ 1,646,254	\$ 1,660,206	\$ 1,751,584	\$ 18,458,034	
	381	2810, 2811	Motors	2.22%	\$ 298,817	\$ 310,111	\$ 135,162	\$ 398,753	\$ 2,347,929	
	381	2812	Utility of the Future Motors	5.00%					\$ -	
	382	2820, 2821	Meter Installations	2.00%					\$ -	
	383	2830	House Regulators	2.00%					\$ 269,299	
	384	2840	House Regulator Installations	2.00%					\$ -	
	385	2850	Large Industrial Meas. & Reg. Equipment	2.63%					\$ -	
	385	2851	Large Industrial Meas. & Reg. Equipment - Comm	4.20%					\$ -	
	387	2870	Other Equipment - Other	6.67%					\$ -	
	387	2871	Street Lighting Equipment	2.87%					\$ -	
	390	2900	Structures & Improvements	3.33%					\$ -	
	394	2940	Tools, Shop & Garage Equipment	4.00%					\$ -	
	395	2950	Laboratory Equipment	6.67%					\$ 302,151	
	396	2960	Power Operated Equipment	6.96%	\$ 347,013	-	\$ 65,103	\$ 62,829	\$ 504,197	
	397	2970	Communication Equipment	6.67%					\$ 25,744	
	Distribution Improvement Sum					\$ 9,684,049	\$ 3,094,066	\$ 3,816,841	\$ 5,860,279	\$ 42,365,247
	Information Technology	391	2911	Electronic Data Processing	20.00%	\$ 142,082	\$ 10,482	\$ 11,153	\$ 14,575	\$ 452,331
			2930	Miscellaneous Intangible Plant	0.00%					\$ -
	Information Technology Sum					\$ 142,082	\$ 10,482	\$ 11,153	\$ 14,575	\$ 452,331
	Total CEP Additions					\$ 9,726,131	\$ 3,084,549	\$ 3,828,994	\$ 5,875,264	\$ 42,817,578

DUKE ENERGY OHIO, INC.  
CAPITAL EXPENDITURE PROGRAM (CEP)  
CASE NO. 13-2417-GA-UNC and 13-2418-GA-AAM  
RETIREMENTS BY FERC ACCOUNT  
FOR THE MONTHS - JANUARY 2015 - DECEMBER 2016  
SOURCE: POWERPLAN

HB 95 Category	FERC ACCT	CO. ACCOUNT	ACCOUNT TITLE	Rate	201501	201502	201503	201504	201505	201506	201507	201508
Distribution Improvement	374	2740	Land and Land Rights	0.00%								
	374	2741	Rights of Way	1.54%								
	374	2742	City Gate Check Station	0.00%								
	375	2750	Structures & Improvements	2.09%								
	376	2761, 2764	Mains - Cast Iron & Copper	2.72%								
	376	2762, 65, 67, 69	Mains - Steel	1.87%								
	376	2763, 2766, 2768	Mains - Plastic	2.08%								
	378	2780	System Meas. & Reg. Station Equipment	2.35%								
	378	2781	System Meas. & Reg. Station Equipment-Elcc	7.00%								
	378	2782	District Regulating Equipment	2.40%								
	379	2790	Meas. & Reg. - City Gate	6.67%								
	380	2801	Services - Cast Iron & Copper	3.11%								
	380	2802, 2804, 2804	Services-Steel	2.86%								
	380	2803, 05, 06, 07	Services-Plastic	3.59%								
	381	2810, 2811	Meters	2.22%								
	381	2812	Utility of the Future Meters	5.00%								
	382	2820, 2821	Meter Installations	2.00%								
	383	2830	House Regulators	2.00%								
	384	2840	House Regulator Installations	2.00%								
	385	2850	Large Industrial Meas. & Reg. Equipment	2.63%								
Information Technology	385	2851	Large Industrial Meas. & Reg. Equipment - Comm	4.20%								
	387	2870	Other Equipment - Other	6.67%								
	387	2871	Street Lighting Equipment	2.67%								
	390	2900	Structures & Improvements	3.33%								
	394	2940	Tools, Shop & Garage Equipment	4.00%								
	395	2950	Laboratory Equipment	6.67%								
	396	2960	Power Operated Equipment	6.66%								
	397	2970	Communication Equipment	6.67%								
			Distribution Improvement Sum		\$ (217,401)	\$ (25,092)	\$ (127,447)	\$ (1,533,397)	\$ (232,204)	\$ (104,275)	\$ (100,891)	\$ (78,476)
Information Technology	391	2911	Electronic Data Processing	20.00%								
	0	2030	Miscellaneous Intangible Plant	0.00%								
Information Technology Sum					\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total CEP Retirements					\$ (217,401)	\$ (25,092)	\$ (127,447)	\$ (1,533,397)	\$ (232,204)	\$ (104,275)	\$ (100,891)	\$ (78,476)

DUKE ENERGY OHIO, INC.  
CAPITAL EXPENDITURE PROGRAM (CEP)  
CASE NO. 13-2417-GA-UNC and 13-2418-GA-AAM  
RETIREMENTS BY FERC ACCOUNT  
FOR THE MONTHS - JANUARY 2016 - DECEMBER 2015  
SOURCE: POWERPLAN

HB 95 Category	FERC ACCT	CO. ACCOUNT	ACCOUNT TITLE	Rate	201509	201510	201511	201512	2015 Totals
Distribution Improvement	374	2740	Land and Land Rights	0.00%					\$ -
	374	2741	Rights of Way	1.54%					\$ -
	374	2742	City Gate Check Station	0.00%					\$ -
	375	2750	Structures & Improvements	2.05%					\$ -
	376	2761, 2764	Mains - Cast Iron & Copper	2.72%				(52)	(170)
	376	2762, 65, 67, 69	Mains - Steel	1.87%	3,896	(16,771)	(15,131)	(186,502)	(580,321)
	376	2763, 2766, 2768	Mains - Plastic	2.08%	(338)	(6,540)	(3,034)	(43,719)	(101,966)
	378	2780	System Meas. & Reg. Station Equipment	2.35%					\$ -
	378	2781	System Meas. & Reg. Station Equipment-Elec	7.00%					\$ -
	378	2782	District Regulating Equipment	2.40%					\$ -
	379	2790	Meas. & Reg. - City Gate	6.67%					\$ -
	380	2801	Services-Cast Iron & Copper	3.11%	(9,297)	(9,561)	(19,013)	(28,348)	(125,180)
	380	2802, 2804, 2804	Services-Steel	2.88%	(3,595)	(5,534)	(1,932)	(4,282)	(34,104)
	380	2803, 05, 06, 07	Services-Plastic	3.59%	(56,950)	(105,896)	(101,925)	(23,338)	(767,040)
	381	2810, 2811	Meters	2.22%		(1,172,509)	(372,363)		(1,594,516)
	381	2812	Utility of the Future Meters	5.00%					\$ -
	382	2820, 2821	Meter Installations	2.00%		(744,685)			(744,685)
	383	2830	House Regulators	2.00%					(1,339,108)
	384	2840	House Regulator Installations	2.00%					\$ -
	385	2850	Large Industrial Meas. & Reg. Equipment	2.63%					\$ -
	385	2851	Large Industrial Meas. & Reg. Equipment - Comm	4.20%					\$ -
	387	2870	Other Equipment - Other	6.67%					\$ -
	387	2871	Street Lighting Equipment	2.67%					(59,477)
	390	2900	Structures & Improvements	3.33%					\$ -
	394	2940	Tools, Shop & Garage Equipment	4.00%					\$ -
	395	2950	Laboratory Equipment	6.67%					\$ -
	396	2960	Power Operated Equipment	6.36%					\$ -
	397	2970	Communication Equipment	6.67%					\$ -
Distribution Improvement Sum					\$ (66,281)	\$ (2,061,496)	\$ (513,397)	\$ (286,240)	\$ (5,346,597)
Information Technology	391	2911	Electronic Data Processing	20.00%					\$ -
	0	2030	Miscellaneous Intangible Plant	0.00%					\$ -
Information Technology Sum					\$ -	\$ -	\$ -	\$ -	\$ -
Total CEP Retirements					\$ (66,281)	\$ (2,061,496)	\$ (513,397)	\$ (286,240)	\$ (5,346,597)

DUKE ENERGY OHIO, INC.  
CAPITAL EXPENDITURE PROGRAM (CEP)  
CASE NO. 13-2417-GA-UNC and 13-2418-GA-AAM  
DEFERRED DEPRECIATION  
DISTRIBUTION IMPROVEMENT  
FOR THE MONTHS - JANUARY 2015 - DECEMBER 2015

Description: Provide detailed calculation of deferred depreciation on CEP investments.  
Represents the Deferred Depreciation on Distribution Improvement.

Line  
No.

