

June 20, 2018

Ms. Kimberly D. Bose  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, D.C. 20426

**Re: *Duke Energy Ohio, Inc. and Duke Energy Kentucky, Inc.,*  
Docket No. ER18-1274-001  
Compliance Filing to Correct Historical Depreciation Rate Tariff Sheets**

Dear Secretary Bose:

Duke Energy Ohio, Inc. (“DEO”) and Duke Energy Kentucky, Inc. (“DEK”) (DEO and DEK, together “DEOK” or the “Companies”), in compliance the Federal Energy Regulatory Commission’s (“FERC” or “Commission”) June 1, 2018 order,<sup>1</sup> hereby tender for filing revised historical tariff sheets in Attachment H-22A (“Attachment H-22A”) to PJM Interconnection, L.L.C.’s (“PJM”) Open Access Transmission Tariff (“PJM Tariff”).<sup>2</sup>

**I. BACKGROUND**

On April 2, 2018, DEOK tendered for filing revised tariff sheets in Attachment H22-A and Attachment H-22B.<sup>3</sup> As part of its April 2<sup>nd</sup> Filing and as germane to this filing, DEOK sought approval to correct certain depreciation rates included in Appendix D to the Template and requested waivers to permit such corrected rates to go into effect prior to June 1, 2018. Specifically, DEOK requested Commission approval: 1) to correct certain depreciation rates for transmission plant contained in Appendix D for a clerical error that was made in 2012 when DEOK moved from MISO to PJM, for which DEOK requested an effective date of January 1, 2012; and 2) to correct certain DEO depreciation rates for general and intangible plant, for which DEOK requested an effective date of May 1, 2013.

As explained in the April 2<sup>nd</sup> Filing, DEOK’s proposed changes to transmission plant depreciation rates for DEO and DEK contained in Appendix D to the Template will correct a

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<sup>1</sup> *Duke Energy Ohio, Inc., et al., Inc.*, 163 FERC ¶ 61,173, at PP 1, 26 (2018) (“Order”).

<sup>2</sup> Pursuant to *Electronic Tariff Filings*, Order No. 714, FERC Stats. & Regs. ¶ 31,276 (2008) (“Order No. 714”), this filing is submitted by PJM on behalf of DEOK as part of an XML filing package that complies with the Commission’s regulations. PJM has agreed to make all filings on behalf of the PJM Transmission Owners to retain administrative control over the PJM Tariff. Thus, DEOK has requested PJM submit this filing in the eTariff system as part of PJM’s electronic Intra PJM Tariff.

<sup>3</sup> DEOK April 2<sup>nd</sup> Filing, Transmittal at 14 (“April 2<sup>nd</sup> Filing”).

clerical error made in 2012 when DEOK moved from MISO to PJM (“Transmission Plant Depreciation Rate Changes”).<sup>4</sup> DEOK proposed an effective date of January 1, 2012 for the Transmission Plant Depreciation Rate Changes, to reflect the date when Template containing the erroneous rate was made effective.

DEOK also proposed to include in Appendix D certain updated depreciation rates for “General and Intangible Plant” for DEO in order for the Template to reflect the rates reported in DEO’s Form 1s and utilized in calculating the DEOK ATRR beginning in 2013, based upon a 2012 Depreciation Study filed at the Public Utilities Commission of Ohio. Specifically, DEO proposed to modify certain depreciation rates for general and intangible plant in Accounts 390, 391, 392 and 396, as shown on the redline version of Appendix D (“G&IP Depreciation Rate Changes”).<sup>5</sup> DEO proposed an effective date of May 1, 2013 for the G&IP Depreciation Rate Changes, to reflect the date that the changes first affected the charges to transmission customers.

DEOK did not include the historical tariff sheets in its filing, but committed to do so in a separate compliance filing.

In its June 1 Order, the Commission accepted the proposed changes in DEOK’s April 2<sup>nd</sup> Filing.<sup>6</sup> The Commission stated that the changes “will help serve to make its formula rate more accurate and to reduce the amount of certain over- or undercharges.”<sup>7</sup> The Commission also granted DEOK “waiver of the prior notice requirement to permit DEOK’s transmission plant depreciation rate changes to become effective on January 1, 2012, and DEO’s general and intangible plant depreciation rate changes to become effective on May 1, 2013, as requested.”<sup>8</sup>

## II. COMPLIANCE FILING

The Commission ordered DEOK to submit a compliance filing within 30 days to address the historical depreciation rates.<sup>9</sup> Pursuant to the Commission’s directive, and in accordance with the Commission’s eTariff regulations, an XML filing package is being submitted containing the revised historical tariff sheets. Attached below are redlined and clean revised historical tariff sheets necessary to implement the Transmission Plant Depreciation Rate Changes effective January 1, 2012, and the G&IP Depreciation Rate Changes effective May 1, 2013. The filing contains the following items:

1. This transmittal letter;
2. **Attachment A** (relined tariff sheets):

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<sup>4</sup> DEOK April 2nd Filing, Transmittal at 14.

<sup>5</sup> April 2nd Filing, Lee Testimony at p. 4.

<sup>6</sup> Order at P 24.

<sup>7</sup> Order at P 24.

<sup>8</sup> Order at P 24.

<sup>9</sup> Order at P 26.

- Redlined revised Attachment H-22A implementing the Transmission Plant Depreciation Rate Changes (effective January 1, 2012)
- Redlined revised Attachment H-22A containing the Transmission Plant Depreciation Rate Changes and implementing the G&IP Depreciation Rate Changes (effective May 1, 2013)
- Redlined revised Attachment H-22A containing the Transmission Plant Depreciation Rate Changes and the G&IP Depreciation Rate Changes, which tariff sheets are being filed to correct the historical tariff sheets that became effective on April 16, 2015 (effective April 16, 2015)
- Redlined revised Attachment H-22A containing the Transmission Plant Depreciation Rate Changes and the G&IP Depreciation Rate Changes, which tariff sheets are being filed to correct the historical tariff sheets that became effective on June 1, 2015 (effective June 1, 2015)

3. **Attachment B** (clean tariff sheets):

- Clean revised Attachment H-22A implementing the Transmission Plant Depreciation Rate Changes (effective January 1, 2012)
- Clean revised Attachment H-22A containing the Transmission Plant Depreciation Rate Changes and implementing the G&IP Depreciation Rate Changes (effective May 1, 2013)
- Clean revised Attachment H-22A containing the Transmission Plant Depreciation Rate Changes and the G&IP Depreciation Rate Changes, which tariff sheets are being filed to correct the historical tariff sheets that became effective on April 16, 2015 (effective April 16, 2015)
- Clean revised Attachment H-22A containing the Transmission Plant Depreciation Rate Changes and the G&IP Depreciation Rate Changes, which tariff sheets are being filed to correct the historical tariff sheets that became effective on June 1, 2015 (effective June 1, 2015)

**III. SERVICE**

PJM has served a copy of this filing on all PJM Members and on all state utility regulatory commissions in the PJM Region by posting this filing electronically. In accordance with the Commission's regulations,<sup>10</sup> PJM will post a copy of this filing to the FERC filings section of its internet site, located at the following link: <http://www.pjm.com/documents/ferc-manuals/ferc-filings.aspx> with a specific link to the newly-filed document, and will send an e-mail on the same date as this filing to all PJM Members and all state utility regulatory commissions in the PJM Region<sup>11</sup> alerting them that this filing has been made by PJM and is available by following such

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<sup>10</sup> See 18 C.F.R §§ 35.2(e) and 385.2010(f)(3) (2017).

<sup>11</sup> PJM already maintains, updates and regularly uses e-mail lists for all PJM members and affected state commission.

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link. If the document is not immediately available by using the referenced link, the document will be available through the referenced link within 24 hours of the filing. Also, a copy of this filing will be available on the Commission's eLibrary website located at the following link: <http://www.ferc.gov/docs-filing/elibrary.asp> in accordance with the Commission's regulations and Order No. 714.

#### **IV. CONCLUSION**

DEOK respectfully request that the Commission accept its compliance filing.

Thank you for your attention to this matter. Please direct any questions concerning this submission to the undersigned.

Very truly yours,

McGuireWoods LLP

/s/ Julia D. English

Julia D. English

*Counsel for Duke Energy Ohio, Inc. and  
Duke Energy Kentucky, Inc.*

Enclosures

## CERTIFICATE OF SERVICE

I hereby certify that I have on this day caused to be served a copy of the foregoing upon all parties on the service list in these proceedings in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.2010 (2017).

/s/ Colin B. Francis  
Colin B. Francis  
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June 20, 2018

## **Attachment A**

Redlined revised Attachment H-22A  
(effective January 1, 2012)

Formula Rate - Non-Levelized

For the 12 months ended 12/31/       

**Rate Formula Template**  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

Line No.		Allocated Amount														
1	GROSS REVENUE REQUIREMENT (page 3, line 29)	\$ -														
	REVENUE CREDITS (Note T)															
	<table border="0" style="margin-left: 40px;"> <thead> <tr> <th style="text-align: left;">Total</th> <th style="text-align: left;">Allocator</th> </tr> </thead> <tbody> <tr> <td style="text-align: right;">\$ -</td> <td>TP 0.00000</td> </tr> <tr> <td style="text-align: right;">0</td> <td>TP 0.00000</td> </tr> <tr> <td style="text-align: right;">0</td> <td>TP 0.00000</td> </tr> <tr> <td style="text-align: right;">0</td> <td>TP 0.00000</td> </tr> <tr> <td style="text-align: right;">0</td> <td>1.00000</td> </tr> <tr> <td style="text-align: right;">0</td> <td>1.00000</td> </tr> </tbody> </table>	Total	Allocator	\$ -	TP 0.00000	0	TP 0.00000	0	TP 0.00000	0	TP 0.00000	0	1.00000	0	1.00000	
Total	Allocator															
\$ -	TP 0.00000															
0	TP 0.00000															
0	TP 0.00000															
0	TP 0.00000															
0	1.00000															
0	1.00000															
2	Account No. 454 (page 4, line 34)	\$ -														
3	Account No. 456.1 (page 4, line 35)	0														
4a	Revenues from Grandfathered Interzonal Transactions	0														
4b	Revenues from service provided by ISO at a discount	0														
5a	Legacy MTEP Credit (Appendix C, page 2, line 3, col. 12)	0														
5b	Firm PTP Revenue Credit Adjustment (Appendix E, line 10, col. 3)	0														
6	TOTAL REVENUE CREDITS (sum lines 2-5c)	\$ -														
7	NET REVENUE REQUIREMENT (line 1 minus line 6)	\$ -														
	DIVISOR															
8	1 CP (Note A)	0														
9	12 CP (Note B)	0														
10	Reserved															
11	Reserved															
12	Reserved															
13	Reserved															
14	Reserved															
15	Annual Cost (\$/kW/Yr) - 1 CP (line 7 / line 8)	\$0.000														
16	Annual Cost (\$/kW/Yr) - 12 CP (line 7 / line 9)	\$0.000														
17	Network Rate (\$/kW/Mo) (line 15 / 12)	\$0.000														
17a	Point-To-Point Rate (\$/kW/Mo) (line 16 / 12)	\$0.000														
	Peak Rate	Off-Peak Rate														
18	Point-To-Point Rate (\$/kW/Wk) (line 16 / 52; line 16 / 52)	\$0.000														
19	Point-To-Point Rate (\$/kW/Day) (line 16 / 260; line 16 / 365)	\$0.000	Capped at weekly rate \$0.000													
20	Point-To-Point Rate (\$/MWh) (line 16 / 4,160; line 16 / 8,760 * 1000)	\$0.000	Capped at weekly and daily rate \$0.000													

Formula Rate - Non-Levelized

For the 12 months ended 12/31/ [REDACTED]

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

Line No.	(1) RATE BASE:	(2) Form No. 1 Page, Line, Col.	(3) Company Total	(4) Allocator	(5) Transmission (Col. 3 times Col. 4)
	<b>GROSS PLANT IN SERVICE</b>				
1	Production	205.46.g	\$ -	NA	
2	Transmission	207.58.g	0	TP	0.00000 \$ -
3	Distribution	207.75.g	0	NA	
4	General & Intangible	205.5.g & 207.99.g	0	W/S	0.00000 0
5	Common	356.1	0	CE	0.00000 0
6	TOTAL GROSS PLANT (sum lines 1-5)		\$ -	GP=	0.000% \$ -
	<b>ACCUMULATED DEPRECIATION</b>				
7	Production	219.20-24.c	\$ -	NA	
8	Transmission	219.25.c	0	TP	0.00000 \$ -
9	Distribution	219.26.c	0	NA	
10	General & Intangible	219.28.c	0	W/S	0.00000 0
11	Common	356.1	0	CE	0.00000 0
12	TOTAL ACCUM. DEPRECIATION (sum lines 7-11)		\$ -		\$ -
	<b>NET PLANT IN SERVICE</b>				
13	Production	(line 1 - line 7)	\$ -		
14	Transmission	(line 2 - line 8)	0		\$ -
15	Distribution	(line 3 - line 9)	0		
16	General & Intangible	(line 4 - line 10)	0		0
17	Common	(line 5 - line 11)	0		0
18	TOTAL NET PLANT (sum lines 13-17)		\$ -	NP=	0.000% \$ -
	<b>ADJUSTMENTS TO RATE BASE (Note F)</b>				
19	Account No. 281 (enter negative)	273.8.k	\$ -	NA	zero \$ -
20	Account No. 282 (enter negative)	275.2.k	0	NP	0.00000 0
21	Account No. 283 (enter negative)	277.9.k	0	NP	0.00000 0
22	Account No. 190	234.8.c	0	NP	0.00000 0
23	Account No. 255 (enter negative)	267.8.h	0	NP	0.00000 0
24	TOTAL ADJUSTMENTS (sum lines 19- 23)		\$ -		\$ -
25	LAND HELD FOR FUTURE USE (Note G)	214.x.d	\$ -	TP	0.00000 \$ -
	<b>WORKING CAPITAL (Note H)</b>				
26	CWC	calculated	\$ -		0
27	Materials & Supplies (Note G)	227.8.c & .16.c	0	TE	0.00000 0
28	Prepayments (Account 165)	111.57.c	0	GP	0.00000 0
29	TOTAL WORKING CAPITAL (sum lines 26 - 28)		\$ -		\$ -
30	RATE BASE (sum lines 18, 24, 25, & 29)		\$ -		\$ -



Formula Rate - Non-Levelized

For the 12 months ended 12/31/ [REDACTED]

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

Line No.	(1) RATE BASE	(2) Form No. 1 Page, Line, Col.	(3) Company Total	(4) Allocator	(5) Transmission (Col. 3 times Col. 4)
	O&M				
1	Transmission	321.112.b	\$ -	TE	0.00000
1a	Less LSE Expenses included in Transmission O&M Accounts (Note V)	321.88.b, 92.b; 322.121.b	0		1.00000
1b	Less Midwest ISO Fees included in Transmission O&M	(Note X)	0	TE	0.00000
2	Less Account 565	321.96.b	0	TE	0.00000
3	A&G	323.197.b	0	W/S	0.00000
3a	Less Actual PBOP Expense	(Note E)	0	W/S	0.00000
3b	Plus Fixed PBOP Expense	(Note E)	0	W/S	0.00000
3c	Less PJM integration Costs included in A&G	(Note Y)	0	W/S	0.00000
4	Less FERC Annual Fees	350.14.b	0	W/S	0.00000
5	Less EPRI & Reg. Comm. Exp. & Non-safety Advertising (Note I)		0	W/S	0.00000
5a	Plus Transmission Related Reg. Comm. Exp. (Note I)		0	TE	0.00000
6	Common	356.1	0	CE	0.00000
7	Transmission Lease Payments		0		1.00000
8	TOTAL O&M (Sum lines 1, 2a, 3, 5a, 6, 7 less lines 1a, 2, 4, 5)		\$ -		\$ -
	DEPRECIATION EXPENSE				
9	Transmission	336.7.b	\$ -	TP	0.00000
10	General	336.10.b	0	W/S	0.00000
11	Common	336.11.b	0	CE	0.00000
12	TOTAL DEPRECIATION (Sum lines 9 - 11)		\$ -		\$ -
	TAXES OTHER THAN INCOME TAXES (Note J)				
	LABOR RELATED				
13	Payroll	263.i	\$ -	W/S	0.00000
14	Highway and vehicle	263.i	0	W/S	0.00000
	PLANT RELATED				
16	Property	263.i	0	GP	0.00000
17	Gross Receipts	263.i	0	NA	zero
18	Other	263.i	0	GP	0.00000
19	Payments in lieu of taxes		0	GP	0.00000
20	TOTAL OTHER TAXES (sum lines 13 - 19)		\$ -		\$ -
	INCOME TAXES (Note K)				
21	$T=1 - \{(1 - SIT) * (1 - FIT)\} / (1 - SIT * FIT * p) =$		0.000000%		
22	$CIT=(T/1-T) * (1-(WCLTD/R)) =$ where WCLTD=(page 4, line 27) and R= (page 4, line 30) and FIT, SIT & p are as given in footnote K.		0.000000%		
23	$1 / (1 - T) =$ (from line 21)		0.0000		
24	Amortized Investment Tax Credit	266.8.f (enter negative)	0		
25	Income Tax Calculation (line 22 * line 28)		\$ -	NA	\$ -
26	ITC adjustment (line 23 * line 24)		0	NP	0.00000
27	Total Income Taxes (line 25 plus line 26)		\$ -		\$ -
28	RETURN [Rate Base (page 2, line 30) * Rate of Return (page 4, line 30)]		\$ -	NA	\$ -
29	REV. REQUIREMENT (sum lines 8, 12, 20, 27, 28)		\$ -		\$ -

