



Duke Energy  
139 E. Fourth Street  
Cincinnati, OH 45202

January 11, 2017

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

Docketing Division:

Enclosed for filing 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 February 2017. This filing is based on supplier tariff rates expected to be in effect on February 1, 2017 and the NYMEX close of January 9, 2017 for the month of February 2017.

Duke's GCR rate effective February 2017 is \$4.790 per MCF, which represents a decrease of \$0.213 per MCF from the current GCR rate in effect for January 2017.

Very truly yours,

A handwritten signature in cursive script that reads 'Dana Patten'.

Dana Patten

Enclosure

cc: Mr. Robert Clark  
L. Schmidt

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

| PARTICULARS  | UNIT   | AMOUNT          |
|--|--------|-----------------|
| EXPECTED GAS COST (EGC)                            | \$/MCF | 4.536000        |
| SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT (RA) | \$/MCF | 0.000000        |
| ACTUAL ADJUSTMENT (AA)                             | \$/MCF | 0.254000        |
| GAS COST RECOVERY RATE (GCR) = EGC + RA + AA       | \$/MCF | <u>4.790000</u> |

GAS COST RECOVERY RATE EFFECTIVE DATES: February 1, 2017 THROUGH March 1, 2017

**EXPECTED GAS COST CALCULATION**

| DESCRIPTION                             | UNIT   | AMOUNT   |
|---|--------|----------|
| TOTAL EXPECTED GAS COST COMPONENT (EGC) | \$/MCF | 4.536000 |

**SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT SUMMARY CALCULATION**

| PARTICULARS  | UNIT   | AMOUNT          |
|--|--------|-----------------|
| CURRENT QUARTERLY SUPPLIER REFUND & RECONCILIATION ADJUSTMENT                  | \$/MCF | 0.000000        |
| PREVIOUS QUARTERLY REPORTED SUPPLIER REFUND & RECONCILIATION ADJUSTMENT        | \$/MCF | 0.000000        |
| SECOND PREVIOUS QUARTERLY REPORTED SUPPLIER REFUND & RECONCILIATION ADJUSTMENT | \$/MCF | 0.000000        |
| THIRD PREVIOUS QUARTERLY REPORTED SUPPLIER REFUND & RECONCILIATION ADJUSTMENT  | \$/MCF | 0.000000        |
| SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT (RA)                             | \$/MCF | <u>0.000000</u> |

**ACTUAL ADJUSTMENT SUMMARY CALCULATION**

| PARTICULARS  | UNIT   | AMOUNT          |
|--|--------|-----------------|
| CURRENT QUARTERLY ACTUAL ADJUSTMENT                  | \$/MCF | 0.105000        |
| PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT        | \$/MCF | (0.191000)      |
| SECOND PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT | \$/MCF | 0.011000        |
| THIRD PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT  | \$/MCF | 0.329000        |
| ACTUAL ADJUSTMENT (AA)                               | \$/MCF | <u>0.254000</u> |

THIS MONTHLY REPORT FILED PURSUANT TO ORDER NO. 76-515-GA-ORD  
 OF THE PUBLIC UTILITIES COMMISSION OF OHIO, DATED OCTOBER 18, 1979.

DATE FILED: January 11, 2017

BY: DON WATHEN

TITLE: DIRECTOR,  
Rates & Regulatory Strategy - OH/KY

**PURCHASED GAS ADJUSTMENT**  
**COMPANY NAME: DUKE ENERGY OHIO**  
**SUPPLEMENTAL MONTHLY REPORT**

**EXPECTED GAS COST RATE CALCULATION**

DETAILS FOR THE EGC RATE IN EFFECT AS OF February 1, 2017  
 PROJECTED VOLUME FOR THE TWELVE MONTH PERIOD ENDED November 30, 2017