[A] Current Period Balance

Description: Current Period Deferred Depreciation Balance for Distribution Improvement  
Calculation: Prior Month Deferred Balance + Current Month Deferred Depreciation

Budget Category	201412	201501	201502	201503	201504	201505	201506	201507
1 Distribution Improvement - Deferred Depreciation	\$ 1,152,261	\$ 1,259,919	\$ 1,372,932	\$ 1,491,835	\$ 1,617,618	\$ 1,745,733	\$ 1,878,679	\$ 2,022,205

[B] Net Plant Additions Eligible for Deferred Depreciation  
Description: Monthly Activity of Net Plant Additions for Distribution Improvement  
Source: Work Paper-3.1 and Work Paper-3.2

Utility Account	201412	201501	201502	201503	201504	201505	201506	201507
2 Land and Land Rights	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3 Rights of Way	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4 City Gate Check Station	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5 Structures & Improvements	\$ 47,835	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6 Mains - Cast Iron & Copper	\$ (48)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7 Mains - Steel	\$ 203,417	\$ (9,892)	\$ 30,144	\$ 540,514	\$ 207,700	\$ 600,095	\$ 61,172	\$ 22,953
8 Mains - Plastic	\$ 48,031	\$ 1,630,248	\$ 227,784	\$ 1,194,380	\$ 318,419	\$ 252,074	\$ 983,228	\$ 303,702
9 System Meas. & Reg. Station Equipment	\$ 36,864	\$ 148	\$ -	\$ 12,720	\$ -	\$ -	\$ 13,828	\$ 245,588
10 System Meas. & Reg. Station Equipment-Elec	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 596,388	\$ -
11 District Regulating Equipment	\$ 1,244	\$ 69,540	\$ 281,948	\$ 57,590	\$ 118,208	\$ 5,917	\$ -	\$ -
12 Meas. & Reg. - City Gate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13 Services- Cast Iron & Copper	\$ (4,512)	\$ (7,567)	\$ (6,182)	\$ (8,088)	\$ (5,617)	\$ (5,937)	\$ (8,681)	\$ (7,337)
14 Services-Steel	\$ 53,095	\$ 15,086	\$ 26,312	\$ 57,789	\$ 8,714	\$ 16,578	\$ 34,628	\$ 19,708
15 Services-Plastic	\$ 1,380,208	\$ 736,965	\$ 1,494,576	\$ 1,120,520	\$ 1,089,085	\$ 1,005,780	\$ 1,614,272	\$ 614,485
16 Meters	\$ (428,540)	\$ (8,604)	\$ 68,571	\$ 100,486	\$ 1,570	\$ 163,352	\$ 136,378	\$ 158,138
17 Utility of the Future Meters	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18 Meter Installations	\$ (100,088)	\$ -	\$ -	\$ -	\$ (1,312,656)	\$ 2,166	\$ -	\$ -
19 House Regulators	\$ 244,887	\$ 111,157	\$ 70,037	\$ 59,497	\$ -	\$ -	\$ -	\$ -
20 House Regulator Installations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21 Large Industrial Meas. & Reg. Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22 Large Industrial Meas. & Reg. Equipment - Comm	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23 Other Equipment - Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24 Street Lighting Equipment	\$ (303)	\$ (1,488)	\$ -	\$ (13,142)	\$ (12,401)	\$ (3,322)	\$ (5,477)	\$ (22,841)
25 Structures & Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27 Tools, Shop & Garage Equipment	\$ 470,005	\$ 5,021	\$ 49,281	\$ 30,475	\$ 3,836	\$ 6,303	\$ 599	\$ 275
28 Laboratory Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
29 Power Operated Equipment	\$ -	\$ -	\$ -	\$ -	\$ 29,253	\$ -	\$ -	\$ -
30 Communication Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
31 Total Distribution Improvement	\$ 1,952,178	\$ 2,540,561	\$ 2,222,319	\$ 3,152,724	\$ 446,295	\$ 2,103,016	\$ 3,452,074	\$ 1,359,656

DUKE ENERGY OHIO, INC.  
CAPITAL EXPENDITURE PROGRAM (CEP)  
CASE NO. 13-2417-GA-UNC and 13-2418-GA-AAM  
DEFERRED DEPRECIATION  
DISTRIBUTION IMPROVEMENT  
FOR THE MONTHS - JANUARY 2015 - DECEMBER 2015

Description: Provide detailed calculation of deferred depreciation on CEP Investments.  
Represents the Deferred Depreciation on Distribution Improvement.

Line	Utility Account	Depreciation Rate (%)	201412	201501	201502	201503	201504	201505	201506	201507
32	Land and Land Rights	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
33	Rights of Way	1.54%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
34	City Gate Check Station	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
35	Structures & Improvements	2.09%	\$ 319	\$ 403	\$ 403	\$ 403	\$ 403	\$ 403	\$ 403	\$ 403
36	Mains - Cast Iron & Copper	2.72%	\$ (27)	\$ (27)	\$ (27)	\$ (28)	\$ (28)	\$ (28)	\$ (28)	\$ (28)
37	Mains - Steel	1.87%	\$ 2,787	\$ 3,104	\$ 3,089	\$ 3,135	\$ 3,978	\$ 4,302	\$ 5,331	\$ 5,426
38	Mains - Plastic	2.08%	\$ 11,068	\$ 11,151	\$ 13,977	\$ 14,372	\$ 16,442	\$ 16,994	\$ 17,431	\$ 16,135
39	System Meas. & Reg. Station Equipment	2.35%	\$ 158	\$ 229	\$ 229	\$ 229	\$ 254	\$ 254	\$ 254	\$ 281
40	System Meas. & Reg. Station Equipment-Elec	7.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,479
41	District Regulating Equipment	2.40%	\$ 742	\$ 744	\$ 883	\$ 1,407	\$ 1,522	\$ 1,759	\$ 1,771	\$ 1,771
42	Meas. & Reg. - City Gate	6.67%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
43	Services - Cast Iron & Copper	3.11%	\$ (758)	\$ (770)	\$ (789)	\$ (805)	\$ (826)	\$ (841)	\$ (856)	\$ (879)
44	Services-Steel	2.88%	\$ 788	\$ 885	\$ 891	\$ 964	\$ 1,133	\$ 1,154	\$ 1,194	\$ 1,277
45	Services-Plastic	3.59%	\$ 78,937	\$ 83,066	\$ 85,271	\$ 89,742	\$ 93,094	\$ 95,352	\$ 99,381	\$ 104,191
46	Meters	2.22%	\$ 275	\$ (517)	\$ (533)	\$ (407)	\$ (221)	\$ (218)	\$ 84	\$ 337
47	Utility of the Future Meters	5.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
48	Meter Installations	2.00%	\$ (58)	\$ (225)	\$ (225)	\$ (225)	\$ (225)	\$ (225)	\$ (225)	\$ (225)
49	House Regulators	2.00%	\$ 3,699	\$ 4,107	\$ 4,293	\$ 4,409	\$ 4,509	\$ 2,321	\$ 2,324	\$ 2,324
50	House Regulator Installations	2.00%	\$ 126	\$ 126	\$ 126	\$ 126	\$ 126	\$ 126	\$ 126	\$ 126
51	Large Industrial Meas. & Reg. Equipment	2.63%	\$ 7	\$ 7	\$ 7	\$ 7	\$ 7	\$ 7	\$ 7	\$ 7
52	Large Industrial Meas. & Reg. Equipment - Comm	4.20%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
53	Other Equipment - Other	6.67%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
54	Street Lighting Equipment	2.67%	\$ (162)	\$ (163)	\$ (166)	\$ (166)	\$ (155)	\$ (223)	\$ (230)	\$ (243)
55	Structures & Improvements	3.33%	\$ (343)	\$ (343)	\$ (343)	\$ (343)	\$ (343)	\$ (343)	\$ (343)	\$ (343)
56	Tools, Shop & Garage Equipment	4.00%	\$ 2,521	\$ 4,088	\$ 4,104	\$ 4,269	\$ 4,370	\$ 4,383	\$ 4,404	\$ 4,406
57	Laboratory Equipment	6.67%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
58	Power Operated Equipment	6.36%	\$ 1,783	\$ 1,783	\$ 1,783	\$ 1,783	\$ 1,733	\$ 1,938	\$ 1,938	\$ 1,938
59	Communication Equipment	5.67%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 143
60	Total Distribution Improvement Deferred Depreciation		\$ 101,840	\$ 107,558	\$ 113,013	\$ 118,903	\$ 125,783	\$ 128,115	\$ 132,946	\$ 143,526

[1] Utility Account specific depreciation rates approved in Case No. 12-1885-GA-AIR

DUKE ENERGY OHIO, INC.  
CAPITAL EXPENDITURE PROGRAM (CEP)  
CASE NO. 13-2417-GA-UNC and 13-2418-GA-AAM  
DEFERRED DEPRECIATION  
DISTRIBUTION IMPROVEMENT  
FOR THE MONTHS - JANUARY 2015 - DECEMBER 2015

Description: Provide detailed calculation of deferred depreciation on CEP Investments.  
Represents the Deferred Depreciation on Distribution Improvement

Line  
No.

[A] Cumulative Balances  
Description: Cumulative Deferred Depreciation Balance for Distribution Improvement  
Calculation: Prior Month Deferred Balance + Current Month Deferred Depreciation

Budget Category	201508	201509	201510	201511	Balance at 201512
1 Distribution Improvement - Deferred Depreciation	\$ 2,166,893	\$ 2,322,132	\$ 2,464,160	\$ 2,670,745	\$ 2,854,938

[B] Net Plant Additions Eligible for Deferred Depreciation  
Description: Monthly Activity of Net Plant Additions for Distribution Improvement  
Source: Work Paper-3.1 and Work Paper-3.2

Utility Account	201508	201509	201510	201511	201512	Activity for Twelve Months Ended 12/31/2015
2 Land and Land Rights	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3 Rights of Way	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4 City Gate Check Station	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5 Structures & Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6 Mains - Cast Iron & Copper	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7 Mains - Steel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8 Mains - Plastic	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9 System Meas. & Reg. Station Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10 System Meas. & Reg. Station Equipment-Elec	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11 District Regulating Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12 Meas. & Reg. - City Gate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13 Services-Cast Iron & Copper	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14 Services-Steel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15 Services-Plastic	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16 Meters	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17 Utility of the Future Meters	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18 Meter Installations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
19 House Regulators	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
20 Large Industrial Meas. & Reg. Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21 Large Industrial Meas. & Reg. Equipment - Comm	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22 Other Equipment - Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23 Street Lighting Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24 Structures & Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25 Tools, Shop & Garage Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
26 Laboratory Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27 Power Operated Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28 Communication Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
29 Total Distribution Improvement	\$ 2,545,173	\$ 9,517,768	\$ 1,022,570	\$ 3,302,444	\$ 5,374,040	\$ 37,018,650

Exhibit No 3 Line 4

DUKE ENERGY OHIO, INC.  
CAPITAL EXPENDITURE PROGRAM (CEP)  
CASE NO. 13-2417-GA-UNC and 13-2418-GA-AAH  
DEFERRED DEPRECIATION  
DISTRIBUTION IMPROVEMENT  
FOR THE MONTHS - JANUARY 2015 - DECEMBER 2016

Description: Provide detailed calculation of deferred depreciation on CEP Investments.  
Represents the Deferred Depreciation on Distribution Improvement.

