



Duke Energy  
139 E. Fourth Street  
Cincinnati, OH 45202

September 7, 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 October 2017. This filing is based on supplier tariff rates expected to be in effect on September 29, 2017 and the NYMEX close of September 5, 2017 for the month of October 2017.

Duke's GCR rate effective October 2017 is \$4.780 per MCF, which represents an increase of \$0.052 per MCF from the current GCR rate in effect for September 2017.

Very truly yours,

A handwritten signature in black ink that reads "Douglas J. Heitkamp". The signature is written in a cursive, flowing style.

Douglas J. Heitkamp

Enclosure

cc: Mr. Robert Clark  
J. Kern

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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 | 4.413000        |
| SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT (RA) | \$/MCF | (0.007000)      |
| ACTUAL ADJUSTMENT (AA)                             | \$/MCF | 0.374000        |
| GAS COST RECOVERY RATE (GCR) = EGC + RA + AA       | \$/MCF | <u>4.780000</u> |

GAS COST RECOVERY RATE EFFECTIVE DATES: September 29, 2017 THROUGH October 29, 2017

**EXPECTED GAS COST CALCULATION**

| DESCRIPTION                             | UNIT   | AMOUNT   |
|---|--------|----------|
| TOTAL EXPECTED GAS COST COMPONENT (EGC) | \$/MCF | 4.413000 |

**SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT SUMMARY CALCULATION**

| PARTICULARS  | UNIT   | AMOUNT            |
|--|--------|-------------------|
| CURRENT QUARTERLY SUPPLIER REFUND & RECONCILIATION ADJUSTMENT                  | \$/MCF | (0.007000)        |
| 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>(0.007000)</u> |

**ACTUAL ADJUSTMENT SUMMARY CALCULATION**

| PARTICULARS  | UNIT   | AMOUNT          |
|--|--------|-----------------|
| CURRENT QUARTERLY ACTUAL ADJUSTMENT                  | \$/MCF | (0.060000)      |
| PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT        | \$/MCF | (0.109000)      |
| SECOND PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT | \$/MCF | 0.438000        |
| THIRD PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT  | \$/MCF | 0.105000        |
| ACTUAL ADJUSTMENT (AA)                               | \$/MCF | <u>0.374000</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: September 7, 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 September 29, 2017  
 PROJECTED VOLUME FOR THE TWELVE MONTH PERIOD ENDED August 31, 2018

| <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.                         | 18,371,303                              | 0                                     | 18,371,303                                    |
| 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                                | 4,698,624                               | 0                                     | 4,698,624                                     |
| Tennessee Gas   | 706,867                                 | 0                                     | 706,867                                       |
| PRODUCER/MARKETER (SCH. I - A)                          | 147,457                                 | 0                                     | 147,457                                       |
| SYNTHETIC (SCH. I - A)                                  |   |                                       |   |
| OTHER GAS COMPANIES (SCH. I - B)                        |   |                                       |   |
| OHIO PRODUCERS (SCH. I - B)                             |   |                                       |   |
| SELF-HELP ARRANGEMENTS (SCH. I - B)                     |   | (17,778,203)                          | (17,778,203)                                  |
| SPECIAL PURCHASES (SCH. I - B)                          |   |                                       |   |
| TOTAL DEMAND COSTS:                                     | 31,853,343                              | (17,778,203)                          | 14,075,140                                    |
| PROJECTED GAS SALES LESS SPECIAL CONTRACT IT PURCHASES: |   |                                       | 18,990,475                                    |
| DEMAND (FIXED) COMPONENT OF EGC RATE:                   |   |                                       | \$0.741                                       |
| <u>COMMODITY COSTS:</u>                                 |   |                                       |   |
| GAS MARKETERS   |   |                                       | \$3.334                                       |
| GAS STORAGE   |   |                                       | \$0.000                                       |
| COLUMBIA GAS TRANSMISSION                               |   |                                       | \$0.000                                       |
| TEXAS GAS TRANSMISSION                                  |   |                                       | \$0.000                                       |
| PROPANE   |   |                                       | \$0.000                                       |
| STORAGE CARRYING COSTS                                  |   |                                       | \$0.338                                       |
| COMMODITY COMPONENT OF EGC RATE:                        |   |                                       | \$3.672                                       |
| TOTAL EXPECTED GAS COST:                                |   |                                       | \$4.413                                       |

MCF

/MCF

/MCF

/MCF

/MCF

/MCF

/MCF

/MCF

/MCF

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

**SUPPLEMENTAL MONTHLY REPORT**

**PRIMARY GAS SUPPLIER / TRANSPORTER**

DETAILS FOR THE EGC IN EFFECT AS OF September 29, 2017 AND THE PROJECTED  
VOLUME FOR THE TWELVE MONTH PERIOD ENDED August 31, 2018

