BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Duke Energy Ohio, Inc., for an Increase in Natural Gas Rates.	)))	Case No. 22-507-GA-AIR
In the Matter of the Application of Duke Energy Ohio, Inc., for Approval of an Alternative Form of Regulation.	)))	Case No. 22-508-GA-ALT
In the Matter of the Application of Duke Energy Ohio, Inc., for Tariff Approval.	)))	Case No. 22-509-GA-ATA
In the Matter of the Application of Duke Energy Ohio, Inc., for Approval to Change Accounting Methods.	)))	Case No. 22-510-GA-AAM

VOLUME 4

MANAGEMENT POLICIES, PRACTICES, AND ORGANIZATION
THREE FUNCTIONAL AREAS

June 30, 2022

REQUEST:

Three areas:

1. Finance and accounting: internal auditing, including an evaluation of the Company's internal controls, processes, and procedures to comply with applicable laws and to ensure the integrity of financial and accounting information.

2. Budgeting and forecasting, including policies and procedures for how jurisdictional allocation factors are calculated, including the statistics used and an explanation for any recent changes in allocation procedures. The review should specifically address how costs associated with shared plant is allocated between Duke Energy Ohio and Duke Energy Kentucky

3. Plant operations and construction: A summary and review of the Company's transmission pipeline system in Ohio and estimates of the scope of work associated with material verification, maximum allowable operating pressure (MAOP) reconfirmation, and other requirements of the Pipeline and Hazardous Materials Safety Administration's "Safety of Gas Transmission Pipelines" rule, issued on 10/1/2019.

RESPONSE:

1. Please see Confidential MPP Areas Attachment 1.

2. Please see MPP Areas Attachment 2, Attachment 2A, Attachment 2A.1, Attachment 2A.2, Attachment 2B, and Attachment 2C.

3. Please see MPP Areas Attachment 3.

CONFIDENTIAL

Management Practices, and Procedures Organization

Functional Area One

Service Company Allocations

Process: Financial Closing & Reporting (FRCA); Allocate Service Company Costs

Approved By: Jeff Setser

The Service Company Allocations group is responsible for providing current allocation percentages by legal entity and the method used to allocate each service company function. This information is outlined in the Cost Allocation Manual (CAM), which documents the policies and procedures for allocating costs between the different business units. This manual is maintained by the Rates Department and is provided to state commissions staff or filed annually with the state commissions, if applicable.

Costs are directly assigned and charged to functional business units to the extent practical, with remaining costs subject to the allocation process. Service Company Allocations has overall responsibility to allocate corporate governance and shared service costs.

The following processes are performed by Service Company Allocations:

1. Determine cost pools. Costs are accumulated into cost pools based on the charging area's functional Operating Unit (OU). Cost pools remain static unless there are reorganizations, then cost pools are adjusted accordingly if necessary.

2. Determine base factors. The base factors, (Three Factor Formula - Labor, Gross Margin, PP&E, Number of Employees, etc.) which is the basis used to allocate each cost pool above, remain static unless significant change occurs.

3. Determine allocation % for each of the base factors. The allocation basis percentages to the legal entities for each base factor (i.e., Three Factor Formula) used to allocate service company function costs are calculated annually during the budget cycle. The allocation % remain consistent throughout the year unless there are significant organizational changes that warrant recalculations.

FCRA- Allocations Service Company (ASC) 50 Corporate allocation calculation review

Annually, the service company allocation calculations undergo a prepare/check/review process to ensure accuracy and completeness.

4. Determine %'s for Overhead Loader. The Enterprise and Governance Overhead Loader %'s are calculated annually during the budget cycle. The %'s remains fairly consistent throughout the year unless there are significant changes that warrant recalculations.

FCRA-ASC50 Corporate allocation calculation review

Annually, the service company allocation calculations undergo a prepare/check/review process to ensure accuracy and completeness.

5. Load into PeopleSoft Financials. The basis percentages (Step 3) and Enterprise Overhead offset percentages (Step 4) are loaded into PeopleSoft Financials monthly via a “stat" journal by the Business analyst. Additionally, the spreadsheets generated from the calculations in Steps 3 & 4 serve as supporting documentation for journal entry loaded into PeopleSoft.

FCRA-ASC44 Composite rates are entered correctly in FMIS

The Business Analyst runs a Webi query monthly to verify allocation percentages entered in PeopleSoft total 100% for each cost pool to ensure accuracy. The journal follows the j/e process: FCRA--JE01-- Entity level JE control.

6. The night of the 1st business day, the system runs a job to apply the Enterprise Overhead Loader to DEBS labor and posts the journals to the general ledger.

FCRA-ASC45 Service company allocations posted properly

Monthly, the Business Analyst reviews the allocation results using The Run Control and Suspense Account Reports sent by e-mail from the PeopleSoft Financials Support Team. The Run Control Report indicates whether the Allocation steps ran successfully of if errors occurred during the allocations run. The Suspense Account Report indicates if any entries were posted to the allocation suspense account. Any postings to the suspense account are identified and the Business Analyst forwards the lines involved to the Financial Contact of the Pool owner for correct accounting. Once the correct accounting is received the Business Analyst processes the correction via journal entry.

7. The night of the 2nd business day, the system runs a job to apply the allocation % (rates) to the cost pool dollars and posts the journals to the general ledger.

FCRA-ASC45 Service company allocations posted properly

Monthly, the Business Analyst reviews the allocation results using The Run Control and Suspense Account Reports sent by e-mail from the PeopleSoft Financials Support Team. The Run Control Report indicates whether the Allocation steps ran successfully of if errors occurred during the allocations run. The Suspense Account Report indicates if any entries were posted to the allocation suspense account. Any postings to the suspense account are identified and the Business Analyst forwards the lines involved to the Financial Contact of the Pool owner for correct accounting. Once the correct accounting is received the Business Analyst processes the correction via journal entry.

FCRA-ASC46 Corporate allocations posted properly The Business Analyst runs a WebI query monthly to verify that the job ran without errors, completely and accurately. The query is used to determine if the dollars allocated to the BUs and offset the cost pools appropriately. A OneStream report is also run to review the income statement impact for Service Company.

On occasion there will be residuals (difference between cost pool and offset). Based on materiality or timing (month-end close vs. year-end close), these charges may be allocated manually. A material residual would be $3m over or under allocated year to date.

8. A WebI query is run on Day 3 to determine the spread of allocated and direct charged Service Company labor. The Governance Overhead Loader (Step 4) offsets are determined based on this query. A stat journal is loaded into Peoplesoft Financials by the Business Analyst. The journal follows the j/e process: FCRA-JE01-- Entity level JE control.

9. The night of the 3rd business day, the system runs a job to apply the Governance Overhead Loader to DEBS labor and post the journals to the general ledger.

FCRA-ASC45 Service company allocations posted properly

Monthly, the Business Analyst reviews the allocation results using The Run Control and Suspense Account Reports sent by e-mail from the PeopleSoft Financials Support Team. The Run Control Report indicates whether the Allocation steps ran successfully of if errors occurred during the allocations run. The Suspense Account Report indicates if any entries were posted to the allocation suspense account. Any postings to the suspense account are identified and the Business Analyst forwards the lines involved to the Financial Contact of the Pool owner for correct accounting. Once the correct accounting is received the Business Analyst processes the correction via journal entry.

10. The results of Shared Services and Governance allocations are reviewed.

The Duke Energy Ohio, Inc. Cost Allocation Manual (CAM) is prepared as needed by gathering the necessary information from several different company groups. The organizational structure updates are provided by Legal. The affiliate asset transactions are provided by Supply Chain. The Relevant Service agreements are reviewed to ensure the most recent ones are included by the Corporate Compliance, and Shared Services Allocations and Reporting groups. Human Resources provides the reports for employee description, employing company, and transferring employees. This information is compiled by the Duke Energy Ohio Legal group and is made available when required.

The allocation factors for the allocations described in the Service Agreements included in the CAM are updated annually as part of the budget cycle. The Service Company and Utility to Utility allocations are prepared by the Shared Services Allocations and Reporting group, and include the service function, method of allocation and allocation factors for each of the jurisdictions and businesses including Duke Energy Ohio. DE Ohio Electric and Gas allocation factors from the Service Company are shown separately. See attachments “2022 Svc Co Cost Allocation Rate Schedule for CAM”(MPP Areas Attachment 2A.1) and “2022 Utility Cost Allocation Rate Schedule for CAM” ”(MPP Areas Attachment 2A.2) for the most current Service company and Utility to Utility allocations. The company maintains Sarbanes-Oxley controls around the allocation process. A brief narrative and associated controls are described in the “Service Company Allocations Narrative WDESK 44 45 46 50” (MPP Areas Attachment 2) document.

Per the Service Company Utility Service agreement, to recover the cost of capital, utilities including DE Ohio are charged a return for shared assets on the service company using the allowable revenue requirement for each jurisdiction. Entries are recorded monthly using an allocation of Service Company assets which include DEBS PP&E less CWIP, Capital lease assets and deferred taxes associated with PP&E; DEBS inventory assets; and DEPBS Pension assets less deferred taxes.

A facility study is conducted yearly for utility owned headquarter buildings in each jurisdiction including Ohio. The purpose is to determine intercompany rent to charge to non-utility employees utilizing space in these offices. The rent includes a return on the net book value of the facility, depreciation, property taxes and insurance.

Certain costs that reside on DE Ohio need to be allocated between Gas and Electric and Kentucky. The allocation split for these costs are maintained by the Regulated DE Ohio/Kentucky accounting group. Updated rates are calculated by the accounting group and updated in January for actual allocations.