Line	Utility Account	Depreciation Rate (%)	201508	201509	201510	201511	201512	Activity for Twelve Months Ended 12/31/2015
32	Land and Land Rights	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
33	Rights of Way	1.54%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
34	City Gate Check Station	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
35	Structures & Improvements	2.06%	\$ 403	\$ 403	\$ 403	\$ 403	\$ 403	\$ 4,836
36	Mains - Cast Iron & Copper	2.72%	\$ (28)	\$ (28)	\$ (28)	\$ (28)	\$ (28)	\$ (334)
37	Mains - Steel	1.87%	\$ 5,462	\$ 5,553	\$ 14,038	\$ 14,069	\$ 16,863	\$ 84,351
38	Mains - Plastic	2.08%	\$ 19,671	\$ 20,148	\$ 23,352	\$ 24,183	\$ 24,320	\$ 221,186
39	System Meas. & Reg. Station Equipment	2.35%	\$ 762	\$ 762	\$ 762	\$ 762	\$ 762	\$ 5,540
40	System Meas. & Reg. Station Equipment-Elec	7.00%	\$ 3,479	\$ 3,479	\$ 3,479	\$ 3,479	\$ 3,479	\$ 20,874
41	District Regulating Equipment	2.40%	\$ 1,771	\$ 1,771	\$ 1,773	\$ 1,773	\$ 1,772	\$ 18,717
42	Meas. & Reg. - City Gate	6.67%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
43	Services-Cast Iron & Copper	3.11%	\$ (858)	\$ (923)	\$ (947)	\$ (971)	\$ (1,021)	\$ (10,526)
44	Services-Steel	2.88%	\$ 1,324	\$ 1,448	\$ 1,461	\$ 1,637	\$ 1,776	\$ 15,244
45	Services-Plastic	3.59%	\$ 105,029	\$ 110,861	\$ 115,568	\$ 120,176	\$ 124,838	\$ 1,228,569
46	Meters	2.22%	\$ 629	\$ 1,620	\$ 2,173	\$ 577	\$ 139	\$ 3,663
47	Utility of the Future Meters	5.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
48	Motor Installations	2.00%	\$ (225)	\$ (225)	\$ (225)	\$ (1,456)	\$ (1,456)	\$ (5,182)
49	House Regulator Installations	2.00%	\$ 2,324	\$ 2,324	\$ 2,324	\$ 2,324	\$ 2,324	\$ 35,807
50	House Regulator Meas. & Reg. Equipment	2.00%	\$ 126	\$ 126	\$ 126	\$ 126	\$ 126	\$ 1,512
51	Large Industrial Meas. & Reg. Equipment - Comm	2.63%	\$ 7	\$ 7	\$ 7	\$ 7	\$ 7	\$ 84
52	Other Equipment - Other	4.20%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
53	Street Lighting Equipment	6.67%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
54	Structures & Improvements	2.67%	\$ (293)	\$ (295)	\$ (295)	\$ (295)	\$ (295)	\$ (2,859)
55	Tools, Shop & Garage Equipment	3.33%	\$ (343)	\$ (343)	\$ (343)	\$ (343)	\$ (343)	\$ (4,116)
56	Laboratory Equipment	4.00%	\$ 4,407	\$ 4,450	\$ 4,450	\$ 6,252	\$ 6,272	\$ 55,855
57	Power Operated Equipment	6.67%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
58	Communication Equipment	6.35%	\$ 1,938	\$ 1,938	\$ 3,777	\$ 3,777	\$ 4,122	\$ 28,498
59	Total Distribution Improvement Deferred Depreciation	6.67%	\$ 143	\$ 143	\$ 143	\$ 143	\$ 143	\$ 858
60			\$ 146,688	\$ 153,239	\$ 172,028	\$ 176,585	\$ 184,193	\$ 1,702,677

[1] Utility Account specific depreciation rate approved in Case No 12-1685-GA-AIR.

DUKE ENERGY OHIO, INC.  
CAPITAL EXPENDITURE PROGRAM (CEP)  
CASE NO. 13-2417-GA-UNC and 13-2418-GA-AAM  
DEFERRED DEPRECIATION  
INFORMATION TECHNOLOGY  
FOR THE MONTHS - JANUARY 2015 - DECEMBER 2015

Description: Provide detailed calculation of deferred depreciation on CEP Investments.  
Represents the Deferred Depreciation on Information Technology

Line  
No.

[A] Cumulative Balance

Description: Cumulative Deferred Depreciation Balance for Information Technology  
Calculation: Prior Month Deferred Balance + Current Month Deferred Depreciation

Budget Category	201412	201501	201502	201503	201504	201505	201506	201507	201508	201509
1 Information Technology - Deferred Depreciation	\$ -	\$ 14	\$ 3,801	\$ 7,588	\$ 11,375	\$ 15,416	\$ 19,457	\$ 24,032	\$ 28,607	\$ 33,182

[B] Net Plant Additions Eligible for Deferred Depreciation

Description: Monthly Activity of Net Plant Additions for Information Technology  
Source: Work Paper-3.1 and Work Paper-3.2

Utility Account	201412	201501	201502	201503	201504	201505	201506	201507	201508	201509
2 Electronic Data Processing	\$ 851	\$ 226,353	\$ -	\$ -	\$ 15,270	\$ -	\$ 32,016	\$ -	\$ -	\$ 142,082
3 Miscellaneous Intangible Plant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4 Total Information Technology	\$ 851	\$ 226,353	\$ -	\$ -	\$ 15,270	\$ -	\$ 32,016	\$ -	\$ -	\$ 142,082

[C] Deferred Depreciation Calculation

Description: Deferred Depreciation Calculation by Month  
Calculation: Prior Month Asset Balance x Depreciation Rate/12 Months

Utility Account	201412	201501	201502	201503	201504	201505	201506	201507	201508	201509
5 Electronic Data Processing	\$ -	\$ 14	\$ 3,787	\$ 3,787	\$ 3,787	\$ 4,041	\$ 4,041	\$ 4,575	\$ 4,575	\$ 4,575
6 Miscellaneous Intangible Plant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7 Total Information Technology Deferred Depreciation	\$ -	\$ 14	\$ 3,787	\$ 3,787	\$ 3,787	\$ 4,041	\$ 4,041	\$ 4,575	\$ 4,575	\$ 4,575

[1] Utility Account specific depreciation rate approved in Case No. 12-1685 GA AIR.

DUKE ENERGY OHIO, INC.  
CAPITAL EXPENDITURE PROGRAM (CEP)  
CASE NO. 13-2417-GA-UNC and 13-2418-GA-AAM  
DEFERRED DEPRECIATION  
INFORMATION TECHNOLOGY  
FOR THE MONTHS - JANUARY 2015 - DECEMBER 2015

Description: Provide detailed calculation of deferred depreciation on CEP investments.  
Represents the Deferred Depreciation on Information Technology

Line  
No.

[A] Cumulative Balance  
Description: Cumulative Deferred Depreciation Balance for Information Technology  
Calculation: Prior Month Deferred Balance + Current Month Deferred Depreciation

	Budget Category		Balance at	
	201510	201511	201512	201512
1	Information Technology - Deferred Depreciation	\$ 40,125	\$ 47,243	\$ 54,546

[B] Net Plant Additions Eligible for Deferred Depreciation  
Description: Monthly Activity of Net Plant Additions for Information Technology  
Source: Work Paper-3 1 and Work Paper-3 2

	Utility Account		Activity for Twelve Months Ended	
	201510	201611	201512	12/31/2015
2	Electronic Data Processing	\$ 10,482	\$ 11,153	\$ 14,975
3	Miscellaneous Intangible Plant	\$ -	\$ -	\$ -
4	Total Information Technology	\$ 10,482	\$ 11,153	\$ 14,975
				452,331
				Exhibit No 3 Line 5

[C] Deferred Depreciation Calculation  
Description: Deferred Depreciation Calculation by Month  
Calculation: Prior Month Asset Balance x Depreciation Rate/12 Months

	Utility Account		Depreciation Rate (%)		Activity for Twelve Months Ended	
	201510	201611	201512	201612	12/31/2015	12/31/2016
5	Electronic Data Processing	\$ 6,943	\$ 7,118	\$ 7,303	\$ 54,546	\$ -
6	Miscellaneous Intangible Plant	\$ -	\$ -	\$ -	\$ -	\$ -
7	Total Information Technology Deferred Depreciation	\$ 6,943	\$ 7,118	\$ 7,303	\$ 54,546	\$ -

[1] Utility Account specific depreciation rate approved in Case No. 12-1685-GA-AIR.

DUKE ENERGY OHIO, INC.  
CAPITAL EXPENDITURE PROGRAM (CEP)  
CASE NO. 13-2417-GA-UNC and 13-2418-GA-AAM  
POST IN-SERVICE CARRYING COSTS (PISCC)  
FOR THE MONTHS - JANUARY 2016 - DECEMBER 2016

Description: Provide detailed calculation of post in service carrying costs (PISCC) on CEP Investments  
Represents the deferred PISCC on eligible investments

Line  
No.