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

**GAS COMMODITY RATE FOR OCTOBER 2017:**

**GAS MARKETERS :**

|   |          |          |                |               |
|---|----------|----------|----------------|---------------|
| WEIGHTED AVERAGE GAS COST @ CITY GATE (\$/Dth) (1): |          |          | \$3.0752       | \$/Dth        |
| DUKE ENERGY OHIO FUEL                               | 0.900%   | \$0.0277 | \$3.1029       | \$/Dth        |
| DTH TO MCF CONVERSION                               | 1.0746   | \$0.2315 | \$3.3344       | \$/Mcf        |
| ESTIMATED WEIGHTING FACTOR                          | 100.000% |          | \$3.3344       | \$/Mcf        |
| <b>GAS MARKETERS COMMODITY RATE</b>                 |          |          | <b>\$3.334</b> | <b>\$/Mcf</b> |

**GAS STORAGE :**

|  |        |          |                |               |
|--|--------|----------|----------------|---------------|
| COLUMBIA GAS TRANS. - STORAGE INVENTORY RATE (Not applicable during injection months)  |        |          | \$3.3398       | \$/Dth        |
| COLUMBIA GAS TRANS. FSS WITHDRAWAL FEE   |        | \$0.0153 | \$3.3551       | \$/Dth        |
| COLUMBIA GAS TRANS. SST FUEL   | 1.432% | \$0.0480 | \$3.4031       | \$/Dth        |
| COLUMBIA GAS TRANS SST COMMODITY RATE  |        | \$0.0222 | \$3.4253       | \$/Dth        |
| KO TRANS, COMMODITY RATE   |        | \$0.0013 | \$3.4266       | \$/Dth        |
| DUKE ENERGY OHIO FUEL  | 0.900% | \$0.0308 | \$3.4574       | \$/Dth        |
| DTH TO MCF CONVERSION  | 1.0746 | \$0.2579 | \$3.7153       | \$/Mcf        |
| ESTIMATED WEIGHTING FACTOR   | 0.000% |          | \$0.0000       | \$/Mcf        |
| <b>GAS STORAGE COMMODITY RATE - COLUMBIA GAS</b>                                       |        |          | <b>\$0.000</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  | 0.900% | \$0.0273 | \$3.0619       | \$/Dth        |
| DTH TO MCF CONVERSION  | 1.0746 | \$0.2284 | \$3.2903       | \$/Mcf        |
| ESTIMATED WEIGHTING FACTOR   | 0.000% |          | \$0.0000       | \$/Mcf        |
| <b>GAS STORAGE COMMODITY RATE - TEXAS GAS</b>  |        |          | <b>\$0.000</b> | <b>\$/Mcf</b> |

**PROPANE :**

|   |        |          |                |               |
|---|--------|----------|----------------|---------------|
| WEIGHTED AVERAGE PROPANE INVENTORY RATE |        |          | \$0.68675      | \$/Gal        |
| GALLON TO MCF CONVERSION                | 15.38  | \$9.8754 | \$10.5622      | \$/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 9/5/2017 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 September 29, 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> |   |
| August 2017    | \$20,948,501                               | \$3,781,132                     |                  | \$0                         | \$24,729,633                            |
| September 2017 | \$24,729,633                               | \$3,280,931                     |                  | \$0                         | \$28,010,564                            |
| October 2017   | \$28,010,564                               | \$392,310                       |                  | \$0                         | \$28,402,874                            |

**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 September 29, 2017

| Line<br>No. | Ending Storage<br>Balance Month | Estimated                                       |   | Avg. Storage                                    |         | Estimated<br>Monthly<br>MCF | \$/MCF |
|-------------|---------------------------------|---|---|---|---------|-----------------------------|--------|
|             |                                 | Ending Storage<br>Inventory<br>(Schedule I - C) | Average Monthly<br>Storage<br>Inventory Balance | Balance times<br>Monthly<br>Cost of Capital (1) |         |                             |        |
|             |                                 |   |   | 0.8333%   |         |                             |        |
| 1           | August 2017                     | \$24,729,633                                    |   |   |         |                             |        |
| 2           | September 2017                  | \$28,010,564                                    | \$26,370,098                                    |   |         |                             |        |
| 3           | October 2017                    | \$28,402,874                                    | \$28,206,719                                    | \$235,047                                       | 695,450 | \$0.338                     |        |

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**

**9/7/2017 2:11:53 PM**

**in**

**Case No(s). 17-0218-GA-GCR, 89-8002-GA-TRF**

Summary: Tariff Duke Energy Ohio GCR October 2017 (2) electronically filed by Mrs. Julie A. Lee on behalf of Duke Energy Ohio and Heitkamp, Douglas J. and Lee, Julie Ann Mrs.