Formula Rate - Non-Levelized

For the 12 months ended 12/31/

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)  
SUPPORTING CALCULATIONS AND NOTES

<b>TRANSMISSION PLANT INCLUDED IN ISO RATES</b>									
1	Total transmission plant (page 2, line 2, column 3)							\$	-
2	Less transmission plant excluded from ISO rates (Note M)								0
3	Less transmission plant included in OATT Ancillary Services (Note N)								0
4	<hr/>								
4	Transmission plant included in ISO Rates (line 1 less lines 2 & 3)							\$	-
5	Percentage of transmission plant included in ISO Rates (line 4 divided by line 1)						TP=		0.00000
<b>TRANSMISSION EXPENSES</b>									
6	Total transmission expenses (page 3, line 1, column 3)							\$	-
7	Less transmission expenses included in OATT Ancillary Services (Note L)								0
8	<hr/>								
8	Included transmission expenses (line 6 less line 7)							\$	-
9	Percentage of transmission expenses after adjustment (line 8 divided by line 6)								0.00000
10	Percentage of transmission plant included in ISO Rates (line 5)						TP		0.00000
11	Percentage of transmission expenses included in ISO Rates (line 9 times line 10)						TE=		0.00000
<b>WAGES &amp; SALARY ALLOCATOR (W&amp;S)</b>									
		Form 1 Reference	\$	TP	Allocation				
12	Production	354.20.b	0	0.00	0				
13	Transmission	354.21.b	0	0.00	0				
14	Distribution	354.23.b	0	0.00	0				
15	Other	354.24,25,26.b	0	0.00	0			W&S Allocator	
16	Total (sum lines 12-15)		0		0	=		(\$ / Allocation)	
									0.00000 = WS
<b>COMMON PLANT ALLOCATOR (CE) (Note O)</b>									
			\$		% Electric			W&S Allocator	
17	Electric	200.3.c	0		(line 17 / line 20)			(line 16)	
18	Gas	201.3.d	0		0.00000 *			0.00000	= CE
19	Water	201.3.e	0						0.00000
20	<hr/>								
20	Total (sum lines 17 - 19)		0						
<b>RETURN (R)</b>									
21		Long Term Interest (117, sum of 62.c through 67.c)						\$	0
22		Preferred Dividends (118.29c) (positive number)							0
23	Development of Common Stock:	Proprietary Capital (112.16.c)							0
24		Less Preferred Stock (line 28)							0
25		Less Account 216.1 (112.12.c) (enter negative)							0
26		Common Stock (sum lines 23-25)							0
27		(Note P)	\$	%	Cost			Weighted	
27	Long Term Debt (112, sum of 18.c through 21.c)		0	0%	0.0000			0.0000	= WCLTD
28	Preferred Stock (112.3.c)		0	0%	0.0000			0.0000	
29	Common Stock (line 26)		0	0%	0.1238			0.0000	
30	<hr/>								
30	Total (sum lines 27-29)		0					0.0000	= R
<b>REVENUE CREDITS</b>									
31	ACCOUNT 447 (SALES FOR RESALE) (Note Q)	(310-311)						Load	
31	a. Bundled Non-RQ Sales for Resale (311.x.h)								0
32	b. Bundled Sales for Resale included in Divisor on page 1								-
33	<hr/>								
33	Total of (a)-(b)								0
34	ACCOUNT 454 (RENT FROM ELECTRIC PROPERTY) (Note R)							\$	-
35	ACCOUNT 456.1 (OTHER ELECTRIC REVENUES) (Note U)	(330.x.n)						\$	-

Formula Rate - Non-Levelized

For the 12 months ended 12/31/ [REDACTED]

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

General Note: References to pages in this formulary rate are indicated as: (page#, line#, col.)  
References to data from FERC Form 1 are indicated as: #.y.x (page, line, column)

Notes:

- A DEOK 1 CP is Duke Energy Ohio ("DEO") Monthly Firm Transmission System Peak Load as reported on page 400, column b of Form 1 at the time of DEO's annual peak, plus load served by Duke Energy Kentucky at Longbranch. For years ending 12/31/2010 and 12/31/2011, this sum will be reduced by the amount of distribution load served by East Kentucky Power Cooperative via Duke Kentucky's Hebron substation. Excludes demands from grandfathered interzonal transactions and demands from service provided by ISO at a discount.
- B DEOK 12 CP is DEO Monthly Firm Transmission System Peak Load as reported on page 400, column b of Form 1 at the time of DEO's monthly peaks, plus load served by Duke Kentucky at Longbranch. For years ending 12/31/2010 and 12/31/2011, this sum will be reduced by the amount of distribution load served by East Kentucky Power Cooperative via Duke Kentucky's Hebron substation. Excludes demands from grandfathered interzonal transactions and demands from service provided by ISO at a discount.
- C Reserved
- D Reserved
- E This deduction is to remove expenses recorded by DEOK for Postretirement Benefits Other than Pensions (PBOP). PBOP expense is set forth in line 3b and is fixed until changed as the result of a filing at FERC. The fixed amount of PBOP for DEO is \$2,342,494 and for Duke Energy Kentucky ("DEK") is \$575,908.
- F The balances in Accounts 190, 281, 282 and 283, as adjusted by any amounts in contra accounts identified as regulatory assets or liabilities related to FASB 106 or 109. Balance of Account 255 is reduced by prior flow throughs and excluded if the utility chose to utilize amortization of tax credits against taxable income as discussed in Note K. Account 281 is not allocated.
- G Identified in Form 1 as being only transmission related.
- H Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission at page 3, line 8, column 5. Prepayments are the electric related prepayments booked to Account No. 165 and reported on Page 111 line 57 in the Form 1.
- I Line 5 - EPRI Annual Membership Dues listed in Form 1 at 353.f, all Regulatory Commission Expenses itemized at 351.h, and non-safety related advertising included in Account 930.1. Line 5a - Regulatory Commission Expenses directly related to transmission service, ISO filings, or transmission siting itemized at 351.h.
- J Includes only FICA, unemployment, highway, property, gross receipts, and other assessments charged in the current year. Taxes related to income are excluded. Gross receipts taxes are not included in transmission revenue requirement in the Rate Formula Template, since they are recovered elsewhere.
- K The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = "the percentage of federal income tax deductible for state income taxes". If the utility is taxed in more than one state it must attach a work paper showing the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) multiplied by (1/1-T) (page 3, line 26).  

Inputs Required:	FIT =	0.00%	
	SIT=	0.00%	(State Income Tax Rate or Composite SIT)
	p =	0.00%	(percent of federal income tax deductible for state purposes)
- L Removes dollar amount of transmission expenses included in the OATT ancillary services rates, including Account Nos. 561.1, 561.2, 561.3, and 561.BA.
- M Removes transmission plant determined by Commission order to be state-jurisdictional according to the seven-factor test (until Form 1 balances are adjusted to reflect application of seven-factor test).
- N Removes dollar amount of transmission plant included in the development of OATT ancillary services rates and generation step-up facilities, which are deemed to be included in OATT ancillary services. For these purposes, generation step-up facilities are those facilities at a generator substation on which there is no through-flow when the generator is shut down.
- O Enter dollar amounts.
- P Debt cost rate = long-term interest (line 21) / long term debt (line 27). Preferred cost rate = preferred dividends (line 22) / preferred outstanding (line 28). ROE will be supported in the original filing and no change in ROE may be made absent a filing with FERC. Capitalization adjusted to exclude impacts of purchase accounting.
- Q Line 33 must equal zero since all short-term power sales must be unbundled and the transmission component reflected in Account No. 456.1 and all other uses are to be included in the divisor.
- R Includes income related only to transmission facilities, such as pole attachments, rentals and special use.
- S Reserved
- T The revenues credited on page 1 lines 2-5c shall include only the amounts received directly (in the case of grandfathered agreements) or from the ISO (for service under this tariff) reflecting the Transmission Owner's integrated transmission facilities. They do not include revenues associated with FERC annual charges, gross receipts taxes, ancillary services, or facilities not included in this template (e.g., direct assignment facilities and GSUs) which are not recovered under this Rate Formula Template.

Formula Rate - Non-Levelized

For the 12 months ended 12/31/       

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

General Note: References to pages in this formulary rate are indicated as: (page#, line#, col.)  
References to data from FERC Form 1 are indicated as: #.y.x (page, line, column)

Notes:

- U On Line 35, enter revenues from RTO settlements that are associated with NITS and firm Point-to-Point Service for which the load is not included in the divisor to derive Duke Energy Ohio's and Duke Energy Kentucky's zonal rates. Exclude non-firm Point-to-Point revenues, revenues related to MTEP and RTEP projects, revenues from grandfathered interzonal transactions and revenues from service provided by ISO at a discount.
- V Account Nos. 561.4, 561.8 and 575.7 consist of RTO expenses billed to load-serving entities and are not included in Transmission Owner revenue requirements.
- W Reserved
- X Midwest ISO Fees include (1) the charges that DEOK paid to the Midwest ISO pursuant to the Settlement Agreement filed on July 29, 2011 in Docket No. ER11-2059 and (2) the exit fees that DEOK paid to the Midwest ISO pursuant to the Exit Fee Agreement filed on October 5, 2011 in Docket No. ER12-33.
- Y PJM Integration Costs are the fees that PJM assessed DEOK for the costs that PJM incurred in connection with DEOK's move into PJM.

For the 12 months ended 12/31/

Duke Energy Ohio and Duke Energy Kentucky  
Transmission Formula Rate Revenue Requirement  
Utilizing FERC Form 1 Data  
For Rates Effective January 1, 2012

Schedule 1A Rate Calculation

Line No.		Source	Revenue Requirement	
<b>A. <u>Schedule 1A Annual Revenue Requirements</u></b>				
1	Total Load Dispatch & Scheduling (Account 561)	Attachment H-22A, Page 4, Line 7	\$	-
2	Revenue Credits for Schedule 1A - Note A		\$	-
3	Net Schedule 1A Revenue Requirement for Zone		\$	-
<b>B. <u>Schedule 1A Rate Calculations</u></b>				
4	2010 Annual MWh - Note B	(401a.22b & 24b)		- MWh
5	Schedule 1A rate \$/MWh (Line 3 / Line 4)	(Line 3 / Line 4)	\$0.0000	\$/MWh

Notes:

- A Revenue received pursuant to PJM Schedule 1A revenue allocation procedures for transmission service outside of DEOK's zone during the year used to calculate rates under Attachment H-22A.
- B Load expressed in MWh consistent with load used for billing under Schedule 1A for the DEOK zone. Data from RTO settlement systems for the calendar year prior to the rate year.

Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
RTEP – Transmission Enhancement Charges

To be completed in conjunction with Attachment H-22A

Line No.	(1)	(2)	(3)	(4)	
Line No.	Attachment H-22A Page, Line, Col.			Transmission	Allocator
	<b>TRANSMISSION PLANT</b>				
1	Gross Transmission Plant - Total	Sch. H-22A, p 2, line 2 col 5 (Note A)	-		
2	Net Transmission Plant - Total	Sch. H-22A, p 2, line 14 col 5 (Note B)	-		
	<b>O&amp;M EXPENSE</b>				
3	Total O&M Allocated to Transmission	Sch. H-22A, p 3, line 8 col 5	-		
4	Annual Allocation Factor for O&M	(line 3 divided by line 1 col 3)	0.00%	0.00%	
	<b>GENERAL AND COMMON (G&amp;C) DEPRECIATION EXPENSE</b>				
5	Total G&C Depreciation Expense	Sch. H-22A, p 3, lines 10 & 11, col 5 (Note H)	-		
6	Annual Allocation Factor for G&C Depreciation Expense	(line 5 divided by line 1 col 3)	0.00%	0.00%	
	<b>TAXES OTHER THAN INCOME TAXES</b>				
7	Total Other Taxes	Sch. H-22A, p 3, line 20 col 5	-		
8	Annual Allocation Factor for Other Taxes	(line 7 divided by line 1 col 3)	0.00%	0.00%	
<b>9</b>	<b>Annual Allocation Factor for Expense</b>	<b>Sum of lines 4, 6 and 8</b>		<b>0.00%</b>	
	<b>INCOME TAXES</b>				
10	Total Income Taxes	Sch. H-22A, p 3, line 27 col 5	-		
11	Annual Allocation Factor for Income Taxes	(line 10 divided by line 2 col 3)	0.00%	0.00%	
	<b>RETURN</b>				
12	Return on Rate Base	Sch. H-22A, p 3, line 28 col 5	-		
13	Annual Allocation Factor for Return on Rate Base	(line 12 divided by line 2 col 3)	0.00%	0.00%	
<b>14</b>	<b>Annual Allocation Factor for Return</b>	<b>Sum of lines 11 and 13</b>		<b>0.00%</b>	

Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
RTEP – Transmission Enhancement Charges

**Network Upgrade Charge Calculation By Project**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
Line No.	Project Name	RTEP Project Number	Project Gross Plant	Annual Allocation Factor for Expense	Annual Expense Charge	Project Net Plant	Annual Allocation Factor for Return	Annual Return Charge	Project Depreciation Expense	Annual Revenue Requirement	True-Up Adjustment	Network Upgrade Charge
			(Page 1 line 7) (Note C)	(Col. 3 * Col. 4)	(Note D)	(Page 1 line 12)	(Col. 6 * Col. 7)	(Note E)	(Sum Col. 5, 8 & 9)	(Note F)	Sum Col. 10 & 11 (Note G)	
1b		\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00	\$0	\$0.00	\$ -	\$0.00	
1c		\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00	\$0	\$0.00	\$ -	\$0.00	
2	Annual Totals								\$0	\$0	\$0	
3	RTEP Transmission Enhancement Charges for Attachment H-22A, Page 1, Line 5c										\$0	

Notes:

- A. Gross Transmission Plant is that identified on page 2 line 2 of Attachment H-22A and includes any sub lines 2a or 2b etc. and is inclusive of any CWIP included in rate base when authorized by FERC order.
- B. Net Transmission Plant is that identified on page 2 line 14 of Attachment H-22A and includes any sub lines 14a or 14b etc. and is inclusive of any CWIP included in rate base when authorized by FERC order.
- C. Project Gross Plant is the total capital investment for the project calculated in the same method as the gross plant value in line 1 and includes CWIP in rate base if applicable. This value includes subsequent capital investments required to maintain the facilities to their original capabilities.
- D. Project Net Plant is the Project Gross Plant Identified in Column 3 less the associated Accumulated Depreciation.
- E. Project Depreciation Expense is the actual value booked for the project and included in the Depreciation Expense in Attachment H-22A page 3 line 12.
- F. True-Up Adjustment is included pursuant to a FERC approved methodology if applicable.
- G. The Network Upgrade Charge is the value to be used in Schedule 26.
- H. The Total General and Common Depreciation Expense excludes any depreciation expense directly associated with a project and thereby included in page 2 column 9.

Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
Legacy MTEP Credit

To be completed in conjunction with Attachment H-22A

Line No.	(1)	(2)	(3)	(4)
Line No.	Attachment H-22A Page, Line, Col.	Transmission	Allocator	
<b>TRANSMISSION PLANT</b>				
1	Gross Transmission Plant - Total	Sch. H-22A, p 2, line 2 col 5 (Note A)	-	
2	Net Transmission Plant - Total	Sch. H-22A, p 2, line 14 col 5 (Note B)	-	
<b>O&amp;M EXPENSE</b>				
3	Total O&M Allocated to Transmission	Sch. H-22A, p 3, line 8 col 5	-	
4	Annual Allocation Factor for O&M	(line 3 divided by line 1 col 3)	0.00%	0.00%
<b>GENERAL AND COMMON (G&amp;C) DEPRECIATION EXPENSE</b>				
5	Total G&C Depreciation Expense	Sch. H-22A, p 3, lines 10 & 11, col 5 (Note H)	-	
6	Annual Allocation Factor for G&C Depreciation Expense	(line 5 divided by line 1 col 3)	0.00%	0.00%
<b>TAXES OTHER THAN INCOME TAXES</b>				
7	Total Other Taxes	Sch. H-22A, p 3, line 20 col 5	-	
8	Annual Allocation Factor for Other Taxes	(line 7 divided by line 1 col 3)	0.00%	0.00%
<b>9</b>	<b>Annual Allocation Factor for Expense</b>	<b>Sum of lines 4, 6 and 8</b>		<b>0.00%</b>
<b>INCOME TAXES</b>				
10	Total Income Taxes	Sch. H-22A, p 3, line 27 col 5	-	
11	Annual Allocation Factor for Income Taxes	(line 10 divided by line 2 col 3)	0.00%	0.00%
<b>RETURN</b>				
12	Return on Rate Base	Sch. H-22A, p 3, line 28 col 5	-	
13	Annual Allocation Factor for Return on Rate Base	(line 12 divided by line 2 col 3)	0.00%	0.00%
<b>14</b>	<b>Annual Allocation Factor for Return</b>	<b>Sum of lines 11 and 13</b>		<b>0.00%</b>



Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
Legacy MTEP Credit

**Network Upgrade Charge Calculation By Project**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
Line No.	Project Name	MTEP Project Number	Project Gross Plant	Annual Allocation Factor for Expense	Annual Expense Charge	Project Net Plant	Annual Allocation Factor for Return	Annual Return Charge	Project Depreciation Expense	Annual Revenue Requirement	True-Up Adjustment	Network Upgrade Charge
		(Note C)	(Page 1 line 7)	(Col. 3 * Col. 4)	(Note D)	(Page 1 line 12)	(Col. 6 * Col. 7)	(Note E)	(Sum Col. 5, 8 & 9)	(Note F)	Sum Col. 10 & 11 (Note G)	
1b		\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00	\$0	\$0.00	\$ -	\$0.00	
1c		\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00	\$0	\$0.00	\$ -	\$0.00	
2	Annual Totals									\$0	\$0	\$0
3	Legacy MTEP Credit for Attachment H-22A, Page 1, Line 5a											\$0

Notes:

- A. Gross Transmission Plant is that identified on page 2 line 2 of Attachment H-22A and includes any sub lines 2a or 2b etc. and is inclusive of any CWIP included in rate base when authorized by FERC order.
- B. Net Transmission Plant is that identified on page 2 line 14 of Attachment H-22A and includes any sub lines 14a or 14b etc. and is inclusive of any CWIP included in rate base when authorized by FERC order.
- C. Project Gross Plant is the total capital investment for the project calculated in the same method as the gross plant value in line 1 and includes CWIP in rate base if applicable. This value includes subsequent capital investments required to maintain the facilities to their original capabilities.
- D. Project Net Plant is the Project Gross Plant Identified in Column 3 less the associated Accumulated Depreciation.
- E. Project Depreciation Expense is the actual value booked for the project and included in the Depreciation Expense in Attachment H-22A page 3 line 12.
- F. True-Up Adjustment is included pursuant to a FERC approved methodology if applicable.
- G. The Network Upgrade Charge is the value to be used in Schedule 26.
- H. The Total General and Common Depreciation Expense excludes any depreciation expense directly associated with a project and thereby included in page 2 column 9.