[A] Cumulative Balance

Description: Cumulative Deferred PISCC Balance for eligible CEP Investments  
Calculation: Prior Month Deferred Balance + Current Month Deferred PISCC

Budget Category	Balance at 201412	201501	201502	201503	201504	201505	201506	201507
1 Distribution Improvement	\$ 1,849,336	\$ 2,023,644	\$ 2,208,737	\$ 2,403,182	\$ 2,611,077	\$ 2,820,393	\$ 3,038,484	\$ 3,271,250
2 Information Technology	\$ -	\$ 4	\$ 1,011	\$ 2,001	\$ 2,976	\$ 4,000	\$ 5,007	\$ 6,138
3 Total CEP - Deferred PISCC	\$ 1,849,336	\$ 2,023,648	\$ 2,209,748	\$ 2,405,183	\$ 2,614,052	\$ 2,824,393	\$ 3,043,471	\$ 3,277,388

[B] Net Plant Additions Eligible for Deferred PISCC

Description: Net Plant Addition Balance by Month for eligible CEP Investments  
Source: Exhibit No. 3

Utility Account	Balance at 201412	201501	201502	201503	201504	201505	201506	201507
4 Distribution Improvement	\$ 40,460,772	\$ 43,010,332	\$ 45,232,652	\$ 48,385,375	\$ 48,831,870	\$ 50,934,687	\$ 54,386,781	\$ 55,728,427
5 Information Technology	\$ 851	\$ 227,204	\$ 227,204	\$ 227,204	\$ 242,474	\$ 242,474	\$ 274,490	\$ 274,490
6 Total CEP In-Service	\$ 40,470,623	\$ 43,237,536	\$ 45,459,856	\$ 48,612,579	\$ 49,074,344	\$ 51,177,161	\$ 54,661,251	\$ 56,000,917

[C] Accumulated Depreciation on Net Plant Additions

Description: Accumulated Depreciation Balance by Month on eligible CEP Investments  
Source: Exhibit No. 4a, Exhibit No. 4b

Utility Account	Balance at 201412	201501	201502	201503	201504	201505	201506	201507
7 Distribution Improvement	\$ (1,152,261)	\$ (1,259,919)	\$ (1,372,932)	\$ (1,481,835)	\$ (1,517,618)	\$ (1,745,733)	\$ (1,878,679)	\$ (2,022,205)
8 Information Technology	\$ -	\$ (14)	\$ (3,801)	\$ (7,588)	\$ (11,375)	\$ (15,416)	\$ (19,457)	\$ (24,032)
9 Total CEP Accumulated Depreciation	\$ (1,152,261)	\$ (1,259,933)	\$ (1,376,733)	\$ (1,489,423)	\$ (1,528,993)	\$ (1,761,149)	\$ (1,898,136)	\$ (2,046,237)

[D] Deferred PISCC Calculation

Description: Deferred PISCC Calculation by Month  
Source: (Net Plant Addition Balance Prior Month + Accumulated Depreciation Balance Prior Month) x PISCC Rate/12 Months

Utility Account	PISCC Rate	201412	201501	201502	201503	201504	201505	201506	201507
10 Distribution Improvement	5.32%	\$ 166,104	\$ 174,308	\$ 185,093	\$ 194,445	\$ 207,895	\$ 209,316	\$ 218,071	\$ 232,786
11 Information Technology	5.32%	\$ -	\$ 4	\$ 1,007	\$ 990	\$ 974	\$ 1,025	\$ 1,007	\$ 1,131
12 Total CEP Deferred PISCC		\$ 166,104	\$ 174,312	\$ 186,100	\$ 195,435	\$ 208,869	\$ 210,341	\$ 219,078	\$ 233,917

DUKE ENERGY OHIO, INC.  
CAPITAL EXPENDITURE PROGRAM (CEP)  
CASE NO. 13-2417-GA-JNC and 13-2418-GA-AAM  
POST IN-SERVICE CARRYING COSTS (PISCC)  
FOR THE MONTHS - JANUARY 2015 - DECEMBER 2015

Description: Provide detailed calculation of post in-service carrying costs (PISCC) on CEP Investments  
Represents the deferred PISCC on eligible investments

Line  
No.

**(A) Cumulative Balance**  
Description: Cumulative Deferred PISCC Balance for eligible CEP Investments  
Calculation: Prior Month Deferred Balance + Current Month Deferred PISCC

Budget Category	201508	201509	201510	201511	Balance at 201512
1 Distribution Improvement	\$ 3,508,339	\$ 3,759,061	\$ 4,048,299	\$ 4,342,308	\$ 4,650,175
2 Information Technology	\$ 7,248	\$ 8,338	\$ 10,038	\$ 11,753	\$ 13,486
3 Total CEP - Deferred PISCC	\$ 3,516,587	\$ 3,766,399	\$ 4,058,337	\$ 4,354,061	\$ 4,663,661

**(B) Net Plant Additions Eligible for Deferred PISCC**  
Description: Net Plant Addition Balance by Month for eligible CEP Investments  
Source: Exhibit No. 3

Utility Account	201508	201509	201510	201511	Balance at 201512
4 Distribution Improvement	\$ 58,271,600	\$ 67,789,368	\$ 68,811,938	\$ 72,114,382	\$ 77,488,422
5 Information Technology	\$ 274,480	\$ 416,672	\$ 427,054	\$ 438,207	\$ 453,182
6 Total CEP In-Service	\$ 58,546,080	\$ 68,206,040	\$ 69,238,992	\$ 72,552,589	\$ 77,941,603

**(C) Accumulated Depreciation on Net Plant Additions**  
Description: Accumulated Depreciation Balance by Month on eligible CEP Investments  
Source: Exhibit No. 4a, Exhibit No. 4b

Utility Account	201508	201509	201510	201511	Balance at 201512
7 Distribution Improvement	\$ (2,168,893)	\$ (2,322,132)	\$ (2,484,160)	\$ (2,670,745)	\$ (2,854,938)
8 Information Technology	\$ (28,607)	\$ (33,182)	\$ (40,125)	\$ (47,243)	\$ (54,546)
9 Total CEP Accumulated Depreciation	\$ (2,197,500)	\$ (2,355,314)	\$ (2,524,285)	\$ (2,717,988)	\$ (2,909,484)

**(D) Deferred PISCC Calculation**  
Description: Deferred PISCC Calculation by Month  
Source: (Net Plant Addition Balance Prior Month + Accumulated Depreciation Balance Prior Month) x PISCC Rate/12 Months

Utility Account	PISCC Rate	201508	201509	201510	201511	201512	Activity for Twelve Months Ended 12/31/2015
10 Distribution Improvement	5.32%	\$ 238,089	\$ 248,722	\$ 250,238	\$ 254,009	\$ 307,957	\$ 2,800,839
11 Information Technology	5.32%	\$ 1,110	\$ 1,090	\$ 1,700	\$ 1,715	\$ 1,733	\$ 13,486
12 Total CEP Deferred PISCC		\$ 239,199	\$ 249,812	\$ 251,938	\$ 255,724	\$ 309,690	\$ 2,814,325

DUKE ENERGY OHIO, INC.  
CAPITAL EXPENDITURE PROGRAM (CEP)  
CASE NO. 13-2417-GA-UNC and 13-2418-GA-AAM  
PROPERTY TAX DEFERRAL  
FOR THE PERIOD ENDED DECEMBER 31, 2015

Description: Provide summary of calculation of deferred property taxes on CEP Investments  
Represents the deferred property taxes on eligible Investments

Line  
No.

[A] Cumulative Balance

Description: Cumulative Deferred Property Tax Balance for eligible CEP Investments  
Calculation: Prior Year Deferred Balance + Current Year Deferred Activity

Budget Category	Balance at		
	12/31/2013	12/31/2014	12/31/2015
1 Distribution Improvement - Deferred Property Taxes	\$ -	\$ 509,951	\$ 1,621,109
2 Information Technology - Deferred Property Taxes	\$ -	\$ -	\$ 20
3 Total CEP - Deferred Property Taxes	\$ -	\$ 509,951	\$ 1,621,129

[B] Annual Property Tax Deferrals by Investment Year

Description: Property Tax Deferrals for Annual Period on eligible CEP Investments, by Investment Year  
Source: Work Paper 6.1

Utility Account	Activity through			
	12/31/2013	12/31/2014	12/31/2015	
4 Distribution Improvement				
5 2013 Investment - Accrued 2014	\$ -	\$ 509,951		Work Paper 6.1
6 2013 Investment - Accrued 2015			\$ 492,315	Work Paper 6.2
7 2014 Investment - Accrued 2015			\$ 618,843	Work Paper 6.3
9 Total Distribution Improvement	\$ -	\$ 509,951	\$ 1,111,158	
9 Information Technology				
10 2013 Investment - Accrued 2014	\$ -	\$ -		Work Paper 6.1
11 2013 Investment - Accrued 2015			\$ -	Work Paper 6.2
12 2014 Investment - Accrued 2015			\$ 20	Work Paper 6.3
13 Total Information Technology	\$ -	\$ -	\$ 20	
14 Total CEP Property Tax Activity	\$ -	\$ 509,951	\$ 1,111,178	

DUKE ENERGY OHIO, INC.  
CAPITAL EXPENDITURE PROGRAM (CEP)  
CASE NO. 13-2417-GA-UNC and 13-2418-GA-AM  
CALCULATION OF ESTIMATED PROPERTY TAX DEFERRAL  
2013 INVESTMENTS - PROPERTY TAXES EXPENSED IN 2014

Description: Provide detailed calculation of deferred property taxes (incremental) on CEP investments.  
Represents the deferred Property Taxes on CEP eligible investments.