| <u>DEMAND COSTS</u>                                     | DEMAND<br>EXPECTED GAS<br>COST AMT (\$) | MISC<br>EXPECTED GAS<br>COST AMT (\$) | TOTAL DEMAND<br>EXPECTED GAS<br>COST AMT (\$) |      |
|---|---|---------------------------------------|---|------|
| INTERSTATE PIPELINE SUPPLIERS (SCH. I-A)                |   |                                       |   |      |
| Columbia Gas Transmission Corp.                         | 17,802,304                              | 0                                     | 17,802,304                                    |      |
| Duke Energy Kentucky                                    | 522,072                                 | 0                                     | 522,072                                       |      |
| Columbia Gulf Transmission Co.                          | 2,389,275                               | 0                                     | 2,389,275                                     |      |
| Texas Gas Transmission Corp.                            | 5,017,745                               | 0                                     | 5,017,745                                     |      |
| K O Transmission Company                                | 786,048                                 | 0                                     | 786,048                                       |      |
| Tennessee Gas   | 700,819                                 | 0                                     | 700,819                                       |      |
| PRODUCER/MARKETER (SCH. I - A)                          | 151,109                                 | 0                                     | 151,109                                       |      |
| SYNTHETIC (SCH. I - A)                                  |   |                                       |   |      |
| OTHER GAS COMPANIES (SCH. I - B)                        |   |                                       |   |      |
| OHIO PRODUCERS (SCH. I - B)                             |   |                                       |   |      |
| SELF-HELP ARRANGEMENTS (SCH. I - B)                     |   | (10,744,509)                          | (10,744,509)                                  |      |
| SPECIAL PURCHASES (SCH. I - B)                          |   |                                       |   |      |
| TOTAL DEMAND COSTS:                                     | 27,369,372                              | (10,744,509)                          | 16,624,863                                    | MCF  |
| PROJECTED GAS SALES LESS SPECIAL CONTRACT IT PURCHASES: |   |                                       | 18,858,028                                    | /MCF |
| DEMAND (FIXED) COMPONENT OF EGC RATE:                   |   |                                       | <b>\$0.882</b>                                |      |
| <br><u>COMMODITY COSTS:</u>                             |   |                                       |   |      |
| GAS MARKETERS   |   |                                       | \$1.487                                       | /MCF |
| GAS STORAGE   |   |                                       |   | /MCF |
| COLUMBIA GAS TRANSMISSION                               |   |                                       | \$1.773                                       | /MCF |
| TEXAS GAS TRANSMISSION                                  |   |                                       | \$0.368                                       | /MCF |
| PROPANE   |   |                                       | \$0.000                                       | /MCF |
| STORAGE CARRYING COSTS                                  |   |                                       | \$0.026                                       | /MCF |
| COMMODITY COMPONENT OF EGC RATE:                        |   |                                       | <b>\$3.654</b>                                |      |
| TOTAL EXPECTED GAS COST:                                |   |                                       | <b>\$4.536</b>                                | /MCF |

**PURCHASED GAS ADJUSTMENT  
 COMPANY NAME: DUKE ENERGY OHIO**

**SUPPLEMENTAL MONTHLY REPORT**

**PRIMARY GAS SUPPLIER / TRANSPORTER**

DETAILS FOR THE EGC IN EFFECT AS OF February 1, 2017 AND THE PROJECTED  
 VOLUME FOR THE TWELVE MONTH PERIOD ENDED November 30, 2017

SUPPLIER OR TRANSPORTER NAME Commodity Costs  
 TARIFF SHEET REFERENCE \_\_\_\_\_  
 EFFECTIVE DATE OF TARIFF \_\_\_\_\_ RATE SCHEDULE NUMBER \_\_\_\_\_

TYPE GAS PURCHASED  NATURAL \_\_\_\_\_ LIQUIFIED \_\_\_\_\_ SYNTHETIC \_\_\_\_\_  
 UNIT OR VOLUME TYPE \_\_\_\_\_ MCF \_\_\_\_\_ CCF \_\_\_\_\_ OTHER \_\_\_\_\_  
 PURCHASE SOURCE  INTERSTATE \_\_\_\_\_ INTRASTATE \_\_\_\_\_

**GAS COMMODITY RATE FOR FEBRUARY 2016:**

**GAS MARKETERS :**

|  |         |          |                |               |
|--|---------|----------|----------------|---------------|
| WEIGHTED AVERAGE GAS COST @ CITY GATE (\$/Dth) (1) |         |          | \$3.1745       | \$/Dth        |
| DUKE ENERGY OHIO FUEL                              | 1.300%  | \$0.0413 | \$3.2158       | \$/Dth        |
| DTH TO MCF CONVERSION                              | 1.0779  | \$0.2505 | \$3.4663       | \$/Mcf        |
| ESTIMATED WEIGHTING FACTOR                         | 42.900% |          | \$1.4870       | \$/Mcf        |
| <b>GAS MARKETERS COMMODITY RATE</b>                |         |          | <b>\$1.487</b> | <b>\$/Mcf</b> |