DUKE ENERGY OHIO, INC.  
DEPRECIATION RATES

FERC Account Number (A)	Company Account Number (B)	Description (C)	Actual Accrual Rates (D) %
<b>Wholly Owned Transmission Plant</b>			
350	3403	Rights of Way	1.54
352	3420	Structures & Improvements	1.90
352	3424	Structures & Improvements - Duke Ohio - Loc. in Ky.	1.90
353	3430	Station Equipment	<del>1,441.68</del>
353	3434	Station Equipment - Duke Ohio - Loc. in Ky.	<del>1,681.44</del>
354	3440	Towers & Fixtures	1.85
354	3444	Towers & Fixtures - Duke Ohio - Loc. in Ky.	1.85
355	3450	Poles & Fixtures	2.31
355	3454	Poles & Fixtures - Duke Ohio - Loc. in Ky.	2.31
356	3460	Overhead Conductors & Devices	1.91
356	3464	Overhead Conductors & Devices - Duke Ohio - Loc. in Ky.	1.91
357	3470	Underground Conduit	1.43
358	3480	Underground Conductors & Devices	2.37
<b>Commonly Owned Transmission Plant - CCD Projects</b>			
352	3421	Structures & Improvements - CCD Projects	2.50
352	3425	Structures & Improvements - CCD Projects	2.50
353	3431	Station Equipment - CCD Projects	<del>1,442.86</del>
353	3432	Station Equipment - CCD Projects	<del>2,861.44</del>
353	3435	Station Equipment - CCD Projects	<del>2,861.44</del>
353	3437	Station Equipment - CCD Projects	<del>2,861.44</del>
354	3441	Towers & Fixtures - CCD Projects	3.00
354	3442	Towers & Fixtures - CCD Projects	3.00
354	3445	Towers & Fixtures - CCD Projects	3.00
354	3446	Towers & Fixtures - CCD Projects - Loc. In Ky.	3.00
354	3448	Towers & Fixtures - CCD Projects	3.00
355	3451	Poles & Fixtures - CCD Projects	3.00
355	3455	Poles & Fixtures - CCD Projects	3.00
356	3461	Overhead Conductors & Devices - CCD Projects	2.50
356	3462	Overhead Conductors & Devices - CCD Projects	2.50
356	3465	Overhead Conductors & Devices - CCD Projects	2.50
356	3466	Overhead Conductors & Devices - CCD Projects - Loc. In Ky.	2.50
<b>Commonly Owned Transmission Plant - CD Projects</b>			
352	3423	Structures & Improvements - CD Projects	2.50
353	3433	Station Equipment - CD Projects	<del>2,861.44</del>
353	3438	Station Equipment - CD Projects	<del>2,861.44</del>
354	3447	Towers & Fixtures - CD Projects	3.00
356	3467	Overhead Conductors & Devices - CD Projects	2.50
<b>General and Intangible Plant</b>			
303	3030	Miscellaneous Intangible Plant	20.00
389	3890	Land and Land Rights	N/A
390	3900	Structures and Improvements	2.50
391	3910	Office Furniture and Equipment	2.00
391	3911	Electronic Data Processing Equipment	20.00
391	3920	Transportation Equipment	8.33
391	3921	Trailers	4.25
392	3940	Tools, Shop & Garage Equipment	4.00
392	3950	Laboratory Equipment	6.67
393	3960	Power Operated Equipment	5.88
393	3970	Communication Equipment	6.67
394	3980	Miscellaneous Equipment	5.00

DUKE ENERGY KENTUCKY, INC.  
DEPRECIATION RATES

<u>FERC Account Number</u> (A)	<u>Company Account Number</u> (B)	<u>Description</u> (C)	<u>Actual Accrual Rates</u> (D)
			%
		<b>Transmission Plant</b>	
350	3501	Rights of Way	1.48
352	3520	Structures & Improvements	0.41
353	3530	Station Equipment	2.25
353	3532	Station Equipment - Major	<del>2.772.27</del>
353	3535	Station Equipment – Electronic	9.55
355	3550	Poles & Fixtures	<del>2.282.10</del>
356	3560	Overhead Conductors & Devices	2.31
		<b>General and Intangible Plant</b>	
303	3030	Miscellaneous Intangible Plant	20.00
390	3900	Land and Land Rights	1.77
391	39110	Structures and Improvements	18.56
392	3921	Electronic Data Processing Equipment	6.53
394	3940	Transportation Equipment	4.14
397	3970	Stores Equipment	6.93

Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
Firm PTP Service Revenue Credit Adjustment Calculation

To be completed in conjunction with Attachment H-22A

<u>No.</u>	(1)	(2)	(3)
	<u>Reference</u>	<u>Company Total</u>	
<b>REVENUE CREDIT TRUE-UP</b>			
1	Difference Between Revenue Received In PJM vs. Midwest ISO	(Note A)	\$0
<b>ACCUMULATED BALANCE OF REVENUE CREDIT TRUE-UP</b>			
2	Accumulated Balance of Deferral	(Note B)	\$0
3	Income Tax Rate for Deferral Calculation	(Note C)	0.00%
4	Deferred Income Taxes on Accumulated Deferral (line 2 * line 3)		\$0
5	Accumulated Deferral for Carrying Cost Calculation (Line 2 - Line 4)		\$0
<b>INCOME TAXES</b>			
6	$CIT = (T/(1-T)) * (1 - (WCLTD/R))$	Attachment H-22, page 3, line 22	0.00%
7	Income Taxes (Line 6 * Line 9)		\$0
<b>CARRYING COST ON DEFERRAL</b>			
8	FERC Refund Rate	(Note D)	0.00%
9	Carrying Cost (Line 5 * Line 8)		\$0
10	Revenue Credit Adjustment (Line 1 + Line 7 + Line 9)		\$0

Notes

- A. From Appendix E, Workpaper, Column (4).
- B. Accumulated balance of deferral as of December 31<sup>st</sup> of the year prior to effective date of new rate.
- C. Effective deferred tax rate during applicable test year.
- D. FERC Refund Rate is the approved rate as of December 31 of calendar prior to the rate year (see 18 C.F.R. Section 35.19a).

Duke Energy Ohio and Duke Energy Kentucky

Worksheet for Firm PTP Service Revenue Credit Adjustment Calculation

(1) Period	(2) Actual Firm PTP Service Revenue Included in Test Year Rate Calculation (Note A)	(3) Actual Firm PTP Service Revenue Received from PJM (Note B)	(4) = (2) - (3) Difference Between Revenue Received and Amount in Rates Excluding True Up	(5) Monthly True-Up Adjustment Included In H-22A Net Revenue Requirement (Note C)	(6) = (4) - (5) Amount Deferred for Future Recovery	(7) = Prior month's Balance + (6) Accumulated Balance of Deferred Firm PTP Service Revenue Credit Adjustment
Jan-12	\$ -	\$ -	\$ -	-	\$ -	\$ -
Feb-12	-	-	-	-	-	-
Mar-12	-	-	-	-	-	-
Apr-12	-	-	-	-	-	-
May-12	-	-	-	-	-	-
Jun-12	-	-	-	-	-	-
Jul-12	-	-	-	-	-	-
Aug-12	-	-	-	-	-	-
Sep-12	-	-	-	-	-	-
Oct-12	-	-	-	-	-	-
Nov-12	-	-	-	-	-	-
Dec-12	-	-	-	-	-	-
<b>Total</b>				\$ -	\$ -	-
Jan-13	-	-	-	-	\$ -	-
Feb-13	-	-	-	-	-	-
Mar-13	-	-	-	-	-	-
Apr-13	-	-	-	-	-	-
May-13	-	-	-	-	-	-
Jun-13	-	-	-	-	-	-
Jul-13	-	-	-	-	-	-
Aug-13	-	-	-	-	-	-
Sep-13	-	-	-	-	-	-
Oct-13	-	-	-	-	-	-
Nov-13	-	-	-	-	-	-
Dec-13	-	-	-	-	-	-
<b>Total</b>				\$ -	\$ -	\$ -
Jan-14	-	-	-	-	\$ -	\$ -
Feb-14	-	-	-	-	-	-
Mar-14	-	-	-	-	-	-
Apr-14	-	-	-	-	-	-
May-14	-	-	-	-	-	-
Jun-14	-	-	-	-	-	-
Jul-14	-	-	-	-	-	-
Aug-14	-	-	-	-	-	-
Sep-14	-	-	-	-	-	-
Oct-14	-	-	-	-	-	-
Nov-14	-	-	-	-	-	-
Dec-14	-	-	-	-	-	-
<b>Total</b>				\$ -	\$ -	\$ -
Jan-15	-	-	-	-	\$ -	\$ -
Feb-15	-	-	-	-	-	-
Mar-15	-	-	-	-	-	-
Apr-15	-	-	-	-	-	-
May-15	-	-	-	-	-	-
<b>Total</b>				\$ -	\$ -	\$ -

Notes:

- A. Monthly Firm PTP service revenue from Midwest ISO during test year applicable to currently effective NITS and PTP service rates.
- B. Actual monthly Firm PTP service revenue received from PJM during current period.
- C. Recovery of deferral begins with the first period for billing rates approved using a test year for Attachment H-22A that includes actual operations in PJM.  
The recovery of the amounts deferred between January 1, 2012, and December 31, 2012, will begin on June 1, 2013, and will end on May 31, 2014.  
The recovery of the amounts deferred between January 1, 2013 and May 31, 2013, will begin on June 1, 2014, and will end on May 31, 2015.

Redlined revised Attachment H-22A  
(effective May 1, 2013)

Formula Rate - Non-Levelized

For the 12 months ended 12/31/       

**Rate Formula Template**  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

Line No.		Allocated Amount														
1	GROSS REVENUE REQUIREMENT (page 3, line 29)	\$ -														
	REVENUE CREDITS (Note T)															
	<table border="0" style="margin-left: 40px;"> <thead> <tr> <th style="text-align: left;">Total</th> <th style="text-align: left;">Allocator</th> </tr> </thead> <tbody> <tr> <td style="text-align: right;">\$ -</td> <td>TP 0.00000</td> </tr> <tr> <td style="text-align: right;">0</td> <td>TP 0.00000</td> </tr> <tr> <td style="text-align: right;">0</td> <td>TP 0.00000</td> </tr> <tr> <td style="text-align: right;">0</td> <td>TP 0.00000</td> </tr> <tr> <td style="text-align: right;">0</td> <td>1.00000</td> </tr> <tr> <td style="text-align: right;">0</td> <td>1.00000</td> </tr> </tbody> </table>	Total	Allocator	\$ -	TP 0.00000	0	TP 0.00000	0	TP 0.00000	0	TP 0.00000	0	1.00000	0	1.00000	\$ -
Total	Allocator															
\$ -	TP 0.00000															
0	TP 0.00000															
0	TP 0.00000															
0	TP 0.00000															
0	1.00000															
0	1.00000															
2	Account No. 454 (page 4, line 34)	-														
3	Account No. 456.1 (page 4, line 35)	0														
4a	Revenues from Grandfathered Interzonal Transactions	0														
4b	Revenues from service provided by ISO at a discount	0														
5a	Legacy MTEP Credit (Appendix C, page 2, line 3, col. 12)	0														
5b	Firm PTP Revenue Credit Adjustment (Appendix E, line 10, col. 3)	0														
6	TOTAL REVENUE CREDITS (sum lines 2-5c)	\$ -														
7	NET REVENUE REQUIREMENT (line 1 minus line 6)	\$ -														
	DIVISOR															
8	1 CP (Note A)	0														
9	12 CP (Note B)	0														
10	Reserved															
11	Reserved															
12	Reserved															
13	Reserved															
14	Reserved															
15	Annual Cost (\$/kW/Yr) - 1 CP (line 7 / line 8)	\$0.000														
16	Annual Cost (\$/kW/Yr) - 12 CP (line 7 / line 9)	\$0.000														
17	Network Rate (\$/kW/Mo) (line 15 / 12)	\$0.000														
17a	Point-To-Point Rate (\$/kW/Mo) (line 16 / 12)	\$0.000														
	Peak Rate	Off-Peak Rate														
18	Point-To-Point Rate (\$/kW/Wk) (line 16 / 52; line 16 / 52)	\$0.000														
19	Point-To-Point Rate (\$/kW/Day) (line 16 / 260; line 16 / 365)	\$0.000	Capped at weekly rate \$0.000													
20	Point-To-Point Rate (\$/MWh) (line 16 / 4,160; line 16 / 8,760 * 1000)	\$0.000	Capped at weekly and daily rate \$0.000													

Formula Rate - Non-Levelized

For the 12 months ended 12/31/ [REDACTED]

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

Line No.	(1) RATE BASE:	(2) Form No. 1 Page, Line, Col.	(3) Company Total	(4) Allocator	(5) Transmission (Col. 3 times Col. 4)
	<b>GROSS PLANT IN SERVICE</b>				
1	Production	205.46.g	\$ -	NA	
2	Transmission	207.58.g	0	TP	0.00000 \$ -
3	Distribution	207.75.g	0	NA	
4	General & Intangible	205.5.g & 207.99.g	0	W/S	0.00000 0
5	Common	356.1	0	CE	0.00000 0
6	TOTAL GROSS PLANT (sum lines 1-5)		\$ -	GP=	0.000% \$ -
	<b>ACCUMULATED DEPRECIATION</b>				
7	Production	219.20-24.c	\$ -	NA	
8	Transmission	219.25.c	0	TP	0.00000 \$ -
9	Distribution	219.26.c	0	NA	
10	General & Intangible	219.28.c	0	W/S	0.00000 0
11	Common	356.1	0	CE	0.00000 0
12	TOTAL ACCUM. DEPRECIATION (sum lines 7-11)		\$ -		\$ -
	<b>NET PLANT IN SERVICE</b>				
13	Production	(line 1 - line 7)	\$ -		
14	Transmission	(line 2 - line 8)	0		\$ -
15	Distribution	(line 3 - line 9)	0		
16	General & Intangible	(line 4 - line 10)	0		0
17	Common	(line 5 - line 11)	0		0
18	TOTAL NET PLANT (sum lines 13-17)		\$ -	NP=	0.000% \$ -
	<b>ADJUSTMENTS TO RATE BASE (Note F)</b>				
19	Account No. 281 (enter negative)	273.8.k	\$ -	NA	zero \$ -
20	Account No. 282 (enter negative)	275.2.k	0	NP	0.00000 0
21	Account No. 283 (enter negative)	277.9.k	0	NP	0.00000 0
22	Account No. 190	234.8.c	0	NP	0.00000 0
23	Account No. 255 (enter negative)	267.8.h	0	NP	0.00000 0
24	TOTAL ADJUSTMENTS (sum lines 19- 23)		\$ -		\$ -
25	LAND HELD FOR FUTURE USE (Note G)	214.x.d	\$ -	TP	0.00000 \$ -
	<b>WORKING CAPITAL (Note H)</b>				
26	CWC	calculated	\$ -		0
27	Materials & Supplies (Note G)	227.8.c & .16.c	0	TE	0.00000 0
28	Prepayments (Account 165)	111.57.c	0	GP	0.00000 0
29	TOTAL WORKING CAPITAL (sum lines 26 - 28)		\$ -		\$ -
30	RATE BASE (sum lines 18, 24, 25, & 29)		\$ -		\$ -



Formula Rate - Non-Levelized

For the 12 months ended 12/31/ [REDACTED]