Line No.		Year 2013	Year 2013 - Exemptions	Year 2013 - Taxable Value	% Good <sup>(1)</sup>	Tax Value
[A]	Distribution Improvement - Additions					
1	Land and Land Rights	\$ -	\$ -	\$ -	98.3%	\$ -
2	Rights of Way	\$ -	\$ -	\$ -	98.3%	\$ -
3	City Gate Check Station	\$ -	\$ -	\$ -	98.3%	\$ -
4	Structures & Improvements	\$ -	\$ -	\$ -	98.3%	\$ -
5	Mains - Cast Iron & Copper	\$ -	\$ -	\$ -	98.3%	\$ -
6	Mains - Steel	\$ 959,437	\$ -	\$ 959,437	98.3%	\$ 952,566
7	Mains - Plastic	\$ 2,922,729	\$ -	\$ 2,922,729	98.3%	\$ 2,873,341
8	System Mains & Reg. Station Equipment	\$ 11,253	\$ -	\$ 11,253	98.3%	\$ 11,100
9	System Mains & Reg. Station Equipment-Elec	\$ -	\$ -	\$ -	98.3%	\$ -
10	Street Regulating Equipment	\$ 144,349	\$ -	\$ 144,349	98.3%	\$ 141,865
11	Mains & Reg. - City Gate	\$ -	\$ -	\$ -	98.3%	\$ -
12	Services-Cast Iron & Copper	\$ -	\$ -	\$ -	98.3%	\$ -
13	Services-Steel	\$ 229,034	\$ -	\$ 229,034	98.3%	\$ 224,157
14	Services-Plastic	\$ 15,757,049	\$ -	\$ 15,757,049	98.3%	\$ 15,439,170
15	Meters	\$ 350,452	\$ -	\$ 350,452	98.3%	\$ 344,494
16	Utility of the Future Meters	\$ -	\$ -	\$ -	98.3%	\$ -
17	Meter Installations	\$ 55,453	\$ -	\$ 55,453	98.3%	\$ 54,340
18	House Regulators	\$ 1,059,302	\$ -	\$ 1,059,302	98.3%	\$ 1,049,450
19	House Regulator Installations	\$ 75,359	\$ -	\$ 75,359	98.3%	\$ 74,077
20	Large Industrial Mains & Reg. Equipment	\$ -	\$ -	\$ -	98.3%	\$ -
21	Large Industrial Mains & Reg. Equipment - Comm	\$ -	\$ -	\$ -	98.3%	\$ -
22	Other Equipment - Other	\$ -	\$ -	\$ -	98.3%	\$ -
23	Street Lighting Equipment	\$ -	\$ -	\$ -	98.3%	\$ -
24	Structures & Improvements	\$ -	\$ -	\$ -	98.3%	\$ -
25	Tools, Shop & Garage Equipment	\$ 264,750	\$ -	\$ 264,750	98.3%	\$ 259,255
26	Laboratory Equipment	\$ -	\$ -	\$ -	98.3%	\$ -
27	Power Operated Equipment	\$ -	\$ -	\$ -	98.3%	\$ -
28	Communication Equipment	\$ -	\$ -	\$ -	98.3%	\$ -
29	Distribution Improvement - Retirements					
30	Land and Land Rights	\$ -	\$ -	\$ -	15.0%	\$ -
31	Rights of Way	\$ -	\$ -	\$ -	15.0%	\$ -
32	City Gate Check Station	\$ -	\$ -	\$ -	15.0%	\$ -
33	Structures & Improvements	\$ -	\$ -	\$ -	15.0%	\$ -
34	Mains - Cast Iron & Copper	\$ (59,818)	\$ -	\$ (59,818)	15.0%	\$ (8,793)
35	Mains - Steel	\$ (947,525)	\$ -	\$ (947,525)	15.0%	\$ (142,123)
36	Mains - Plastic	\$ (678,925)	\$ -	\$ (678,925)	15.0%	\$ (101,839)
37	System Mains & Reg. Station Equipment	\$ (6,955)	\$ -	\$ (6,955)	15.0%	\$ (1,210)
38	System Mains & Reg. Station Equipment-Elec	\$ -	\$ -	\$ -	15.0%	\$ -
39	Street Regulating Equipment	\$ -	\$ -	\$ -	15.0%	\$ -
40	Mains & Reg. - City Gate	\$ -	\$ -	\$ -	15.0%	\$ -
41	Services-Cast Iron & Copper	\$ (154,209)	\$ -	\$ (154,209)	15.0%	\$ (23,131)
42	Services-Steel	\$ (39,033)	\$ -	\$ (39,033)	15.0%	\$ (5,705)
43	Services-Plastic	\$ (1,972,039)	\$ -	\$ (1,972,039)	15.0%	\$ (290,809)
44	Meters	\$ (364,296)	\$ -	\$ (364,296)	15.0%	\$ (53,144)
45	Utility of the Future Meters	\$ -	\$ -	\$ -	15.0%	\$ -
46	Meter Installations	\$ (100,370)	\$ -	\$ (100,370)	15.0%	\$ (15,056)
47	House Regulators	\$ -	\$ -	\$ -	15.0%	\$ -
48	House Regulator Installations	\$ -	\$ -	\$ -	15.0%	\$ -
49	Large Industrial Mains & Reg. Equipment	\$ -	\$ -	\$ -	15.0%	\$ -
50	Large Industrial Mains & Reg. Equipment - Comm	\$ -	\$ -	\$ -	15.0%	\$ -
51	Other Equipment - Other	\$ -	\$ -	\$ -	15.0%	\$ -
52	Street Lighting Equipment	\$ (63,982)	\$ -	\$ (63,982)	15.0%	\$ (9,537)
53	Structures & Improvements	\$ (123,531)	\$ -	\$ (123,531)	15.0%	\$ (18,520)
54	Tools, Shop & Garage Equipment	\$ -	\$ -	\$ -	15.0%	\$ -
55	Laboratory Equipment	\$ -	\$ -	\$ -	15.0%	\$ -
56	Power Operated Equipment	\$ -	\$ -	\$ -	15.0%	\$ -
57	Communication Equipment	\$ -	\$ -	\$ -	15.0%	\$ -
58	Net Tax Value Distribution Improvement (Sum of Lines 1 - 57)					\$ 20,875,471
59	Valuation Percentage (25%) <sup>(2)</sup>					25%
60	Taxable Value/Assessment (Line 58 x Line 59)					\$ 5,218,868
61	Duke Energy Ohio's Average 2014 Personal Property Tax Rate					9.7713%
62	Annual Property Tax Expense - Distribution Improvement (Line 60 x Line 61)					\$ 509,951
[B]	Information Technology - Additions					
63	Electronic Data Processing	\$ -	\$ -	\$ -	98.3%	\$ -
64	Miscellaneous Intangible Plant	\$ -	\$ -	\$ -	98.3%	\$ -
65	Information Technology - Retirements					
66	Electronic Data Processing	\$ -	\$ -	\$ -	15.0%	\$ -
67	Miscellaneous Intangible Plant	\$ -	\$ -	\$ -	15.0%	\$ -
68	Net Tax Value of Information Technology (Sum of Lines 62 - 65)					\$ -
69	Valuation Percentage (25%) <sup>(2)</sup>					25%
70	Taxable Value/Assessment (Line 68 x Line 69)					\$ -
71	Duke Energy Ohio's Average 2014 Personal Property Tax Rate					9.7713%
72	Annual Property Tax Expense - Information Technology (Line 70 x Line 71)					\$ -
73	Total Est. of 2014 Deferred Property Tax Expense (2013 Investment) - Capital Expenditure Program <sup>(3)</sup> (Sum of Lines 62 and 72)					\$ 509,951

Notes:

- (1) Per Ohio Department of Taxation Annual Natural Gas Property Tax Report, Schedule C(2) for specific classes of plant  
(2) Per Ohio Department of Taxation Annual Natural Gas Property Tax Report, Schedule C  
(3) Property tax expense is accrued one year in arrears. Therefore, no property tax expense will be deferred in 2013 and property tax expense deferred in 2014 will be based on assets placed in service as of December 31, 2013  
(4) Transportation equipment and Real Property is exempt from personal property taxes per Schedule C for general plant

DUKE ENERGY OHIO, INC.  
CAPITAL EXPENDITURE PROGRAM (CEP)  
CASE NO. 13-2417-QA-UHC and 13-2418-QA-AAM  
CALCULATION OF ESTIMATED PROPERTY TAX DEFERRAL  
2013 INVESTMENTS - PROPERTY TAXES EXPENSED IN 2015

Description: Provide detailed calculation of deferred property taxes (incremental) on CEP investments.  
Reprints the deferred Property Taxes on CEP eligible investments.