**GAS STORAGE :**

|  |         |          |                |               |
|--|---------|----------|----------------|---------------|
| COLUMBIA GAS TRANS. - STORAGE INVENTORY RATE (Not applicable during injection months)  |         |          | \$3.4310       | \$/Dth        |
| COLUMBIA GAS TRANS. FSS WITHDRAWAL FEE   |         | \$0.0153 | \$3.4463       | \$/Dth        |
| COLUMBIA GAS TRANS. SST FUEL   | 1.893%  | \$0.0652 | \$3.5115       | \$/Dth        |
| COLUMBIA GAS TRANS SST COMMODITY RATE  |         | \$0.0179 | \$3.5294       | \$/Dth        |
| KO TRANS. COMMODITY RATE   |         | \$0.0013 | \$3.5307       | \$/Dth        |
| DUKE ENERGY OHIO FUEL  | 1.300%  | \$0.0459 | \$3.5766       | \$/Dth        |
| DTH TO MCF CONVERSION  | 1.0779  | \$0.2786 | \$3.8552       | \$/Mcf        |
| ESTIMATED WEIGHTING FACTOR   | 46.000% |          | \$1.7734       | \$/Mcf        |
| <b>GAS STORAGE COMMODITY RATE - COLUMBIA GAS</b>                                       |         |          | <b>\$1.773</b> | <b>\$/Mcf</b> |
| TEXAS GAS TRANSMISSION - STORAGE INVENTORY RATE (Not applicable during payback months) |         |          | \$2.9719       | \$/Dth        |
| TEXAS GAS COMMODITY RATE   |         | \$0.0627 | \$3.0346       | \$/Dth        |
| DUKE ENERGY OHIO FUEL  | 1.300%  | \$0.0394 | \$3.0740       | \$/Dth        |
| DTH TO MCF CONVERSION  | 1.0779  | \$0.2395 | \$3.3135       | \$/Mcf        |
| ESTIMATED WEIGHTING FACTOR   | 11.100% |          | \$0.3678       | \$/Mcf        |
| <b>GAS STORAGE COMMODITY RATE - TEXAS GAS</b>  |         |          | <b>\$0.368</b> | <b>\$/Mcf</b> |

**PROPANE :**

|   |        |          |                |               |
|---|--------|----------|----------------|---------------|
| WEIGHTED AVERAGE PROPANE INVENTORY RATE |        |          | \$0.69299      | \$/Gal        |
| GALLON TO MCF CONVERSION                | 15.38  | \$9.9651 | \$10.6581      | \$/Mcf        |
| ESTIMATED WEIGHTING FACTOR              | 0.000% |          | \$0.0000       | \$/Mcf        |
| <b>PROPANE COMMODITY RATE</b>           |        |          | <b>\$0.000</b> | <b>\$/Mcf</b> |

FOOTNOTE NO. (1) Weighted average cost of gas based on NYMEX prices on 1/9/2017 and contracted hedging prices.

**PURCHASED GAS ADJUSTMENT  
COMPANY NAME: DUKE ENERGY OHIO**

**SUPPLEMENTAL MONTHLY REPORT**

**ESTIMATED COST OF GAS INJECTED AND WITHDRAWN FROM STORAGE**

Details for the EGC Rate in Effect as of February 1, 2017

| <u>Month</u>  | <u>Beginning<br/>Storage<br/>Inventory</u> | <u>Monthly Storage Activity</u> |                  |                             | <u>Ending<br/>Storage<br/>Inventory</u> |
|---------------|--|---------------------------------|------------------|-----------------------------|---|
|               |  | <u>Injected</u>                 | <u>Withdrawn</u> | <u>Financial<br/>Hedges</u> |   |
| December 2016 | \$28,484,976                               | \$0                             | \$7,053,417      | \$0                         | \$21,431,559                            |
| January 2017  | \$21,431,559                               | \$0                             | \$7,804,020      | \$0                         | \$13,627,539                            |
| February 2017 | \$13,627,539                               | \$0                             | \$5,813,480      | \$0                         | \$7,814,059                             |

**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 February 1, 2017

| Line No. | Ending Storage Balance Month | Estimated                                 |   | Avg. Storage                              |          | Estimated Monthly MCF | \$/MCF  |
|----------|------------------------------|---|---|---|----------|-----------------------|---------|
|          |                              | Ending Storage Inventory (Schedule I - C) | Average Monthly Storage Inventory Balance | Balance times Monthly Cost of Capital (1) |          |                       |         |
| 1        | December 2016                | \$21,431,559                              |   | 0.8333%                                   |          |                       |         |
| 2        | January 2017                 | \$13,627,539                              | \$17,529,549                              |   |          |                       |         |
| 3        | February 2017                | \$7,814,059                               | \$10,720,799                              |   | \$89,336 | 3,453,040             | \$0.026 |

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

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

**Commission of Ohio Docketing Information System on**

**1/11/2017 2:39:21 PM**

**in**

**Case No(s). 89-8002-GA-TRF, 16-0218-GA-GCR**

Summary: Tariff Duke Energy Ohio GCR February 2017 (2) electronically filed by Mrs. Julie A. Lee on behalf of Duke Energy Ohio and Patten, Dana and Lee, Julie Ann Mrs.