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

Line No.	(1) RATE BASE	(2) Form No. 1 Page, Line, Col.	(3) Company Total	(4) Allocator	(5) Transmission (Col. 3 times Col. 4)
	O&M				
1	Transmission	321.112.b	\$ -	TE 0.00000	\$ -
1a	Less LSE Expenses included in Transmission O&M Accounts (Note V)	321.88.b, 92.b; 322.121.b	0	1.00000	0
1b	Less Midwest ISO Fees included in Transmission O&M	(Note X)	0	TE 0.00000	0
2	Less Account 565	321.96.b	0	TE 0.00000	0
3	A&G	323.197.b	0	W/S 0.00000	0
3a	Less Actual PBOP Expense	(Note E)	0	W/S 0.00000	0
3b	Plus Fixed PBOP Expense	(Note E)	0	W/S 0.00000	0
3c	Less PJM integration Costs included in A&G	(Note Y)	0	W/S 0.00000	0
4	Less FERC Annual Fees	350.14.b	0	W/S 0.00000	0
5	Less EPRI & Reg. Comm. Exp. & Non-safety Advertising (Note I)		0	W/S 0.00000	0
5a	Plus Transmission Related Reg. Comm. Exp. (Note I)		0	TE 0.00000	0
6	Common	356.1	0	CE 0.00000	0
7	Transmission Lease Payments		0	1.00000	0
8	TOTAL O&M (Sum lines 1, 2a, 3, 5a, 6, 7 less lines 1a, 2, 4, 5)		\$ -		\$ -
	DEPRECIATION EXPENSE				
9	Transmission	336.7.b	\$ -	TP 0.00000	\$ -
10	General	336.10.b	0	W/S 0.00000	0
11	Common	336.11.b	0	CE 0.00000	0
12	TOTAL DEPRECIATION (Sum lines 9 - 11)		\$ -		\$ -
	TAXES OTHER THAN INCOME TAXES (Note J)				
	LABOR RELATED				
13	Payroll	263.i	\$ -	W/S 0.00000	\$ -
14	Highway and vehicle	263.i	0	W/S 0.00000	0
	PLANT RELATED				
16	Property	263.i	0	GP 0.00000	0
17	Gross Receipts	263.i	0	NA zero	0
18	Other	263.i	0	GP 0.00000	0
19	Payments in lieu of taxes		0	GP 0.00000	0
20	TOTAL OTHER TAXES (sum lines 13 - 19)		\$ -		\$ -
	INCOME TAXES (Note K)				
21	$T=1 - \{(1 - SIT) * (1 - FIT)\} / (1 - SIT * FIT * p) =$		0.000000%		
22	$CIT=(T/1-T) * (1-(WCLTD/R)) =$ where WCLTD=(page 4, line 27) and R= (page 4, line 30) and FIT, SIT & p are as given in footnote K.		0.000000%		
23	$1 / (1 - T) =$ (from line 21)		0.0000		
24	Amortized Investment Tax Credit	266.8.f (enter negative)	0		
25	Income Tax Calculation (line 22 * line 28)		\$ -	NA	\$ -
26	ITC adjustment (line 23 * line 24)		0	NP 0.00000	0
27	Total Income Taxes (line 25 plus line 26)		\$ -		\$ -
28	RETURN [Rate Base (page 2, line 30) * Rate of Return (page 4, line 30)]		\$ -	NA	\$ -
29	REV. REQUIREMENT (sum lines 8, 12, 20, 27, 28)		\$ -		\$ -

Formula Rate - Non-Levelized

For the 12 months ended 12/31/

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)  
SUPPORTING CALCULATIONS AND NOTES

<b>TRANSMISSION PLANT INCLUDED IN ISO RATES</b>									
1	Total transmission plant (page 2, line 2, column 3)							\$	-
2	Less transmission plant excluded from ISO rates (Note M)								0
3	Less transmission plant included in OATT Ancillary Services (Note N)								0
4	<hr/>								
4	Transmission plant included in ISO Rates (line 1 less lines 2 & 3)							\$	-
5	Percentage of transmission plant included in ISO Rates (line 4 divided by line 1)						TP=		0.00000
<b>TRANSMISSION EXPENSES</b>									
6	Total transmission expenses (page 3, line 1, column 3)							\$	-
7	Less transmission expenses included in OATT Ancillary Services (Note L)								0
8	<hr/>								
8	Included transmission expenses (line 6 less line 7)							\$	-
9	Percentage of transmission expenses after adjustment (line 8 divided by line 6)								0.00000
10	Percentage of transmission plant included in ISO Rates (line 5)						TP		0.00000
11	Percentage of transmission expenses included in ISO Rates (line 9 times line 10)						TE=		0.00000
<b>WAGES &amp; SALARY ALLOCATOR (W&amp;S)</b>									
		Form 1 Reference	\$	TP	Allocation				
12	Production	354.20.b	0	0.00	0				
13	Transmission	354.21.b	0	0.00	0				
14	Distribution	354.23.b	0	0.00	0				
15	Other	354.24,25,26.b	0	0.00	0			W&S Allocator	
16	Total (sum lines 12-15)		0		0	=		(\$ / Allocation)	
									0.00000 = WS
<b>COMMON PLANT ALLOCATOR (CE) (Note O)</b>									
			\$		% Electric			W&S Allocator	
17	Electric	200.3.c	0		(line 17 / line 20)			(line 16)	
18	Gas	201.3.d	0		0.00000 *			0.00000 =	CE
19	Water	201.3.e	0						0.00000
20	<hr/>								
20	Total (sum lines 17 - 19)		0						
<b>RETURN (R)</b>									
21		Long Term Interest (117, sum of 62.c through 67.c)						\$	0
22		Preferred Dividends (118.29c) (positive number)							0
23	Development of Common Stock:	Proprietary Capital (112.16.c)							0
24		Less Preferred Stock (line 28)							0
25		Less Account 216.1 (112.12.c) (enter negative)							0
26		Common Stock (sum lines 23-25)							0
27		(Note P)	\$	%	Cost			Weighted	
27	Long Term Debt (112, sum of 18.c through 21.c)		0	0%	0.0000			0.0000 =	WCLTD
28	Preferred Stock (112.3.c)		0	0%	0.0000			0.0000	
29	Common Stock (line 26)		0	0%	0.1238			0.0000	
30	<hr/>								
30	Total (sum lines 27-29)		0					0.0000 =	R
<b>REVENUE CREDITS</b>									
31	ACCOUNT 447 (SALES FOR RESALE) (Note Q)	(310-311)						Load	
31	a. Bundled Non-RQ Sales for Resale (311.x.h)								0
32	b. Bundled Sales for Resale included in Divisor on page 1								-
33	<hr/>								
33	Total of (a)-(b)								0
34	ACCOUNT 454 (RENT FROM ELECTRIC PROPERTY) (Note R)		\$						-
35	ACCOUNT 456.1 (OTHER ELECTRIC REVENUES) (Note U)	(330.x.n)	\$						-

Formula Rate - Non-Levelized

For the 12 months ended 12/31/ [REDACTED]

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

General Note: References to pages in this formulary rate are indicated as: (page#, line#, col.)  
References to data from FERC Form 1 are indicated as: #.y.x (page, line, column)

Notes:

- A DEOK 1 CP is Duke Energy Ohio ("DEO") Monthly Firm Transmission System Peak Load as reported on page 400, column b of Form 1 at the time of DEO's annual peak, plus load served by Duke Energy Kentucky at Longbranch. For years ending 12/31/2010 and 12/31/2011, this sum will be reduced by the amount of distribution load served by East Kentucky Power Cooperative via Duke Kentucky's Hebron substation. Excludes demands from grandfathered interzonal transactions and demands from service provided by ISO at a discount.
- B DEOK 12 CP is DEO Monthly Firm Transmission System Peak Load as reported on page 400, column b of Form 1 at the time of DEO's monthly peaks, plus load served by Duke Kentucky at Longbranch. For years ending 12/31/2010 and 12/31/2011, this sum will be reduced by the amount of distribution load served by East Kentucky Power Cooperative via Duke Kentucky's Hebron substation. Excludes demands from grandfathered interzonal transactions and demands from service provided by ISO at a discount.
- C Reserved
- D Reserved
- E This deduction is to remove expenses recorded by DEOK for Postretirement Benefits Other than Pensions (PBOP). PBOP expense is set forth in line 3b and is fixed until changed as the result of a filing at FERC. The fixed amount of PBOP for DEO is \$2,342,494 and for Duke Energy Kentucky ("DEK") is \$575,908.
- F The balances in Accounts 190, 281, 282 and 283, as adjusted by any amounts in contra accounts identified as regulatory assets or liabilities related to FASB 106 or 109. Balance of Account 255 is reduced by prior flow throughs and excluded if the utility chose to utilize amortization of tax credits against taxable income as discussed in Note K. Account 281 is not allocated.
- G Identified in Form 1 as being only transmission related.
- H Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission at page 3, line 8, column 5. Prepayments are the electric related prepayments booked to Account No. 165 and reported on Page 111 line 57 in the Form 1.
- I Line 5 - EPRI Annual Membership Dues listed in Form 1 at 353.f, all Regulatory Commission Expenses itemized at 351.h, and non-safety related advertising included in Account 930.1. Line 5a - Regulatory Commission Expenses directly related to transmission service, ISO filings, or transmission siting itemized at 351.h.
- J Includes only FICA, unemployment, highway, property, gross receipts, and other assessments charged in the current year. Taxes related to income are excluded. Gross receipts taxes are not included in transmission revenue requirement in the Rate Formula Template, since they are recovered elsewhere.
- K The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = "the percentage of federal income tax deductible for state income taxes". If the utility is taxed in more than one state it must attach a work paper showing the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) multiplied by (1/1-T) (page 3, line 26).  

Inputs Required:	FIT =	0.00%	
	SIT=	0.00%	(State Income Tax Rate or Composite SIT)
	p =	0.00%	(percent of federal income tax deductible for state purposes)
- L Removes dollar amount of transmission expenses included in the OATT ancillary services rates, including Account Nos. 561.1, 561.2, 561.3, and 561.BA.
- M Removes transmission plant determined by Commission order to be state-jurisdictional according to the seven-factor test (until Form 1 balances are adjusted to reflect application of seven-factor test).
- N Removes dollar amount of transmission plant included in the development of OATT ancillary services rates and generation step-up facilities, which are deemed to be included in OATT ancillary services. For these purposes, generation step-up facilities are those facilities at a generator substation on which there is no through-flow when the generator is shut down.
- O Enter dollar amounts.
- P Debt cost rate = long-term interest (line 21) / long term debt (line 27). Preferred cost rate = preferred dividends (line 22) / preferred outstanding (line 28). ROE will be supported in the original filing and no change in ROE may be made absent a filing with FERC. Capitalization adjusted to exclude impacts of purchase accounting.
- Q Line 33 must equal zero since all short-term power sales must be unbundled and the transmission component reflected in Account No. 456.1 and all other uses are to be included in the divisor.
- R Includes income related only to transmission facilities, such as pole attachments, rentals and special use.
- S Reserved
- T The revenues credited on page 1 lines 2-5c shall include only the amounts received directly (in the case of grandfathered agreements) or from the ISO (for service under this tariff) reflecting the Transmission Owner's integrated transmission facilities. They do not include revenues associated with FERC annual charges, gross receipts taxes, ancillary services, or facilities not included in this template (e.g., direct assignment facilities and GSUs) which are not recovered under this Rate Formula Template.

Formula Rate - Non-Levelized

For the 12 months ended 12/31/       

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

General Note: References to pages in this formulary rate are indicated as: (page#, line#, col.)  
References to data from FERC Form 1 are indicated as: #.y.x (page, line, column)

Notes:

- U On Line 35, enter revenues from RTO settlements that are associated with NITS and firm Point-to-Point Service for which the load is not included in the divisor to derive Duke Energy Ohio's and Duke Energy Kentucky's zonal rates. Exclude non-firm Point-to-Point revenues, revenues related to MTEP and RTEP projects, revenues from grandfathered interzonal transactions and revenues from service provided by ISO at a discount.
- V Account Nos. 561.4, 561.8 and 575.7 consist of RTO expenses billed to load-serving entities and are not included in Transmission Owner revenue requirements.
- W Reserved
- X Midwest ISO Fees include (1) the charges that DEOK paid to the Midwest ISO pursuant to the Settlement Agreement filed on July 29, 2011 in Docket No. ER11-2059 and (2) the exit fees that DEOK paid to the Midwest ISO pursuant to the Exit Fee Agreement filed on October 5, 2011 in Docket No. ER12-33.
- Y PJM Integration Costs are the fees that PJM assessed DEOK for the costs that PJM incurred in connection with DEOK's move into PJM.

For the 12 months ended 12/31/

Duke Energy Ohio and Duke Energy Kentucky  
Transmission Formula Rate Revenue Requirement  
Utilizing FERC Form 1 Data  
For Rates Effective January 1, 2012

Schedule 1A Rate Calculation

Line No.		Source	Revenue Requirement	
<b>A. <u>Schedule 1A Annual Revenue Requirements</u></b>				
1	Total Load Dispatch & Scheduling (Account 561)	Attachment H-22A, Page 4, Line 7	\$	-
2	Revenue Credits for Schedule 1A - Note A		\$	-
3	Net Schedule 1A Revenue Requirement for Zone		\$	-
<b>B. <u>Schedule 1A Rate Calculations</u></b>				
4	2010 Annual MWh - Note B	(401a.22b & 24b)		- MWh
5	Schedule 1A rate \$/MWh (Line 3 / Line 4)	(Line 3 / Line 4)	\$0.0000	\$/MWh

Notes:

- A Revenue received pursuant to PJM Schedule 1A revenue allocation procedures for transmission service outside of DEOK's zone during the year used to calculate rates under Attachment H-22A.
- B Load expressed in MWh consistent with load used for billing under Schedule 1A for the DEOK zone. Data from RTO settlement systems for the calendar year prior to the rate year.

Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
RTEP – Transmission Enhancement Charges

To be completed in conjunction with Attachment H-22A

Line No.	(1)	(2)	(3)	(4)	
Line No.	Attachment H-22A Page, Line, Col.			Transmission	Allocator
	<b>TRANSMISSION PLANT</b>				
1	Gross Transmission Plant - Total	Sch. H-22A, p 2, line 2 col 5 (Note A)	-		
2	Net Transmission Plant - Total	Sch. H-22A, p 2, line 14 col 5 (Note B)	-		
	<b>O&amp;M EXPENSE</b>				
3	Total O&M Allocated to Transmission	Sch. H-22A, p 3, line 8 col 5	-		
4	Annual Allocation Factor for O&M	(line 3 divided by line 1 col 3)	0.00%	0.00%	
	<b>GENERAL AND COMMON (G&amp;C) DEPRECIATION EXPENSE</b>				
5	Total G&C Depreciation Expense	Sch. H-22A, p 3, lines 10 & 11, col 5 (Note H)	-		
6	Annual Allocation Factor for G&C Depreciation Expense	(line 5 divided by line 1 col 3)	0.00%	0.00%	
	<b>TAXES OTHER THAN INCOME TAXES</b>				
7	Total Other Taxes	Sch. H-22A, p 3, line 20 col 5	-		
8	Annual Allocation Factor for Other Taxes	(line 5 divided by line 1 col 3)	0.00%	0.00%	
<b>9</b>	<b>Annual Allocation Factor for Expense</b>	<b>Sum of lines 4, 6 and 8</b>		<b>0.00%</b>	
	<b>INCOME TAXES</b>				
10	Total Income Taxes	Sch. H-22A, p 3, line 27 col 5	-		
11	Annual Allocation Factor for Income Taxes	(line 8 divided by line 2 col 3)	0.00%	0.00%	
	<b>RETURN</b>				
12	Return on Rate Base	Sch. H-22A, p 3, line 28 col 5	-		
13	Annual Allocation Factor for Return on Rate Base	(line 10 divided by line 2 col 3)	0.00%	0.00%	
<b>14</b>	<b>Annual Allocation Factor for Return</b>	<b>Sum of lines 11 and 13</b>		<b>0.00%</b>	

Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
RTEP – Transmission Enhancement Charges

**Network Upgrade Charge Calculation By Project**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
Line No.	Project Name	RTEP Project Number	Project Gross Plant	Annual Allocation Factor for Expense	Annual Expense Charge	Project Net Plant	Annual Allocation Factor for Return	Annual Return Charge	Project Depreciation Expense	Annual Revenue Requirement	True-Up Adjustment	Network Upgrade Charge
		(Note C)	(Page 1 line 7)	(Col. 3 * Col. 4)	(Note D)	(Page 1 line 12)	(Col. 6 * Col. 7)	(Note E)	(Sum Col. 5, 8 & 9)	(Note F)	(Note G)	Sum Col. 10 & 11
1b		\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00	\$0	\$0.00	\$ -	\$0.00	
1c		\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00	\$0	\$0.00	\$ -	\$0.00	
2	Annual Totals								\$0	\$0	\$0	
3	RTEP Transmission Enhancement Charges for Attachment H-22A, Page 1, Line 5c										\$0	

Notes:

- A. Gross Transmission Plant is that identified on page 2 line 2 of Attachment H-22A and includes any sub lines 2a or 2b etc. and is inclusive of any CWIP included in rate base when authorized by FERC order.
- B. Net Transmission Plant is that identified on page 2 line 14 of Attachment H-22A and includes any sub lines 14a or 14b etc. and is inclusive of any CWIP included in rate base when authorized by FERC order.
- C. Project Gross Plant is the total capital investment for the project calculated in the same method as the gross plant value in line 1 and includes CWIP in rate base if applicable. This value includes subsequent capital investments required to maintain the facilities to their original capabilities.
- D. Project Net Plant is the Project Gross Plant Identified in Column 3 less the associated Accumulated Depreciation.
- E. Project Depreciation Expense is the actual value booked for the project and included in the Depreciation Expense in Attachment H-22A page 3 line 12.
- F. True-Up Adjustment is included pursuant to a FERC approved methodology if applicable.
- G. The Network Upgrade Charge is the value to be used in Schedule 26.
- H. The Total General and Common Depreciation Expense excludes any depreciation expense directly associated with a project and thereby included in page 2 column 9.

Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
Legacy MTEP Credit

To be completed in conjunction with Attachment H-22A

Line No.	(1)	(2)	(3)	(4)
Line No.	Attachment H-22A Page, Line, Col.		Transmission	Allocator
<b>TRANSMISSION PLANT</b>				
1	Gross Transmission Plant - Total	Sch. H-22A, p 2, line 2 col 5 (Note A)	-	
2	Net Transmission Plant - Total	Sch. H-22A, p 2, line 14 col 5 (Note B)	-	
<b>O&amp;M EXPENSE</b>				
3	Total O&M Allocated to Transmission	Sch. H-22A, p 3, line 8 col 5	-	
4	Annual Allocation Factor for O&M	(line 3 divided by line 1 col 3)	0.00%	0.00%
<b>GENERAL AND COMMON (G&amp;C) DEPRECIATION EXPENSE</b>				
5	Total G&C Depreciation Expense	Sch. H-22A, p 3, lines 10 & 11, col 5 (Note H)	-	
6	Annual Allocation Factor for G&C Depreciation Expense	(line 5 divided by line 1 col 3)	0.00%	0.00%
<b>TAXES OTHER THAN INCOME TAXES</b>				
7	Total Other Taxes	Sch. H-22A, p 3, line 20 col 5	-	
8	Annual Allocation Factor for Other Taxes	(line 7 divided by line 1 col 3)	0.00%	0.00%
<b>9</b>	<b>Annual Allocation Factor for Expense</b>	<b>Sum of lines 4, 6 and 8</b>		<b>0.00%</b>
<b>INCOME TAXES</b>				
10	Total Income Taxes	Sch. H-22A, p 3, line 27 col 5	-	
11	Annual Allocation Factor for Income Taxes	(line 10 divided by line 2 col 3)	0.00%	0.00%
<b>RETURN</b>				
12	Return on Rate Base	Sch. H-22A, p 3, line 28 col 5	-	
13	Annual Allocation Factor for Return on Rate Base	(line 12 divided by line 2 col 3)	0.00%	0.00%
<b>14</b>	<b>Annual Allocation Factor for Return</b>	<b>Sum of lines 11 and 13</b>		<b>0.00%</b>



Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
Legacy MTEP Credit

**Network Upgrade Charge Calculation By Project**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
Line No.	Project Name	MTEP Project Number	Project Gross Plant	Annual Allocation Factor for Expense	Annual Expense Charge	Project Net Plant	Annual Allocation Factor for Return	Annual Return Charge	Project Depreciation Expense	Annual Revenue Requirement	True-Up Adjustment	Network Upgrade Charge
		(Note C)	(Page 1 line 7)	(Col. 3 * Col. 4)	(Note D)	(Page 1 line 12)	(Col. 6 * Col. 7)	(Note E)	(Sum Col. 5, 8 & 9)	(Note F)	Sum Col. 10 & 11 (Note G)	
1b		\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00	\$0	\$0.00	\$ -	\$0.00	
1c		\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00	\$0	\$0.00	\$ -	\$0.00	
2	Annual Totals									\$0	\$0	\$0
3	Legacy MTEP Credit for Attachment H-22A, Page 1, Line 5a											\$0

Notes:

- A. Gross Transmission Plant is that identified on page 2 line 2 of Attachment H-22A and includes any sub lines 2a or 2b etc. and is inclusive of any CWIP included in rate base when authorized by FERC order.
- B. Net Transmission Plant is that identified on page 2 line 14 of Attachment H-22A and includes any sub lines 14a or 14b etc. and is inclusive of any CWIP included in rate base when authorized by FERC order.
- C. Project Gross Plant is the total capital investment for the project calculated in the same method as the gross plant value in line 1 and includes CWIP in rate base if applicable. This value includes subsequent capital investments required to maintain the facilities to their original capabilities.
- D. Project Net Plant is the Project Gross Plant Identified in Column 3 less the associated Accumulated Depreciation.
- E. Project Depreciation Expense is the actual value booked for the project and included in the Depreciation Expense in Attachment H-22A page 3 line 12.
- F. True-Up Adjustment is included pursuant to a FERC approved methodology if applicable.
- G. The Network Upgrade Charge is the value to be used in Schedule 26.
- H. The Total General and Common Depreciation Expense excludes any depreciation expense directly associated with a project and thereby included in page 2 column 9.

DUKE ENERGY OHIO, INC.  
DEPRECIATION RATES

FERC Account Number (A)	Company Account Number (B)	Description (C)	Actual Accrual Rates (D) %
<b>Wholly Owned Transmission Plant</b>			
350	3403	Rights of Way	1.54
352	3420	Structures & Improvements	1.90
352	3424	Structures & Improvements - Duke Ohio - Loc. in Ky.	1.90
353	3430	Station Equipment	<del>1,441.68</del>
353	3434	Station Equipment - Duke Ohio - Loc. in Ky.	<del>1,681.44</del>
354	3440	Towers & Fixtures	1.85
354	3444	Towers & Fixtures - Duke Ohio - Loc. in Ky.	1.85
355	3450	Poles & Fixtures	2.31
355	3454	Poles & Fixtures - Duke Ohio - Loc. in Ky.	2.31
356	3460	Overhead Conductors & Devices	1.91
356	3464	Overhead Conductors & Devices - Duke Ohio - Loc. in Ky.	1.91
357	3470	Underground Conduit	1.43
358	3480	Underground Conductors & Devices	2.37
<b>Commonly Owned Transmission Plant - CCD Projects</b>			
352	3421	Structures & Improvements - CCD Projects	2.50
352	3425	Structures & Improvements - CCD Projects	2.50
353	3431	Station Equipment - CCD Projects	<del>1,442.86</del>
353	3432	Station Equipment - CCD Projects	<del>2,861.44</del>
353	3435	Station Equipment - CCD Projects	<del>2,861.44</del>
353	3437	Station Equipment - CCD Projects	<del>2,861.44</del>
354	3441	Towers & Fixtures - CCD Projects	3.00
354	3442	Towers & Fixtures - CCD Projects	3.00
354	3445	Towers & Fixtures - CCD Projects	3.00
354	3446	Towers & Fixtures - CCD Projects - Loc. In Ky.	3.00
354	3448	Towers & Fixtures - CCD Projects	3.00
355	3451	Poles & Fixtures - CCD Projects	3.00
355	3455	Poles & Fixtures - CCD Projects	3.00
356	3461	Overhead Conductors & Devices - CCD Projects	2.50
356	3462	Overhead Conductors & Devices - CCD Projects	2.50
356	3465	Overhead Conductors & Devices - CCD Projects	2.50
356	3466	Overhead Conductors & Devices - CCD Projects - Loc. In Ky.	2.50
<b>Commonly Owned Transmission Plant - CD Projects</b>			
352	3423	Structures & Improvements - CD Projects	2.50
353	3433	Station Equipment - CD Projects	<del>2,861.44</del>
353	3438	Station Equipment - CD Projects	<del>2,861.44</del>
354	3447	Towers & Fixtures - CD Projects	3.00
356	3467	Overhead Conductors & Devices - CD Projects	2.50
<b>General and Intangible Plant</b>			
303	3030	Miscellaneous Intangible Plant	20.00
389	3890	Land and Land Rights	N/A
390	3900	Structures and Improvements	<del>2,502.90</del>
391	3910	Office Furniture and Equipment	<del>2,005.00</del>
391	3911	Electronic Data Processing Equipment	20.00
391	3920	Transportation Equipment	<del>8,337.50</del>
391	3921	Trailers	<del>4,254.05</del>
392	3940	Tools, Shop & Garage Equipment	4.00
392	3950	Laboratory Equipment	6.67
393	3960	Power Operated Equipment	<del>5,884.45</del>
393	3970	Communication Equipment	6.67
394	3980	Miscellaneous Equipment	5.00

DUKE ENERGY KENTUCKY, INC.  
DEPRECIATION RATES

<u>FERC Account Number</u> (A)	<u>Company Account Number</u> (B)	<u>Description</u> (C)	<u>Actual Accrual Rates</u> (D)
			%
		<b>Transmission Plant</b>	
350	3501	Rights of Way	1.48
352	3520	Structures & Improvements	0.41
353	3530	Station Equipment	2.25
353	3532	Station Equipment - Major	<del>2.772.27</del>
353	3535	Station Equipment – Electronic	9.55
355	3550	Poles & Fixtures	<del>2.282.10</del>
356	3560	Overhead Conductors & Devices	2.31
		<b>General and Intangible Plant</b>	20.00
303	3030	Miscellaneous Intangible Plant	1.77
390	3900	Land and Land Rights	18.56
391	39110	Structures and Improvements	6.53
392	3921	Electronic Data Processing Equipment	4.14
394	3940	Transportation Equipment	6.93
397	3970	Stores Equipment	

Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
Firm PTP Service Revenue Credit Adjustment Calculation

To be completed in conjunction with Attachment H-22A

<u>No.</u>	(1)	(2)	(3)
<u>No.</u>	<u>Reference</u>	<u>Company Total</u>	
<b>REVENUE CREDIT TRUE-UP</b>			
1	Difference Between Revenue Received In PJM vs. Midwest ISO	(Note A)	\$0
<b>ACCUMULATED BALANCE OF REVENUE CREDIT TRUE-UP</b>			
2	Accumulated Balance of Deferral	(Note B)	\$0
3	Income Tax Rate for Deferral Calculation	(Note C)	0.00%
4	Deferred Income Taxes on Accumulated Deferral (line 2 * line 3)		\$0
5	Accumulated Deferral for Carrying Cost Calculation (Line 2 - Line 4)		\$0
<b>INCOME TAXES</b>			
6	CIT = $(T/(1-T)) * (1 - (WCLTD/R))$	Attachment H-22, page 3, line 22	0.00%
7	Income Taxes (Line 6 * Line 9)		\$0
<b>CARRYING COST ON DEFERRAL</b>			
8	FERC Refund Rate	(Note D)	0.00%
9	Carrying Cost (Line 5 * Line 8)		\$0
10	Revenue Credit Adjustment (Line 1 + Line 7 + Line 9)		\$0

Notes

- A. From Appendix E, Workpaper, Column (4).
- B. Accumulated balance of deferral as of December 31<sup>st</sup> of the year prior to effective date of new rate.
- C. Effective deferred tax rate during applicable test year.
- D. FERC Refund Rate is the approved rate as of December 31 of calendar prior to the rate year (see 18 C.F.R. Section 35.19a).

Duke Energy Ohio and Duke Energy Kentucky

Worksheet for Firm PTP Service Revenue Credit Adjustment Calculation

(1) Period	(2) Actual Firm PTP Service Revenue Included in Test Year Rate Calculation (Note A)	(3) Actual Firm PTP Service Revenue Received from PJM (Note B)	(4) = (2) - (3) Difference Between Revenue Received and Amount in Rates Excluding True Up	(5) Monthly True-Up Adjustment Included In H-22A Net Revenue Requirement (Note C)	(6) = (4) - (5) Amount Deferred for Future Recovery	(7) = Prior month's Balance + (6) Accumulated Balance of Deferred Firm PTP Service Revenue Credit Adjustment
Jan-12	\$ -	\$ -	\$ -	-	\$ -	\$ -
Feb-12	-	-	-	-	-	-
Mar-12	-	-	-	-	-	-
Apr-12	-	-	-	-	-	-
May-12	-	-	-	-	-	-
Jun-12	-	-	-	-	-	-
Jul-12	-	-	-	-	-	-
Aug-12	-	-	-	-	-	-
Sep-12	-	-	-	-	-	-
Oct-12	-	-	-	-	-	-
Nov-12	-	-	-	-	-	-
Dec-12	-	-	-	-	-	-
<b>Total</b>				\$ -	\$ -	-
Jan-13	-	-	-	-	\$ -	-
Feb-13	-	-	-	-	-	-
Mar-13	-	-	-	-	-	-
Apr-13	-	-	-	-	-	-
May-13	-	-	-	-	-	-
Jun-13	-	-	-	-	-	-
Jul-13	-	-	-	-	-	-
Aug-13	-	-	-	-	-	-
Sep-13	-	-	-	-	-	-
Oct-13	-	-	-	-	-	-
Nov-13	-	-	-	-	-	-
Dec-13	-	-	-	-	-	-
<b>Total</b>				\$ -	\$ -	\$ -
Jan-14	-	-	-	-	\$ -	\$ -
Feb-14	-	-	-	-	-	-
Mar-14	-	-	-	-	-	-
Apr-14	-	-	-	-	-	-
May-14	-	-	-	-	-	-
Jun-14	-	-	-	-	-	-
Jul-14	-	-	-	-	-	-
Aug-14	-	-	-	-	-	-
Sep-14	-	-	-	-	-	-
Oct-14	-	-	-	-	-	-
Nov-14	-	-	-	-	-	-
Dec-14	-	-	-	-	-	-
<b>Total</b>				\$ -	\$ -	\$ -
Jan-15	-	-	-	-	\$ -	\$ -
Feb-15	-	-	-	-	-	-
Mar-15	-	-	-	-	-	-
Apr-15	-	-	-	-	-	-
May-15	-	-	-	-	-	-
<b>Total</b>				\$ -	\$ -	\$ -

Notes:

- A. Monthly Firm PTP service revenue from Midwest ISO during test year applicable to currently effective NITS and PTP service rates.
- B. Actual monthly Firm PTP service revenue received from PJM during current period.
- C. Recovery of deferral begins with the first period for billing rates approved using a test year for Attachment H-22A that includes actual operations in PJM. The recovery of the amounts deferred between January 1, 2012, and December 31, 2012, will begin on June 1, 2013, and will end on May 31, 2014. The recovery of the amounts deferred between January 1, 2013 and May 31, 2013, will begin on June 1, 2014, and will end on May 31, 2015.

Redlined revised Attachment H-22A  
(effective April 16, 2015)

Formula Rate - Non-Levelized

For the 12 months ended 12/31/       

**Rate Formula Template**  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

Line No.		Allocated Amount														
1	GROSS REVENUE REQUIREMENT (page 3, line 29)	\$ -														
	REVENUE CREDITS (Note T)															
	<table border="0" style="margin-left: 40px;"> <thead> <tr> <th style="text-align: left;">Total</th> <th style="text-align: left;">Allocator</th> </tr> </thead> <tbody> <tr> <td style="text-align: right;">\$ -</td> <td>TP 0.00000</td> </tr> <tr> <td style="text-align: right;">0</td> <td>TP 0.00000</td> </tr> <tr> <td style="text-align: right;">0</td> <td>TP 0.00000</td> </tr> <tr> <td style="text-align: right;">0</td> <td>TP 0.00000</td> </tr> <tr> <td style="text-align: right;">0</td> <td>1.00000</td> </tr> <tr> <td style="text-align: right;">0</td> <td>1.00000</td> </tr> </tbody> </table>	Total	Allocator	\$ -	TP 0.00000	0	TP 0.00000	0	TP 0.00000	0	TP 0.00000	0	1.00000	0	1.00000	
Total	Allocator															
\$ -	TP 0.00000															
0	TP 0.00000															
0	TP 0.00000															
0	TP 0.00000															
0	1.00000															
0	1.00000															
2	Account No. 454 (page 4, line 34)	\$ -														
3	Account No. 456.1 (page 4, line 35)	0														
4a	Revenues from Grandfathered Interzonal Transactions	0														
4b	Revenues from service provided by ISO at a discount	0														
5a	Legacy MTEP Credit (Appendix C, page 2, line 3, col. 12)	0														
5b	Firm PTP Revenue Credit Adjustment (Appendix E, line 10, col. 3)	0														
6	TOTAL REVENUE CREDITS (sum lines 2-5b)	\$ -														
7	NET REVENUE REQUIREMENT (line 1 minus line 6)	\$ -														
	DIVISOR															
8	1 CP (Note A)	0														
9	12 CP (Note B)	0														
10	Reserved															
11	Reserved															
12	Reserved															
13	Reserved															
14	Reserved															
15	Annual Cost (\$/kW/Yr) - 1 CP (line 7 / line 8)	\$0.000														
16	Annual Cost (\$/kW/Yr) - 12 CP (line 7 / line 9)	\$0.000														
17	Network Rate (\$/kW/Mo) (line 15 / 12)	\$0.000														
17a	Point-To-Point Rate (\$/kW/Mo) (line 16 / 12)	\$0.000														
	Peak Rate	Off-Peak Rate														
18	Point-To-Point Rate (\$/kW/Wk) (line 16 / 52; line 16 / 52)	\$0.000														
19	Point-To-Point Rate (\$/kW/Day) (line 16 / 260; line 16 / 365)	\$0.000	Capped at weekly rate \$0.000													
20	Point-To-Point Rate (\$/MWh) (line 16 / 4,160; line 16 / 8,760 * 1000)	\$0.000	Capped at weekly and daily rate \$0.000													

Formula Rate - Non-Levelized

For the 12 months ended 12/31/ [REDACTED]