Line No.		Year 2013	Year 2013 - Exemptions	Year 2013 - Taxable Value	% Good <sup>(1)</sup>	Tax Value
[A]	Distribution Improvement - Additions					
1	Land and Land Rights	\$ -	\$ -	\$ -	95.0%	\$ -
2	Rights of Way	\$ -	\$ -	\$ -	95.0%	\$ -
3	City Gate Check Station	\$ -	\$ -	\$ -	95.0%	\$ -
4	Structures & Improvements	\$ -	\$ -	\$ -	95.0%	\$ -
5	Mains - Cast Iron & Copper	\$ -	\$ -	\$ -	95.0%	\$ -
6	Mains - Steel	\$ 689,437	\$ -	\$ 689,437	95.0%	\$ 620,955
7	Mains - Plastic	\$ 2,922,728	\$ -	\$ 2,922,728	95.0%	\$ 2,726,591
8	System Mains & Reg. Station Equipment	\$ 11,353	\$ -	\$ 11,353	95.0%	\$ 10,785
9	System Mains & Reg. Station Equipment-Elec	\$ -	\$ -	\$ -	95.0%	\$ -
10	District Regulating Equipment	\$ 144,349	\$ -	\$ 144,349	95.0%	\$ 137,101
11	Mains & Reg. - City Gate	\$ -	\$ -	\$ -	95.0%	\$ -
12	Services - Cast Iron & Copper	\$ -	\$ -	\$ -	95.0%	\$ -
13	Services-Steel	\$ 229,034	\$ -	\$ 229,034	95.0%	\$ 216,532
14	Services-Plastic	\$ 16,787,049	\$ -	\$ 16,787,049	95.0%	\$ 14,989,187
15	Meters	\$ 350,452	\$ -	\$ 350,452	95.0%	\$ 322,926
16	Utility of the Future Meters	\$ -	\$ -	\$ -	95.0%	\$ -
17	Meter Installations	\$ 65,453	\$ -	\$ 65,453	95.0%	\$ 62,100
18	House Regulators	\$ 1,088,392	\$ -	\$ 1,088,392	95.0%	\$ 1,033,744
19	House Regulator Installations	\$ 75,359	\$ -	\$ 75,359	95.0%	\$ 71,591
20	Large Industrial Mains & Reg. Equipment	\$ -	\$ -	\$ -	95.0%	\$ -
21	Large Industrial Mains & Reg. Equipment - Comm	\$ -	\$ -	\$ -	95.0%	\$ -
22	Other Equipment - Other	\$ -	\$ -	\$ -	95.0%	\$ -
23	Street Lighting Equipment	\$ -	\$ -	\$ -	95.0%	\$ -
24	Structures & Improvements	\$ -	\$ -	\$ -	95.0%	\$ -
25	Tools, Shop & Garage Equipment	\$ 284,750	\$ -	\$ 284,750	95.0%	\$ 251,515
26	Laboratory Equipment	\$ -	\$ -	\$ -	95.0%	\$ -
27	Power Operated Equipment	\$ -	\$ -	\$ -	95.0%	\$ -
28	Communication Equipment	\$ -	\$ -	\$ -	95.0%	\$ -
[B]	Distribution Improvement - Retirements					
29	Land and Land Rights	\$ -	\$ -	\$ -	15.0%	\$ -
30	Rights of Way	\$ -	\$ -	\$ -	15.0%	\$ -
31	City Gate Check Station	\$ -	\$ -	\$ -	15.0%	\$ -
32	Structures & Improvements	\$ -	\$ -	\$ -	15.0%	\$ -
33	Mains - Cast Iron & Copper	\$ (58,810)	\$ -	\$ (58,810)	15.0%	\$ (8,993)
34	Mains - Steel	\$ (847,525)	\$ -	\$ (847,525)	15.0%	\$ (127,129)
35	Mains - Plastic	\$ (978,525)	\$ -	\$ (978,525)	15.0%	\$ (146,779)
36	System Mains & Reg. Station Equipment	\$ (8,055)	\$ -	\$ (8,055)	15.0%	\$ (1,208)
37	System Mains & Reg. Station Equipment-Elec	\$ -	\$ -	\$ -	15.0%	\$ -
38	District Regulating Equipment	\$ -	\$ -	\$ -	15.0%	\$ -
39	Mains & Reg. - City Gate	\$ -	\$ -	\$ -	15.0%	\$ -
40	Services - Cast Iron & Copper	\$ (154,209)	\$ -	\$ (154,209)	15.0%	\$ (23,131)
41	Services-Steel	\$ (38,033)	\$ -	\$ (38,033)	15.0%	\$ (5,705)
42	Services-Plastic	\$ (1,072,059)	\$ -	\$ (1,072,059)	15.0%	\$ (160,809)
43	Meters	\$ (354,295)	\$ -	\$ (354,295)	15.0%	\$ (53,144)
44	Utility of the Future Meters	\$ -	\$ -	\$ -	15.0%	\$ -
45	Meter Installations	\$ (100,375)	\$ -	\$ (100,375)	15.0%	\$ (15,056)
46	House Regulators	\$ -	\$ -	\$ -	15.0%	\$ -
47	House Regulator Installations	\$ -	\$ -	\$ -	15.0%	\$ -
48	Large Industrial Mains & Reg. Equipment	\$ -	\$ -	\$ -	15.0%	\$ -
49	Large Industrial Mains & Reg. Equipment - Comm	\$ -	\$ -	\$ -	15.0%	\$ -
50	Other Equipment - Other	\$ -	\$ -	\$ -	15.0%	\$ -
51	Street Lighting Equipment	\$ (83,882)	\$ -	\$ (83,882)	15.0%	\$ (12,582)
52	Structures & Improvements	\$ (123,531)	\$ -	\$ (123,531)	15.0%	\$ (18,531)
53	Tools, Shop & Garage Equipment	\$ -	\$ -	\$ -	15.0%	\$ -
54	Laboratory Equipment	\$ -	\$ -	\$ -	15.0%	\$ -
55	Power Operated Equipment	\$ -	\$ -	\$ -	15.0%	\$ -
56	Communication Equipment	\$ -	\$ -	\$ -	15.0%	\$ -
57	Net Tax Value Distribution Improvement (Sum of Lines 1 - 56)					\$ 20,153,823
58	Valuation Percentage (25%) <sup>(2)</sup>					25%
59	Taxable Value/Assessment (Line 57 x Line 58)					\$ 5,038,280
60	Duke Energy Ohio's Average 2014 Personal Property Tax Rate					9.7713%
61	Annual Property Tax Expense - Distribution Improvement (Line 59 x Line 60)					\$ 492,315
[C]	Information Technology - Additions					
62	Electronic Data Processing	\$ -	\$ -	\$ -	95.0%	\$ -
63	Miscellaneous Intangible Plant	\$ -	\$ -	\$ -	95.0%	\$ -
[D]	Information Technology - Retirements					
64	Electronic Data Processing	\$ -	\$ -	\$ -	15.0%	\$ -
65	Miscellaneous Intangible Plant	\$ -	\$ -	\$ -	15.0%	\$ -
66	Net Tax Value of Information Technology (Sum of Lines 62 - 65)					\$ -
67	Valuation Percentage (25%) <sup>(2)</sup>					25%
68	Taxable Value/Assessment (Line 66 x Line 67)					\$ -
69	Duke Energy Ohio's Average 2014 Personal Property Tax Rate					9.7713%
70	Annual Property Tax Expense - Information Technology (Line 68 x Line 69)					\$ -
71	Total Est. of 2015 Deferred Property Tax Expense (2013 Investment) - Capital Expenditure Program <sup>(3)</sup>					\$ 492,315
	(Sum of Lines 61 and 70)					

Notes:

- (1) Per Ohio Department of Taxation Annual Natural Gas Property Tax Report, Schedule C(2) for specific classes of plant
- (2) Per Ohio Department of Taxation Annual Natural Gas Property Tax Report, Schedule G
- (3) Property tax expense deferred in 2015 is based on assets placed in service as of December 31, 2014
- (4) Transportation equipment and Real Property is exempt from personal property taxes per Schedule C for general plant

DUKE ENERGY OHIO, INC.  
CAPITAL EXPENDITURE PROGRAM (CEP)  
CASE NO. 13-2417-QA-JNC and 13-2418-QA-AA-M  
CALCULATION OF ESTIMATED PROPERTY TAX DEFERRAL  
2014 INVESTMENTS - PROPERTY TAXES EXPENSED IN 2015

Description: Provide detailed calculation of deferred property taxes (incremental) on CEP investments.  
Represents the deferred Property Taxes on CEP eligible investments.