2022 SERVICE COMPANY COST ALLOCATION DETAILS
COST ALLOCATIONS IN SERVICE AGREEMENTS

SA #	Function	Function Description	Allocation Method	Operating Unit (OU)	Function	OU Description	Allocation Pool	Alloc Pool Description	St Cd	Total DEC	Total DEP	Total DEF	DEI Total	DEK Total	DEO Total	Total Comm Trans-Elec	Total Electric Utilities	Total PNG	Total DEK-Gas	Total DEO-Gas	Total Comm Trans - Gas	Gas Utilities Total	Comm Pwr 75601 Cinergy Sol Hldng Co	Comm Pwr 75650 DEGS Holding Co	Comm Pwr 75961 Cinergy Sol Hldng Co	Comm Pwr Total 12	Other 10147 PEC Governance	Other 10157 PEC Governance	Other 20013 Service Company	Other 75620 DECE	Other 75696 DE Custom Delivery	Other 75771 Duke Investments	Other 75773 Cinergy One Inc	Other 75777 Cinergy Ventures LLC	Other 75963 Cinergy Ventures LLC	Other Total	Total
1.	Information Systems	Development and support of mainframe computer software applications.	Number of Central Processing Unit Seconds Ratio/Millions of Instructions per	ENMF	Information Systems	Mainframe Svcs Ent	ENTCPUMFR	Mainframe Svcs Ent	S05	29.33	-	-	26.58	4.43	22.75	-	83.09	-	3.17	13.74	-	16.91	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				PRMF	Information Systems	Mainframe Svcs Ent PE	PRECPUMFR	Mainframe Svcs Ent PE	P05	-	57.53	42.47	-	-	-	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				DEMF	Information Systems	Mainframe Svcs Ent DUK	DENTCPUMFR	Mainframe Svcs Ent	D05	13.93	25.72	18.99	12.63	2.10	10.80	-	84.17	7.80	1.50	6.53	-	15.83	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				PUMF	Information Systems	Mainframe Svcs Utility PE	PRUCPUMFR	Mainframe Svcs Utility PE	P11	-	57.53	42.47	-	-	-	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
		Procurement and support of personal computers and related network and software applications.	No. of Personal Computer Workstations Ratio	ENWS	Information Systems	Worksta Svcs Enterprise	ENTWKSWKS	Worksta Svcs Enterprise	S06	80.46	-	-	9.74	0.42	3.00	-	93.62	-	0.38	0.93	-	1.31	-	3.92	-	3.92	-	-	1.15	-	-	-	-	-	-	1.15	100.00
				PRWS	Information Systems	Worksta Svcs Enterprise PE	PREWKSWKS	Worksta Svcs Enterprise PE	P06	-	65.72	33.00	-	-	-	-	98.72	-	-	-	-	-	-	-	-	-	-	-	1.28	-	-	-	-	-	-	1.28	100.00
				DWSE	Information Systems	Worksta Svcs Enterprise DUK	DENTWKSWKS	Worksta Svcs Enterprise DUK	D06	40.31	28.19	14.17	4.88	0.20	1.51	-	89.26	6.99	0.19	0.46	-	7.64	-	1.96	-	1.96	-	-	1.14	-	-	-	-	-	-	1.14	100.00
				PUWS	Information Systems	Worksta Svcs Utility PE	PRUWKSWKS	Worksta Svcs Utility PE	P12	-	65.72	33.00	-	-	-	-	98.72	-	-	-	-	-	-	-	-	-	-	-	1.28	-	-	-	-	-	-	1.28	100.00
		Development and support of distributed computer software applications (e.g., servers).	Number of Info Systems Servers Ratio	ENSS	Information Systems	Server Svcs Enterprise	ENTSYSSVR	Server Svcs Enterprise	S07	55.38	-	-	20.22	3.33	9.99	-	88.92	-	1.65	5.86	-	7.51	-	1.66	-	1.66	-	-	1.91	-	-	-	-	-	-	1.91	100.00
				PRSS	Information Systems	Server Svcs Enterprise PE	PRESYSSVR	Server Svcs Enterprise PE	P07	-	44.74	54.00	-	-	-	-	98.74	-	-	-	-	-	-	-	-	-	-	-	1.26	-	-	-	-	-	-	1.26	100.00
				DESS	Information Systems	Server Svcs Enterprise DUK	DENTSYSSVR	Server Svcs Enterprise DUK	D07	28.26	17.17	20.73	10.30	1.69	5.09	-	83.24	10.64	0.84	2.99	-	14.47	-	0.85	-	0.85	-	-	1.44	-	-	-	-	-	-	1.44	100.00
				UTSS	Information Systems	Server Svcs Utility	UTISYSSVR	Server Svcs Utility	S13	28.64	17.41	21.02	10.44	1.72	5.14	-	84.37	10.79	0.84	3.03	-	14.66	-	-	-	-	-	-	0.97	-	-	-	-	-	-	0.97	100.00
				PUSS	Information Systems	Server Svcs Utility PE	PRUSYSSVR	Server Svcs Utility PE	P13	-	44.74	54.00	-	-	-	-	98.74	-	-	-	-	-	-	-	-	-	-	-	1.26	-	-	-	-	-	-	1.26	100.00
		Installation and operation of communications systems.	Number of Employees Ratio	ENTS	Information Systems	Telecom Svcs Enterprise	ENTEMPTEL	Telecom Svcs Enterprise	S33	73.78	-	-	13.81	0.87	3.88	-	92.34	-	0.81	1.20	-	2.01	-	4.45	-	4.45	-	-	1.20	-	-	-	-	-	-	1.20	100.00
				PRTS	Information Systems	Telecom Svcs Enterprise PE	PREEMPTEL	Telecom Svcs Enterprise PE	P33	-	62.92	35.76	-	-	-	-	98.68	-	-	-	-	-	-	-	-	-	-	-	1.32	-	-	-	-	-	-	1.32	100.00
				DETS	Information Systems	Telecom Svcs Enterprise DUK	DENTEMPTEL	Telecom Svcs Enterprise	D33	37.16	25.98	14.77	6.97	0.45	1.96	-	87.29	8.30	0.41	0.60	-	9.31	-	2.24	-	2.24	-	-	1.16	-	-	-	-	-	-	1.16	100.00
				DUTS	Information Systems	Telecom Svcs Utility	DUTIEMPTEL	Telecom Svcs Utility ND	D34	38.01	26.58	15.11	7.12	0.47	2.00	-	89.29	8.50	0.42	0.62	-	9.54	-	-	-	-	-	-	1.17	-	-	-	-	-	-	1.17	100.00
				UTTS	Information Systems	Telecom Svcs Utility	UTIEMPTEL	Telecom Svcs Utility	S34	77.21	-	-	14.46	0.91	4.05	-	96.63	-	0.85	1.26	-	2.11	-	-	-	-	-	-	1.26	-	-	-	-	-	-	1.26	100.00
				PTSU	Information Systems	Telecom Svcs Utility PE	PRUEMPTEL	Telecom Svcs Utility PE	P34	-	62.92	35.76	-	-	-	-	98.68	-	-	-	-	-	-	-	-	-	-	-	1.32	-	-	-	-	-	-	1.32	100.00
				ENHD	Information Systems	Helpdesk Services	ENTEMPHLP	Helpdesk Services	S33	73.78	-	-	13.81	0.87	3.88	-	92.34	-	0.81	1.20	-	2.01	-	4.45	-	4.45	-	-	1.20	-	-	-	-	-	-	1.20	100.00
				DEHD	Information Systems	Helpdesk Services DUK	DENTEMPHLP	Helpdesk Services DUK	D33	37.16	25.98	14.77	6.97	0.45	1.96	-	87.29	8.30	0.41	0.60	-	9.31	-	2.24	-	2.24	-	-	1.16	-	-	-	-	-	-	1.16	100.00
				PRHD	Information Systems	helpdesk Services PE	PREEMPHLP	Helpdesk Services	P33	-	62.92	35.76	-	-	-	-	98.68	-	-	-	-	-	-	-	-	-	-	-	1.32	-	-	-	-	-	-	1.32	100.00
		Information systems management and support services.	No. of Personal Computer Workstations Ratio	ENMA	Information Systems	ITS Mgt & Apps Svcs Ent	ENT3FFITM	ITS Mgt & Apps Svcs Ent	S35	40.31	28.19	14.17	4.88	0.20	1.51	-	89.26	6.99	0.19	0.46	-	7.64	-	1.96	-	1.96	-	-	1.14	-	-	-	-	-	-	1.14	100.00
				DEMA	Information Systems	ITS Mgt & Apps Svcs Ent DE	DENT3FFITM	ITS Mgt & Apps Svcs Ent DE	D35	40.31	28.19	14.17	4.88	0.20	1.51	-	89.26	6.99	0.19	0.46	-	7.64	-	1.96	-	1.96	-	-	1.14	-	-	-	-	-	-	1.14	100.00
				PRMA	Information Systems	ITS Mgt & Apps Svcs Ent PE	PRE3FFITM	ITS Mgt & Apps Svcs Ent PE	P35	40.31	28.19	14.17	4.88	0.20	1.51	-	89.26	6.99	0.19	0.46	-	7.64	-	1.96	-	1.96	-	-	1.14	-	-	-	-	-	-	1.14	100.00
				UTMA	Information Systems	ITS Mgt & Apps Utility	UTI3FFITM	ITS Mgt & Apps Utility	S36	83.75	-	-	10.14	0.43	3.12	-	97.44	-	0.39	0.97	-	1.36	-	-	-	-	-	-	1.20	-	-	-	-	-	-	1.20	100.00
				DELH	Information Systems	Duke Energy Lighthouse	DUWKSITM		D11	41.15	28.76	14.44	4.97	0.20	1.55	-	91.07	7.12	0.19	0.47	-	7.78	-	-	-	-	-	-	1.15	-	-	-	-	-	-	1.15	100.00
				DUMA	Information Systems	ITS Mgt & Apps Svcs Util DE	DUTI3FFITM	ITS Mgt & Apps Svcs Util DE	D36	40.31	28.19	14.17	4.88	0.20	1.51	-	89.26	6.99	0.19	0.46	-	7.64	-	1.96	-	1.96	-	-	1.14	-	-	-	-	-	-	1.14	100.00
2.	Meters	Procures, tests and maintains meters.	Number of Customers Ratio	DEMS	Meters	Meter Svcs Utility DE	DUTICUSMTR	Meter Svcs Utility DE	D14	28.86	17.05	18.76	8.89	1.48	7.61	-	82.65	11.70	1.06	4.59	-	17.35	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				UMMS	Meters	Meter Svcs Utl MWonly Elec/Gas	UTMCUSMTR	Meter Svcs Utl MWonly Elec/Gas	S60	-	-	-	37.62	6.27	32.19	-	76.08	-	4.48	19.44	-	23.92	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				UEMS	Meters	Meter Svcs Util MW Elec	UTECUSMTR	Meter Svcs Util MW Elec	S58	-	-	-	49.44	8.24	42.32	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
3.	Transportation	Procures and maintains vehicles and equipment.	Number of Employees Ratio	DUVE	Transportation	Transp Vehicles Utility DE	DUTIEMPVEH	Transp Vehicles Utility DE	D10	38.43	26.85	15.40	7.26	0.75	1.90	-	90.59	8.50	0.13	0.78	-	9.41	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				UMVE	Transportation	Transp Vehicles Util MW only	UTMEMPVEH	Transp Vehicles Util MW only	S65	-	-	-	67.06	6.95	17.56	-	91.57	-	1.24	7.19	-	8.43	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
		Procures and maintains aircraft and equipment.	Three Factor Formula	DGAV	Transportation	Transp Aviation Gvrnce	DGOV3FFAVI	Transp Aviation Gvrnce	DG1	33.35	22.50	17.28	10.32	1.16	3.59	0.01	88.21	6.27	0.43	1.64	0.01	8.35	3.33	-	-	3.33	0.01	-	-	-	-	-	-	0.10	-	0.11	100.00
				DEAV	Transportation	Transp Aviation Svcs Ent DE	DENT3FFAVI	Transp Aviation Svcs Ent DE	D03	33.36	22.50	17.28	10.32	1.16	3.59	0.01	88.22	6.27	0.43	1.64	0.01	8.35	-	3.33	-	3.33	-	-	-	-	0.09	-	0.01	-	-	0.10	100.00
4.	Electric System Maintenance	Coordinates maintenance and support of electric transmission and distribution systems.								-	-	-	-	-	-	-	-	-	-	-	-	-				-										-	-
		Services related to transmission system:	Circuit Miles of Electric Transm Lines Ratio	UTTR	Electric System	ESS Elec Tran Utility	UTICMIETR	ESS Elec Tran Utility	S15	41.73	20.16	15.64	16.85	0.47	5.15	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				UMTR	Electric System Maintenance	ESS Elec Tran Utility - MW	UTICMIEMW	ESS Elec Tran Utility - MW	S96	-	-	-	74.99	2.11	22.90	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
		Services related to distribution system:	Circuit Miles of Electric Dist. Lines Ratio	UTDI	Electric System	ESS Elec Dist Utility	UTICMIEDT	ESS Elec Dist Utility	S16	39.14	25.65	16.65	11.29	1.08	6.19	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				UMDI	Electric System Maintenance	ESS Elec Dist Utility MW only	UTMCMIEDT	ESS Elec Dist Utility MW only	S57	-	-	-	60.82	5.84	33.34	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
5.	Marketing and Customer Relations Grid Solutions	Advises the Client Companies in relations with domestic utility customers.								-	-	-	-	-	-	-	-	-	-	-	-	-				-										-	-
		Design and administration of market solutions standard and/or operational programs.	Number of Customers Ratio	PUSD	Marketing and	M&CR SALES & Demand Util	PRUTSALMCR	M&CR SALES & Demand	P17	-	47.61	52.39	-	-	-	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				NET	Marketing and Customer Relations	Customer Strategy P&S	UTISALNET	Customer Strategy P&S	S75	61.63	-	-	18.97	3.16	16.24	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				STD	Marketing and Customer Relations	Standard Services	UTISALSTD	Standard Services	S17	55.00	-	-	16.93	2.82	14.49	-	89.24	-	2.01	8.75	-	10.76	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				MSST	Marketing and Customer Relations	Mkt Sol - SrvCo Duke Standard	UTMSOLSTD	Market Sol - Legacy Duke	D98	61.63	-	-	18.97	3.16	16.24	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				UMSD	Marketing and Customer Relations	M&CR Standard Prod Util MWonly	UTMSALNET	M&CR Standard Prod Util MWonly	S68	-	-	-	37.62	6.27	32.19	-	76.08	-	4.48	19.44	-	23.92	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				UMNT	Marketing and Customer Relations	M&CR Net Product Util MW only	UTMSALSTD	M&CR Net Product Util MW only	S68	-	-	-	37.62	6.27	32.19	-	76.08	-	4.48	19.44	-	23.92	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				UESD	Marketing and Customer Relations	M&CR Sls&Dmnd Util MWElec only	UTMSALMCR	M&CR Sls&Dmnd Util MWElec only	S66	-	-	-	49.44	8.24	42.32	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				UGSD	Marketing and Customer Relations	M&CRSale&Demand Utl MWGas only	UTGSALMCR	M&CRSale&Demand Utl MWGas only	S67	-	-	-	-	-	-	-	-	-	18.71	81.29	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				DTNT	Marketing and Customer Relations	M&CR Elec Only Util DE	DUTICUSMCR	M&CR Elec Only Util DE	D75	34.93	20.63	22.70	10.75	1.79	9.20	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				UTNT	Marketing and Customer Relations	M&CRSale&Demand Utl MWGas only	UTISANET	M&CR Electric Utility	S75	61.63	-	-	18.97	3.16	16.24	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
		Customer meter reading, billing and payment processing. Market Solutions non P&L processes.	Number of Customers Ratio	UTMR	Marketing and	M&CR Mtr Rdg&Pmt Proc Util	UTICUSPMT	M&CR Mtr Rdg&Pmt Proc	S37	55.00	-	-	16.93	2.82	14.49	-	89.24	-	2.01	8.75	-	10.76	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				DUMR	Marketing and	M&CR Customers Util ND	DUTICUSPMT	M&CR Customers Util ND	D37	32.69	19.31	21.25	10.06	1.68	8.61	-	93.60	-	1.20	5.20	-	6.40	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				DUMS	Marketing and	Mkt Sol Srvco Utilities Std	DUTICUSPAY	Market Sol - All Utility Sol	D95	34.93	20.63	22.70	10.75	1.79	9.20	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				UMMR	Marketing and Customer Relations	M&CR MtrRdg&PmtPrc Util MWonly	UTMCUSPMT	M&CR MtrRdg&PmtPrc Util MWonly	S60	-	-	-	37.62	6.27	32.19	-	76.08	-	4.48	19.44	-	23.92	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				UOMR	Marketing and Customer Relations	M&CR MtrRdgPmtPrc DEO DEK only	UTOCUSPMT	M&CR MtrRdgPmtPrc DEO DEK only	S59	-	-	-	-	10.05	51.61	-	61.66	-	7.18	31.16	-	38.34	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				DCTH	Marketing and Customer Relations	M&CR Customers Util ND	DGOVCUSCTA	CTA Governance Cus DE	DG5	32.69	19.31	21.25	10.06	1.68	8.61	-	93.60	-	1.20	5.20	-	6.40	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
		Customer services including the operation of call center.		UEMR	Marketing and	M&CR MtrRdg&PmtPrc Util	UTECUSPMT	M&CR MtrRdg&PmtPrc Util	S58	-	-	-	49.44	8.24	42.32	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				UMPD	Marketing and Customer Relations	M&CR Util MW PD	UTMCUSMPD	M&CR Util MW PD	S69	-	-	-	37.62	6.27	32.19	-	76.08	-	4.48	19.44	-	23.92	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				EASC	Marketing and Customer Relations	M&CR Cust EAM	DUTICUSEAS		T06	32.69	19.31	21.25	10.06	1.68	8.61	-	93.60	-	1.20	5.20	-	6.40	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				DCIS	Marketing and Customer Relations	M&CR Cust Info Sys_Util	DUTICUSSYS	M&CR Cust Info Sys_Util	T05	32.69	19.31	21.25	10.06	1.68	8.61	-	93.60	-	1.20	5.20	-	6.40	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				UWPD	Marketing and Customer Relations	M&CR PD DEO/DEK E/G	UTMCUSWPD	M&CR PD DEO/DEK E/G	S70	-	-	-	-	10.05	51.61	-	61.66	-	7.18	31.16	-	38.34	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
		Costs associated with Smart Grid activities	Number of Customers Ratio	USGA	Marketing and Customer Relations	M&CR Smart Grid All E/G	UTICUSSG	M&CR Smart Grid	S76	55.00	-	-	16.93	2.82	14.49	-	89.24	-	2.01	8.75	-	10.76	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00

2022 SERVICE COMPANY COST ALLOCATION DETAILS
COST ALLOCATIONS IN SERVICE AGREEMENTS

SA #	Function	Function Description	Allocation Method	Operating Unit (OU)	Function	OU Description	Allocation Pool	Alloc Pool Description	St Cd	Total DEC	Total DEP	Total DEF	DEI Total	DEK Total	DEO Total	Total Comm Trans-Elec	Total Electric Utilities	Total PNG	Total DEK-Gas	Total DEO-Gas	Total Comm Trans - Gas	Gas Utilities Total	Comm Pwr 75601 Cinergy Sol Hldng Co	Comm Pwr 75650 DEGS Holding Co	Comm Pwr 75961 Cinergy Sol Hldng Co	Comm Pwr Total 12	Other 10147 PEC Governance	Other 10157 PEC Governance	Other 20013 Service Company	Other 75620 DECE	Other 75696 DE Custom Delivery	Other 75771 Duke Investments	Other 75773 Cinergy One Inc	Other 75777 Cinergy Ventures LLC	Other 75963 Cinergy Ventures LLC	Other Total	Total
				USGE	Marketing and Customer Relations	M&CR Smart Grid Electric Only	UTECUSSG	M&CR Smart Grid - Electric	S77	61.63	-	-	18.97	3.16	16.24	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				DSGA	Marketing and Customer Relations	M&CR Smart Grid DUKE E/G	DUTICUSSG	M&CR Smart Grid DUKE E/G	D89	32.69	19.31	21.25	10.06	1.68	8.61	-	93.60	-	1.20	5.20	-	6.40	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				DSGE	Marketing and Customer Relations	M&CR Smart Grid DUKE Elec Only	DUTECUSSG	M&CR Smart Grid DUKE Elec Only	D93	34.93	20.63	22.70	10.75	1.79	9.20	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				UTSG	Marketing and Customer Relations	Non-Smart Grid SES O&M	UTICUSSES	M&CR Customer System Util	S84	55.00	-	-	16.93	2.82	14.49	-	89.24	-	2.01	8.75	-	10.76	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				USGA	Marketing and Customer Relations	M&CR Smart Grid Util Capital	UTICUSSG	M&CR Smart Grid	S80	55.00	-	-	16.93	2.82	14.49	-	89.24	-	2.01	8.75	-	10.76	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				USGE	Marketing and Customer Relations	M&CR Smart Grid Electric Only Capital	UTECUSSG	M&CR Smart Grid - Electric	S81	61.63	-	-	18.97	3.16	16.24	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				DSGA	Marketing and Customer Relations	M&CR Smart Grid DUKE E/G - Capital	DUTICUSSG	M&CR Smart Grid DUKE E/G	D90	32.69	19.31	21.25	10.06	1.68	8.61	-	93.60	-	1.20	5.20	-	6.40	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				DSGE	Marketing and Customer Relations	M&CR Smart Grid DUKE Elec Only - Capital	DUTECUSSG	M&CR Smart Grid DUKE Elec Only	D94	34.93	20.63	22.70	10.75	1.79	9.20	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				UTSG	Marketing and Customer Relations	Non-Smart Grid SES Cap	UTICUSSES	M&CR Customer System Util	S85	55.00	-	-	16.93	2.82	14.49	-	89.24	-	2.01	8.75	-	10.76	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				GIPA	Marketing and Customer Relations	M&CR Grid Strat&Plan DUKE E/G	DUTICUSGS	M&CR Grid Strat&Plan DUKE E/G	T01	32.69	19.31	21.25	10.06	1.68	8.61	-	93.60	-	1.20	5.20	-	6.40	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				GIPA	Marketing and Customer Relations	M&CR Grid Strat&Plan DUKE E/G - Capital	DUTICUSGS	M&CR Grid Strat&Plan DUKE E/G - Capital	T02	32.69	19.31	21.25	10.06	1.68	8.61	-	93.60	-	1.20	5.20	-	6.40	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				GIPE	Marketing and Customer Relations	M&CR Grid Strat&Plan-Electric	DUTECUSGS	M&CR Grid Strat&Plan-Electric	T03	34.93	20.63	22.70	10.75	1.79	9.20	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				GIPE	Marketing and Customer Relations	M&CR Grid Strat&Plan-Electric - Capital	DUTECUSGS	M&CR Grid Strat&Plan-Electric - Capital	T04	34.93	20.63	22.70	10.75	1.79	9.20	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
6.	Electric Transmission & Distribution Engineering & Construction	Designs and monitors construction of electric transmission and distribution lines and substations. Prepares cost and schedule estimates, visits construction sites to ensure that construction activities coincide with plans, and administers construction								-	-	-	-	-	-	-	-	-	-	-	-	-				-										-	-
		Transmission engineering and construction:	(Electric Transmission Plant's) Construction - Expenditures Ratio	UTET	Electric Transmission	Eng & Constr ET Utility	UTICONETR	Eng & Constr ET Utility	S18	29.30	20.48	41.56	5.33	0.47	2.86	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				UEET	Electric Transmission & Distribution Engineering & Construction	Eng & Constr ET Util MW only	UTMCONETR	Eng & Constr ET Util MW only	S62	-	-	-	61.54	5.47	32.99	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
	Electric Transmission & Distribution Engineering & Construction	Distribution engineering and construction:	(Electric Distribution Plant's) Construction - Expenditures Ratio	UTED	Electric Transmission	Eng & Constr ED Utility	UTICONEDT	Eng & Constr ED Utility	S30	30.28	22.46	29.13	11.72	0.81	5.60	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				UEED	Electric Transmission & Distribution Engineering & Construction	Eng & Constr ED Util MW only	UTMCONEDT	Eng & Constr ED Util MW only	S61	-	-	-	64.64	4.46	30.90	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
7.	Power Engineering & Construction	Designs, monitors and supports the construction of electric generation facilities. Prepares specifications and administers contracts for construction of new electric generating units or improvements to existing electric generating units. Prepares cost and schedule estimates and visits construction sites to ensure that construction activities coincide with plans.	(Electric Production Plant's) Construction - Expenditures Ratio	UTEC	Power Engineering &	Eng & Constr Pwr Prod Util	UTICONPWR	Eng & Constr Pwr Prod Util	S25	44.41	32.78	12.99	9.04	0.78	-	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				UEEC	Power Engineering & Construction	Eng&Constr Pwr Prod Utl MWonly	UTMCONPWR	Eng&Constr Pwr Prod Utl MWonly	S63	-	-	-	92.05	7.95	-	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				UGEG	Power Engineering & Construction	Eng & Constr Gas Util MW only	UTMCONGAS	Eng & Constr Gas Util MW only	S64	-	-	-	-	-	-	-	-	77.32	5.58	17.10	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
8.	Human Resources	Establishes and administers policies and supervises compliance with legal requirements in the areas of employment, compensation, benefits and employee health and safety. Processes payroll and employee benefit payments. Supervises contract negotiations and relations with labor	Number of Employees Ratio	DGHR	Human Resources	HR Svcs Gvrnce	DGOVEMPHRS	HR Svcs Gvrnce	DG2	37.56	26.24	15.06	7.10	0.74	1.86	-	88.56	8.31	0.13	0.76	-	9.20	2.24	-	-	2.24	-	-	-	-	-	-	-	-	-	-	100.00
				DHRE	Human Resources	HR Services Enterprise DE	DENTEMPHRS	HR Services Enterprise DE	D04	37.56	26.24	15.06	7.10	0.74	1.86	-	88.56	8.31	0.13	0.76	-	9.20	-	2.24	-	2.24	-	-	-	-	-	-	-	-	-	-	100.00
				UTHR	Human Resources	HR Services Utility	UTIEMPHRS	HR Services Utility	S38	38.43	26.85	15.40	7.26	0.75	1.90	-	90.59	8.50	0.13	0.78	-	9.41	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
9.	Supply Chain	Provides services in connection with the procurement of materials and contract services, processes payments to vendors, and provides management of material and supplies inventories								-	-	-	-	-	-	-	-	-	-	-	-	-				-										-	-
		Procurement of materials and contract services and vendor payment processing:	Procurement Spending Ratio	DUSC	Materials Management	Matls Mgmt Sply Chn Util DE	DUTIPROSPC	Matls Mgmt Sply Chn Util DE	D19	34.93	18.56	18.69	10.12	1.14	3.48	0.01	86.93	10.02	0.72	1.91	-	12.65	-	-	-	-	-	-	-	-	0.41	-	0.01	-	-	0.42	100.00
				DESC	Materials Management	Matls Mgmt Sply Chain Ent DE	DENTPROSPC	Matls Mgmt Sply Chain Ent DE	D08	32.73	17.44	17.49	9.48	1.07	3.26	0.01	81.48	9.39	0.68	1.79	-	11.86	-	6.24	-	6.24	-	-	-	0.03	0.38	-	0.01	-	-	0.42	100.00
				UPPD	Materials Management	MW ELEC/GAS DELIVRY STOREROOM	UTBRCPSMM	MW ELEC/GAS DELIVRY STOREROOM	S72	-	-	-	-	7.04	77.34	-	84.38	-	4.06	11.56	-	15.62	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
		Management of materials and supplies inventory:	Inventory Ratio	UTIN	Materials	Matls Mgmt Inventory Util	UTIINVSPC	Matls Mgmt Inventory Util	S20	21.04	23.47	27.79	14.68	0.14	12.88	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
10.	Facilities	Operates and maintains office and service buildings. Provides security and housekeeping services for such buildings and procures office furniture and equipment.	Square Footage Ratio	GORE	Facilities	RE Facility Svcs CLT GO	CLTSOFFAC	RE Facility Svcs CLT GO	S27	48.62	33.97	0.67	0.34	-	0.03	-	83.63	14.98	-	0.01	0.65	15.64	-	0.73	-	0.73	-	-	-	-	-	-	-	-	-	-	100.00
				CNRE	Facilities	RE Fac Svcs - Cincinnati	CINSOFFAC	RE Fac Svcs - Cincinnati	S50	18.49	12.92	-	9.45	-	10.27	-	51.13	23.08	-	4.19	2.14	29.41	-	19.46	-	19.46	-	-	-	-	-	-	-	-	-	-	100.00
				PLRE	Facilities	RE Fac Svcs - Plainfield	PLDSOFFAC	RE Fac Svcs - Plainfield	S51	13.30	9.30	1.24	72.57	-	-	-	96.41	0.48	-	-	-	0.48	-	3.11	-	3.11	-	-	-	-	-	-	-	-	-	-	100.00
				MWRE	Facilities	RE Facility Services MW Utility	UTMSQFFAC	RE Facility Services MW Utility	S71	-	-	-	46.46	3.28	29.88	-	79.62	-	2.34	18.04	-	20.38	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				DERE	Facilities	RE Facility Services Ent DE	DENT3FFFAC	RE Facility Services Ent DE	D39	40.54	28.33	13.31	5.07	-	0.37	-	87.62	10.18	-	0.15	0.47	10.80	-	1.58	-	1.58	-	-	-	-	-	-	-	-	-	-	100.00
11.	Accounting	Maintains the books and records of Duke Energy Corporation and its affiliates, prepares financial and statistical reports, prepares tax filings and supervises compliance with the laws and regulations.	Three Factor Formula	DGAC	Accounting	Accounting Gvrnce	DGOV3FFACT	Accounting Gvrnce	DG1	33.35	22.50	17.28	10.32	1.16	3.59	0.01	88.21	6.27	0.43	1.64	0.01	8.35	3.33	-	-	3.33	0.01	-	-	-	-	-	-	0.10	-	0.11	100.00
				DGVP	Accounting	VSP - Governance DE	DGOV3FFVSP	VSP - Governance DE	DG3	35.63	23.99	18.42	11.00	1.23	3.83	0.01	94.11	-	0.46	1.76	0.01	2.23	-	3.55	-	3.55	0.01	-	-	-	-	0.10	-	-	-	0.11	100.00
				PGVP	Accounting	VSP - Governance	PRGV3FFVSP	VSP - Governance	PG3	-	56.46	43.54	-	-	-	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				DEAC	Accounting	Accounting Svcs Ent DE	DENT3FFACT	Accounting Svcs Ent DE	D03	33.36	22.50	17.28	10.32	1.16	3.59	0.01	88.22	6.27	0.43	1.64	0.01	8.35	-	3.33	-	3.33	-	-	-	-	0.09	-	0.01	-	-	0.10	100.00
				UTAC	Accounting	Acctg Svcs Utility	UTI3FFACT	Acctg Svcs Utility	S09	34.53	23.27	17.89	10.70	1.20	3.72	0.01	91.32	6.50	0.45	1.72	0.01	8.68	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				UMAC	Accounting	Acctg Svcs Util MW FE&G only	UTM3FFACT	Acctg Svcs Util MW FE&G only	S53	-	-	-	60.97	6.68	20.68	-	88.33	-	2.52	9.15	-	11.67	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				DDEP	Accounting	DEBS Depreciation DE	DENT3FFDEP	SvcCo Depreciation Enterprise DE	D49	33.36	22.50	17.28	10.32	1.16	3.59	0.01	88.22	6.27	0.43	1.64	0.01	8.35	-	3.33	-	3.33	-	-	-	-	0.09	-	0.01	-	-	0.10	100.00
				PRDP	Accounting	SvcCo Depreciation PE	PRE3FFDEPR	SvcCo Depreciation Enterprise PE	P49	-	56.46	43.54	-	-	-	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				DGDC	Accounting	Governance CTA Depreciation DE	DGOV3FDEPP	Governance CTA Depreciation DE	DG4	35.63	23.99	18.42	11.00	1.23	3.83	0.01	94.11	-	0.46	1.76	0.01	2.23	-	3.55	-	3.55	0.01	-	-	-	-	0.10	-	-	-	0.11	100.00
				DCTG	Accounting	CTA Governance DE	DGOV3FFCTA	CTA Governance DE	DG3	35.63	23.99	18.42	11.00	1.23	3.83	0.01	94.11	-	0.46	1.76	0.01	2.23	-	3.55	-	3.55	0.01	-	-	-	-	0.10	-	-	-	0.11	100.00
				PNYG	Accounting	Project Accounting Gov	GOV3FFCTAP	Special Governance DE	DG7	33.35	22.50	17.28	10.32	1.16	3.59	0.01	88.21	6.27	0.43	1.64	0.01	8.35	-	-	3.33	3.33	-	0.01	-	-	-	-	-	-	0.10	0.11	100.00
				PNGG	Accounting	Special Goveranance Gas Only	GOV3FCTAPG	Special Governance DE	DG6	-	-	-	-	-	-	-	-	75.52	5.07	19.41	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				PUDC	Accounting	Governance CTA Depreciation PE	PRV3FFDEPP	Governance CTA Depreciation PE	PG4	-	56.46	43.54	-	-	-	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				GSAC	Accounting	Accounting Gas Only	UTI3FFGACT	Accca Svcs Gas only	GD3	-	-	-	-	-	-	-	-	75.52	5.07	19.41	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
			Generating Unit MW Capability Ratio (MDC)	DPNL	Accounting	Duke Progress CTA Nuclear	DGOV3FFDPN	Duke Progress CTA Nuclear	CG3	67.00	33.00	-	-	-	-	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
		Rate of Return - Allocates the Service Company's portion of the utilities chargeback for affiliate use of space.	Three Factor Formula	DURR	Facilities Rate of Return Allocation	Facilities ROR Gvrnce DE	DGOVEMPROR	Facilities ROR Gvrnce	DG1	33.35	22.50	17.28	10.32	1.16	3.59	0.01	88.21	6.27	0.43	1.64	0.01	8.35	3.33	-	-	3.33	0.01	-	-	-	-	-	-	0.10	-	0.11	100.00
12.	Power Planning and Operations	Coordinates the planning, management and operation of Duke Energy Corporation's electric power systems. The activities of the Function include: System Planning - planning of additions and retirements to Duke Energy Corporation's electric generation, transmission and distribution systems.								-	-	-	-	-	-	-	-	-	-	-	-	-				-										-	-
		Generation planning:	Elec Peak Load Ratio	DUGE	Power Planning and	Pwr Plng&Ops Gen Plng Util	DUTIPKLGPL	Pwr Plng&Ops Gen Plng Util	D21	36.98	27.77	21.60	12.04	1.61	-	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
		Transmission planning:	Elec Peak Load Ratio	DUTP	Power Planning and Ops	Pwr Plng&Ops Trans Plng Util ND	DUTIPKLETR	Pwr Plng&Ops Trans Plng Util ND	D32	37.85	22.20	20.65	11.49	1.21	6.60	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
		Distribution planning:	Weighted Avg of the *Circ Miles of ED Lines Ratio* and the *Elec Peak Load Ratio*	DUDP	Power Planning and Ops	Pwr Plng&Ops Dist Plng Util ND	DUTICMIEDL	Pwr Plng&Ops Dist Plng Util ND	D41	38.48	23.91	18.66	11.40	1.15	6.40	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
	Power Planning and Operations	System Operations - coordination of the energy dispatch and operation of Duke Energy Corporation's electric generating units and transmission and distribution systems.								-	-	-	-	-	-	-	-	-	-	-	-	-				-										-	-
		Generation Dispatch:	Sales Ratio	UTGD	Power Planning and	Pwr Plng&Ops Gen Dsptch Util	UTISALGDP	Pwr Plng&Ops Gen Dsptch	S42	26.29	22.47	32.66	16.70	1.88	-	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00