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

Line No.	(1) RATE BASE:	(2) Form No. 1 Page, Line, Col.	(3) Company Total	(4) Allocator	(5) Transmission (Col. 3 times Col. 4)
<b>GROSS PLANT IN SERVICE</b>					
1	Production	205.46.g	\$ - NA		
2	Transmission	207.58.g	0 TP	0.00000	\$ -
3	Distribution	207.75.g	0 NA		
4	General & Intangible	205.5.g & 207.99.g	0 W/S	0.00000	0
5	Common	356.1	0 CE	0.00000	0
6	TOTAL GROSS PLANT (sum lines 1-5)		\$ - GP=	0.000%	\$ -
<b>ACCUMULATED DEPRECIATION</b>					
7	Production	219.20-24.c	\$ - NA		
8	Transmission	219.25.c	0 TP	0.00000	\$ -
9	Distribution	219.26.c	0 NA		
10	General & Intangible	219.28.c	0 W/S	0.00000	0
11	Common	356.1	0 CE	0.00000	0
12	TOTAL ACCUM. DEPRECIATION (sum lines 7-11)		\$ -		\$ -
<b>NET PLANT IN SERVICE</b>					
13	Production	(line 1 - line 7)	\$ -		
14	Transmission	(line 2 - line 8)	0		\$ -
15	Distribution	(line 3 - line 9)	0		
16	General & Intangible	(line 4 - line 10)	0		0
17	Common	(line 5 - line 11)	0		0
18	TOTAL NET PLANT (sum lines 13-17)		\$ - NP=	0.000%	\$ -
<b>ADJUSTMENTS TO RATE BASE (Note F)</b>					
19	Account No. 281 (enter negative)	273.8.k	\$ - NA	zero	\$ -
20	Account No. 282 (enter negative)	275.2.k	0 NP	0.00000	0
21	Account No. 283 (enter negative)	277.9.k	0 NP	0.00000	0
22	Account No. 190	234.8.c	0 NP	0.00000	0
23	Account No. 255 (enter negative)	267.8.h	0 NP	0.00000	0
24	TOTAL ADJUSTMENTS (sum lines 19- 23)		\$ -		\$ -
25	LAND HELD FOR FUTURE USE (Note G)	214.x.d	\$ - TP	0.00000	\$ -
<b>WORKING CAPITAL (Note H)</b>					
26	CWC	calculated	\$ -		0
27	Materials & Supplies (Note G)	227.8.c & .16.c	0 TE	0.00000	0
28	Prepayments (Account 165)	111.57.c	0 GP	0.00000	0
29	TOTAL WORKING CAPITAL (sum lines 26 - 28)		\$ -		\$ -
30	RATE BASE (sum lines 18, 24, 25, & 29)		\$ -		\$ -



Formula Rate - Non-Levelized

For the 12 months ended 12/31/ [REDACTED]

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

Line No.	(1) RATE BASE	(2) Form No. 1 Page, Line, Col.	(3) Company Total	(4) Allocator	(5) Transmission (Col. 3 times Col. 4)
1	O&M				
1	Transmission	321.112.b	\$ -	TE	0.00000
1a	Less LSE Expenses included in Transmission O&M Accounts (Note V)	321.88.b, 92.b; 322.121.b	0		1.00000
1b	Less Midcontinent ISO Fees included in Transmission O&M	(Note X)	0	TE	0.00000
2	Less Account 565	321.96.b	0	TE	0.00000
3	A&G	323.197.b	0	W/S	0.00000
3a	Less Actual PBOP Expense	(Note E)	0	W/S	0.00000
3b	Plus Fixed PBOP Expense	(Note E)	0	W/S	0.00000
3c	Less PJM Integration Costs included in A&G and Internal Integration Costs included in A&G	(Note Y)	0	W/S	0.00000
4	Less FERC Annual Fees	350.14.b	0	W/S	0.00000
5	Less EPRI & Reg. Comm. Exp. & Non-safety Advertising (Note I)		0	W/S	0.00000
5a	Plus Transmission Related Reg. Comm. Exp. (Note I)		0	TE	0.00000
6	Common	356.1	0	CE	0.00000
7	Transmission Lease Payments		0		1.00000
8	TOTAL O&M (Sum lines 1, , 3, 3b, 5a, 6, 7 less lines 1a, 1b, 2, 3a, 3c, 3d, 4, 5)		\$ -		\$ -
	DEPRECIATION EXPENSE				
9	Transmission	336.7.b	\$ -	TP	0.00000
10	General	336.10.b	0	W/S	0.00000
11	Common	336.11.b	0	CE	0.00000
12	TOTAL DEPRECIATION (Sum lines 9 - 11)		\$ -		\$ -
	TAXES OTHER THAN INCOME TAXES (Note J)				
	LABOR RELATED				
13	Payroll	263.i	\$ -	W/S	0.00000
14	Highway and vehicle	263.i	0	W/S	0.00000
15	PLANT RELATED				
16	Property	263.i	0	GP	0.00000
17	Gross Receipts	263.i	0	NA	zero
18	Other	263.i	0	GP	0.00000
19	Payments in lieu of taxes		0	GP	0.00000
20	TOTAL OTHER TAXES (sum lines 13 - 19)		\$ -		\$ -
	INCOME TAXES (Note K)				
21	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$		0.000000%		
22	$CIT=(T/1-T) * (1-(WCLTD/R)) =$		0.000000%		
	where WCLTD=(page 4, line 27) and R= (page 4, line 30) and FIT, SIT & p are as given in footnote K.				
23	$1 / (1 - T) =$ (from line 21)		0.0000		
24	Amortized Investment Tax Credit	266.8.f (enter negative)	0		
25	Income Tax Calculation (line 22 * line 28)		\$ -	NA	\$ -
26	ITC adjustment (line 23 * line 24)		0	NP	0.00000
27	Total Income Taxes	(line 25 plus line 26)	\$ -		\$ -
28	RETURN [Rate Base (page 2, line 30) * Rate of Return (page 4, line 30)]		\$ -	NA	\$ -
29	REV. REQUIREMENT (sum lines 8, 12, 20, 27, 28)		\$ -		\$ -

Formula Rate - Non-Levelized

For the 12 months ended 12/31/

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)  
SUPPORTING CALCULATIONS AND NOTES

<b>TRANSMISSION PLANT INCLUDED IN ISO RATES</b>									
1	Total transmission plant (page 2, line 2, column 3)							\$	-
2	Less transmission plant excluded from ISO rates (Note M)								0
3	Less transmission plant included in OATT Ancillary Services (Note N)								0
4	<hr/>								
4	Transmission plant included in ISO Rates (line 1 less lines 2 & 3)							\$	-
5	Percentage of transmission plant included in ISO Rates (line 4 divided by line 1)							TP=	0.00000
<b>TRANSMISSION EXPENSES</b>									
6	Total transmission expenses (page 3, line 1, column 3)							\$	-
7	Less transmission expenses included in OATT Ancillary Services (Note L)								0
8	<hr/>								
8	Included transmission expenses (line 6 less line 7)							\$	-
9	Percentage of transmission expenses after adjustment (line 8 divided by line 6)								0.00000
10	Percentage of transmission plant included in ISO Rates (line 5)							TP	0.00000
11	Percentage of transmission expenses included in ISO Rates (line 9 times line 10)							TE=	0.00000
<b>WAGES &amp; SALARY ALLOCATOR (W&amp;S)</b>									
		Form 1 Reference	\$	TP	Allocation				
12	Production	354.20.b	0	0.00	0				
13	Transmission	354.21.b	0	0.00	0				
14	Distribution	354.23.b	0	0.00	0				
15	Other	354.24,25,26.b	0	0.00	0			W&S Allocator	
16	Total (sum lines 12-15)		0		0	=		(\$ / Allocation)	
								0.00000	= WS
<b>COMMON PLANT ALLOCATOR (CE) (Note O)</b>									
			\$		% Electric			W&S Allocator	
17	Electric	200.3.c	0		(line 17 / line 20)			(line 16)	
18	Gas	201.3.d	0		0.00000	*		0.00000	= CE
19	Water	201.3.e	0						0.00000
20	<hr/>								
20	Total (sum lines 17 - 19)		0						
<b>RETURN (R)</b>									
21		Long Term Interest (117, sum of 62.c through 67.c)						\$	0
22		Preferred Dividends (118.29c) (positive number)							0
23	Development of Common Stock:	Proprietary Capital (112.16.c)							0
24		Less Preferred Stock (line 28)							0
25		Less Account 216.1 (112.12.c) (enter negative)							0
26		Common Stock (sum lines 23-25)							0
27		(Note P)	\$	%	Cost			Weighted	
27	Long Term Debt (112, sum of 18.c through 21.c)		0	0%	0.0000			0.0000	= WCLTD
28	Preferred Stock (112.3.c)		0	0%	0.0000			0.0000	
29	Common Stock (line 26)		0	0%	0.1138			0.0000	
30	<hr/>								
30	Total (sum lines 27-29)		0					0.0000	= R
<b>REVENUE CREDITS</b>									
31	ACCOUNT 447 (SALES FOR RESALE) (Note Q)	(310-311)						Load	
31	a. Bundled Non-RQ Sales for Resale (311.x.h)								0
32	b. Bundled Sales for Resale included in Divisor on page 1								-
33	<hr/>								
33	Total of (a)-(b)								0
34	ACCOUNT 454 (RENT FROM ELECTRIC PROPERTY) (Note R)							\$	-
35	ACCOUNT 456.1 (OTHER ELECTRIC REVENUES) (Note U)	(330.x.n)						\$	-

Formula Rate - Non-Levelized

For the 12 months ended 12/31/ [REDACTED]

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

General Note: References to pages in this formulary rate are indicated as: (page#, line#, col.#)  
References to data from FERC Form 1 are indicated as: #.y.x (page, line, column)

Notes:

- A DEOK 1 CP is Duke Energy Ohio ("DEO") Monthly Firm Transmission System Peak Load as reported on page 400, column b of Form 1 at the time of DEO's annual peak, plus load served by Duke Energy Kentucky at Longbranch. For years ending 12/31/2010 and 12/31/2011, this sum will be reduced by the amount of distribution load served by East Kentucky Power Cooperative via Duke Kentucky's Hebron substation. Excludes demands from grandfathered interzonal transactions and demands from service provided by ISO at a discount.
- B DEOK 12 CP is DEO Monthly Firm Transmission System Peak Load as reported on page 400, column b of Form 1 at the time of DEO's monthly peaks, plus load served by Duke Kentucky at Longbranch. For years ending 12/31/2010 and 12/31/2011, this sum will be reduced by the amount of distribution load served by East Kentucky Power Cooperative via Duke Kentucky's Hebron substation. Excludes demands from grandfathered interzonal transactions and demands from service provided by ISO at a discount.
- C Reserved
- D Reserved
- E This deduction is to remove expenses recorded by DEOK for Postretirement Benefits Other than Pensions (PBOP). PBOP expense is set forth in line 3b and is fixed until changed as the result of a filing at FERC. The fixed amount of PBOP for DEO is \$2,342,494 and for Duke Energy Kentucky ("DEK") is \$575,908.
- F The balances in Accounts 190, 281, 282 and 283, as adjusted by any amounts in contra accounts identified as regulatory assets or liabilities related to FASB 106 or 109. Balance of Account 255 is reduced by prior flow throughs and excluded if the utility chose to utilize amortization of tax credits against taxable income as discussed in Note K. Account 281 is not allocated.
- G Identified in Form 1 as being only transmission related.
- H Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission at page 3, line 8, column 5. Prepayments are the electric related prepayments booked to Account No. 165 and reported on Page 111 line 57 in the Form 1.
- I Line 5 - EPRI Annual Membership Dues listed in Form 1 at 353.f, all Regulatory Commission Expenses itemized at 351.h, and non-safety related advertising included in Account 930.1. Line 5a - Regulatory Commission Expenses directly related to transmission service, ISO filings, or transmission siting itemized at 351.h.
- J Includes only FICA, unemployment, highway, property, gross receipts, and other assessments charged in the current year. Taxes related to income are excluded. Gross receipts taxes are not included in transmission revenue requirement in the Rate Formula Template, since they are recovered elsewhere.
- K The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = "the percentage of federal income tax deductible for state income taxes". If the utility is taxed in more than one state it must attach a work paper showing the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) multiplied by (1/1-T) (page 3, line 26).  

Inputs Required:	FIT =	0.00%	
	SIT =	0.00%	(State Income Tax Rate or Composite SIT)
	p =	0.00%	(percent of federal income tax deductible for state purposes)
- L Removes dollar amount of transmission expenses included in the OATT ancillary services rates, including Account Nos. 561.1, 561.2, 561.3, and 561.BA.
- M Removes transmission plant determined by Commission order to be state-jurisdictional according to the seven-factor test (until Form 1 balances are adjusted to reflect application of seven-factor test).
- N Removes dollar amount of transmission plant included in the development of OATT ancillary services rates and generation step-up facilities, which are deemed to be included in OATT ancillary services. For these purposes, generation step-up facilities are those facilities at a generator substation on which there is no through-flow when the generator is shut down.
- O Enter dollar amounts.
- P Debt cost rate = long-term interest (line 21) / long term debt (line 27). Preferred cost rate = preferred dividends (line 22) / preferred outstanding (line 28). ROE will be supported in the original filing and no change in ROE may be made absent a filing with FERC. Capitalization adjusted to exclude impacts of purchase accounting.
- Q Line 33 must equal zero since all short-term power sales must be unbundled and the transmission component reflected in Account No. 456.1 and all other uses are to be included in the divisor.
- R Includes income related only to transmission facilities, such as pole attachments, rentals and special use.
- S Reserved
- T The revenues credited on page 1 lines 2-5c shall include only the amounts received directly (in the case of grandfathered agreements) or from the ISO (for service under this tariff) reflecting the Transmission Owner's integrated transmission facilities. They do not include revenues associated with FERC annual charges, gross receipts taxes, ancillary services, or facilities not included in this template (e.g., direct assignment facilities and GSUs) which are not recovered under this Rate Formula Template.

Formula Rate - Non-Levelized

For the 12 months ended 12/31/       

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

General Note: References to pages in this formulary rate are indicated as: (page#, line#, col.)  
References to data from FERC Form 1 are indicated as: #.y.x (page, line, column)

Notes:

- U On Line 35, enter revenues from RTO settlements that are associated with NITS and firm Point-to-Point Service for which the load is not included in the divisor to derive Duke Energy Ohio's and Duke Energy Kentucky's zonal rates. Exclude non-firm Point-to-Point revenues, revenues related to MTEP and RTEP projects, revenues from grandfathered interzonal transactions and revenues from service provided by ISO at a discount.
- V Account Nos. 561.4, 561.8 and 575.7 consist of RTO expenses billed to load-serving entities and are not included in Transmission Owner revenue requirements.
- W Reserved
- X Midcontinent ISO Fees include (1) the charges that DEOK paid to the Midcontinent ISO pursuant to the Settlement Agreement filed on July 29, 2011 in Docket No. ER11-2059 and (2) the exit fees that DEOK paid to the Midcontinent ISO pursuant to the Exit Fee Agreement filed on October 5, 2011 in Docket No. ER12-33.
- Y PJM Integration Costs are the fees that PJM assessed DEOK for the costs that PJM incurred in connection with DEOK's move into PJM. Internal Integration Costs are the internal administrative costs incurred by Duke Energy Ohio and Duke Energy Kentucky to accomplish their move from the Midcontinent ISO into PJM.

For the 12 months ended 12/31/

Duke Energy Ohio and Duke Energy Kentucky  
Transmission Formula Rate Revenue Requirement  
Utilizing FERC Form 1 Data  
For Rates Effective January 1, 2012

Schedule 1A Rate Calculation

Line No.	Source	Revenue Requirement
<b>A. <u>Schedule 1A Annual Revenue Requirements</u></b>		
1	Total Load Dispatch & Scheduling (Account 561) Attachment H-22A, Page 4, Line 7	\$ -
2	Revenue Credits for Schedule 1A - Note A	\$ -
3	Net Schedule 1A Revenue Requirement for Zone	\$ -
<b>B. <u>Schedule 1A Rate Calculations</u></b>		
4	2010 Annual MWh - Note B (401a.22b & 24b)	- MWh
5	Schedule 1A rate \$/MWh (Line 3 / Line 4) (Line 3 / Line 4)	\$0.0000 \$/MWh

Notes:

- A Revenue received pursuant to PJM Schedule 1A revenue allocation procedures for transmission service outside of DEOK's zone during the year used to calculate rates under Attachment H-22A.
- B Load expressed in MWh consistent with load used for billing under Schedule 1A for the DEOK zone. Data from RTO settlement systems for the calendar year prior to the rate year.

Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
RTEP – Transmission Enhancement Charges

To be completed in conjunction with Attachment H-22A

Line No.	(1)	(2)	(3)	(4)	
Line No.	Attachment H-22A Page, Line, Col.			Transmission	Allocator
	<b>TRANSMISSION PLANT</b>				
1	Gross Transmission Plant - Total	Sch. H-22A, p 2, line 2 col 5 (Note A)	-		
2	Net Transmission Plant - Total	Sch. H-22A, p 2, line 14 col 5 (Note B)	-		
	<b>O&amp;M EXPENSE</b>				
3	Total O&M Allocated to Transmission	Sch. H-22A, p 3, line 8 col 5	-		
4	Annual Allocation Factor for O&M	(line 3 divided by line 1 col 3)	0.00%	0.00%	
	<b>GENERAL AND COMMON (G&amp;C) DEPRECIATION EXPENSE</b>				
5	Total G&C Depreciation Expense	Sch. H-22A, p 3, lines 10 & 11, col 5 (Note H)	-		
6	Annual Allocation Factor for G&C Depreciation Expense	(line 5 divided by line 1 col 3)	0.00%	0.00%	
	<b>TAXES OTHER THAN INCOME TAXES</b>				
7	Total Other Taxes	Sch. H-22A, p 3, line 20 col 5	-		
8	Annual Allocation Factor for Other Taxes	(line 5 divided by line 1 col 3)	0.00%	0.00%	
<b>9</b>	<b>Annual Allocation Factor for Expense</b>	<b>Sum of lines 4, 6 and 8</b>		<b>0.00%</b>	
	<b>INCOME TAXES</b>				
10	Total Income Taxes	Sch. H-22A, p 3, line 27 col 5	-		
11	Annual Allocation Factor for Income Taxes	(line 8 divided by line 2 col 3)	0.00%	0.00%	
	<b>RETURN</b>				
12	Return on Rate Base	Sch. H-22A, p 3, line 28 col 5	-		
13	Annual Allocation Factor for Return on Rate Base	(line 10 divided by line 2 col 3)	0.00%	0.00%	
<b>14</b>	<b>Annual Allocation Factor for Return</b>	<b>Sum of lines 11 and 13</b>		<b>0.00%</b>	

Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
RTEP – Transmission Enhancement Charges

**Network Upgrade Charge Calculation By Project**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
Line No.	Project Name	RTEP Project Number	Project Gross Plant	Annual Allocation Factor for Expense	Annual Expense Charge	Project Net Plant	Annual Allocation Factor for Return	Annual Return Charge	Project Depreciation Expense	Annual Revenue Requirement	True-Up Adjustment	Network Upgrade Charge
		(Note C)	(Page 1 line 7)	(Col. 3 * Col. 4)	(Note D)	(Page 1 line 12)	(Col. 6 * Col. 7)	(Note E)	(Sum Col. 5, 8 & 9)	(Note F)	(Note G)	Sum Col. 10 & 11
1b		\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00	\$0	\$0.00	\$ -	\$0.00	
1c		\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00	\$0	\$0.00	\$ -	\$0.00	
2	Annual Totals								\$0	\$0	\$0	
3	RTEP Transmission Enhancement Charges for Attachment H-22A, Page 1, Line 5c										\$0	

Notes:

- A. Gross Transmission Plant is that identified on page 2 line 2 of Attachment H-22A and includes any sub lines 2a or 2b etc. and is inclusive of any CWIP included in rate base when authorized by FERC order.
- B. Net Transmission Plant is that identified on page 2 line 14 of Attachment H-22A and includes any sub lines 14a or 14b etc. and is inclusive of any CWIP included in rate base when authorized by FERC order.
- C. Project Gross Plant is the total capital investment for the project calculated in the same method as the gross plant value in line 1 and includes CWIP in rate base if applicable. This value includes subsequent capital investments required to maintain the facilities to their original capabilities.
- D. Project Net Plant is the Project Gross Plant Identified in Column 3 less the associated Accumulated Depreciation.
- E. Project Depreciation Expense is the actual value booked for the project and included in the Depreciation Expense in Attachment H-22A page 3 line 12.
- F. True-Up Adjustment is included pursuant to a FERC approved methodology if applicable.
- G. The Network Upgrade Charge is the value to be used in Schedule 26.
- H. The Total General and Common Depreciation Expense excludes any depreciation expense directly associated with a project and thereby included in page 2 column 9.

Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
Legacy MTEP Credit

To be completed in conjunction with Attachment H-22A

Line No.	(1)	(2)	(3)	(4)
Line No.	Attachment H-22A Page, Line, Col.	Transmission	Allocator	
<b>TRANSMISSION PLANT</b>				
1	Gross Transmission Plant - Total	Sch. H-22A, p 2, line 2 col 5 (Note A)	-	
2	Net Transmission Plant - Total	Sch. H-22A, p 2, line 14 col 5 (Note B)	-	
<b>O&amp;M EXPENSE</b>				
3	Total O&M Allocated to Transmission	Sch. H-22A, p 3, line 8 col 5	-	
4	Annual Allocation Factor for O&M	(line 3 divided by line 1 col 3)	0.00%	0.00%
<b>GENERAL AND COMMON (G&amp;C) DEPRECIATION EXPENSE</b>				
5	Total G&C Depreciation Expense	Sch. H-22A, p 3, lines 10 & 11, col 5 (Note H)	-	
6	Annual Allocation Factor for G&C Depreciation Expense	(line 5 divided by line 1 col 3)	0.00%	0.00%
<b>TAXES OTHER THAN INCOME TAXES</b>				
7	Total Other Taxes	Sch. H-22A, p 3, line 20 col 5	-	
8	Annual Allocation Factor for Other Taxes	(line 7 divided by line 1 col 3)	0.00%	0.00%
<b>9</b>	<b>Annual Allocation Factor for Expense</b>	<b>Sum of lines 4, 6 and 8</b>		<b>0.00%</b>
<b>INCOME TAXES</b>				
10	Total Income Taxes	Sch. H-22A, p 3, line 27 col 5	-	
11	Annual Allocation Factor for Income Taxes	(line 10 divided by line 2 col 3)	0.00%	0.00%
<b>RETURN</b>				
12	Return on Rate Base	Sch. H-22A, p 3, line 28 col 5	-	
13	Annual Allocation Factor for Return on Rate Base	(line 12 divided by line 2 col 3)	0.00%	0.00%
<b>14</b>	<b>Annual Allocation Factor for Return</b>	<b>Sum of lines 11 and 13</b>		<b>0.00%</b>



Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
Legacy MTEP Credit

**Network Upgrade Charge Calculation By Project**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
Line No.	Project Name	MTEP Project Number	Project Gross Plant	Annual Allocation Factor for Expense	Annual Expense Charge	Project Net Plant	Annual Allocation Factor for Return	Annual Return Charge	Project Depreciation Expense	Annual Revenue Requirement	True-Up Adjustment	Network Upgrade Charge
		(Note C)	(Page 1 line 7)	(Col. 3 * Col. 4)	(Note D)	(Page 1 line 12)	(Col. 6 * Col. 7)	(Note E)	(Sum Col. 5, 8 & 9)	(Note F)	Sum Col. 10 & 11 (Note G)	
1b		\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00	\$0	\$0.00	\$ -	\$0.00	
1c		\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00	\$0	\$0.00	\$ -	\$0.00	
2	Annual Totals									\$0	\$0	\$0
3	Legacy MTEP Credit for Attachment H-22A, Page 1, Line 5a											\$0

Notes:

- A. Gross Transmission Plant is that identified on page 2 line 2 of Attachment H-22A and includes any sub lines 2a or 2b etc. and is inclusive of any CWIP included in rate base when authorized by FERC order.
- B. Net Transmission Plant is that identified on page 2 line 14 of Attachment H-22A and includes any sub lines 14a or 14b etc. and is inclusive of any CWIP included in rate base when authorized by FERC order.
- C. Project Gross Plant is the total capital investment for the project calculated in the same method as the gross plant value in line 1 and includes CWIP in rate base if applicable. This value includes subsequent capital investments required to maintain the facilities to their original capabilities.
- D. Project Net Plant is the Project Gross Plant Identified in Column 3 less the associated Accumulated Depreciation.
- E. Project Depreciation Expense is the actual value booked for the project and included in the Depreciation Expense in Attachment H-22A page 3 line 12.
- F. True-Up Adjustment is included pursuant to a FERC approved methodology if applicable.
- G. The Network Upgrade Charge is the value to be used in Schedule 26.
- H. The Total General and Common Depreciation Expense excludes any depreciation expense directly associated with a project and thereby included in page 2 column 9.

DUKE ENERGY OHIO, INC.  
DEPRECIATION RATES

FERC Account Number (A)	Company Account Number (B)	Description (C)	Actual Accrual Rates (D) %
<b>Wholly Owned Transmission Plant</b>			
350	3403	Rights of Way	1.54
352	3420	Structures & Improvements	1.90
352	3424	Structures & Improvements - Duke Ohio - Loc. in Ky.	1.90
353	3430	Station Equipment	<del>1,441.68</del>
353	3434	Station Equipment - Duke Ohio - Loc. in Ky.	<del>1,441.68</del>
354	3440	Towers & Fixtures	1.85
354	3444	Towers & Fixtures - Duke Ohio - Loc. in Ky.	1.85
355	3450	Poles & Fixtures	2.31
355	3454	Poles & Fixtures - Duke Ohio - Loc. in Ky.	2.31
356	3460	Overhead Conductors & Devices	1.91
356	3464	Overhead Conductors & Devices - Duke Ohio - Loc. in Ky.	1.91
357	3470	Underground Conduit	1.43
358	3480	Underground Conductors & Devices	2.37
<b>Commonly Owned Transmission Plant - CCD Projects</b>			
352	3421	Structures & Improvements - CCD Projects	2.50
352	3425	Structures & Improvements - CCD Projects	2.50
353	3431	Station Equipment - CCD Projects	<del>1,442.86</del>
353	3432	Station Equipment - CCD Projects	<del>2,861.44</del>
353	3435	Station Equipment - CCD Projects	<del>2,861.44</del>
353	3437	Station Equipment - CCD Projects	<del>2,861.44</del>
354	3441	Towers & Fixtures - CCD Projects	3.00
354	3442	Towers & Fixtures - CCD Projects	3.00
354	3445	Towers & Fixtures - CCD Projects	3.00
354	3446	Towers & Fixtures - CCD Projects - Loc. In Ky.	3.00
354	3448	Towers & Fixtures - CCD Projects	3.00
355	3451	Poles & Fixtures - CCD Projects	3.00
355	3455	Poles & Fixtures - CCD Projects	3.00
356	3461	Overhead Conductors & Devices - CCD Projects	2.50
356	3462	Overhead Conductors & Devices - CCD Projects	2.50
356	3465	Overhead Conductors & Devices - CCD Projects	2.50
356	3466	Overhead Conductors & Devices - CCD Projects - Loc. In Ky.	2.50
<b>Commonly Owned Transmission Plant - CD Projects</b>			
352	3423	Structures & Improvements - CD Projects	2.50
353	3433	Station Equipment - CD Projects	<del>2,861.44</del>
353	3438	Station Equipment - CD Projects	<del>2,861.44</del>
354	3447	Towers & Fixtures - CD Projects	3.00
356	3467	Overhead Conductors & Devices - CD Projects	2.50
<b>General and Intangible Plant</b>			
303	3030	Miscellaneous Intangible Plant	20.00
389	3890	Land and Land Rights	N/A
390	3900	Structures and Improvements	<del>2,502.90</del>
391	3910	Office Furniture and Equipment	<del>2,005.00</del>
391	3911	Electronic Data Processing Equipment	20.00
391	3920	Transportation Equipment	<del>8,337.50</del>
391	3921	Trailers	<del>4,254.05</del>
392	3940	Tools, Shop & Garage Equipment	4.00
392	3950	Laboratory Equipment	6.67
393	3960	Power Operated Equipment	<del>5,884.45</del>
393	3970	Communication Equipment	6.67
394	3980	Miscellaneous Equipment	5.00

DUKE ENERGY KENTUCKY, INC.  
DEPRECIATION RATES

<u>FERC Account Number</u> (A)	<u>Company Account Number</u> (B)	<u>Description</u> (C)	<u>Actual Accrual Rates</u> (D)
			%
		<b>Transmission Plant</b>	
350	3501	Rights of Way	1.48
352	3520	Structures & Improvements	0.41
353	3530	Station Equipment	2.25
353	3532	Station Equipment - Major	<del>2.772.27</del>
353	3535	Station Equipment – Electronic	9.55
355	3550	Poles & Fixtures	<del>2.282.10</del>
356	3560	Overhead Conductors & Devices	2.31
		<b>General and Intangible Plant</b>	
303	3030	Miscellaneous Intangible Plant	20.00
390	3900	Land and Land Rights	1.77
391	39110	Structures and Improvements	18.56
392	3921	Electronic Data Processing Equipment	6.53
394	3940	Transportation Equipment	4.14
397	3970	Stores Equipment	6.93

Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
Firm PTP Service Revenue Credit Adjustment Calculation

To be completed in conjunction with Attachment H-22A

<u>No.</u>	(1)	(2)	(3)
	<u>Reference</u>		<u>Company Total</u>
<b>REVENUE CREDIT TRUE-UP</b>			
1	Difference Between Revenue Received In PJM vs. Midcontinent ISO	(Note A)	\$0
<b>ACCUMULATED BALANCE OF REVENUE CREDIT TRUE-UP</b>			
2	Accumulated Balance of Deferral	(Note B)	\$0
3	Income Tax Rate for Deferral Calculation	(Note C)	0.00%
4	Deferred Income Taxes on Accumulated Deferral (line 2 * line 3)		\$0
5	Accumulated Deferral for Carrying Cost Calculation (Line 2 - Line 4)		\$0
<b>INCOME TAXES</b>			
6	CIT = (T/(1-T)) * (1 - (WCLTD/R))	Attachment H-22, page 3, line 22	0.00%
7	Income Taxes (Line 6 * Line 9)		\$0
<b>CARRYING COST ON DEFERRAL</b>			
8	FERC Refund Rate	(Note D)	0.00%
9	Carrying Cost (Line 5 * Line 8)		\$0
10	Revenue Credit Adjustment (Line 1 + Line 7 + Line 9)		\$0

Notes

- A. From Appendix E, Workpaper, Column (4).
- B. Accumulated balance of deferral as of December 31<sup>st</sup> of the year prior to effective date of new rates.
- C. Effective deferred tax rate during applicable test year.
- D. FERC Refund Rate is the approved rate as of December 31 of calendar prior to the rate year (see 18 C.F.R. Section 35.19a).

Duke Energy Ohio and Duke Energy Kentucky  
Worksheet for Firm PTP Service Revenue Credit Adjustment Calculation

(1) Period	(2) Actual Firm PTP Service Revenue Included in Test Year Rate Calculation (Note A)	(3) Actual Firm PTP Service Revenue Received from PJM (Note B)	(4) = (2) - (3) Difference Between Revenue Received and Amount in Rates Excluding True Up	(5) Monthly True-Up Adjustment Included In H-22A Net Revenue Requirement (Note C)	(6) = (4) - (5) Amount Deferred for Future Recovery	(7) = Prior month's Balance + (6) Accumulated Balance of Deferred Firm PTP Service Revenue Credit Adjustment
Jan-12	\$ -	\$ -	\$ -	-	\$ -	\$ -
Feb-12	-	-	-	-	-	-
Mar-12	-	-	-	-	-	-
Apr-12	-	-	-	-	-	-
May-12	-	-	-	-	-	-
Jun-12	-	-	-	-	-	-
Jul-12	-	-	-	-	-	-
Aug-12	-	-	-	-	-	-
Sep-12	-	-	-	-	-	-
Oct-12	-	-	-	-	-	-
Nov-12	-	-	-	-	-	-
Dec-12	-	-	-	-	-	-
<b>Total</b>				\$ -	\$ -	-
Jan-13	-	-	-	-	\$ -	-
Feb-13	-	-	-	-	-	-
Mar-13	-	-	-	-	-	-
Apr-13	-	-	-	-	-	-
May-13	-	-	-	-	-	-
Jun-13	-	-	-	-	-	-
Jul-13	-	-	-	-	-	-
Aug-13	-	-	-	-	-	-
Sep-13	-	-	-	-	-	-
Oct-13	-	-	-	-	-	-
Nov-13	-	-	-	-	-	-
Dec-13	-	-	-	-	-	\$ -
<b>Total</b>				\$ -	\$ -	-
Jan-14	-	-	-	-	\$ -	\$ -
Feb-14	-	-	-	-	-	-
Mar-14	-	-	-	-	-	-
Apr-14	-	-	-	-	-	-
May-14	-	-	-	-	-	-
Jun-14	-	-	-	-	-	-
Jul-14	-	-	-	-	-	-
Aug-14	-	-	-	-	-	-
Sep-14	-	-	-	-	-	-
Oct-14	-	-	-	-	-	-
Nov-14	-	-	-	-	-	-
Dec-14	-	-	-	-	-	\$ -
<b>Total</b>				\$ -	\$ -	-
Jan-15	-	-	-	-	\$ -	\$ -
Feb-15	-	-	-	-	-	-
Mar-15	-	-	-	-	-	-
Apr-15	-	-	-	-	-	-
May-15	-	-	-	-	-	\$ -
<b>Total</b>				\$ -	\$ -	-

Notes:

- A. Monthly Firm PTP service revenue from Midcontinent ISO during test year applicable to currently effectives NITS and PTP service rates.
- B. Actual monthly Firm PTP service revenue received from PJM during current period.
- C. Recovery of deferral begins with the first period for billing rates approved using a test year for Attachment H-22A that includes actual operations in PJM. The recovery of the amounts deferred between January 1, 2012, and December 31, 2012, will begin on June 1, 2013, and will end on May 31, 2014. The recovery of the amounts deferred between January 1, 2013 and May 31, 2013, will begin on June 1, 2014, and will end on May 31, 2015.

