



Duke Energy
139 E. Fourth Street
Cincinnati, OH 45202

June 7, 2018

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

Docketing Division:

Enclosed for filing is the Duke Energy Ohio ("Duke") gas cost recovery (GCR) report, as required by Section 4901:1-14, O.A.C., for the month commencing July 2018. This filing is based on supplier tariff rates expected to be in effect on June 29, 2018 and the NYMEX close of June 5, 2018 for the month of July 2018.

Duke's GCR rate effective July 2018 is \$4.724 per MCF, which represents an increase of \$0.562 per MCF from the current GCR rate in effect for June 2018.

Very truly yours,

A handwritten signature in black ink, appearing to read "Douglas J. Heitkamp".

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 | 4.597000 |
| SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT (RA) | \$/MCF | (0.016000) |
| ACTUAL ADJUSTMENT (AA) | \$/MCF | 0.143000 |
| GAS COST RECOVERY RATE (GCR) = EGC + RA + AA | \$/MCF | <u>4.724000</u> |

GAS COST RECOVERY RATE EFFECTIVE DATES: June 29, 2018 THROUGH July 30, 2018

EXPECTED GAS COST CALCULATION

| DESCRIPTION | UNIT | AMOUNT |
|---|--------|----------|
| TOTAL EXPECTED GAS COST COMPONENT (EGC) | \$/MCF | 4.597000 |

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 | (0.009000) |
| THIRD PREVIOUS QUARTERLY REPORTED SUPPLIER REFUND & RECONCILIATION ADJUSTMENT | \$/MCF | (0.007000) |
| SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT (RA) | \$/MCF | <u>(0.016000)</u> |

ACTUAL ADJUSTMENT SUMMARY CALCULATION

| PARTICULARS | UNIT | AMOUNT |
|--|--------|-----------------|
| CURRENT QUARTERLY ACTUAL ADJUSTMENT | \$/MCF | (0.454000) |
| PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT | \$/MCF | 0.280000 |
| SECOND PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT | \$/MCF | 0.377000 |
| THIRD PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT | \$/MCF | (0.060000) |
| ACTUAL ADJUSTMENT (AA) | \$/MCF | <u>0.143000</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: June 7, 2018

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 June 29, 2018
PROJECTED VOLUME FOR THE TWELVE MONTH PERIOD ENDED May 31, 2019

| <u>DEMAND COSTS</u> | DEMAND EXPECTED GAS COST AMT (\$) | MISC EXPECTED GAS COST AMT (\$) | TOTAL DEMAND EXPECTED GAS COST AMT (\$) | |
|--|---|---------------------------------------|---|------|
| INTERSTATE PIPELINE SUPPLIERS (SCH. I-A) | | | | |
| Columbia Gas Transmission Corp. | 18,172,543 | 0 | 18,172,543 | |
| Duke Energy Kentucky | 522,072 | 0 | 522,072 | |
| Columbia Gulf Transmission Co. | 2,389,275 | 0 | 2,389,275 | |
| Texas Gas Transmission Corp. | 5,808,400 | 0 | 5,808,400 | |
| K O Transmission Company | 4,967,117 | 0 | 4,967,117 | |
| Tennessee Gas | 707,040 | 0 | 707,040 | |
| PRODUCER/MARKETER (SCH. I - A) | 137,113 | 0 | 137,113 | |
| SYNTHETIC (SCH. I - A) | | | | |
| OTHER GAS COMPANIES (SCH. I - B) | | | | |
| OHIO PRODUCERS (SCH. I - B) | | | | |
| SELF-HELP ARRANGEMENTS (SCH. I - B) | | (17,496,204) | (17,496,204) | |
| SPECIAL PURCHASES (SCH. I - B) | | | | |
| TOTAL DEMAND COSTS: | 32,703,560 | (17,496,204) | 15,207,356 | MCF |
| PROJECTED GAS SALES LESS SPECIAL CONTRACT IT PURCHASES | | | 18,490,835 | /MCF |
| DEMAND (FIXED) COMPONENT OF EGC RATE: | | | \$0.822 | |
| <u>COMMODITY COSTS:</u> | | | | |
| GAS MARKETERS | | | \$3.021 | /MCF |
| GAS STORAGE | | | | /MCF |
| COLUMBIA GAS TRANSMISSION | | | \$0.000 | /MCF |
| TEXAS GAS TRANSMISSION | | | \$0.000 | /MCF |
| PROPANE | | | \$0.000 | /MCF |
| STORAGE CARRYING COSTS | | | \$0.754 | /MCF |
| COMMODITY COMPONENT OF EGC RATE: | | | \$3.775 | |
| TOTAL EXPECTED GAS COST: | | | \$4.597 | /MCF |

PURCHASED GAS ADJUSTMENT
COMPANY NAME: DUKE ENERGY OHIO

SUPPLEMENTAL MONTHLY REPORT

PRIMARY GAS SUPPLIER / TRANSPORTER

DETAILS FOR THE EGC IN EFFECT AS OF June 29, 2018 AND THE PROJECTED
VOLUME FOR THE TWELVE MONTH PERIOD ENDED May 31, 2019

| | | | |
|------------------------------|--|-------------------------------------|------------------------------------|
| 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 | <input checked="" type="checkbox"/> NATURAL | <input type="checkbox"/> LIQUIFIED | <input type="checkbox"/> SYNTHETIC |
| UNIT OR VOLUME TYPE | <input type="checkbox"/> MCF | <input type="checkbox"/> CCF | <input type="checkbox"/> OTHER |
| PURCHASE SOURCE | <input checked="" type="checkbox"/> INTERSTATE | <input type="checkbox"/> INTRASTATE | |