2022 SERVICE COMPANY COST ALLOCATION DETAILS
COST ALLOCATIONS IN SERVICE AGREEMENTS

SA #	Function	Function Description	Allocation Method	Operating Unit (OU)	Function	OU Description	Allocation Pool	Alloc Pool Description	St Cd	Total DEC	Total DEP	Total DEF	DEI Total	DEK Total	DEO Total	Total Comm Trans-Elec	Total Electric Utilities	Total PNG	Total DEK-Gas	Total DEO-Gas	Total Comm Trans - Gas	Gas Utilities Total	Comm Pwr 75601 Cinergy Sol Hldng Co	Comm Pwr 75650 DEGS Holding Co	Comm Pwr 75961 Cinergy Sol Hldng Co	Comm Pwr Total 12	Other 10147 PEC Governance	Other 10157 PEC Governance	Other 20013 Service Company	Other 75620 DECE	Other 75696 DE Custom Delivery	Other 75771 Duke Investments	Other 75773 Cinergy One Inc	Other 75777 Cinergy Ventures LLC	Other 75963 Cinergy Ventures LLC	Other Total	Total
		Transmission Operations:	Weighted Average of the Circ Miles of Elec Transm Lines	UTTO	Power Planning and	Pwr Plng&Ops Trans Ops Util	UTICMIOTR	Pwr Plng&Ops Trans Ops	S31	39.78	21.16	18.15	14.18	0.85	5.88	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
		Distribution Operations:	Weighted Avg of the Circ Miles of ED Lines Ratio and the Elec	UTDO	Power Planning and	Pwr Plng & Ops Dist Ops Util	UTICMIODL	Pwr Plng & Ops Dist Ops	S22	38.48	23.91	18.66	11.40	1.15	6.40	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
		Power Operations – provides management and support services for Duke Energy Corporation's electric generation system.	Generating Unit MW Capability /MDC Ratio	REPO	Power Planning and Ops	Pwr Plng & Ops Pwr Ops Reg	REGCAPPOP	Pwr Plng & Ops Pwr Ops Reg	S28	29.30	24.15	26.94	16.70	2.91	-	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				RCLO	Power Planning and Ops	Reg Coal - All Juris (DEBS)	RCLCAPPOP	Pwr Plng Ops Reg Coal	D99	37.01	18.67	14.50	26.29	3.53	-	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				RCTO	Power Planning and Ops	Reg CT/CC - All Juris (DEBS)	RCTCAPPOP	Pwr Plng Ops Reg CT&CC	S98	23.57	28.21	36.17	9.59	2.46	-	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				RMWO	Power Planning and Ops	Reg Coal/CT - Midwest (DEBS)	REGMCAPOP	Pwr Plng Ops Reg MW only	S99	-	-	-	85.14	14.86	-	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
		Wholesale Power Operations – coordination of Duke Energy Corporation's wholesale power operations	Sales Ratio							-	-	-	-	-	-	-	-	-	-	-	-	-				-										-	-
13.	Public Affairs	Prepares and disseminates information to employees, customers, government officials, communities and the media.	Three Factor Formula	DGPA	Public Affairs	Pub Affrs Gvrnce	DGOV3FFPAF	Pub Affrs Gvrnce	DG1	33.35	22.50	17.28	10.32	1.16	3.59	0.01	88.21	6.27	0.43	1.64	0.01	8.35	3.33	-	-	3.33	0.01	-	-	-	-	-	-	0.10	-	0.11	100.00
				DGPP	Public Affairs	Public Policy Gvrnce	DGOV3FFPPO	Public Policy Gvrnce	DG1	33.35	22.50	17.28	10.32	1.16	3.59	0.01	88.21	6.27	0.43	1.64	0.01	8.35	3.33	-	-	3.33	0.01	-	-	-	-	-	-	0.10	-	0.11	100.00
				DEPA	Public Affairs	Public Affairs Services Ent DE	DENT3FFPAF	Public Affairs Services Ent	D03	33.36	22.50	17.28	10.32	1.16	3.59	0.01	88.22	6.27	0.43	1.64	0.01	8.35	-	3.33	-	3.33	-	-	-	-	0.09	-	0.01	-	-	0.10	100.00
		Utility Specific Activities	Weighted Average of # of Customers Ratio and # of	UTPA	Public Affairs	Public Affairs Services Util	UTICUSPAF	Public Affairs Services Util	S24	33.62	21.95	17.08	8.08	1.12	4.76	-	86.61	10.10	0.60	2.69	-	13.39	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
14.	Legal	Renders services relating to labor and employment law, litigation, contracts, rates and regulatory affairs, environmental matters, financing, financial reporting, real estate and other legal matters	Three Factor Formula	DLEE	Legal	Legal Governance	DGOV3FFLEG	Legal Governance	CG1	62.01	-	-	19.10	2.14	6.63	0.01	89.89	-	0.79	3.02	0.03	3.84	6.08	-	-	6.08	0.01	-	-	-	-	-	-	0.18	-	0.19	100.00
				ENLE	Legal	Legal Governance	GOV3FFLEG	Legal Governance	DG1	33.35	22.50	17.28	10.32	1.16	3.59	0.01	88.21	6.27	0.43	1.64	0.01	8.35	3.33	-	-	3.33	0.01	-	-	-	-	-	-	0.10	-	0.11	100.00
				PGLG	Legal	Legal Governance PE	PRGV3FFLEG	Legal Governance PE	PG1	-	56.46	43.54	-	-	-	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				UTLE	Legal	Legal Services Utility	UTI3FFLEG	Legal Services Utility	S09	34.53	23.27	17.89	10.70	1.20	3.72	0.01	91.32	6.50	0.45	1.72	0.01	8.68	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
15.	Rates	Determines the Client Companies' revenue requirements and rates to electric and gas requirements customers. Administers interconnection and joint ownership agreements. Researches and forecasts customers' usage.	Sales Ratio	UTRA	Rates	Rates Utility	UTISALRAT	Rates Utility	S44	28.44	20.19	14.37	9.80	1.31	6.57	-	80.68	9.96	1.45	7.91	-	19.32	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				UORA	Rates	Rates Svcs Util DEO DEK only	UTOSALRAT	Rates Svcs Util DEO DEK only	S55	-	-	-	-	9.36	52.34	-	61.70	-	6.69	31.61	-	38.30	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				UMRA	Rates	Rates DEO & DEK Reg	UTMSALRAT	Rates DEO & DEK Reg	S86	-	-	-	-	7.62	38.10	-	45.72	-	8.43	45.85	-	54.28	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
16.	Finance	Renders services to Client Companies with respect to investments, financing, cash management, risk management, claims and fire prevention. Prepares budgets, financial forecasts and economic analyses.	Three Factor Formula	DGFI	Finance	Financial Svcs Gvrnce	DGOV3FFFIN	Financial Svcs Gvrnce	DG1	33.35	22.50	17.28	10.32	1.16	3.59	0.01	88.21	6.27	0.43	1.64	0.01	8.35	3.33	-	-	3.33	0.01	-	-	-	-	-	-	0.10	-	0.11	100.00
				DEFI	Finance	Financial Svcs DE	DENT3FFFIN	Financial Svcs Enterprise	D03	33.36	22.50	17.28	10.32	1.16	3.59	0.01	88.22	6.27	0.43	1.64	0.01	8.35	-	3.33	-	3.33	-	-	-	-	0.09	-	0.01	-	-	0.10	100.00
				UTFI	Finance	Financial Services Utility	UTI3FFFIN	Financial Services Utility	S09	34.53	23.27	17.89	10.70	1.20	3.72	0.01	91.32	6.50	0.45	1.72	0.01	8.68	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				UMFI	Finance	Financial Svc Util MW FEG only	UTM3FFFIN	Financial Svc Util MW FEG only	S53	-	-	-	60.97	6.68	20.68	-	88.33	-	2.52	9.15	-	11.67	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
17.	Rights of Way	Purchases, surveys, records, and sells real estate interests for Client Companies.								-	-	-	-	-	-	-	-	-	-	-	-	-				-										-	-
		Services related to electric distribution system:	Circuit Miles of Electric Dist. Lines Ratio	DURD	Rights of Way	Right of Way ED Sys Util ND	DUTICMIRWD	Right of Way ED Sys Util ND	D87	39.14	25.65	16.65	11.29	1.08	6.19	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
		Services related to electric generation system:	Elec Peak Load Ratio	DURG	Rights of Way	Right of Way Gen Sys Util ND	DUTIPKLRWG	Right of Way Gen Sys Util ND	D88	36.98	27.77	21.60	12.04	1.61	-	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
		Services related to electric transmission system:	Circuit Miles of Electric Transm Lines Ratio	DURW	Rights of Way	Right of Way ET Sys Util ND	DUTICMIROW	Right of Way ET Sys Util ND	D45	41.73	20.16	15.64	16.85	0.47	5.15	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
18.	Internal Auditing	Reviews internal controls and procedures to ensure that assets are safeguarded & that transactions are properly authorized & recorded.	Three Factor Formula	DGIA	Internal Auditing	Internal Audit Gvrnce	DGOV3FFIAU	Internal Audit Gvrnce	DG1	33.35	22.50	17.28	10.32	1.16	3.59	0.01	88.21	6.27	0.43	1.64	0.01	8.35	3.33	-	-	3.33	0.01	-	-	-	-	-	-	0.10	-	0.11	100.00
				DUIA	Internal Auditing	Intrnl Audit Svcs Utility DE	DUTI3FFIAU	Intrnl Audit Svcs Utility DE	D09	34.53	23.27	17.89	10.70	1.20	3.72	0.01	91.32	6.50	0.45	1.72	0.01	8.68	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
19.	Environmental, Health and Safety	Establishes policies and procedures and governance framework for compliance with environmental, health and safety ("EHS") issues, monitors compliance with EHS requirements and provides EHS compliance support to the Client	Three Factor Formula	DGEA	Environmental,	Envir Affrs Gvrnce	DGOV3FFENV	Envir Affrs Gvrnce	DG1	33.35	22.50	17.28	10.32	1.16	3.59	0.01	88.21	6.27	0.43	1.64	0.01	8.35	3.33	-	-	3.33	0.01	-	-	-	-	-	-	0.10	-	0.11	100.00
				ENEA	Environmental, Health and Safety	Enviro Affairs Svcs Ent	ENT3FFENV	Enviro Affairs Svcs Ent	S46	33.36	22.50	17.28	10.32	1.16	3.59	0.01	88.22	6.27	0.43	1.64	0.01	8.35	-	3.33	-	3.33	-	-	-	-	0.09	-	0.01	-	-	0.10	100.00
		Utility Specific Activities	Sales Ratio	UTEA	Environmental,	Enviro Affairs Svcs Utility	UTISALENV	Enviro Affairs Svcs Utility	S47	28.44	20.19	14.37	9.80	1.31	6.57	-	80.68	9.96	1.45	7.91	-	19.32	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
20.	Fuels	Procures coal, gas and oil for the Client Companies. Ensures compliance with price and quality provisions of fuel contracts and arranges for transportation of the fuel to the generating stations.	Sales Ratio	UTFU	Fuels	Fuels Utility	UTISALFUE	Fuels Utility	S48	26.29	22.47	32.66	16.70	1.88	-	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
21.	Investor Relations	Provides communications to investors and the financial community, performs	Three Factor Formula	DGIR	Investor Relations	Investor Rel Gvrnce	DGOV3FFINV	Investor Rel Gvrnce	DG1	33.35	22.50	17.28	10.32	1.16	3.59	0.01	88.21	6.27	0.43	1.64	0.01	8.35	3.33	-	-	3.33	0.01	-	-	-	-	-	-	0.10	-	0.11	100.00
22.	Planning	Facilitates preparation of strategic and operating plans, monitors trends and evaluates business opportunities.	Three Factor Formula	DGPS	Planning	Planning Svcs Gvrnce	DGOV3FFPLN	Planning Svcs Gvrnce	DG1	33.35	22.50	17.28	10.32	1.16	3.59	0.01	88.21	6.27	0.43	1.64	0.01	8.35	3.33	-	-	3.33	0.01	-	-	-	-	-	-	0.10	-	0.11	100.00
				DGCD	Planning	Corp Dvlpmnt Gvrnce	DGOV3FFCDO	Corp Dvlpmnt Gvrnce	DG1	33.35	22.50	17.28	10.32	1.16	3.59	0.01	88.21	6.27	0.43	1.64	0.01	8.35	3.33	-	-	3.33	0.01	-	-	-	-	-	-	0.10	-	0.11	100.00
				DEPS	Planning	Planning Svcs Enterprise DE	DENT3FFPLN	Planning Svcs Enterprise DE	D03	33.36	22.50	17.28	10.32	1.16	3.59	0.01	88.22	6.27	0.43	1.64	0.01	8.35	-	3.33	-	3.33	-	-	-	-	0.09	-	0.01	-	-	0.10	100.00
				DUPS	Planning	Planning Svcs Utility DE	DUTI3FFPLN	Planning Svcs Utility DE	D09	34.53	23.27	17.89	10.70	1.20	3.72	0.01	91.32	6.50	0.45	1.72	0.01	8.68	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
23.	Executive	Provides general administrative and executive management services.	Three Factor Formula	DGEX	Executive	Exec Governance	DGOV3FFEXC	Exec Governance	DG1	33.35	22.50	17.28	10.32	1.16	3.59	0.01	88.21	6.27	0.43	1.64	0.01	8.35	3.33	-	-	3.33	0.01	-	-	-	-	-	-	0.10	-	0.11	100.00
				ENEX	Executive	Exec Services Enterprise	ENT3FFEXC	Exec Services Enterprise	S03	33.36	22.50	17.28	10.32	1.16	3.59	0.01	88.22	6.27	0.43	1.64	0.01	8.35	-	3.33	-	3.33	-	-	-	-	0.09	-	0.01	-	-	0.10	100.00
				UTEX	Executive	Exec Services Utility	UTI3FFEXC	Exec Services Utility	S09	34.53	23.27	17.89	10.70	1.20	3.72	0.01	91.32	6.50	0.45	1.72	0.01	8.68	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				UMEX	Executive	Executive Svc Util MW FEG only	UTM3FFEXC	Executive Svc Util MW FEG only	S53	-	-	-	60.97	6.68	20.68	-	88.33	-	2.52	9.15	-	11.67	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				UOEX	Executive	Exec Svcs Utility DEO DEK only	UTO3FFEXC	Exec Svcs Utility DEO DEK only	S56	-	-	-	-	17.18	53.10	-	70.28	-	6.46	23.26	-	29.72	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				DGSC	Executive	Stock Comp Legacy DE	GOV3FFSTK	Stock Comp Legacy DE	CG1	62.01	-	-	19.10	2.14	6.63	0.01	89.89	-	0.79	3.02	0.03	3.84	6.08	-	-	6.08	0.01	-	-	-	-	-	-	0.18	-	0.19	100.00
				DGEP	Executive	ESP Other Governance	DGOV3FFESP		DG7	33.35	22.50	17.28	10.32	1.16	3.59	0.01	88.21	6.27	0.43	1.64	0.01	8.35	-	-	3.33	3.33	-	0.01	-	-	-	-	-	-	0.10	0.11	100.00
				PSTK	Executive	Stock Comp Legacy PGN	PRGV3FFSTK	Stock Comp Legacy PGN	PG1	-	56.46	43.54	-	-	-	-	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
	Interest	Allocates Interest		DEAI	Interest	Acctg Interest Svc Enterprise	DENTINTACT	Acctg Interest Svc	D52	33.63	18.45	12.20	15.86	2.86	7.33	0.01	90.34	5.36	0.45	1.71	0.06	7.58	2.08	-	-	2.08	-	-	-	-	-	-	-	-	-	-	100.00