Line No.		Year 2014	Year 2014 - Exemptions	Year 2014 - Taxable Value	% Good <sup>(1)</sup>	Tax Value
[A]	Distribution Improvement - Additions					
1	Land and Land Rights	\$ -	\$ -	\$ -	98.3%	\$ -
2	Rights of Way	\$ -	\$ -	\$ -	98.3%	\$ -
3	City Gate Check Station	\$ -	\$ -	\$ -	98.3%	\$ -
4	Structures & Improvements	\$ 231,249	\$ -	\$ 231,249	98.3%	\$ 227,518
5	Mains - Cast Iron & Copper	\$ -	\$ -	\$ -	98.3%	\$ -
6	Mains - Steel	\$ 2,710,389	\$ -	\$ 2,710,389	98.3%	\$ 2,664,311
7	Mains - Plastic	\$ 4,802,843	\$ -	\$ 4,802,843	98.3%	\$ 4,720,658
8	System Meters & Reg. Station Equipment	\$ 113,394	\$ -	\$ 113,394	98.3%	\$ 111,467
9	System Meters & Reg. Station Equipment-Elec	\$ -	\$ -	\$ -	98.3%	\$ -
10	District Regulating Equipment	\$ 227,700	\$ -	\$ 227,700	98.3%	\$ 223,835
11	Meters & Reg. - City Gate	\$ -	\$ -	\$ -	98.3%	\$ -
12	Services- Cast Iron & Copper	\$ -	\$ -	\$ -	98.3%	\$ -
13	Services-Steel	\$ 214,070	\$ -	\$ 214,070	98.3%	\$ 210,431
14	Services-Plastic	\$ 15,153,133	\$ -	\$ 15,153,133	98.3%	\$ 14,935,360
15	Meters	\$ 167,683	\$ -	\$ 167,683	98.3%	\$ 164,833
16	Utility of the Future Meters	\$ -	\$ -	\$ -	98.3%	\$ -
17	Meter installations	\$ -	\$ -	\$ -	98.3%	\$ -
18	House Regulators	\$ 1,378,105	\$ -	\$ 1,378,105	98.3%	\$ 1,352,711
19	House Regulator Installations	\$ -	\$ -	\$ -	98.3%	\$ -
20	Large Industrial Meters & Reg. Equipment	\$ 3,341	\$ -	\$ 3,341	98.3%	\$ 3,284
21	Large Industrial Meters & Reg. Equipment - Comm	\$ -	\$ -	\$ -	98.3%	\$ -
22	Other Equipment - Other	\$ -	\$ -	\$ -	98.3%	\$ -
23	Street Lighting Equipment	\$ -	\$ -	\$ -	98.3%	\$ -
24	Structures & Improvements	\$ -	\$ -	\$ -	98.3%	\$ -
25	Tools, Shop & Garage Equipment	\$ 961,539	\$ -	\$ 961,539	98.3%	\$ 945,190
26	Laboratory Equipment	\$ -	\$ -	\$ -	98.3%	\$ -
27	Power Operated Equipment	\$ 238,430	\$ -	\$ 238,430	98.3%	\$ 230,711
28	Communication Equipment	\$ -	\$ -	\$ -	98.3%	\$ -
50	Distribution Improvement - Retirements					
51	Land and Land Rights	\$ -	\$ -	\$ -	15.0%	\$ -
52	Rights of Way	\$ -	\$ -	\$ -	15.0%	\$ -
53	City Gate Check Station	\$ -	\$ -	\$ -	15.0%	\$ -
54	Structures & Improvements	\$ -	\$ -	\$ -	15.0%	\$ -
55	Mains - Cast Iron & Copper	\$ 46,922	\$ -	\$ 46,922	15.0%	\$ 46,373
56	Mains - Steel	\$ (740,144)	\$ -	\$ (740,144)	15.0%	\$ (111,222)
57	Mains - Plastic	\$ (612,888)	\$ -	\$ (612,888)	15.0%	\$ (91,933)
58	System Meters & Reg. Station Equipment	\$ -	\$ -	\$ -	15.0%	\$ -
59	System Meters & Reg. Station Equipment-Elec	\$ -	\$ -	\$ -	15.0%	\$ -
60	District Regulating Equipment	\$ -	\$ -	\$ -	15.0%	\$ -
61	Meters & Reg. - City Gate	\$ -	\$ -	\$ -	15.0%	\$ -
62	Services- Cast Iron & Copper	\$ (142,820)	\$ -	\$ (142,820)	15.0%	\$ (21,424)
63	Services-Steel	\$ (31,062)	\$ -	\$ (31,062)	15.0%	\$ (4,556)
64	Services-Plastic	\$ (1,482,380)	\$ -	\$ (1,482,380)	15.0%	\$ (222,357)
65	Meters	\$ (443,552)	\$ -	\$ (443,552)	15.0%	\$ (66,533)
66	Utility of the Future Meters	\$ -	\$ -	\$ -	15.0%	\$ -
67	Meter installations	\$ (100,039)	\$ -	\$ (100,039)	15.0%	\$ (15,015)
68	House Regulators	\$ -	\$ -	\$ -	15.0%	\$ -
69	House Regulator Installations	\$ -	\$ -	\$ -	15.0%	\$ -
70	Large Industrial Meters & Reg. Equipment	\$ -	\$ -	\$ -	15.0%	\$ -
71	Large Industrial Meters & Reg. Equipment - Comm	\$ -	\$ -	\$ -	15.0%	\$ -
72	Other Equipment - Other	\$ -	\$ -	\$ -	15.0%	\$ -
73	Street Lighting Equipment	\$ (9,203)	\$ -	\$ (9,203)	15.0%	\$ (1,380)
74	Structures & Improvements	\$ -	\$ -	\$ -	15.0%	\$ -
75	Tools, Shop & Garage Equipment	\$ -	\$ -	\$ -	15.0%	\$ -
76	Laboratory Equipment	\$ -	\$ -	\$ -	15.0%	\$ -
77	Power Operated Equipment	\$ -	\$ -	\$ -	15.0%	\$ -
78	Communication Equipment	\$ -	\$ -	\$ -	15.0%	\$ -
59	Net Tax Value Distribution Improvement (Sum of Lines 1 - 58)					\$ 25,333,166
60	Valuation Percentage (25%) <sup>(2)</sup>					25%
61	Taxable Value/Assessment (Line 59 x Line 60)					\$ 6,333,277
62	Duke Energy Ohio's Average 2014 Personal Property Tax Rate					9.7713%
63	Annual Property Tax Expense - Distribution Improvement (Line 61 x Line 62)					\$ 618,843
[B]	Information Technology - Additions					
64	Electronic Data Processing	\$ 651	\$ -	\$ 651	98.3%	\$ 637
65	Miscellaneous Intangible Plant	\$ -	\$ -	\$ -	98.3%	\$ -
66	Information Technology - Retirements					
67	Electronic Data Processing	\$ -	\$ -	\$ -	15.0%	\$ -
68	Miscellaneous Intangible Plant	\$ -	\$ -	\$ -	15.0%	\$ -
69	Net Tax Value of Information Technology (Sum of Lines 64 - 68)					637
70	Valuation Percentage (25%) <sup>(2)</sup>					25%
71	Taxable Value/Assessment (Line 69 x Line 70)					\$ 209
72	Duke Energy Ohio's Average 2014 Personal Property Tax Rate					9.7713%
73	Annual Property Tax Expense - Information Technology (Line 71 x Line 72)					\$ 20
74	Total Est. of 2015 Deferred Property Tax Expense (2014 Investment) - Capital Expenditure Program <sup>(3)</sup> (Sum of Lines 63 and 73)					\$ 618,863

Notes:

- (1) Per Ohio Department of Taxation Annual Natural Gas Property Tax Report, Schedule C(2) for specific classes of plant
- (2) Per Ohio Department of Taxation Annual Natural Gas Property Tax Report, Schedule G
- (3) Property tax expense deferred in 2015 is based on assets placed in service as of December 31, 2014
- (4) Transportation equipment and Real Property is exempt from personal property taxes per Schedule C for general plant

DUKE ENERGY OHIO, INC.  
CAPITAL EXPENDITURE PROGRAM (CEP)  
CASE NO. 13-2417-GA-UNC and 13-2418-GA-AAM  
INCREMENTAL REVENUE ASSOCIATED WITH CEP INVESTMENTS  
FOR THE PERIOD ENDED DECEMBER 31, 2015

Description: Provide detailed calculation of incremental revenues on CEP Investments.  
Represents the incremental revenues associated with CEP Investments, treated as offset to deferred expenses.

Line  
No.

[A] Cumulative Balance

Description: Cumulative Incremental Revenue related to CEP Investments

Calculation: Prior Year Incremental Revenue + Current Year Incremental Revenue

Category	Balance at		
	12/31/2013	12/31/2014	12/31/2015
1 Rate RS / RFT / RSLI	\$ (986,239)	\$ (2,797,652)	\$ (5,043,990)
2 Rate GS / FT Small	\$ (56,999)	\$ (56,999)	\$ (56,999)
3 Rate GS / FT Large	\$ -	\$ -	\$ (1,875,220)
4 Rate IT	\$ -	\$ -	\$ -
5 Total Incremental Revenue - (Increase)	\$ (1,043,238)	\$ (2,854,651)	\$ (6,976,209)

[B] Annual Incremental Revenue by Category

Description: Incremental Revenues for Annual Period related to CEP Investments by Category

Source: Work Paper 7.1, Work Paper 7.1

Category	Activity Through		
	12/31/2013	12/31/2014	12/31/2015
6 Rate RS / RFT / RSLI	\$ (986,239)	\$ (1,811,413)	\$ (2,246,338) Work Paper 7.1, 7.2, and 7.3
7 Rate GS / FT Small	\$ (56,999)	\$ -	\$ - Work Paper 7.1, 7.2, and 7.3
8 Rate GS / FT Large	\$ -	\$ -	\$ (1,875,220) Work Paper 7.1, 7.2, and 7.3
9 Rate IT	\$ -	\$ -	\$ - Work Paper 7.1, 7.2, and 7.3
10 Total Incremental Revenue - (Increase)	\$ (1,043,238)	\$ (1,811,413)	\$ (4,121,558)

DUKE ENERGY OHIO, INC.  
CAPITAL EXPENDITURE PROGRAM (CEP)  
CASE NO. 13-2417-GA-UNC and 13-2418-GA-AAM  
CALCULATION OF INCREMENTAL REVENUE RELATED TO CEP INVESTMENTS  
FOR THE 12 MONTHS ENDED DECEMBER 31, 2013

Description: Provide detailed calculation of incremental revenues related to CEP Investments.  
Treated as offset to deferred expenses, in the event that actual customers exceed the authorized/base level set in rates.

Line No.		Rate RS	GS / FT Small	GS / FT Large	Rate IT	Total	
[A]	Incremental Revenue						
1	Annual Number of Customer Bills Issued in 2013	4,885,758	257,493	83,828	1,203		Line 19
2	Baseline Number of Customer Bills Issued	4,648,737	256,758	93,331	1,744		Line 20
3	Annual Increase/(Decrease) in Customers	37,021	735	(9,703)	(541)		Line 1 - Line 2
4	Monthly Fixed Rate - Cost Recovery	\$ 26.84	\$ 77.55	\$ 185.50	\$ 446.40		[1]
5	Annual Increase/(Decrease) in Revenue	\$ 986,239	\$ 56,999	\$ (1,799,907)	\$ (241,502)		
6	Incremental Revenue Offset - 2013	\$ 986,239	\$ 56,999	\$ -	\$ -	\$ 1,043,238	If Line 5 > 0, Line 5, else 0
[B]	Actual Number of Bills						
7	January 2013	392,774	22,220	7,789	101	422,884	
8	February 2013	392,677	22,514	7,586	86	423,163	
9	March 2013	390,041	22,812	6,798	96	419,747	
10	April 2013	392,839	22,454	6,921	94	422,108	
11	May 2013	390,791	21,389	6,854	95	419,129	
12	June 2013	389,042	20,688	6,787	103	416,620	
13	July 2013	387,929	20,290	6,774	99	415,092	
14	August 2013	386,727	20,092	6,751	114	413,684	
15	September 2013	387,746	19,969	6,753	111	414,579	
16	October 2013	388,844	20,329	6,801	113	416,087	
17	November 2013	391,981	21,976	6,881	96	420,914	
18	December 2013	394,287	22,760	6,953	95	424,075	
19	Total Customer Bills	4,885,758	257,493	83,828	1,203	5,026,082	
[C]	Baseline Number of Bills						
20	Case No. 12-1685-GA-AIR, Schedule E-4	Rate RS	GS / FT Small	GS / FT Large	Rate IT	Total	
20	Total Customer Bills	4,648,737	256,758	93,331	1,744	5,000,570	

[1] Fixed Cost rates derived by removing the equity return and taxes from the rates derived in Case No. 12-1685-GA-AIR.