GAS COMMODITY RATE FOR JULY 2018:

GAS MARKETERS :

| | | | | |
|--|----------|----------|----------------|---------------|
| WEIGHTED AVERAGE GAS COST @ CITY GATE (\$/Dth) (1) | | | \$2.7933 | \$/Dth |
| DUKE ENERGY OHIO FUEL | 1.000% | \$0.0279 | \$2.8212 | \$/Dth |
| DTH TO MCF CONVERSION | 1.0708 | \$0.1997 | \$3.0209 | \$/Mcf |
| ESTIMATED WEIGHTING FACTOR | 100.000% | | \$3.0209 | \$/Mcf |
| GAS MARKETERS COMMODITY RATE | | | \$3.021 | \$/Mcf |

GAS STORAGE :

| | | | | |
|--|--------|----------|----------------|---------------|
| COLUMBIA GAS TRANS. - STORAGE INVENTORY RATE (Not applicable during injection months) | | | \$3.3211 | \$/Dth |
| COLUMBIA GAS TRANS. FSS WITHDRAWAL FEE | | \$0.0153 | \$3.3364 | \$/Dth |
| COLUMBIA GAS TRANS. SST FUEL | 1.454% | \$0.0485 | \$3.3849 | \$/Dth |
| COLUMBIA GAS TRANS SST COMMODITY RATE | | \$0.0187 | \$3.4036 | \$/Dth |
| KO TRANS, COMMODITY RATE | | \$0.0013 | \$3.4049 | \$/Dth |
| DUKE ENERGY OHIO FUEL | 1.000% | \$0.0340 | \$3.4389 | \$/Dth |
| DTH TO MCF CONVERSION | 1.0708 | \$0.2435 | \$3.6824 | \$/Mcf |
| ESTIMATED WEIGHTING FACTOR | 0.000% | | \$0.0000 | \$/Mcf |
| GAS STORAGE COMMODITY RATE - COLUMBIA GAS | | | \$0.000 | \$/Mcf |
| TEXAS GAS TRANSMISSION - STORAGE INVENTORY RATE (Not applicable during payback months) | | | \$2.8577 | \$/Dth |
| TEXAS GAS COMMODITY RATE | | \$0.0627 | \$2.9204 | \$/Dth |
| DUKE ENERGY OHIO FUEL | 1.000% | \$0.0292 | \$2.9496 | \$/Dth |
| DTH TO MCF CONVERSION | 1.0708 | \$0.2088 | \$3.1584 | \$/Mcf |
| ESTIMATED WEIGHTING FACTOR | 0.000% | | \$0.0000 | \$/Mcf |
| GAS STORAGE COMMODITY RATE - TEXAS GAS | | | \$0.000 | \$/Mcf |

PROPANE :

| | | | | |
|---|--------|-----------|----------------|---------------|
| WEIGHTED AVERAGE PROPANE INVENTORY RATE | | | \$0.88093 | \$/Gal |
| GALLON TO MCF CONVERSION | 15.38 | \$12.6677 | \$13.5486 | \$/Mcf |
| ESTIMATED WEIGHTING FACTOR | 0.000% | | \$0.0000 | \$/Mcf |
| PROPANE COMMODITY RATE | | | \$0.000 | \$/Mcf |

FOOTNOTE NO. (1) Weighted average cost of gas based on NYMEX prices on 6/5/2018 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 June 29, 2018

| <u>Month</u> | <u>Beginning Storage Inventory</u> | <u>Monthly Storage Activity</u> | | | <u>Ending Storage Inventory</u> |
|--------------|--|---------------------------------|------------------|-----------------------------|---|
| | | <u>Injected</u> | <u>Withdrawn</u> | <u>Financial Hedges</u> | |
| May 2018 | \$7,083,295 | \$4,543,594 | | \$0 | \$11,626,889 |
| June 2018 | \$11,626,889 | \$4,533,331 | | \$0 | \$16,160,220 |
| July 2018 | \$16,160,220 | \$4,875,310 | | \$0 | \$21,035,530 |

**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 June 29, 2018

| 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) | | | |
| | | | | 0.8333% | | | |
| 1 | May 2018 | \$11,626,889 | | | | | |
| 2 | June 2018 | \$16,160,220 | \$13,893,555 | | | | |
| 3 | July 2018 | \$21,035,530 | \$18,597,875 | \$154,976 | 205,581 | \$0.754 | |

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

This foregoing document was electronically filed with the Public Utilities

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in

Case No(s). 18-0218-GA-GCR, 89-8002-GA-TRF

Summary: Tariff Duke Energy Ohio GCR July 2018 electronically filed by Mrs. Julie A. Lee on behalf of Duke Energy Ohio and Heitkamp, Douglas J. and Lee, Julie Ann Mrs.