Gas Only
New Duke 50998
New Duke 20013
Legacy Duke
Legacy Progess
MW Only

2022 Utility Level allocations

SA #	Function	Function Description	Allocation Method	Operating Unit (OU)	Function	OU Description	Allocation Pool	Alloc Pool Description	St Cd
4.	**Electric System Maintenance**	Coordinates maintenance and support of electric transmission and distribution systems.							
		Services related to transmission system:	*Circuit Miles of Electric Transm Lines Ratio*	CTTR	Electric System	ESS Elec Tran Utility	CTICMIETR	ESS Elec Tran Utility	C15
				PTTR	Electric System	ESS Elec Tran Utility	PCTICMIETR	ESS Elec Tran Utility	C15
				CTDC	Electric System	ESS Elec Tran Utility	DCOCMIET	ESS Elec Tran Utility	C98
				PTPC	Electric System	ESS Elec Tran Utility	PCICMIET	ESS Elec Tran Utility	C98
		Services related to distribution system:	*Circuit Miles of Electric Dist. Lines Ratio*	CTDI	Electric System	ESS Elec Dist Utility	CTICMIEDT	ESS Elec Dist Utility	C16
				PTDI	Electric System	ESS Elec Dist Utility	PCTICMIEDT	ESS Elec Dist Utility	C16
				CDDC	Electric System	ESS Elec Dist Utility	DCICMIED	ESS Elec Dist Utility	C93
				DPPC	Electric System	ESS Elec Dist Utility	PCICMIED	ESS Elec Dist Utility	C93
5.	**Marketing and Customer Relations Grid Solutions**	Advises the Client Companies in relations with domestic utility customers.							
		Design and administration of market solutions standard and/or operational programs.	*Number of Customers Ratio*	CTSD	M&CR	M&CR Sales & Demand Util	CUTISALMCR	M&CR Sales & Demand Util	C17
				PCSD	M&CR	M&CR Sales & Demand Util	PCUTISALST	M&CR Sales & Demand Util	C82
				MSPS	M&CR	Mkt Sol - DEP Leg Duk	DEPISALSTD	Market Solutions - DEP LD Std	U04
				CNET	M&CR	Customer Strategy P&S	CUTISALNET	Customer Strategy P&S	C75
				PCNT	M&CR	Customer Strategy P&S	PCUTISALNE	Customer Strategy P&S	C83
				CSTD	M&CR	Standard Services	CUTISALSTD	Standard Services	C17
				MSCS	M&CR	Mkt Sol - DEC Duke Std	DECISALSTD	Market Solutions DEC LD Std	U03
				CTNT	M&CR	M&CRSale&Demand Utl	CUTICUSMCR	M&CR Electric Utility	C74
				PCNA	M&CR	PEC Customer Elec Only	PCUSELEC	PEC Customer Elec Only	C78
				PFNA	M&CR	DEF Customer Elec Only	DECUSELEC	DEF Customer Elec Only	C79
		Customer meter reading, billing and payment processing. Market Solutions non P&L processes.	*Number of Customers Ratio*	CTMR	M&CR	M&CR Mtr Rdg&Pmt Proc Util	CUTICUSPMT	M&CR Mtr Rdg&Pmt Proc Util	C37
				PCDA	M&CR	M&CR Mtr Rdg&Pmt Proc Util	PCUTICUSPM	M&CR Mtr Rdg&Pmt Proc Util	C85
				PFDA	M&CR	M&CR Mtr Rdg&Pmt Proc Util	FUTICUSPMT	M&CR Mtr Rdg&Pmt Proc Util	C89
				CUMR	M&CR	M&CR Customers Util ND	CUTCUSPMT	M&CR Customers Util ND	C38
				CUMS	M&CR	Mkt Sol - DEC Utilities Std	CUTCUSPAY	Market Solutions - DEC All Util	C99
				PCMR	M&CR	M&CR Customers Util ND	PCUTCUSPM	M&CR Customers Util ND	C84
				PCMS	M&CR	Mkt Sol - DEP Util Std	PCUTCUSPAY	Market Solutions DEP All Util	U02
				PFMR	M&CR	M&CR Customers Util ND	FUTCUSPMT	M&CR Customers Util ND	C88
				PFMS	M&CR	Mkt Sol - DEF Util Std	FUTCUSPAY	Market Solution DEF All Util	U01
				PFMW	M&CR	DEF M&CR MtrRdg&PmtPrc Util	FUTMCUSPMT	DEF M&CR MtrRdg&PmtPrc Util	C60
				CMMR	M&CR	M&CR MtrRdg&PmtPrc Util MWonly	CUTMCUSPMT	M&CR MtrRdg&PmtPrc Util MWonly	C60
6.	**Electric Transmission & Distribution Engineering & Construction**	Designs and monitors construction of electric transmission and distribution lines and substations. Prepares cost and schedule estimates, visits construction sites to ensure that construction activities coincide with plans, and administers construction contracts.							
		Transmission engineering and construction:	*(Electric Transmission Plant's) Construction - Expenditures Ratio*	CTET	Electric Transmission & Distribution Engineering & Construction	Eng & Constr ET Utility	CTICONETR	Eng & Constr ET Utility	C18
				PTET		Eng & Constr ET Utility	PCTICONETR	Eng & Constr ET Utility	C18
		Distribution engineering and construction:	*(Electric Distribution Plant's) Construction - Expenditures Ratio*	CTED	Electric Transmission & Distribution Engineering &	Eng & Constr ED Utility	CTICONEDT	Eng & Constr ED Utility	C30
				PTED		Eng & Constr ED Utility	PCTICONEDT	Eng & Constr ED Utility	C30
7.	**Power Engineering & Construction**	Designs, monitors and supports the construction of electric generation facilities. Prepares specifications and administers contracts for construction of new electric generating units or improvements to existing electric generating units. Prepares cost and schedule estimates and visits construction sites to ensure that construction activities coincide with plans.	*(Electric Production Plant's) Construction - Expenditures Ratio*	CTCE	Power Engineering & Construction	Eng & Constr Pwr Prod Util	CTICONPWR	Eng & Constr Pwr Prod Util	C25
12.	**Power Planning and Operations**	Coordinates the planning, management and operation of Duke Energy Corporation's electric power systems. The activities of the Function include: System Planning - planning of additions and retirements to Duke Energy Corporation's electric generation, transmission and distribution systems.							
		Generation planning:	*Elec Peak Load Ratio*	CTGE	Power Planning and	Pwr Plng&Ops Gen Plng Util	CTIPKLGPL	Pwr Plng&Ops Gen Plng Util	C21
		Transmission planning:	*Elec Peak Load Ratio*	CTTP	Power Planning and	Pwr Plng&Ops Trans Plng Util	CTIPKLETR	Pwr Plng&Ops Trans Plng Util	C32
		Transmission planning:	*Elec Peak Load Ratio*	PTTP	Power Planning and	Pwr Plng&Ops Trans Plng Util	PCTIPKLETR	Pwr Plng&Ops Trans Plng Util	C32
		Distribution planning:	Weighted Avg of the *Circ Miles of ED Lines Ratio* and the *Elec Peak Load Ratio*	CTDP	Power Planning and Ops	Pwr Plng&Ops Dist Plng Util	CTICMIEDL	Pwr Plng&Ops Dist Plng Util	C41
		Distribution planning:	Weighted Avg of the *Circ Miles of ED Lines Ratio* and the *Elec Peak Load Ratio*	PTDP	Power Planning and Ops	Pwr Plng&Ops Dist Plng Util	CTICMIEDL	Pwr Plng&Ops Dist Plng Util	C41
	Power Planning and Operations	System Operations - coordination of the energy dispatch and operation of Duke Energy Corporation's electric generating units and transmission and distribution systems.							
		Generation Dispatch:	*Sales Ratio*	CTGD	Power Planning and	Pwr Plng&Ops Gen Dsptch Util	CTISALGDP	Pwr Plng&Ops Gen Dsptch Util	C42
		Transmission Operations:	Weighted Average of the *Circ Miles of Elec Transm Lines Ratio* and the *Elec Peak Load Ratio*	CTTO	Power Planning and Ops	Pwr Plng&Ops Trans Ops Util	CTICMIOTR	Pwr Plng&Ops Trans Ops Util	C31
		Distribution Operations:	Weighted Avg of the *Circ Miles of ED Lines Ratio* and the *Elec Peak Load Ratio*	CTDO	Power Planning and Ops	Pwr Plng & Ops Dist Ops Util	CTICMIODL	Pwr Plng & Ops Dist Ops Util	C22
		Power Operations – provides management and support services for Duke Energy Corporation's electric generation system.	*Generating Unit MW Capability /MDC Ratio*	CEPO	Power Planning and Ops	Pwr Plng & Ops Pwr Ops Reg	CEGCAPPOP	Pwr Plng & Ops Pwr Ops Reg	C28
19.	**Environmental, Health and Safety**	Establishes policies and procedures and governance framework for compliance with environmental, health and safety ("EHS") issues, monitors compliance with EHS requirements and provides EHS compliance support to the Client	*Sales Ratio*	CTEA	Environmental, Health and Safety	Enviro Affairs Svcs Utility	CTISALENV	Enviro Affairs Svcs Utility	C47
20.	**Fuels**	Procures coal, gas and oil for the Client Companies. Ensures compliance with price and quality provisions of fuel contracts and arranges for transportation of the fuel to the generating stations.	*Sales Ratio*	CTHS	Fuels	Fuels Utility	CUTISALHS	Fuels Utility	C48
	Nuclear	Provides general support services for the Nuclear fleet.	*Generating Unit MW Capability /MDC Ratio*	CNUE	Nuclear	DEC Nuclear Fixed Distribution	CUNUCENGI	DEC Nuclear Fixed Distribution	C49
				PNUC	Nuclear	PEC Nuclear Fixed Distribution	PUNUCLENGI	PEC Nuclear Fixed Distribution	C50
	Fossil Hydro	Coal Combustion - provides centralized management, governance and support services for Duke Energy's Corporation's coal cumbusion residuals	*MDC Ratio*	CCOM	Fossil	Coal Combustion Products O&M	DEC_CCOM	CCP O&M Alloc	CCP