DUKE ENERGY OHIO, INC.  
CAPITAL EXPENDITURE PROGRAM (CEP)  
CASE NO. 13-2417-GA-UNC and 13-2418-GA-AAM  
CALCULATION OF INCREMENTAL REVENUE RELATED TO CEP INVESTMENTS  
FOR THE 12 MONTHS ENDED DECEMBER 31, 2014

Description: Provide detailed calculation of incremental revenues related to CEP investments.  
Treated as offset to deferred expenses, in the event that actual customers exceed the authorized/base level set in rates.

Line No.		Rate RS	GS / FT Small	GS / FT Large	Rate IT	Total	
<b>[A] Incremental Revenue</b>							
1	Annual Number of Customer Bills Issued in 2014	4,718,733	248,180	91,938	1,093		Line 19
2	Baseline Number of Customer Bills Issued	4,648,737	256,758	93,331	1,744		Line 20
3	Annual Increase/(Decrease) in Customers	69,996	(7,578)	(1,393)	(351)		Line 1 - Line 2
4	Monthly Fixed Rate - Cost Recovery	\$ 29.84	\$ 77.65	\$ 185.50	\$ 448.40		[1]
5	Annual Increase/(Decrease) in Revenue	\$ 1,811,413	\$ (587,674)	\$ (258,402)	\$ (280,609)		
6	Incremental Revenue Offset - 2014	\$ 1,811,413	\$ -	\$ -	\$ -	\$ 1,811,413	if Line 5 > 0, Line 5, else 0
<b>[B] Actual Number of Bills</b>							
		Rate RS	GS / FT Small	GS / FT Large	Rate IT	Total	
7	January 2014	395,580	22,808	7,255	105	425,748	
8	February 2014	395,791	22,579	7,813	125	425,108	
9	March 2014	395,788	22,271	7,857	102	425,798	
10	April 2014	395,144	21,855	7,776	104	424,879	
11	May 2014	393,039	20,421	7,760	84	421,304	
12	June 2014	391,060	19,552	7,758	85	418,455	
13	July 2014	390,085	19,160	7,723	79	417,027	
14	August 2014	388,774	18,909	7,709	86	415,481	
15	September 2014	389,871	18,102	7,490	84	416,547	
16	October 2014	391,233	19,561	7,885	78	418,555	
17	November 2014	393,817	21,029	7,732	73	422,651	
18	December 2014	396,591	22,133	7,780	87	426,591	
19	Total Customer Bills	4,718,733	248,180	91,938	1,093	5,058,944	
<b>[C] Baseline Number of Bills</b>							
	Case No. 12-1685-GA-AIR, Schedule E-4	Rate RS	GS / FT Small	GS / FT Large	Rate IT	Total	
20	Total Customer Bills	4,648,737	256,758	93,331	1,744	5,000,570	

[1] Fixed Cost rates derived by removing the equity return and taxes from the rates derived in Case No. 12-1685-GA-AIR.

DUKE ENERGY OHIO, INC.  
CAPITAL EXPENDITURE PROGRAM (CEP)  
CASE NO. 13-2417-GA-UNC and 13-2418-GA-AAM  
CALCULATION OF INCREMENTAL REVENUE RELATED TO CEP INVESTMENTS  
FOR THE 12 MONTHS ENDED DECEMBER 31, 2015

Description: Provide detailed calculation of incremental revenues related to CEP investments.  
Treated as offset to deferred expenses, in the event that actual customers exceed the authorized/base level set in rates.

Line No.		Rate RS	GS / FT Small	GS / FT Large	Rate IT	Total	
<b>[A] Incremental Revenue</b>							
1	Annual Number of Customer Bills issued in 2015	4,733,059	235,052	103,440	992		Line 19
2	Baseline Number of Customer Bills issued	4,648,737	255,758	93,331	1,744		Line 20
3	Annual Increase/(Decrease) in Customers	84,322	(20,706)	10,109	(752)		Line 1 - Line 2
4	Monthly Fixed Rate - Cost Recovery	\$ 26.64	\$ 77.55	\$ 185.50	\$ 446.40		[1]
5	Annual Increase/(Decrease) in Revenue	\$ 2,246,338	\$ (1,605,750)	\$ 1,875,220	\$ (335,693)		
6	Incremental Revenue Offset - 2015	\$ 2,246,338	\$ -	\$ 1,875,220	\$ -	\$ 4,121,558	If Line 5 > 0, Line 5, else 0
<b>[B] Actual Number of Bills</b>							
		Rate RS	GS / FT Small	GS / FT Large	Rate IT	Total	
7	January 2015	397,258	22,284	7,863	95	427,502	
8	February 2015	397,290	21,387	8,796	76	427,549	
9	March 2015	397,626	21,258	8,875	91	427,850	
10	April 2015	396,649	20,406	8,332	64	425,971	
11	May 2015	394,437	19,068	8,718	76	422,329	
12	June 2015	392,806	18,429	8,574	80	419,989	
13	July 2015	391,827	18,047	8,622	81	418,577	
14	August 2015	390,228	17,904	8,582	84	416,796	
15	September 2015	391,008	17,840	8,558	75	417,489	
16	October 2015	391,879	18,412	8,585	74	418,850	
17	November 2015	394,869	19,934	8,670	79	423,372	
18	December 2015	397,366	21,043	8,653	97	427,159	
19	Total Customer Bills	4,733,059	235,052	103,440	992	5,073,543	
<b>[C] Baseline Number of Bills</b>							
	Case No. 12-1685-GA-AIR, Schedule E-4	Rate RS	GS / FT Small	GS / FT Large	Rate IT	Total	
20	Total Customer Bills	4,648,737	255,758	93,331	1,744	5,000,570	

[1] Fixed Cost rates derived by removing the equity return and taxes from the rates derived in Case No. 12-1685-GA-AIR.

**DUKE ENERGY OHIO, INC.**  
**CAPITAL EXPENDITURE PROGRAM (CEP)**  
**CASE NO. 13-2417-GA-UNC and 13-2418-GA-AAM**  
**ACTUAL - AUTHORIZED CEP EXPLANATIONS**  
**FOR THE 12 MONTHS ENDED DECEMBER 31, 2015**

**Description: Explain the variance between CEP Capital Budget and Actual In-Service Additions.**

Line No.	Category	[A] Capital Budget	[B] Actual Additions	[C]=[A]-[B] Total Variance
1	Distribution Improvement	\$ 56,800,000	\$ 40,683,326	\$ 16,116,674 [1]
2	Information Technology	\$ 5,400,000	\$ 452,331	\$ 4,947,669 [2]
3	Compliance with Rules, Regulations and Orders	\$ 3,000,000	\$ 1,681,921	\$ 1,318,079 [3]
4	Total CEP Investment	\$ 65,200,000	\$ 42,817,578	\$ 22,382,422

**Explanations:**

- [1] The variance of \$16.1 million related to Additions [B] is driven mainly by the cancellation and delay of significant projects and various projects carried over to 2016.
- [2] The variance of \$4.9 million related to Additions [B] is mainly driven by planned project carryover into 2016.
- [3] The variance of \$1.3 million related to Additions [B] is mainly due to project timing

**Notes:**

- [A] Duke Energy Ohio's approved Gas Operations Capital Budget.
- [B] Exhibit No. 3, Lines 7-8, activity for twelve months ended 12/31/2015. There is no Exhibit 3 for compliance.
- [C] Total Variance - (Over)/Under spend on additions.

**DUKE ENERGY OHIO, INC.**  
**CAPITAL EXPENDITURE PROGRAM (CEP)**  
**CASE NO. 13-2417-GA-UNC and 13-2418-GA-AAM**  
**ESTIMATED CAPITAL BUDGET**  
**FOR THE 12 MONTHS ENDED DECEMBER 31, 2016**  
**(\$ MILLIONS)**

**Description: Provide estimated Capital Budget for upcoming year.**

Line No. Category	2016
1 Distribution Improvement	[A] \$ 60.8
2 Information Technology	3.8
3 Compliance with Rules, Regulations and Orders	<u>3.1</u>
4 Total	<u>\$ 67.7</u>

[A] Does not include investments recovered through Rider AMRP or Rider AU cost-recovery mechanisms.

**This foregoing document was electronically filed with the Public Utilities**

**Commission of Ohio Docketing Information System on**

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**in**

**Case No(s). 13-2417-GA-UNC, 13-2418-GA-AAM**

Summary: Annual Report 2015 Annual Informational Filing of Duke Energy Ohio, Inc.  
electronically filed by Mrs. Adele M. Frisch on behalf of Duke Energy Ohio, Inc. and Spiller,  
Amy B and Kingery, Jeanne W