OU	St Cd	DEC 20003 DE Carolinas	DEC 20004 DE Carolinas	DEC 20006 FOSSIL HYDRO	DEC 20017 DE Carolina	DEC 20018 DE Carolinas	DEC 20046 DE Carolina	DEC 20048 DE Carolinas	DEC 20049 DE Carolinas	DEC 20056 DE Carolinas	Total DEC	DEP 50101 DE Progress	DEP 50120 DE Progress	DEP 50121 DE Progress	DEP 50122 DE Progress	DEP 50124 DE Progress	DEP 50125 DE Progress	DEP 50126 DE Progress	DEP 50127 DE Progress	DEP 50991 DE Progress	Total DEP	DEF 50220 DE Florida	DEF 50221 DE Florida	DEF 50222 DE Florida	DEF 50224 DE Florida	DEF 50225 DE Florida	DEF 50226 DE Florida	DEF 50227 DE Florida	DEF 50260 DE Florida	DEF 50992 DE Florida	Total DEF	DEI 75101 DE Indiana	DEI 75110 DE Indiana	DEI 75111 DE Indiana	DEI 75112 DE Indiana	DEI 75114 DE Indiana	DEI 75115 DE Indiana	DEI 75116 DE Indiana	DEI 75960 DE Indiana	DEI Total	DEK 75071 DE Kentucky
CTTR	C15	-	-	-	41.73	-	-	-	-	-	41.73	-	-	-	-	-	-	20.16	-	-	20.16	-	-	-	-	-	15.64	-	-	-	15.64	-	-	-	-	-	16.85	-	-	16.85	-
PTTR	C15	-	-	-	41.73	-	-	-	-	-	41.73	-	-	-	-	-	-	20.16	-	-	20.16	-	-	-	-	-	15.64	-	-	-	15.64	-	-	-	-	-	16.85	-	-	16.85	-
CTDC	C98	-	-	-	67.42	-	-	-	-	-	67.42	-	-	-	-	-	-	32.58	-	-	32.58	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PTPC	C98	-	-	-	67.42	-	-	-	-	-	67.42	-	-	-	-	-	-	32.58	-	-	32.58	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CTDI	C16	-	-	-	39.14	-	-	-	-	-	39.14	-	-	-	-	-	-	25.65	-	-	25.65	-	-	-	-	-	16.65	-	-	-	16.65	-	-	-	-	-	11.29	-	-	11.29	-
PTDI	C16	-	-	-	39.14	-	-	-	-	-	39.14	-	-	-	-	-	-	25.65	-	-	25.65	-	-	-	-	-	16.65	-	-	-	16.65	-	-	-	-	-	11.29	-	-	11.29	-
CDDC	C93	-	-	-	60.41	-	-	-	-	-	60.41	-	-	-	-	-	-	39.59	-	-	39.59	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DPPC	C93	-	-	-	60.41	-	-	-	-	-	60.41	-	-	-	-	-	-	39.59	-	-	39.59	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CTSD	C17	-	-	-	-	-	-	-	55.00	-	55.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16.93	-	16.93	-
PCSD	C82	-	-	-	-	-	-	-	55.00	-	55.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16.93	-	16.93	-
MSPS	U04	-	-	-	-	-	-	-	61.63	-	61.63	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18.97	-	18.97	-
CNET	C75	-	-	-	-	-	-	-	61.63	-	61.63	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18.97	-	18.97	-
PCNT	C83	-	-	-	-	-	-	-	61.63	-	61.63	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18.97	-	18.97	-
CSTD	C17	-	-	-	-	-	-	-	55.00	-	55.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16.93	-	16.93	-
MSCS	U03	-	-	-	-	-	-	-	61.63	-	61.63	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18.97	-	18.97	-
CTNT	C74	-	-	-	-	-	-	-	34.93	-	34.93	-	-	-	-	-	-	-	20.63	-	20.63	-	-	-	-	-	-	22.70	-	-	22.70	-	-	-	-	-	-	10.75	-	10.75	-
PCNA	C78	-	-	-	-	-	-	-	34.93	-	34.93	-	-	-	-	-	-	-	20.63	-	20.63	-	-	-	-	-	-	22.70	-	-	22.70	-	-	-	-	-	-	10.75	-	10.75	-
PFNA	C79	-	-	-	-	-	-	-	34.93	-	34.93	-	-	-	-	-	-	-	20.63	-	20.63	-	-	-	-	-	-	22.70	-	-	22.70	-	-	-	-	-	-	10.75	-	10.75	-
CTMR	C37	-	-	-	-	-	-	-	55.00	-	55.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16.93	-	16.93	-
PCDA	C85	-	-	-	-	-	-	-	55.00	-	55.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16.93	-	16.93	-
PFDA	C89	-	-	-	-	-	-	-	55.00	-	55.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16.93	-	16.93	-
CUMR	C38	-	-	-	-	-	-	-	32.69	-	32.69	-	-	-	-	-	-	-	19.31	-	19.31	-	-	-	-	-	-	21.25	-	-	21.25	-	-	-	-	-	-	10.06	-	10.06	-
CUMS	C99	-	-	-	-	-	-	-	34.93	-	34.93	-	-	-	-	-	-	-	20.63	-	20.63	-	-	-	-	-	-	22.70	-	-	22.70	-	-	-	-	-	-	10.75	-	10.75	-
PCMR	C84	-	-	-	-	-	-	-	32.69	-	32.69	-	-	-	-	-	-	-	19.31	-	19.31	-	-	-	-	-	-	21.25	-	-	21.25	-	-	-	-	-	-	10.06	-	10.06	-
PCMS	U02	-	-	-	-	-	-	-	34.93	-	34.93	-	-	-	-	-	-	-	20.63	-	20.63	-	-	-	-	-	-	22.70	-	-	22.70	-	-	-	-	-	-	10.75	-	10.75	-
PFMR	C88	-	-	-	-	-	-	-	32.69	-	32.69	-	-	-	-	-	-	-	19.31	-	19.31	-	-	-	-	-	-	21.25	-	-	21.25	-	-	-	-	-	-	10.06	-	10.06	-
PFMS	U01	-	-	-	-	-	-	-	34.93	-	34.93	-	-	-	-	-	-	-	20.63	-	20.63	-	-	-	-	-	-	22.70	-	-	22.70	-	-	-	-	-	-	10.75	-	10.75	-
PFMW	C60	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	37.62	-	37.62	-
CMMR	C60	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	37.62	-	37.62	-
CTET	C18	-	-	-	29.30	-	-	-	-	-	29.30	-	-	-	-	-	-	20.48	-	-	20.48	-	-	-	-	-	41.56	-	-	-	41.56	-	-	-	-	-	5.33	-	-	5.33	-
PTET	C18	-	-	-	29.30	-	-	-	-	-	29.30	-	-	-	-	-	-	20.48	-	-	20.48	-	-	-	-	-	41.56	-	-	-	41.56	-	-	-	-	-	5.33	-	-	5.33	-
CTED	C30	-	-	-	30.28	-	-	-	-	-	30.28	-	-	-	-	-	-	22.46	-	-	22.46	-	-	-	-	-	29.13	-	-	-	29.13	-	-	-	-	-	11.72	-	-	11.72	-
PTED	C30	-	-	-	30.28	-	-	-	-	-	30.28	-	-	-	-	-	-	22.46	-	-	22.46	-	-	-	-	-	29.13	-	-	-	29.13	-	-	-	-	-	11.72	-	-	11.72	-
CTCE	C25	-	-	-	-	44.41	-	-	-	-	44.41	-	32.78	-	-	-	-	-	-	-	32.78	12.99	-	-	-	-	-	-	-	-	12.99	-	9.04	-	-	-	-	-	-	9.04	-
CTGE	C21	-	-	-	-	36.98	-	-	-	-	36.98	-	27.77	-	-	-	-	-	-	-	27.77	21.60	-	-	-	-	-	-	-	-	21.60	-	-	-	-	12.04	-	-	-	12.04	-
CTTP	C32	-	-	-	37.85	-	-	-	-	-	37.85	-	-	-	-	-	-	22.20	-	-	22.20	-	-	-	-	-	20.65	-	-	-	20.65	-	-	-	-	-	11.49	-	-	11.49	-
PTTP	C32	-	-	-	37.85	-	-	-	-	-	37.85	-	-	-	-	-	-	22.20	-	-	22.20	-	-	-	-	-	20.65	-	-	-	20.65	-	-	-	-	-	11.49	-	-	11.49	-
CTDP	C41	-	-	-	38.48	-	-	-	-	-	38.48	-	-	-	-	-	-	23.91	-	-	23.91	-	-	-	-	-	18.66	-	-	-	18.66	-	-	-	-	-	11.40	-	-	11.40	-
PTDP	C41	-	-	-	38.48	-	-	-	-	-	38.48	-	-	-	-	-	-	23.91	-	-	23.91	-	-	-	-	-	18.66	-	-	-	18.66	-	-	-	-	-	11.40	-	-	11.40	-
CTGD	C42	-	-	-	-	26.29	-	-	-	-	26.29	-	22.47	-	-	-	-	-	-	-	22.47	32.66	-	-	-	-	-	-	-	-	32.66	-	16.70	-	-	-	-	-	-	16.70	-
CTTO	C31	-	-	-	39.78	-	-	-	-	-	39.78	-	-	-	-	-	-	21.16	-	-	21.16	-	-	-	-	-	18.15	-	-	-	18.15	-	-	-	-	-	14.18	-	-	14.18	-
CTDO	C22	-	-	-	38.48	-	-	-	-	-	38.48	-	-	-	-	-	-	23.91	-	-	23.91	-	-	-	-	-	18.66	-	-	-	18.66	-	-	-	-	-	11.40	-	-	11.40	-
CEPO	C28	15.76	13.54	-	-	-	-	-	-	-	29.30	-	-	7.95	16.20	-	-	-	-	-	24.15	-	6.17	20.77	-	-	-	-	-	-	26.94	-	-	11.19	5.51	-	-	-	-	16.70	-
CTEA	C47	-	-	-	28.44	-	-	-	-	-	28.44	-	-	-	-	-	-	20.19	-	-	20.19	-	-	-	-	-	14.37	-	-	-	14.37	-	-	-	-	-	9.80	-	-	9.80	-
CTHS	C48	26.29	-	-	-	-	-	-	-	-	26.29	-	-	22.47	-	-	-	-	-	-	22.47	-	32.66	-	-	-	-	-	-	-	32.66	-	-	16.70	-	-	-	-	-	16.70	-
CNUE	C49	-	-	-	-	-	-	66.70	-	-	66.70	-	-	-	-	-	33.30	-	-	-	33.30	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PNUC	C50	-	-	-	-	-	-	66.70	-	-	66.70	-	-	-	-	-	33.30	-	-	-	33.30	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CCOM	CCP	43.64	-	-	-	-	-	-	-	-	43.64	-	-	25.46	-	-	-	-	-	-	25.46	-	-	-	-	-	-	-	-	-	-	-	-	27.12	-	-	-	-	-	27.12	-

2022 Utility Level allocations

SA #	Function	Function Description	Allocation Method	Operating Unit (OU)	Function	OU Description	Allocation Pool	Alloc Pool Description	St Cd	DEK 75080 DE Kentucky	DEK 75081 DE Kentucky	DEK 75082 DE Kentucky	DEK 75083 DE Kentucky	DEK 75084 DE Kentucky	DEK 75085 DE Kentucky	DEK 75957 DE Kentucky	DEK Total	DEO 75013 DE Ohio (USFRELG	DEO 75023 DE Ohio Power	DEO 75024 DE Ohio Cus	DEO 75025 DE Ohio Other	DEO 75953 DE Ohio (USFRELG	DEO Total	Comm Trans-Elec 75525	Comm Trans-Elec 75526	Comm Trans-Elec 75727	Comm Trans-Elec 75964	Total Comm Trans-Elec	Electric Utilities Total	PNG	PNG 47156	PNG 47157	PNG 47158	PNG 47150	PNG 47151	Total PNG	DEK-Gas 75086 DE Kentucky	DEK-Gas 75072 DE Kentucky	DEK-Gas 75087 DE Kentucky	DEK-Gas 75088 DE Kentucky	DEK-Gas 75958 DE Kentucky	Total DEK-Gas	DEO-Gas 75014 DE Ohio (USFRGS	DEO-Gas 75026 DE Ohio Gas	DEO-Gas 75027 DE Ohio Gas	DEO 75028 DE Ohio Other -	DEO-Gas 75050 KO Transmiss	DEO-Gas 75051 KO Transmiss	DEO-Gas 75954 DE Ohio (USFRGS
4.	**Electric System Maintenance**	Coordinates maintenance and support of electric transmission and distribution systems.																																															
		Services related to transmission system:	*Circuit Miles of Electric Transm Lines Ratio*	CTTR	Electric System	ESS Elec Tran Utility	CTICMIETR	ESS Elec Tran Utility	C15	-	-	-	-	0.47	-	-	0.47	-	5.15	-	-	-	5.15	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				PTTR	Electric System	ESS Elec Tran Utility	PCTICMIETR	ESS Elec Tran Utility	C15	-	-	-	-	0.47	-	-	0.47	-	5.15	-	-	-	5.15	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				CTDC	Electric System	ESS Elec Tran Utility	DCOCMIET	ESS Elec Tran Utility	C98	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				PTPC	Electric System	ESS Elec Tran Utility	PCICMIET	ESS Elec Tran Utility	C98	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
																	-						-					-	-							-						-							
		Services related to distribution system:	*Circuit Miles of Electric Dist. Lines Ratio*	CTDI	Electric System	ESS Elec Dist Utility	CTICMIEDT	ESS Elec Dist Utility	C16	-	-	-	-	1.08	-	-	1.08	-	6.19	-	-	-	6.19	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				PTDI	Electric System	ESS Elec Dist Utility	PCTICMIEDT	ESS Elec Dist Utility	C16	-	-	-	-	1.08	-	-	1.08	-	6.19	-	-	-	6.19	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				CDDC	Electric System	ESS Elec Dist Utility	DCICMIED	ESS Elec Dist Utility	C93	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				DPPC	Electric System	ESS Elec Dist Utility	PCICMIED	ESS Elec Dist Utility	C93	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
																	-						-					-	-							-						-							
5.	**Marketing and Customer Relations Grid Solutions**	Advises the Client Companies in relations with domestic utility customers.															-						-					-	-							-						-							
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		Design and administration of market solutions standard and/or operational programs.	*Number of Customers Ratio*	CTSD	M&CR	M&CR Sales & Demand Util	CUTISALMCR	M&CR Sales & Demand Util	C17	-	-	-	-	-	2.82	-	2.82	-	-	14.49	-	-	14.49	-	-		-	-	89.24		-	-	-	-	-	-	-	-	2.01	-	-	2.01	-	-	8.75	-	-	-	-
				PCSD	M&CR	M&CR Sales & Demand Util	PCUTISALST	M&CR Sales & Demand Util	C82	-	-	-	-	-	2.82	-	2.82	-	-	14.49	-	-	14.49	-	-		-	-	89.24		-	-	-	-	-	-	-	-	2.01	-	-	2.01	-	-	8.75	-	-	-	-
				MSPS	M&CR	Mkt Sol - DEP Leg Duk	DEPISALSTD	Market Solutions - DEP LD Std	U04	-	-	-	-	-	3.16	-	3.16	-	-	16.24	-	-	16.24	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				CNET	M&CR	Customer Strategy P&S	CUTISALNET	Customer Strategy P&S	C75	-	-	-	-	-	3.16	-	3.16	-	-	16.24	-	-	16.24	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				PCNT	M&CR	Customer Strategy P&S	PCUTISALNE	Customer Strategy P&S	C83	-	-	-	-	-	3.16	-	3.16	-	-	16.24	-	-	16.24	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				CSTD	M&CR	Standard Services	CUTISALSTD	Standard Services	C17	-	-	-	-	-	2.82	-	2.82	-	-	14.49	-	-	14.49	-	-		-	-	89.24		-	-	-	-	-	-	-	-	2.01	-	-	2.01	-	-	8.75	-	-	-	-
				MSCS	M&CR	Mkt Sol - DEC Duke Std	DECISALSTD	Market Solutions DEC LD Std	U03	-	-	-	-	-	3.16	-	3.16	-	-	16.24	-	-	16.24	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				CTNT	M&CR	M&CRSale&Demand Utl	CUTICUSMCR	M&CR Electric Utility	C74	-	-	-	-	-	1.79	-	1.79	-	-	9.20	-	-	9.20	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				PCNA	M&CR	PEC Customer Elec Only	PCUSELEC	PEC Customer Elec Only	C78	-	-	-	-	-	1.79	-	1.79	-	-	9.20	-	-	9.20	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				PFNA	M&CR	DEF Customer Elec Only	DECUSELEC	DEF Customer Elec Only	C79	-	-	-	-	-	1.79	-	1.79	-	-	9.20	-	-	9.20	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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		Customer meter reading, billing and payment processing. Market Solutions non P&L processes.	*Number of Customers Ratio*	CTMR	M&CR	M&CR Mtr Rdg&Pmt Proc Util	CUTICUSPMT	M&CR Mtr Rdg&Pmt Proc Util	C37	-	-	-	-	-	2.82	-	2.82	-	-	14.49	-	-	14.49	-	-		-	-	89.24		-	-	-	-	-	-	-	-	2.01	-	-	2.01	-	-	8.75	-	-	-	-
				PCDA	M&CR	M&CR Mtr Rdg&Pmt Proc Util	PCUTICUSPM	M&CR Mtr Rdg&Pmt Proc Util	C85	-	-	-	-	-	2.82	-	2.82	-	-	14.49	-	-	14.49	-	-		-	-	89.24		-	-	-	-	-	-	-	-	2.01	-	-	2.01	-	-	8.75	-	-	-	-
				PFDA	M&CR	M&CR Mtr Rdg&Pmt Proc Util	FUTICUSPMT	M&CR Mtr Rdg&Pmt Proc Util	C89	-	-	-	-	-	2.82	-	2.82	-	-	14.49	-	-	14.49	-	-		-	-	89.24		-	-	-	-	-	-	-	-	2.01	-	-	2.01	-	-	8.75	-	-	-	-
				CUMR	M&CR	M&CR Customers Util ND	CUTCUSPMT	M&CR Customers Util ND	C38	-	-	-	-	-	1.68	-	1.68	-	-	8.61	-	-	8.61	-	-		-	-	93.60		-	-	-	-	-	-	-	-	1.20	-	-	1.20	-	-	5.20	-	-	-	-
				CUMS	M&CR	Mkt Sol - DEC Utilities Std	CUTCUSPAY	Market Solutions - DEC All Util	C99	-	-	-	-	-	1.79	-	1.79	-	-	9.20	-	-	9.20	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				PCMR	M&CR	M&CR Customers Util ND	PCUTCUSPM	M&CR Customers Util ND	C84	-	-	-	-	-	1.68	-	1.68	-	-	8.61	-	-	8.61	-	-		-	-	93.60		-	-	-	-	-	-	-	-	1.20	-	-	1.20	-	-	5.20	-	-	-	-
				PCMS	M&CR	Mkt Sol - DEP Util Std	PCUTCUSPAY	Market Solutions DEP All Util	U02	-	-	-	-	-	1.79	-	1.79	-	-	9.20	-	-	9.20	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				PFMR	M&CR	M&CR Customers Util ND	FUTCUSPMT	M&CR Customers Util ND	C88	-	-	-	-	-	1.68	-	1.68	-	-	8.61	-	-	8.61	-	-		-	-	93.60		-	-	-	-	-	-	-	-	1.20	-	-	1.20	-	-	5.20	-	-	-	-
				PFMS	M&CR	Mkt Sol - DEF Util Std	FUTCUSPAY	Market Solution DEF All Util	U01	-	-	-	-	-	1.79	-	1.79	-	-	9.20	-	-	9.20	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				PFMW	M&CR	DEF M&CR MtrRdg&PmtPrc Util	FUTMCUSPMT	DEF M&CR MtrRdg&PmtPrc Util	C60	-	-	-	-	-	6.27	-	6.27	-	-	32.19	-	-	32.19	-	-		-	-	76.08		-	-	-	-	-	-	-	-	4.48	-	-	4.48	-	-	19.44	-	-	-	-
				CMMR	M&CR	M&CR MtrRdg&PmtPrc Util MWonly	CUTMCUSPMT	M&CR MtrRdg&PmtPrc Util MWonly	C60	-	-	-	-	-	6.27	-	6.27	-	-	32.19	-	-	32.19	-	-		-	-	76.08		-	-	-	-	-	-	-	-	4.48	-	-	4.48	-	-	19.44	-	-	-	-
6.	**Electric Transmission & Distribution Engineering & Construction**	Designs and monitors construction of electric transmission and distribution lines and substations. Prepares cost and schedule estimates, visits construction sites to ensure that construction activities coincide with plans, and administers construction contracts.															-						-					-	-							-						-							
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		Transmission engineering and construction:	*(Electric Transmission Plant's) Construction - Expenditures Ratio*	CTET	Electric Transmission & Distribution Engineering & Construction	Eng & Constr ET Utility	CTICONETR	Eng & Constr ET Utility	C18	-	-	-	-	0.47	-	-	0.47	-	2.86	-	-	-	2.86	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				PTET		Eng & Constr ET Utility	PCTICONETR	Eng & Constr ET Utility	C18	-	-	-	-	0.47	-	-	0.47	-	2.86	-	-	-	2.86	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Distribution engineering and construction:	*(Electric Distribution Plant's) Construction - Expenditures Ratio*	CTED	Electric Transmission & Distribution Engineering &	Eng & Constr ED Utility	CTICONEDT	Eng & Constr ED Utility	C30	-	-	-	-	0.81	-	-	0.81	-	5.60	-	-	-	5.60	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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				PTED		Eng & Constr ED Utility	PCTICONEDT	Eng & Constr ED Utility	C30	-	-	-	-	0.81	-	-	0.81	-	5.60	-	-	-	5.60	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7.	**Power Engineering & Construction**	Designs, monitors and supports the construction of electric generation facilities. Prepares specifications and administers contracts for construction of new electric generating units or improvements to existing electric generating units. Prepares cost and schedule estimates and visits construction sites to ensure that construction activities coincide with plans.	*(Electric Production Plant's) Construction - Expenditures Ratio*	CTCE	Power Engineering & Construction	Eng & Constr Pwr Prod Util	CTICONPWR	Eng & Constr Pwr Prod Util	C25	0.78	-	-	-	-	-	-	0.78	-	-	-	-	-	-	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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12.	**Power Planning and Operations**	Coordinates the planning, management and operation of Duke Energy Corporation's electric power systems. The activities of the Function include: System Planning - planning of additions and retirements to Duke Energy Corporation's electric generation, transmission and distribution systems.															-						-					-	-							-						-							
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		Generation planning:	*Elec Peak Load Ratio*	CTGE	Power Planning and	Pwr Plng&Ops Gen Plng Util	CTIPKLGPL	Pwr Plng&Ops Gen Plng Util	C21	-	-	-	1.61	-	-	-	1.61	-	-	-	-	-	-	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Transmission planning:	*Elec Peak Load Ratio*	CTTP	Power Planning and	Pwr Plng&Ops Trans Plng Util	CTIPKLETR	Pwr Plng&Ops Trans Plng Util	C32	-	-	-	-	1.21	-	-	1.21	-	6.60	-	-	-	6.60	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Transmission planning:	*Elec Peak Load Ratio*	PTTP	Power Planning and	Pwr Plng&Ops Trans Plng Util	PCTIPKLETR	Pwr Plng&Ops Trans Plng Util	C32	-	-	-	-	1.21	-	-	1.21	-	6.60	-	-	-	6.60	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Distribution planning:	Weighted Avg of the *Circ Miles of ED Lines Ratio* and the *Elec Peak Load Ratio*	CTDP	Power Planning and Ops	Pwr Plng&Ops Dist Plng Util	CTICMIEDL	Pwr Plng&Ops Dist Plng Util	C41	-	-	-	-	1.15	-	-	1.15	-	6.40	-	-	-	6.40	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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		Distribution planning:	Weighted Avg of the *Circ Miles of ED Lines Ratio* and the *Elec Peak Load Ratio*	PTDP	Power Planning and Ops	Pwr Plng&Ops Dist Plng Util	CTICMIEDL	Pwr Plng&Ops Dist Plng Util	C41	-	-	-	-	1.15	-	-	1.15	-	6.40	-	-	-	6.40	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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	Power Planning and Operations	System Operations - coordination of the energy dispatch and operation of Duke Energy Corporation's electric generating units and transmission and distribution systems.															-						-					-	-							-						-							
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		Generation Dispatch:	*Sales Ratio*	CTGD	Power Planning and	Pwr Plng&Ops Gen Dsptch Util	CTISALGDP	Pwr Plng&Ops Gen Dsptch Util	C42	1.88	-	-	-	-	-	-	1.88	-	-	-	-	-	-	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Transmission Operations:	Weighted Average of the *Circ Miles of Elec Transm Lines Ratio* and the *Elec Peak Load Ratio*	CTTO	Power Planning and Ops	Pwr Plng&Ops Trans Ops Util	CTICMIOTR	Pwr Plng&Ops Trans Ops Util	C31	-	-	-	-	0.85	-	-	0.85	-	5.88	-	-	-	5.88	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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		Distribution Operations:	Weighted Avg of the *Circ Miles of ED Lines Ratio* and the *Elec Peak Load Ratio*	CTDO	Power Planning and Ops	Pwr Plng & Ops Dist Ops Util	CTICMIODL	Pwr Plng & Ops Dist Ops Util	C22	-	-	-	-	1.15	-	-	1.15	-	6.40	-	-	-	6.40	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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		Power Operations – provides management and support services for Duke Energy Corporation's electric generation system.	*Generating Unit MW Capability /MDC Ratio*	CEPO	Power Planning and Ops	Pwr Plng & Ops Pwr Ops Reg	CEGCAPPOP	Pwr Plng & Ops Pwr Ops Reg	C28	-	1.50	1.41	-	-	-	-	2.91	-	-	-	-	-	-	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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19.	**Environmental, Health and Safety**	Establishes policies and procedures and governance framework for compliance with environmental, health and safety ("EHS") issues, monitors compliance with EHS requirements and provides EHS compliance support to the Client	*Sales Ratio*	CTEA	Environmental, Health and Safety	Enviro Affairs Svcs Utility	CTISALENV	Enviro Affairs Svcs Utility	C47	-	-	-	-	1.31	-	-	1.31	-	6.57	-	-	-	6.57	-	-		-	-	80.68		9.96	-	-	-	-	9.96	1.45	-	-	-	-	1.45	-	7.91	-	-	-	-	-
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20.	**Fuels**	Procures coal, gas and oil for the Client Companies. Ensures compliance with price and quality provisions of fuel contracts and arranges for transportation of the fuel to the generating stations.	*Sales Ratio*	CTHS	Fuels	Fuels Utility	CUTISALHS	Fuels Utility	C48	-	1.88	-	-	-	-	-	1.88	-	-	-	-	-	-	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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	Nuclear	Provides general support services for the Nuclear fleet.	*Generating Unit MW Capability /MDC Ratio*	CNUE	Nuclear	DEC Nuclear Fixed Distribution	CUNUCENGI	DEC Nuclear Fixed Distribution	C49	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				PNUC	Nuclear	PEC Nuclear Fixed Distribution	PUNUCLENGI	PEC Nuclear Fixed Distribution	C50	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Fossil Hydro	Coal Combustion - provides centralized management, governance and support services for Duke Energy's Corporation's coal cumbusion residuals	*MDC Ratio*	CCOM	Fossil	Coal Combustion Products O&M	DEC_CCOM	CCP O&M Alloc	CCP	-	3.78	-	-	-	-	-	3.78	-	-	-	-	-	-	-	-		-	-	100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

2022 Utility Level allocations

SA #	Function	Function Description	Allocation Method	Operating Unit (OU)	Function	OU Description	Allocation Pool	Alloc Pool Description	St Cd	DEO-Gas 75956 KO Transmiss	Total DEO-Gas	Comm Trans - Gas 75528	Comm Trans - Gas 75529	Comm Trans - Gas 75629	Comm Trans - Gas 75965	Comm Trans - Gas 75577	Total Comm Trans - Gas	Gas Utilities Total	Comm Pwr 75601 Cinergy Sol Hldng	Comm Pwr 75650 DEGS Holding	Comm Pwr 75961 Cinergy Sol Hldng	Other 10147 PEC Governan	Other 10157 PEC Governan	Other 20013 Service Company	Other 75620 DECE	Other 75696 DE Custom	Other 75771 Duke Investme	Other 75773 Cinergy One Inc	Other 75777 Cinergy Ventures	Other 75963 Cinergy Ventures	Other Total	Total
4.	**Electric System Maintenance**	Coordinates maintenance and support of electric transmission and distribution systems.																														
		Services related to transmission system:	*Circuit Miles of Electric Transm Lines Ratio*	CTTR	Electric System	ESS Elec Tran Utility	CTICMIETR	ESS Elec Tran Utility	C15	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				PTTR	Electric System	ESS Elec Tran Utility	PCTICMIETR	ESS Elec Tran Utility	C15	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				CTDC	Electric System	ESS Elec Tran Utility	DCOCMIET	ESS Elec Tran Utility	C98	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				PTPC	Electric System	ESS Elec Tran Utility	PCICMIET	ESS Elec Tran Utility	C98	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
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		Services related to distribution system:	*Circuit Miles of Electric Dist. Lines Ratio*	CTDI	Electric System	ESS Elec Dist Utility	CTICMIEDT	ESS Elec Dist Utility	C16	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				PTDI	Electric System	ESS Elec Dist Utility	PCTICMIEDT	ESS Elec Dist Utility	C16	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				CDDC	Electric System	ESS Elec Dist Utility	DCICMIED	ESS Elec Dist Utility	C93	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				DPPC	Electric System	ESS Elec Dist Utility	PCICMIED	ESS Elec Dist Utility	C93	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
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5.	**Marketing and Customer Relations Grid Solutions**	Advises the Client Companies in relations with domestic utility customers.									-						-	-													-	-
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		Design and administration of market solutions standard and/or operational programs.	*Number of Customers Ratio*	CTSD	M&CR	M&CR Sales & Demand Util	CUTISALMCR	M&CR Sales & Demand Util	C17	-	8.75	-			-	-	-	10.76	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				PCSD	M&CR	M&CR Sales & Demand Util	PCUTISALST	M&CR Sales & Demand Util	C82	-	8.75	-			-	-	-	10.76	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				MSPS	M&CR	Mkt Sol - DEP Leg Duk	DEPISALSTD	Market Solutions - DEP LD Std	U04	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				CNET	M&CR	Customer Strategy P&S	CUTISALNET	Customer Strategy P&S	C75	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				PCNT	M&CR	Customer Strategy P&S	PCUTISALNE	Customer Strategy P&S	C83	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				CSTD	M&CR	Standard Services	CUTISALSTD	Standard Services	C17	-	8.75	-			-	-	-	10.76	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				MSCS	M&CR	Mkt Sol - DEC Duke Std	DECISALSTD	Market Solutions DEC LD Std	U03	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				CTNT	M&CR	M&CRSale&Demand Utl	CUTICUSMCR	M&CR Electric Utility	C74	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				PCNA	M&CR	PEC Customer Elec Only	PCUSELEC	PEC Customer Elec Only	C78	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				PFNA	M&CR	DEF Customer Elec Only	DECUSELEC	DEF Customer Elec Only	C79	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
											-						-	-													-	-
		Customer meter reading, billing and payment processing. Market Solutions non P&L processes.	*Number of Customers Ratio*	CTMR	M&CR	M&CR Mtr Rdg&Pmt Proc Util	CUTICUSPMT	M&CR Mtr Rdg&Pmt Proc Util	C37	-	8.75	-			-	-	-	10.76	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				PCDA	M&CR	M&CR Mtr Rdg&Pmt Proc Util	PCUTICUSPM	M&CR Mtr Rdg&Pmt Proc Util	C85	-	8.75	-			-	-	-	10.76	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				PFDA	M&CR	M&CR Mtr Rdg&Pmt Proc Util	FUTICUSPMT	M&CR Mtr Rdg&Pmt Proc Util	C89	-	8.75	-			-	-	-	10.76	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				CUMR	M&CR	M&CR Customers Util ND	CUTCUSPMT	M&CR Customers Util ND	C38	-	5.20	-			-	-	-	6.40	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				CUMS	M&CR	Mkt Sol - DEC Utilities Std	CUTCUSPAY	Market Solutions - DEC All Util	C99	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				PCMR	M&CR	M&CR Customers Util ND	PCUTCUSPM	M&CR Customers Util ND	C84	-	5.20	-			-	-	-	6.40	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				PCMS	M&CR	Mkt Sol - DEP Util Std	PCUTCUSPAY	Market Solutions DEP All Util	U02	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				PFMR	M&CR	M&CR Customers Util ND	FUTCUSPMT	M&CR Customers Util ND	C88	-	5.20	-			-	-	-	6.40	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				PFMS	M&CR	Mkt Sol - DEF Util Std	FUTCUSPAY	Market Solution DEF All Util	U01	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				PFMW	M&CR	DEF M&CR MtrRdg&PmtPrc Util	FUTMCUSPMT	DEF M&CR MtrRdg&PmtPrc Util	C60	-	19.44	-			-	-	-	23.92	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				CMMR	M&CR	M&CR MtrRdg&PmtPrc Util MWonly	CUTMCUSPMT	M&CR MtrRdg&PmtPrc Util MWonly	C60	-	19.44	-			-	-	-	23.92	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
6.	**Electric Transmission & Distribution Engineering & Construction**	Designs and monitors construction of electric transmission and distribution lines and substations. Prepares cost and schedule estimates, visits construction sites to ensure that construction activities coincide with plans, and administers construction contracts.									-						-	-													-	-
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		Transmission engineering and construction:	*(Electric Transmission Plant's) Construction - Expenditures Ratio*	CTET	Electric Transmission & Distribution Engineering & Construction	Eng & Constr ET Utility	CTICONETR	Eng & Constr ET Utility	C18	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				PTET		Eng & Constr ET Utility	PCTICONETR	Eng & Constr ET Utility	C18	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
		Distribution engineering and construction:	*(Electric Distribution Plant's) Construction - Expenditures Ratio*	CTED	Electric Transmission & Distribution Engineering &	Eng & Constr ED Utility	CTICONEDT	Eng & Constr ED Utility	C30	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
											-						-	-													-	-
				PTED		Eng & Constr ED Utility	PCTICONEDT	Eng & Constr ED Utility	C30	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
7.	**Power Engineering & Construction**	Designs, monitors and supports the construction of electric generation facilities. Prepares specifications and administers contracts for construction of new electric generating units or improvements to existing electric generating units. Prepares cost and schedule estimates and visits construction sites to ensure that construction activities coincide with plans.	*(Electric Production Plant's) Construction - Expenditures Ratio*	CTCE	Power Engineering & Construction	Eng & Constr Pwr Prod Util	CTICONPWR	Eng & Constr Pwr Prod Util	C25	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
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12.	**Power Planning and Operations**	Coordinates the planning, management and operation of Duke Energy Corporation's electric power systems. The activities of the Function include: System Planning - planning of additions and retirements to Duke Energy Corporation's electric generation, transmission and distribution systems.									-						-	-													-	-
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		Generation planning:	*Elec Peak Load Ratio*	CTGE	Power Planning and	Pwr Plng&Ops Gen Plng Util	CTIPKLGPL	Pwr Plng&Ops Gen Plng Util	C21	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
		Transmission planning:	*Elec Peak Load Ratio*	CTTP	Power Planning and	Pwr Plng&Ops Trans Plng Util	CTIPKLETR	Pwr Plng&Ops Trans Plng Util	C32	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
		Transmission planning:	*Elec Peak Load Ratio*	PTTP	Power Planning and	Pwr Plng&Ops Trans Plng Util	PCTIPKLETR	Pwr Plng&Ops Trans Plng Util	C32	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
		Distribution planning:	Weighted Avg of the *Circ Miles of ED Lines Ratio* and the *Elec Peak Load Ratio*	CTDP	Power Planning and Ops	Pwr Plng&Ops Dist Plng Util	CTICMIEDL	Pwr Plng&Ops Dist Plng Util	C41	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
											-						-	-													-	-
		Distribution planning:	Weighted Avg of the *Circ Miles of ED Lines Ratio* and the *Elec Peak Load Ratio*	PTDP	Power Planning and Ops	Pwr Plng&Ops Dist Plng Util	CTICMIEDL	Pwr Plng&Ops Dist Plng Util	C41	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
											-						-	-													-	-
	Power Planning and Operations	System Operations - coordination of the energy dispatch and operation of Duke Energy Corporation's electric generating units and transmission and distribution systems.									-						-	-													-	-
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		Generation Dispatch:	*Sales Ratio*	CTGD	Power Planning and	Pwr Plng&Ops Gen Dsptch Util	CTISALGDP	Pwr Plng&Ops Gen Dsptch Util	C42	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
		Transmission Operations:	Weighted Average of the *Circ Miles of Elec Transm Lines Ratio* and the *Elec Peak Load Ratio*	CTTO	Power Planning and Ops	Pwr Plng&Ops Trans Ops Util	CTICMIOTR	Pwr Plng&Ops Trans Ops Util	C31	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
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											-						-	-													-	-
		Distribution Operations:	Weighted Avg of the *Circ Miles of ED Lines Ratio* and the *Elec Peak Load Ratio*	CTDO	Power Planning and Ops	Pwr Plng & Ops Dist Ops Util	CTICMIODL	Pwr Plng & Ops Dist Ops Util	C22	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
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		Power Operations – provides management and support services for Duke Energy Corporation's electric generation system.	*Generating Unit MW Capability /MDC Ratio*	CEPO	Power Planning and Ops	Pwr Plng & Ops Pwr Ops Reg	CEGCAPPOP	Pwr Plng & Ops Pwr Ops Reg	C28	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
											-						-	-													-	-
19.	**Environmental, Health and Safety**	Establishes policies and procedures and governance framework for compliance with environmental, health and safety ("EHS") issues, monitors compliance with EHS requirements and provides EHS compliance support to the Client	*Sales Ratio*	CTEA	Environmental, Health and Safety	Enviro Affairs Svcs Utility	CTISALENV	Enviro Affairs Svcs Utility	C47	-	7.91	-			-	-	-	19.32	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
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20.	**Fuels**	Procures coal, gas and oil for the Client Companies. Ensures compliance with price and quality provisions of fuel contracts and arranges for transportation of the fuel to the generating stations.	*Sales Ratio*	CTHS	Fuels	Fuels Utility	CUTISALHS	Fuels Utility	C48	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
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	Nuclear	Provides general support services for the Nuclear fleet.	*Generating Unit MW Capability /MDC Ratio*	CNUE	Nuclear	DEC Nuclear Fixed Distribution	CUNUCENGI	DEC Nuclear Fixed Distribution	C49	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
				PNUC	Nuclear	PEC Nuclear Fixed Distribution	PUNUCLENGI	PEC Nuclear Fixed Distribution	C50	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00
	Fossil Hydro	Coal Combustion - provides centralized management, governance and support services for Duke Energy's Corporation's coal cumbusion residuals	*MDC Ratio*	CCOM	Fossil	Coal Combustion Products O&M	DEC_CCOM	CCP O&M Alloc	CCP	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00

ERLANGER ALLOCATION OF FIXED COSTS - O&M

Purpose: On a monthly basis, a journal entry is booked to pick up the charges in specified 7XX FERC accounts on Duke Energy Kentucky Gas and allocate a 64.2% of those costs to Duke Energy Ohio Gas. The most updated percentage of fixed costs to allocate was determined as part of the 2019 Kentucky Gas Rate Case and was effective 4/1/2019.

DUKE ENERGY.

Date: April 15, 2019

To: Gary Hebbeler, VP Special Projects
Sarah Lawler, Director, Rates & Regulatory Planning
Lisa Steinkuhl, Rates & Regulatory Strategy Manager
Gennifer Raney, Director Gas Pipeline Services
Mitch Martin, Manager Citygate Operations
Julie Whisman, Specialist, Gas Financial Services
Dani Weatherston, Manager Accounting II

From: Rocco D'Ascenzo, Deputy General Counsel

Subject: **Agreement between Duke Energy Ohio, Inc. and Duke Energy Kentucky, Inc. Regarding Duke Energy Kentucky, Inc.'s Erlanger Propane Plant and Constance Cavern**

Duke Energy Kentucky, Inc. (Duke Energy Kentucky), as a result of a Kentucky Public Service Commission (Commission) gas rate case order dated March 27, 2019 in Case No. 2018-00261, hereby revises the "Return" percentage, referred to in Item (iii) of the cost allocation formula in the subject agreement dated May 2, 1961, to 7.063%. The new return percentage should be reflected in the monthly fixed charge billed to Duke Energy Ohio, Inc. (Duke Energy Ohio) effective on and after April 1, 2019. This supersedes all prior Orders and return percentages.

This change is being made in order that the allocation of Duke Energy Kentucky's propane plant charges to Duke Energy Ohio will reflect an equitable rate of return as approved by the Commission.

The allocation of fixed costs to Duke Energy Ohio will change to 64.2% based on the amount of capacity Duke Energy Ohio is capable of receiving from the Erlanger Propane Plant.

Please indicate Duke Energy Ohio and Kentucky's acceptance and agreement to this change by signing in the appropriate space provided below.

Gary J Hebbeler 4/15/19

Duke Energy Kentucky, Inc.
Gary Hebbeler
VP, Special Projects

Date

Amy B Spiller 4/15/19

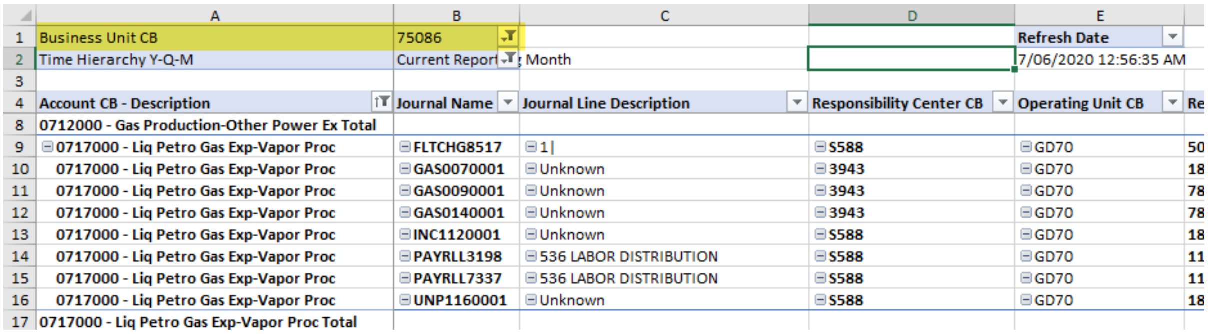
Duke Energy Ohio, Inc.
Amy B. Spiller
State President, Ohio/Kentucky

Date

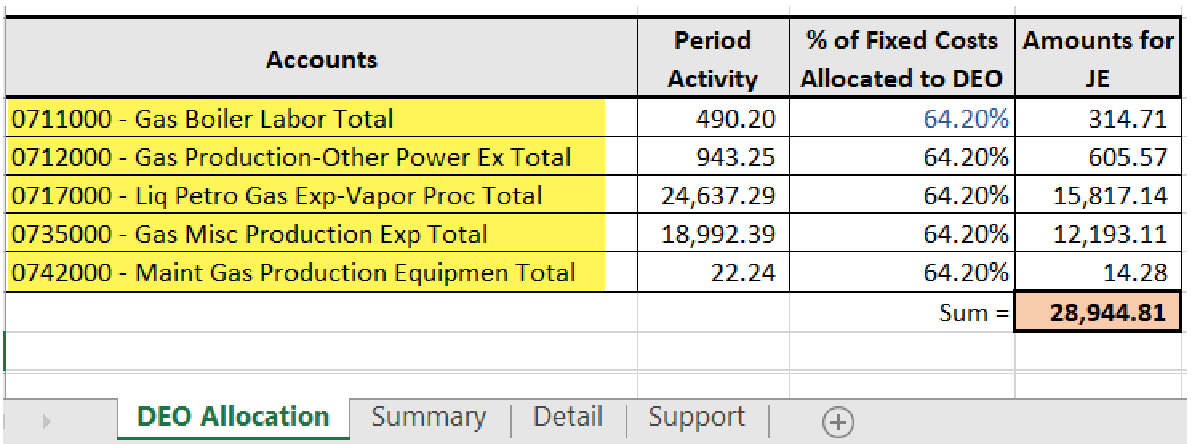
643553

Procedures: Day 3 Item – Cubes in excel file should be updated no earlier than Day 3

Business Unit and Accounts in the Cube



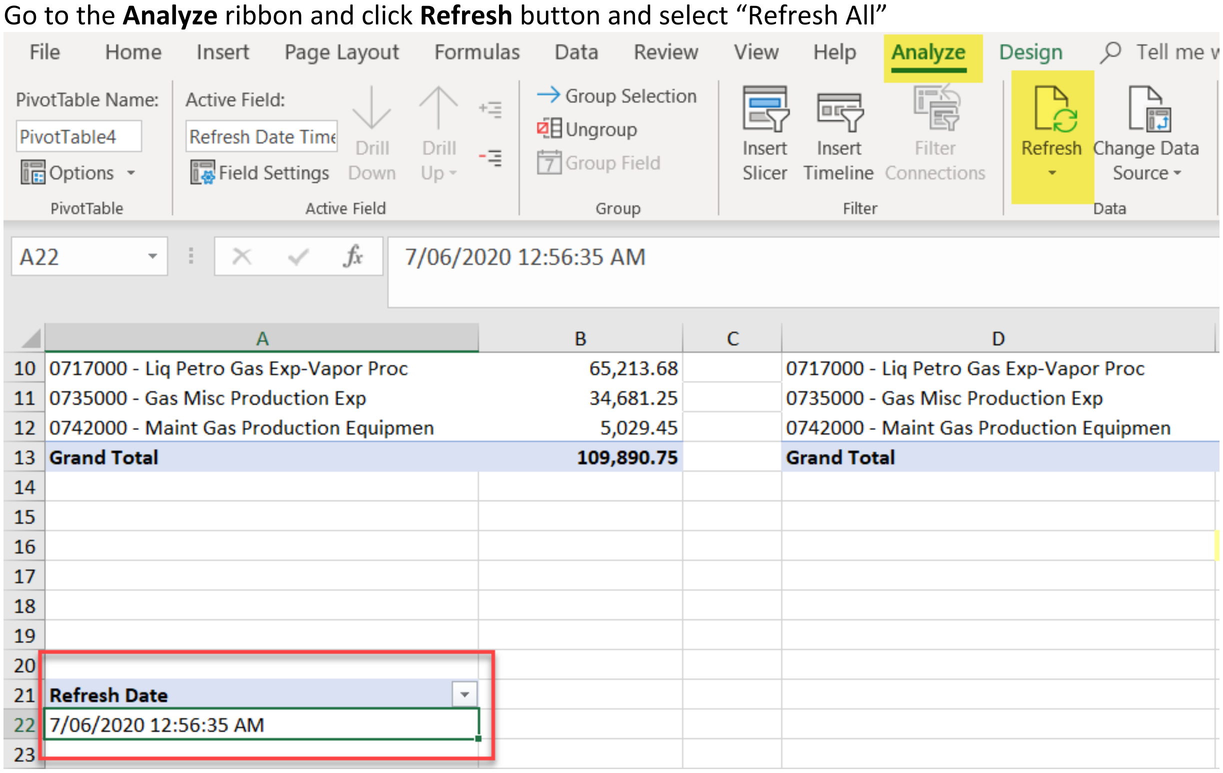
	A	B	C	D	E	
1	Business Unit CB	75086			Refresh Date	
2	Time Hierarchy Y-Q-M	Current Report	Month		7/06/2020 12:56:35 AM	
3						
4	Account CB - Description	Journal Name	Journal Line Description	Responsibility Center CB	Operating Unit CB	Re
8	0712000 - Gas Production-Other Power Ex Total					
9	0717000 - Liq Petro Gas Exp-Vapor Proc	FLTCHG8517	1|	S588	GD70	50
10	0717000 - Liq Petro Gas Exp-Vapor Proc	GAS0070001	Unknown	3943	GD70	18
11	0717000 - Liq Petro Gas Exp-Vapor Proc	GAS0090001	Unknown	3943	GD70	78
12	0717000 - Liq Petro Gas Exp-Vapor Proc	GAS0140001	Unknown	3943	GD70	78
13	0717000 - Liq Petro Gas Exp-Vapor Proc	INC1120001	Unknown	S588	GD70	18
14	0717000 - Liq Petro Gas Exp-Vapor Proc	PAYRLL3198	536 LABOR DISTRIBUTION	S588	GD70	11
15	0717000 - Liq Petro Gas Exp-Vapor Proc	PAYRLL7337	536 LABOR DISTRIBUTION	S588	GD70	11
16	0717000 - Liq Petro Gas Exp-Vapor Proc	UNP1160001	Unknown	S588	GD70	18
17	0717000 - Liq Petro Gas Exp-Vapor Proc Total					



Accounts	Period Activity	% of Fixed Costs Allocated to DEO	Amounts for JE
0711000 - Gas Boiler Labor Total	490.20	64.20%	314.71
0712000 - Gas Production-Other Power Ex Total	943.25	64.20%	605.57
0717000 - Liq Petro Gas Exp-Vapor Proc Total	24,637.29	64.20%	15,817.14
0735000 - Gas Misc Production Exp Total	18,992.39	64.20%	12,193.11
0742000 - Maint Gas Production Equipmen Total	22.24	64.20%	14.28
		Sum =	28,944.81

Updating the Cubes:

1. Go to **Summary** tab
2. Click within the **Refresh Date** cells
3. Go to the **Analyze** ribbon and click **Refresh** button and select "Refresh All"



	A	B	C	D
10	0717000 - Liq Petro Gas Exp-Vapor Proc	65,213.68		0717000 - Liq Petro Gas Exp-Vapor Proc
11	0735000 - Gas Misc Production Exp	34,681.25		0735000 - Gas Misc Production Exp
12	0742000 - Maint Gas Production Equipmen	5,029.45		0742000 - Maint Gas Production Equipmen
13	**Grand Total**	**109,890.75**		**Grand Total**
14				
15				
16				
17				
18				
19				
20				
21	**Refresh Date**			
22	7/06/2020 12:56:35 AM			
23				

4. Once the document has been refreshed, the numbers on the **DEO Allocation, Summary, and Detail** tabs should be updated
5. On the **Summary** tab, the highlighted cells should be zero. Those cells are the reconciling cells. If there is a number in those cells, then the cubes may not have been ran correctly so make sure to click "Refresh All"
6. **DEO Allocation** Tab – the items under the "Amounts for JE" column is what is being booked and reclassed from BU 75086 to BU 75026

Booking entry into Peoplesoft

1. Copy the prior month entry (75086-ERLANGERKY)
2. Amounts on the **DEO Allocation** tab under "Amounts for JE" are the credited amounts on the entry and are associated with the BU 75086
    a. The debits are the amounts being reclassed to BU 75026

Lines | Totals | Errors | Approval

t 75086 Journal ID ERLANGERKY Date 06/30/2020

Template List Search Criteria

*Process Edit Journal Process

e	Unit	Ledger	SpeedType	Acct	Res Type	Oper Unit	Resp Ctr	Affiliate	Currency	Amount	R
	75086	ACTUALS		0711000	99810	GD70	S588		USD	-314.71	C
	75026	ACTUALS		0711000	99810	GD10	S588		USD	314.71	C
	75086	ACTUALS		0712000	99810	GD70	S588		USD	-605.57	C
	75026	ACTUALS		0712000	99810	GD10	S588		USD	605.57	C
	75086	ACTUALS		0717000	99810	GD70	S588		USD	-15,817.14	C
	75026	ACTUALS		0717000	99810	GD10	S588		USD	15,817.14	C
	75086	ACTUALS		0735000	99810	GD70	S588		USD	-12,193.11	C
	75026	ACTUALS		0735000	99810	GD10	S588		USD	12,193.11	C
	75086	ACTUALS		0742000	99810	GD70	S588		USD	-14.28	C
	75026	ACTUALS		0742000	99810	GD10	S588		USD	14.28	C

3. Once the amounts are updated, click **Process**
    a. The Journal Status at the bottom of the page should go from **N** to **V (valid)**
    b. If the status has an **E**, then the journal is not balanced. Check each line item to make sure the amounts are typed in correctly.
4. Go to the **Header** tab, click "Attachments" and upload the ERLANGERKY file

Header | Lines | Totals | Errors | Approval

Unit	75086	**Journal ID**	ERLANGERKY
Date	06/30/2020		
Long Description	DEO Portion (64.2%) of Erlanger Gas Plant charged from KY BU 75086.		
	187 characters remaining		
***Ledger Group**	ACTUALS	**Adjusting Entry**	Non-Adjusting Entry
Ledger		**Fiscal Year**	2020
***Source**	402	**Period**	6
Reference Number		**ADB Date**	06/30/2020
Journal Class			
Transaction Code	GENERAL		Auto Generate Lines
			Save Journal Incomplete Status
SJE Type			Autobalance on 0 Amount Line
	Currency Defaults: USD / CRRNT / 1		
	Attachments (1)		CTA
	Reversal: Do Not Generate Reversal		

5. Go back the **Lines** tab, click the drop-down menu next to **Process** button, select **Submit Journal**, then click **Process**

NOTES: In September 20202, this allocation journal was automated and continued to be booked monthly by system allocations. Due to the retirement of the Erlanger Propane Cavern in April of 2022, this allocation is no longer being recorded.

EXHIBIT B

AGREEMENT BETWEEN THE CINCINNATI GAS & ELECTRIC COMPANY AND THE UNION LIGHT, HEAT AND POWER COMPANY REGARDING UNION COMPANY'S UNDERGROUND STORAGE CAVERN

This Agreement entered into on this 23rd day of May, 1961, between The Cincinnati Gas & Electric Company, an Ohio corporation, hereinafter referred to as "Cincinnati" and The Union Light, Heat and Power Company, a Kentucky corporation, hereinafter referred to as "Union",

WITNESSETH THAT:

WHEREAS, Union and Cincinnati are public utilities rendering gas service in their respective service areas in northern Kentucky and southwestern Ohio, respectively, in the proximity of Cincinnati, Ohio; and

WHEREAS, both Union and Cincinnati severally desire to avail themselves of certain propane-air gas supplies to supplement on peak days the natural gas that they severally purchase from Kentucky Gas Transmission Corporation (KGT) and thereby hold to a minimum the demand charges made against Union and Cincinnati by KGT under its F.P.C. Gas Tariff; and

WHEREAS, Union has in its service area underground formations for the construction of a mined cavern for storing liquid propane that can be used to produce peak shaving propane-air gas; and

WHEREAS, it would not be economical for a company the size of Union to construct such a cavern and its associated equipment solely for its own use because of the high unit costs involved; and

WHEREAS, Union proposes to construct such a cavern and facilities for the storage of liquid propane and for the production of a maximum of 50,000 Mcf per day of propane-air gas near KGT's line AM-7 in the proximity of Erlanger, Kentucky and to provide therefrom propane-air gas for its own use and also for delivery to Cincinnati through approximately 5 miles of line AM-7 to be purchased for that purpose; and

WHEREAS, Union proposes to complete the construction of the cavern and facilities necessary to produce and deliver the propane-air gas so as to be in operation during the next heating season, i.e., by November 1, 1961; and

WHEREAS, as a result of the foregoing plans, Union and Cincinnati have been able to avoid the necessity of requesting additional peak day supplies of natural gas from KGT to the extent of 5,400 Mcf and 32,600 Mcf of Contract Demands, respectively; and

WHEREAS, the construction and operation of the cavern and production facilities will provide economic peak shaving in the public interest; and

WHEREAS, by virtue of the foregoing circumstances, time is of the essence; and

WHEREAS, Union, Cincinnati and KGT have, simultaneously with the execution of this agreement, entered into a Precedent Agreement covering the sale and purchase of portions of line AM-7;

NOW THEREFORE the parties hereto agree with each other as follows:

1. Union agrees to perform the following:

(a) Construct a mined cavern together with the necessary pumps and appurtenances at an approximate depth of 400 feet on a site to be purchased on Amsterdam Road, said cavern to be of such size that it can store approximately 7 million gallons of liquid propane, and also construct suitable unloading facilities to receive propane from public carriers.

(b) Lease or purchase certain real property near line AM-7 north of Erlanger, Kentucky, and construct on said property a propane-air gas plant and gas mixing, regulating, measuring, and control equipment, together with compressors, boilers, heat exchangers, water supply, electric facilities, and necessary appurtenances for producing approximately 50,000 Mcf of propane-air gas in a 24 hour period.

(c) Construct a steel pipeline for transporting liquid propane from the cavern site to said property near line AM-7.

(d) Construct a lateral connection from the plant outlet to line AM-7.

(e) Subject to the performance and satisfaction of the provisions of the Precedent Agreement referred to above, including regulatory approvals relating to the proposed Agreements referred to therein, (i) purchase and store, to the extent feasible, liquid propane or other product in the above cavern for use in the production of propane-air gas, of heat content as near equal to that of the natural gas received from KGT as operating equipment and interchangeability of gas will permit, during peak periods of operation or emergencies, (ii) operate and maintain, to the extent feasible, all of the above cavern, pipeline, and gas plant equipment for the production of such propane-air gas, and (iii) deliver such propane-air gas to its own system and to that of Cincinnati through the portion of line AM-7 purchased by Union under said Precedent Agreement, at the respective options of such companies to the limit of 20% for Union, and 80% for Cincinnati, of the propane-air gas producing capacity in any 24 hour period as metered at said plant.

(f) Obtain any necessary regulatory authorizations in connection with the performance of this agreement.

2. Subject to the performance of said Precedent Agreement, Cincinnati agrees to pay to Union starting with November, 1961 and

continuing each month thereafter during the term of this agreement, its proportionate share of all costs pertaining to the plant and facilities constructed pursuant to this agreement, as described in appended Exhibit A. Such monthly amount shall be paid on or before the 25th of each following month and shall consist of the following:

(A) A monthly amount based on estimated costs to be adjusted each subsequent December to actual costs incurred during the preceding 12 months ended November 30 consisting of 1/12 of 80% (based on Cincinnati's requirement of 40,000 Mcf daily capacity out of a total of 50,000 Mcf daily plant capacity) of the following items:

(i) Depreciation

An amount equal to the annual accrual for depreciation applicable to the plant and facilities constructed pursuant to this agreement, as recorded on Union's books, the initial annual depreciation rates to be as set forth on said Exhibit A.

(ii) Insurance

An amount equal to the total property insurance cost applicable to said plant and facilities, as recorded on the books of Union.

(iii) Return

An amount equal to six and three quarters percent (6-3/4%) per annum of Union's "base for return" which shall be an amount consisting of the original cost of said plant and facilities, estimated, if not known, at date of this contract and revised to actual amounts as of November 30 of each calendar year, less the accumulated provision for depreciation applicable thereto, plus the average month end investment in liquid propane carried in inventory during the 12 months ended the preceding November 30. Should any large or costly additions or retirements be made in any year during the term of this agreement, such additions and retirements when recorded shall be considered in determining a revised "base for return".

(iv) Land Rental

An amount equal to the total annual land rental cost applicable to said plant and facilities, as recorded on the books of Union.

(v) Taxes

An amount equal to all taxes, fees or assessments lawfully imposed upon Union by any authority which are the result of or directly attributable to the ownership, operation, maintenance or earnings of said plant and facilities.

(vi) Maintenance Expenses

An amount equal to the annual maintenance expenses incurred by Union in maintaining said plant and facilities as recorded on Union's books.

(B) A monthly amount comprising a portion of the operation expenses, excluding insurance and land rentals, incurred during the preceding month by Union in operating said plant and facilities as recorded on its books. Such portion shall be based on Cincinnati's annual usage of propane-air gas related to the annual deliveries from the plant during the 12 months ended the preceding November 30.

(C) The cost of liquid propane, based on the average cost method of pricing inventory, attributable to Cincinnati during the current month.

3. Subject to the performance of said Precedent Agreement, Cincinnati also agrees to pay Union eighty percent (80%) of all costs, including all court costs, counsel fees and expenses, incurred by Union in the defense or adjustment of all actions or proceedings brought and all claims and demands made growing out of the operation or maintenance of said plant and facilities. Such amount will be billed separately and paid by Cincinnati within 25 days of receipt of such billing.

4. Subject to the performance of said Precedent Agreement, Union will operate the cavern and related plant consistent with generally accepted standards and will not be held responsible to Cincinnati for interruptions or failures in service thereof due to accidents, acts committed by others or acts of God.

5. This agreement shall become effective forthwith and shall remain in full force and effect for 25 years after November 1, 1961, and thereafter shall be automatically renewed from year to year unless and until terminated by either party upon written notice given to the other party at least 6 months prior to the expiration of the original term or any such one year renewal term. It shall be binding upon and inure to the benefit of the parties thereto and successors and assigns. This agreement is made subject to the jurisdiction of any governmental authority or authorities having jurisdiction in the premises and the performance thereof shall be subject to (a) the receipt of all regulatory approvals, in form and substance satisfactory to the parties hereto, necessary to permit the parties hereto to perform all

the duties and obligations to be performed by such parties hereunder and (b), in the instances indicated, the performance of said Precedent Agreement.

6. In the event that the necessary regulatory authorizations are not obtained or Union determines that it is not feasible to complete the construction of said plant and facilities, Union shall, to the extent possible, sell the property involved and Cincinnati shall reimburse Union for 80% of the costs which it has incurred less any proceeds from the sale.

IN WITNESS WHEREOF, the parties hereto have caused this to be duly executed on the 23rd day of May, 1961.

ATTEST: THE UNION LIGHT, HEAT AND POWER COMPANY

M. J. Sloan
Secretary

By Milton J. Pfeiffer
VICE PRESIDENT

ATTEST: THE CINCINNATI GAS & ELECTRIC COMPANY

Richard H. Rhein
Ass't Secretary

By K. W. Ginney
Executive Vice-President

Purpose: On annual basis, in December of each year, an Erlanger Gas Plant study is prepared in order to update the monthly payment to be made by Duke Energy Ohio Gas to Duke Energy Kentucky Gas for the use of the Erlanger Gas Plant and also to record a true-up to adjust for the actual amount billed to Duke Energy Ohio for the year. The amount to be allocated was determined as part of the 2019 Kentucky Gas Rate case. Supporting documents are attached.

Monthly Payment Calculation: The entry allocates 64.2% of Fixed Costs and PSCKY Maintenance Tax from Duke Energy Ohio Gas to Duke Energy Kentucky Gas. Fixed Costs are composed of 1) Return on Net Plant and Inventory, 2) Annual Depreciation, 3) Property Taxes, 4) Insurance, and 5) Federal and State Income Tax. PSCKY Maintenance Tax is derived from the PSCKY Tax Rate provided by Rates and Regulatory Strategy multiplied by Fixed Costs. The calculation is then divided by 12 to calculate the monthly amount to be allocated.

1) **Return on Net Plant and Inventory**
   Calculation: {A} Property, Plant & Equipment less Accumulated Provision for Depreciation plus {B} Propane Inventory 12 month average multiplied by {C} Return on Rate Base percentage.
   A. **Property Plant & E and Accumulated Depreciation**
   Source: Capital Accounting Jurisdiction Report provided by Asset Accounting.
   Source: Detail: Capital Accounting Jurisdiction Report Query 1 and Query 2.
   B. **Propane Inventory 12 Month Average**
   Source: SSAS general ledger cube.
   Source Detail: Account 0151126. Business unit 75086.
   C. **Return on Rate Base Percentage**
   Source: SCH_A and SCH_A Rate Base of the KPSC Gas SFRs-2018 report provided by Rates and Regulatory Strategy.
   Source Detail: Net Operating Income divided by Jurisdictional Rate Base.

2) **Annual Depreciation**
   Calculation: {A} Book Cost multiplied by {B} Gas Facilities Devoted to Other KY Regulatory Rates
   A. **Book Cost**
   Source: Capital Accounting Jurisdiction Report provided by Asset Accounting.
   Source: Detail: Capital Accounting Jurisdiction Report Query 1 and Query 2.
   B. **Gas Facilities Devoted to Other KY Regulatory Rates**
   Source: WPB-2.2g – Forecast of the KPSC Gas SFRs-2018 report provided by Rates and Regulatory Strategy.

3) **Property Taxes**
   Calculation: Sum of {A} Net Book Value multiplied by {B} Estimated Property Tax Ratio and {C} Estimated Property Tax Rate.
   A. **Net Book Value**
   Source: Capital Accounting Jurisdiction Report provided by Asset Accounting.
   Source: Detail: Capital Accounting Jurisdiction Report Query 1 and Query 2.
   B. **Estimated Property Tax Ratio**
   Source: Tax Department
   Source Detail: Input calculated by the Tax Department. Includes real estate, tangible personal property, and manufacturing property class inputs.

C. Estimated Property Tax Rate
Source: Tax Department
Source Detail: Input calculated by the Tax Department. Includes real estate, tangible personal property, and manufacturing property class inputs.

4) Insurance
Calculation**:** {A} Net Book Value divided by {B} year-to-date DEK Gas Property Plant Equipment Total multiplied by the {C} Allocated Gas Portion of Bison Invoices.

A. Net Book Value
Source: Capital Accounting Jurisdiction Report provided by Asset Accounting.
Source: Detail: Capital Accounting Jurisdiction Report Query 1 and Query 2.

B. DEK Gas Property Plant Equipment Total
Source: OneStream financial statement query
Source Detail: Duke Energy Kentucky Gas entity and PROP_PLANT_EQ_TOTAL node.

C. Allocated Gas Portion of Bison Invoices
Source: SSAS general ledger cube.
Source Detail: 12 month sum of query results derived from accounts 0924050 and 0925051 and business unit 75088.

5) Federal and State Income Tax
Federal Calculation: {A} Cost of Equity Reciprocal of Effective Tax Rate multiplied by {B} Federal Income Tax Rate
State Calculation: {A} Cost of Equity Reciprocal of Effective Tax Rate multiplied by {C} State of Kentucky Income Tax Rate.

A. Cost of Equity Reciprocal of Effective Tax Rate
Calculation: Cost of Equity (Return on Common) divided by Total Tax Rate
Cost of Equity (Return on Common)
Calculation: Return on Rate Base less Weighted Cost of Debt
Return on Rate Base
Calculation: Net Plant Investment Plus Average Propane Inventory multiplied by Rate of Return on Rate Base Percentage
Net Plant Investment Plus Average Propane Inventory
Calculation: Property, Plant & Equipment less Accumulated Provision for Depreciation plus Propane Inventory 12 month average
Rate of Return on Rate Base Percentage
Calculation: Net Operating Income divided by Jurisdictional Rate Base.
Weighted Cost of Debt
Calculation: Debt Ratio multiplied by Total Weighted Cost of Debt
Debt Ratio
Calculation: Net Plant Investment Plus Average Propane Inventory multiplied by Total Debt Rate of Return
Total Weighted Cost of Debt
Calculation: Long-Term Debt plus Short-Term Debt
Total Tax Rate
Calculation: Income Before Federal Income Tax less Federal Income Tax Rate

SOURCES

Capitalization: SCH_A Cap-Forecast of the KPSC Gas SFRs-2018 report provided by Rates and Regulatory Strategy.
Rate Base and Operating Income: SCH_A Rate Base-Forecast of the KPSC Gas SFRs-2018 report provided by Rates and Regulatory Strategy.
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Federal and State Tax Rates: SCH_H-Forecast of the KPSC Gas SFRs-2018 report provided by Rates and Regulatory Strategy.
Debt Ratios and Weighted Costs: SCH_J1-Forecast of the KPSC Gas SFRs-2018 report provided by Rates and Regulatory Strategy.

B. Federal Income Tax Rate

Source: SCH_H Line 14 – Forecast of the KPSC Gas SFRs-2018 report provided by Rates and Regulatory Strategy.

Source Detail: Input calculated by Rates and Regulatory Strategy.

C. State of Kentucky Income Tax Rate

Source: SCH_H Line 10 – Forecast of the KPSC Gas SFRs-2018 report provided by Rates and Regulatory Strategy.

Source Detail: Input calculated by Rates and Regulatory Strategy.

NOTES: Due to the retirement of the Erlanger plant in April of 2022, the allocation of these costs has been discontinued.

EXHIBIT B

AGREEMENT BETWEEN THE CINCINNATI GAS & ELECTRIC COMPANY AND THE UNION LIGHT, HEAT AND POWER COMPANY REGARDING UNION COMPANY'S UNDERGROUND STORAGE CAVERN

This Agreement entered into on this 23rd day of May, 1961, between The Cincinnati Gas & Electric Company, an Ohio corporation, hereinafter referred to as "Cincinnati" and The Union Light, Heat and Power Company, a Kentucky corporation, hereinafter referred to as "Union",

WITNESSETH THAT:

WHEREAS, Union and Cincinnati are public utilities rendering gas service in their respective service areas in northern Kentucky and southwestern Ohio, respectively, in the proximity of Cincinnati, Ohio; and

WHEREAS, both Union and Cincinnati severally desire to avail themselves of certain propane-air gas supplies to supplement on peak days the natural gas that they severally purchase from Kentucky Gas Transmission Corporation (KGT) and thereby hold to a minimum the demand charges made against Union and Cincinnati by KGT under its F.P.C. Gas Tariff; and

WHEREAS, Union has in its service area underground formations for the construction of a mined cavern for storing liquid propane that can be used to produce peak shaving propane-air gas; and

WHEREAS, it would not be economical for a company the size of Union to construct such a cavern and its associated equipment solely for its own use because of the high unit costs involved; and

WHEREAS, Union proposes to construct such a cavern and facilities for the storage of liquid propane and for the production of a maximum of 50,000 Mcf per day of propane-air gas near KGT's line AM-7 in the proximity of Erlanger, Kentucky and to provide therefrom propane-air gas for its own use and also for delivery to Cincinnati through approximately 5 miles of line AM-7 to be purchased for that purpose; and

WHEREAS, Union proposes to complete the construction of the cavern and facilities necessary to produce and deliver the propane-air gas so as to be in operation during the next heating season, i.e., by November 1, 1961; and

WHEREAS, as a result of the foregoing plans, Union and Cincinnati have been able to avoid the necessity of requesting additional peak day supplies of natural gas from KGT to the extent of 5,400 Mcf and 32,600 Mcf of Contract Demands, respectively; and

WHEREAS, the construction and operation of the cavern and production facilities will provide economic peak shaving in the public interest; and

WHEREAS, by virtue of the foregoing circumstances, time is of the essence; and

WHEREAS, Union, Cincinnati and KGT have, simultaneously with the execution of this agreement, entered into a Precedent Agreement covering the sale and purchase of portions of line AM-7;

NOW THEREFORE the parties hereto agree with each other as follows:

1. Union agrees to perform the following:

(a) Construct a mined cavern together with the necessary pumps and appurtenances at an approximate depth of 400 feet on a site to be purchased on Amsterdam Road, said cavern to be of such size that it can store approximately 7 million gallons of liquid propane, and also construct suitable unloading facilities to receive propane from public carriers.

(b) Lease or purchase certain real property near line AM-7 north of Erlanger, Kentucky, and construct on said property a propane-air gas plant and gas mixing, regulating, measuring, and control equipment, together with compressors, boilers, heat exchangers, water supply, electric facilities, and necessary appurtenances for producing approximately 50,000 Mcf of propane-air gas in a 24 hour period.

(c) Construct a steel pipeline for transporting liquid propane from the cavern site to said property near line AM-7.

(d) Construct a lateral connection from the plant outlet to line AM-7.

(e) Subject to the performance and satisfaction of the provisions of the Precedent Agreement referred to above, including regulatory approvals relating to the proposed Agreements referred to therein, (i) purchase and store, to the extent feasible, liquid propane or other product in the above cavern for use in the production of propane-air gas, of heat content as near equal to that of the natural gas received from KGT as operating equipment and interchangeability of gas will permit, during peak periods of operation or emergencies, (ii) operate and maintain, to the extent feasible, all of the above cavern, pipeline, and gas plant equipment for the production of such propane-air gas, and (iii) deliver such propane-air gas to its own system and to that of Cincinnati through the portion of line AM-7 purchased by Union under said Precedent Agreement, at the respective options of such companies to the limit of 20% for Union, and 80% for Cincinnati, of the propane-air gas producing capacity in any 24 hour period as metered at said plant.

(f) Obtain any necessary regulatory authorizations in connection with the performance of this agreement.

2. Subject to the performance of said Precedent Agreement, Cincinnati agrees to pay to Union starting with November, 1961 and

continuing each month thereafter during the term of this agreement, its proportionate share of all costs pertaining to the plant and facilities constructed pursuant to this agreement, as described in appended Exhibit A. Such monthly amount shall be paid on or before the 25th of each following month and shall consist of the following:

(A) A monthly amount based on estimated costs to be adjusted each subsequent December to actual costs incurred during the preceding 12 months ended November 30 consisting of 1/12 of 80% (based on Cincinnati's requirement of 40,000 Mcf daily capacity out of a total of 50,000 Mcf daily plant capacity) of the following items:

(i) Depreciation

An amount equal to the annual accrual for depreciation applicable to the plant and facilities constructed pursuant to this agreement, as recorded on Union's books, the initial annual depreciation rates to be as set forth on said Exhibit A.

(ii) Insurance

An amount equal to the total property insurance cost applicable to said plant and facilities, as recorded on the books of Union.

(iii) Return

An amount equal to six and three quarters percent (6-3/4%) per annum of Union's "base for return" which shall be an amount consisting of the original cost of said plant and facilities, estimated, if not known, at date of this contract and revised to actual amounts as of November 30 of each calendar year, less the accumulated provision for depreciation applicable thereto, plus the average month end investment in liquid propane carried in inventory during the 12 months ended the preceding November 30. Should any large or costly additions or retirements be made in any year during the term of this agreement, such additions and retirements when recorded shall be considered in determining a revised "base for return".

(iv) Land Rental

An amount equal to the total annual land rental cost applicable to said plant and facilities, as recorded on the books of Union.

(v) Taxes

An amount equal to all taxes, fees or assessments lawfully imposed upon Union by any authority which are the result of or directly attributable to the ownership, operation, maintenance or earnings of said plant and facilities.

(vi) Maintenance Expenses

An amount equal to the annual maintenance expenses incurred by Union in maintaining said plant and facilities as recorded on Union's books.

(B) A monthly amount comprising a portion of the operation expenses, excluding insurance and land rentals, incurred during the preceding month by Union in operating said plant and facilities as recorded on its books. Such portion shall be based on Cincinnati's annual usage of propane-air gas related to the annual deliveries from the plant during the 12 months ended the preceding November 30.

(C) The cost of liquid propane, based on the average cost method of pricing inventory, attributable to Cincinnati during the current month.

3. Subject to the performance of said Precedent Agreement, Cincinnati also agrees to pay Union eighty percent (80%) of all costs, including all court costs, counsel fees and expenses, incurred by Union in the defense or adjustment of all actions or proceedings brought and all claims and demands made growing out of the operation or maintenance of said plant and facilities. Such amount will be billed separately and paid by Cincinnati within 25 days of receipt of such billing.

4. Subject to the performance of said Precedent Agreement, Union will operate the cavern and related plant consistent with generally accepted standards and will not be held responsible to Cincinnati for interruptions or failures in service thereof due to accidents, acts committed by others or acts of God.

5. This agreement shall become effective forthwith and shall remain in full force and effect for 25 years after November 1, 1961, and thereafter shall be automatically renewed from year to year unless and until terminated by either party upon written notice given to the other party at least 6 months prior to the expiration of the original term or any such one year renewal term. It shall be binding upon and inure to the benefit of the parties thereto and successors and assigns. This agreement is made subject to the jurisdiction of any governmental authority or authorities having jurisdiction in the premises and the performance thereof shall be subject to (a) the receipt of all regulatory approvals, in form and substance satisfactory to the parties hereto, necessary to permit the parties hereto to perform all

the duties and obligations to be performed by such parties hereunder and (b), in the instances indicated, the performance of said Precedent Agreement.

6. In the event that the necessary regulatory authorizations are not obtained or Union determines that it is not feasible to complete the construction of said plant and facilities, Union shall, to the extent possible, sell the property involved and Cincinnati shall reimburse Union for 80% of the costs which it has incurred less any proceeds from the sale.

IN WITNESS WHEREOF, the parties hereto have caused this to be duly executed on the 23rd day of May, 1961.

ATTEST: THE UNION LIGHT, HEAT AND POWER COMPANY

M. J. Sloan
Secretary

By Milton J. Pfeiffer
VICE PRESIDENT

ATTEST: THE CINCINNATI GAS & ELECTRIC COMPANY

Richard H. Rhein
Ass't Secretary

By K. W. Sinney
Executive Vice-President

DUKE ENERGY.

Date: April 15, 2019

To: Gary Hebbeler, VP Special Projects
Sarah Lawler, Director, Rates & Regulatory Planning
Lisa Steinkuhl, Rates & Regulatory Strategy Manager
Gennifer Raney, Director Gas Pipeline Services
Mitch Martin, Manager Citygate Operations
Julie Whisman, Specialist, Gas Financial Services
Dani Weatherston, Manager Accounting II

From: Rocco D'Ascenzo, Deputy General Counsel

Subject: **Agreement between Duke Energy Ohio, Inc. and Duke Energy Kentucky, Inc. Regarding Duke Energy Kentucky, Inc.'s Erlanger Propane Plant and Constance Cavern**

Duke Energy Kentucky, Inc. (Duke Energy Kentucky), as a result of a Kentucky Public Service Commission (Commission) gas rate case order dated March 27, 2019 in Case No. 2018-00261, hereby revises the "Return" percentage, referred to in Item (iii) of the cost allocation formula in the subject agreement dated May 2, 1961, to 7.063%. The new return percentage should be reflected in the monthly fixed charge billed to Duke Energy Ohio, Inc. (Duke Energy Ohio) effective on and after April 1, 2019. This supersedes all prior Orders and return percentages.

This change is being made in order that the allocation of Duke Energy Kentucky's propane plant charges to Duke Energy Ohio will reflect an equitable rate of return as approved by the Commission.

The allocation of fixed costs to Duke Energy Ohio will change to 64.2% based on the amount of capacity Duke Energy Ohio is capable of receiving from the Erlanger Propane Plant.

Please indicate Duke Energy Ohio and Kentucky's acceptance and agreement to this change by signing in the appropriate space provided below.

Gary J Hebbeler — 4/15/19

Duke Energy Kentucky, Inc. — Date
Gary Hebbeler
VP, Special Projects

Amy B. Spiller — 4/15/19

Duke Energy Ohio, Inc. — Date
Amy B. Spiller
State President, Ohio/Kentucky

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CONFIDENTIAL

Management Practices, and Procedures Organization

Functional Area Three