Redlined revised Attachment H-22A  
(effective June 1, 2015)

Formula Rate - Non-Levelized

For the 12 months ended 12/31/ [REDACTED]

**Rate Formula Template**  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

Line No.					Allocated Amount
1	GROSS REVENUE REQUIREMENT (page 3, line 29)				\$ -
	REVENUE CREDITS (Note T)				
2	Account No. 454 (page 4, line 34)	Total	Allocator		\$ -
3	Account No. 456.1 (page 4, line 35)	\$ -	TP 0.00000		-
4a	Revenues from Grandfathered Interzonal Transactions	0	TP 0.00000		0
4b	Revenues from service provided by ISO at a discount	0	TP 0.00000		0
5a	Legacy MTEP Credit (Appendix C, page 2, line 3, col. 12)	0	1.00000		0
5b	Firm PTP Revenue Credit Adjustment (Appendix E, line 10, col. 3)	0	1.00000		0
6	TOTAL REVENUE CREDITS (sum lines 2-5b)				\$ -
7	NET REVENUE REQUIREMENT (line 1 minus line 6)				\$ -
	DIVISOR				
8	1 CP (Note A)				0
9	12 CP (Note B)				0
10	Reserved				
11	Reserved				
12	Reserved				
13	Reserved				
14	Reserved				
15	Annual Cost (\$/kW/Yr) - 1 CP (line 7 / line 8)	\$0.000			
16	Annual Cost (\$/kW/Yr) - 12 CP (line 7 / line 9)	\$0.000			
17	Network Rate (\$/kW/Mo) (line 15 / 12)	\$0.000			
17a	Point-To-Point Rate (\$/kW/Mo) (line 16 / 12)	\$0.000			
		Peak Rate		Off-Peak Rate	
18	Point-To-Point Rate (\$/kW/Wk) (line 16 / 52; line 16 / 52)	\$0.000			
19	Point-To-Point Rate (\$/kW/Day) (line 16 / 260; line 16 / 365)	\$0.000	Capped at weekly rate		\$0.000
20	Point-To-Point Rate (\$/MWh) (line 16 / 4,160; line 16 / 8,760 * 1000)	\$0.000	Capped at weekly and daily rate		\$0.000

Formula Rate - Non-Levelized

For the 12 months ended 12/31/ [REDACTED]

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

Line No.	(1) RATE BASE:	(2) Form No. 1 Page, Line, Col.	(3) Company Total		(4) Allocator	(5) Transmission (Col. 3 times Col. 4)
<b>GROSS PLANT IN SERVICE</b>						
1	Production	205.46.g	\$ -	NA		
2	Transmission	207.58.g	0	TP	0.00000	\$ -
3	Distribution	207.75.g	0	NA		
4	General & Intangible	205.5.g & 207.99.g	0	W/S	0.00000	0
5	Common	356.1	0	CE	0.00000	0
6	TOTAL GROSS PLANT (sum lines 1-5)		\$ -	GP=	0.000%	\$ -
<b>ACCUMULATED DEPRECIATION</b>						
7	Production	219.20-24.c	\$ -	NA		
8	Transmission	219.25.c	0	TP	0.00000	\$ -
9	Distribution	219.26.c	0	NA		
10	General & Intangible	219.28.c	0	W/S	0.00000	0
11	Common	356.1	0	CE	0.00000	0
12	TOTAL ACCUM. DEPRECIATION (sum lines 7-11)		\$ -			\$ -
<b>NET PLANT IN SERVICE</b>						
13	Production	(line 1 - line 7)	\$ -			
14	Transmission	(line 2 - line 8)	0			\$ -
15	Distribution	(line 3 - line 9)	0			
16	General & Intangible	(line 4 - line 10)	0			0
17	Common	(line 5 - line 11)	0			0
18	TOTAL NET PLANT (sum lines 13-17)		\$ -	NP=	0.000%	\$ -
<b>ADJUSTMENTS TO RATE BASE (Note F)</b>						
19	Account No. 281 (enter negative)	273.8.k	\$ -	NA	zero	\$ -
20	Account No. 282 (enter negative)	275.2.k	0	NP	0.00000	0
21	Account No. 283 (enter negative)	277.9.k	0	NP	0.00000	0
22	Account No. 190	234.8.c	0	NP	0.00000	0
23	Account No. 255 (enter negative)	267.8.h	0	NP	0.00000	0
24	TOTAL ADJUSTMENTS (sum lines 19- 23)		\$ -			\$ -
25	LAND HELD FOR FUTURE USE (Note G)	214.x.d	\$ -	TP	0.00000	\$ -
<b>WORKING CAPITAL (Note H)</b>						
26	CWC	calculated	\$ -			0
27	Materials & Supplies (Note G)	227.8.c & .16.c	0	TE	0.00000	0
28	Prepayments (Account 165)	111.57.c	0	GP	0.00000	0
29	TOTAL WORKING CAPITAL (sum lines 26 - 28)		\$ -			\$ -
30	RATE BASE (sum lines 18, 24, 25, & 29)		\$ -			\$ -



Formula Rate - Non-Levelized

For the 12 months ended 12/31/       

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

Line No.	(1)	(2) Form No. 1 Page, Line, Col.	(3) Company Total		(4) Allocator	(5) Transmission (Col. 3 times Col. 4)
<b>O&amp;M</b>						
1	Transmission	321.112.b	\$ -	TE	0.00000	\$ -
1a	Less LSE Expenses included in Transmission O&M Accounts (Note V)	321.88.b, 92.b; 322.121.b	0		1.00000	0
1b	Less <i>Midcontinent</i> ISO Fees included in Transmission O&M	(Note X)	0	TE	0.00000	0
2	Less Account 565	321.96.b	0	TE	0.00000	0
3	A&G	323.197.b	0	W/S	0.00000	0
3a	Less Actual PBOP Expense	(Note E)	0	W/S	0.00000	0
3b	Plus Fixed PBOP Expense	(Note E)	0	W/S	0.00000	0
3c	Less PJM <i>Integration Costs</i> included in A&G and <i>Internal Integration</i> Costs included in A&G	(Note Y)	0	W/S	0.00000	0
4	Less FERC Annual Fees	350.14.b	0	W/S	0.00000	0
5	Less EPRI & Reg. Comm. Exp. & Non-safety Advertising (Note I)		0	W/S	0.00000	0
5a	Plus Transmission Related Reg. Comm. Exp. (Note I)		0	TE	0.00000	0
6	Common	356.1	0	CE	0.00000	0
7	Transmission Lease Payments		0		1.00000	0
8	TOTAL O&M (Sum lines 1, , 3, 3b, 5a, 6, 7 less lines 1a, 1b, 2, 3a, 3c, , 4, 5)		\$ -			\$ -
<b>DEPRECIATION EXPENSE</b>						
9	Transmission	336.7.b	\$ -	TP	0.00000	\$ -
10	General	336.10.b	0	W/S	0.00000	0
11	Common	336.11.b	0	CE	0.00000	0
12	TOTAL DEPRECIATION (Sum lines 9 - 11)		\$ -			\$ -
<b>TAXES OTHER THAN INCOME TAXES (Note J)</b>						
<b>LABOR RELATED</b>						
13	Payroll	263.i	\$ -	W/S	0.00000	\$ -
14	Highway and vehicle	263.i	0	W/S	0.00000	0
<b>PLANT RELATED</b>						
16	Property	263.i	0	GP	0.00000	0
17	Gross Receipts	263.i	0	NA	zero	0
18	Other	263.i	0	GP	0.00000	0
19	Payments in lieu of taxes		0	GP	0.00000	0
20	TOTAL OTHER TAXES (sum lines 13 - 19)		\$ -			\$ -
<b>INCOME TAXES (Note K)</b>						
21	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$		0.000000%			
22	$CIT=(T/1-T) * (1-(WCLTD/R)) =$ where WCLTD=(page 4, line 27) and R= (page 4, line 30) and FIT, SIT & p are as given in footnote K.		0.000000%			
23	$1 / (1 - T) =$ (from line 21)		0.0000			
24	Amortized Investment Tax Credit	266.8.f (enter negative)	0			
25	Income Tax Calculation (line 22 * line 28)		\$ -	NA		\$ -
26	ITC adjustment (line 23 * line 24)		0	NP	0.00000	0
27	Total Income Taxes	(line 25 plus line 26)	\$ -			\$ -

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28	RETURN [Rate Base (page 2, line 30) * Rate of Return (page 4, line 30)]	\$ - NA	\$ -
29	REV. REQUIREMENT (sum lines 8, 12, 20, 27, 28)	<u>\$ -</u>	<u>\$ -</u>
		<u>          </u>	<u>          </u>

Formula Rate - Non-Levelized

For the 12 months ended 12/31/

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)  
SUPPORTING CALCULATIONS AND NOTES

Line No. **TRANSMISSION PLANT INCLUDED IN ISO RATES**

1	Total transmission plant (page 2, line 2, column 3)	\$	-
2	Less transmission plant excluded from ISO rates (Note M)		0
3	Less transmission plant included in OATT Ancillary Services (Note N)		0
4	Transmission plant included in ISO Rates (line 1 less lines 2 & 3)	\$	-

5 Percentage of transmission plant included in ISO Rates (line 4 divided by line 1) TP= 0.00000

**TRANSMISSION EXPENSES**

6	Total transmission expenses (page 3, line 1, column 3)	\$	-
7	Less transmission expenses included in OATT Ancillary Services (Note L)		0
8	Included transmission expenses (line 6 less line 7)	\$	-

9 Percentage of transmission expenses after adjustment (line 8 divided by line 6) 0.00000  
 10 Percentage of transmission plant included in ISO Rates (line 5) TP 0.00000  
 11 Percentage of transmission expenses included in ISO Rates (line 9 times line 10) TE= 0.00000

**WAGES & SALARY ALLOCATOR (W&S)**

	Form 1 Reference	\$	TP	Allocation		
12	Production	354.20.b	0	0.00	0	
13	Transmission	354.21.b	0	0.00	0	
14	Distribution	354.23.b	0	0.00	0	
15	Other	354.24,25,26.b	0	0.00	0	
16	Total (sum lines 12-15)		0		0	= <u>W&amp;S Allocator (\$ / Allocation)</u> = 0.00000 = WS

**COMMON PLANT ALLOCATOR (CE) (Note O)**

		\$	% Electric (line 17 / line 20)	*	W&S Allocator (line 16)	=	CE
17	Electric	200.3.c	0				
18	Gas	201.3.d	0				
19	Water	201.3.e	0	0.00000			
20	Total (sum lines 17 - 19)		0		0.00000	=	0.00000

**RETURN (R)**

21	Long Term Interest (117, sum of 62.c through 67.c)	\$	0
22	Preferred Dividends (118.29c) (positive number)		0
23	Development of Common Stock:		
24	Proprietary Capital (112.16.c)		0
25	Less Preferred Stock (line 28)		0
26	Less Account 216.1 (112.12.c) (enter negative)		0
	Common Stock (sum lines 23-25)		0

	(Note P)	\$	%	Cost	Weighted	=	
27	Long Term Debt (112, sum of 18.c through 21.c)	0	0%	0.0000	0.0000	=	WCLTD
28	Preferred Stock (112.3.c)	0	0%	0.0000	0.0000	=	
29	Common Stock (line 26)	0	0%	0.1138	0.0000	=	
30	Total (sum lines 27-29)	0			0.0000	=	R

**REVENUE CREDITS**

		<u>Load</u>
31	ACCOUNT 447 (SALES FOR RESALE) (Note Q)	
	a. Bundled Non-RQ Sales for Resale (311.x.h)	0
32	b. Bundled Sales for Resale included in Divisor on page 1	-
33	Total of (a)-(b)	0
34	ACCOUNT 454 (RENT FROM ELECTRIC PROPERTY) (Note R)	\$ -
35	ACCOUNT 456.1 (OTHER ELECTRIC REVENUES) (Note U)	\$ -

Formula Rate - Non-Levelized

For the 12 months ended 12/31/

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

General Note: References to pages in this formulary rate are indicated as: (page#, line#, col.)  
References to data from FERC Form 1 are indicated as: #.y.x (page, line, column)

Notes:

- A DEOK 1 CP is Duke Energy Ohio ("DEO") Monthly Firm Transmission System Peak Load as reported on page 400, column b of Form 1 at the time of DEO's annual peak, plus load served by Duke Energy Kentucky at Longbranch. For years ending 12/31/2010 and 12/31/2011, this sum will be reduced by the amount of distribution load served by East Kentucky Power Cooperative via Duke Kentucky's Hebron substation. Excludes demands from grandfathered interzonal transactions and demands from service provided by ISO at a discount.
- B DEOK 12 CP is DEO Monthly Firm Transmission System Peak Load as reported on page 400, column b of Form 1 at the time of DEO's monthly peaks, plus load served by Duke Kentucky at Longbranch. For years ending 12/31/2010 and 12/31/2011, this sum will be reduced by the amount of distribution load served by East Kentucky Power Cooperative via Duke Kentucky's Hebron substation. Excludes demands from grandfathered interzonal transactions and demands from service provided by ISO at a discount.
- C Reserved
- D Reserved
- E This deduction is to remove expenses recorded by DEOK for Postretirement Benefits Other than Pensions (PBOP). PBOP expense is set forth in line 3b and is fixed until changed as the result of a filing at FERC. The fixed amount of PBOP for DEO is \$2,342,494 and for Duke Energy Kentucky ("DEK") is \$575,908.
- F The balances in Accounts 190, 281, 282 and 283, as adjusted by any amounts in contra accounts identified as regulatory assets or liabilities related to FASB 106 or 109. Balance of Account 255 is reduced by prior flow throughs and excluded if the utility chose to utilize amortization of tax credits against taxable income as discussed in Note K. Account 281 is not allocated.
- G Identified in Form 1 as being only transmission related.
- H Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission at page 3, line 8, column 5. Prepayments are the electric related prepayments booked to Account No. 165 and reported on Page 111 line 57 in the Form 1.
- I Line 5 - EPRI Annual Membership Dues listed in Form 1 at 353.f, all Regulatory Commission Expenses itemized at 351.h, and non-safety related advertising included in Account 930.1. Line 5a - Regulatory Commission Expenses directly related to transmission service, ISO filings, or transmission siting itemized at 351.h.
- J Includes only FICA, unemployment, highway, property, gross receipts, and other assessments charged in the current year. Taxes related to income are excluded. Gross receipts taxes are not included in transmission revenue requirement in the Rate Formula Template, since they are recovered elsewhere.
- K The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = "the percentage of federal income tax deductible for state income taxes". If the utility is taxed in more than one state it must attach a work paper showing the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) multiplied by (1/1-T) (page 3, line 26).

Inputs Required:	FIT = 0.00%	
	SIT = 0.00%	(State Income Tax Rate or Composite SIT)
	p = 0.00%	(percent of federal income tax deductible for state purposes)

- L Removes dollar amount of transmission expenses included in the OATT ancillary services rates, including Account Nos. 561.1, 561.2, 561.3, and 561.BA.
- M Removes transmission plant determined by Commission order to be state-jurisdictional according to the seven-factor test (until Form 1 balances are adjusted to reflect application of seven-factor test).
- N Removes dollar amount of transmission plant included in the development of OATT ancillary services rates and generation step-up facilities, which are deemed to be included in OATT ancillary services. For these purposes, generation step-up facilities are those facilities at a generator substation on which there is no through-flow when the generator is shut down.
- O Enter dollar amounts.
- P Debt cost rate = long-term interest (line 21) / long term debt (line 27). Preferred cost rate = preferred dividends (line 22) / preferred outstanding (line 28). ROE will be supported in the original filing and no change in ROE may be made absent a filing with FERC. Capitalization adjusted to exclude impacts of purchase accounting.
- Q Line 33 must equal zero since all short-term power sales must be unbundled and the transmission component reflected in Account No. 456.1 and all other uses are to be included in the divisor.
- R Includes income related only to transmission facilities, such as pole attachments, rentals and special use.
- S Reserved
- T The revenues credited on page 1 lines 2-5c shall include only the amounts received directly (in the case of grandfathered agreements) or from the ISO (for service under this tariff) reflecting the Transmission Owner's integrated transmission facilities. They do not include revenues associated with FERC annual charges, gross receipts taxes, ancillary services, or facilities not included in this template (e.g., direct assignment facilities and GSUs) which are not recovered under this Rate Formula Template.

Formula Rate - Non-Levelized

For the 12 months ended 12/31/

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

General Note: References to pages in this formulary rate are indicated as: (page#, line#, col.#)  
References to data from FERC Form 1 are indicated as: #.y.x (page, line, column)

Notes:

- U On Line 35, enter revenues from RTO settlements that are associated with NITS and firm Point-to-Point Service for which the load is not included in the divisor to derive Duke Energy Ohio's and Duke Energy Kentucky's zonal rates. Exclude non-firm Point-to-Point revenues, revenues related to MTEP and RTEP projects, revenues from grandfathered interzonal transactions and revenues from service provided by ISO at a discount.
- V Account Nos. 561.4, 561.8 and 575.7 consist of RTO expenses billed to load-serving entities and are not included in Transmission Owner revenue requirements.
- W Reserved
- X *Midcontinent* ISO Fees include (1) the charges that DEOK paid to the *Midcontinent* ISO pursuant to the Settlement Agreement filed on July 29, 2011 in Docket No. ER11-2059 and (2) the exit fees that DEOK paid to the *Midcontinent* ISO pursuant to the Exit Fee Agreement filed on October 5, 2011 in Docket No. ER12-33.
- Y PJM Integration Costs are the fees that PJM assessed DEOK for the costs that PJM incurred in connection with DEOK's move into PJM. *Internal Integration Costs are the internal administrative costs incurred by Duke Energy Ohio and Duke Energy Kentucky to accomplish their move from the Midcontinent ISO into PJM.*

For the 12 months ended 12/31/

Duke Energy Ohio and Duke Energy Kentucky  
Transmission Formula Rate Revenue Requirement  
Utilizing FERC Form 1 Data

## Schedule 1A Rate Calculation

Line No.		Source	Revenue Requirement	
<b>A. <u>Schedule 1A Annual Revenue Requirements</u></b>				
1	Total Load Dispatch & Scheduling (Account 561)	Attachment H-22A, Page 4, Line 7	\$	-
2	Revenue Credits for Schedule 1A - Note A		\$	-
3	Net Schedule 1A Revenue Requirement for Zone		\$	-
<b>B. <u>Schedule 1A Rate Calculations</u></b>				
4	Annual MWh - Note B	(301.10.d & 11.d)		- MWh
5	Schedule 1A rate \$/MWh (Line 3 / Line 4)	(Line 3 / Line 4)	\$0.0000	\$/MWh

Notes:

- A Revenue received pursuant to PJM Schedule 1A revenue allocation procedures for transmission service outside of DEOK's zone during the year used to calculate rates under Attachment H-22A.
- B The annual MWh represent the load used by all transmission customers.

Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
RTEP – Transmission Enhancement Charges

To be completed in conjunction with Attachment H-22A

Line No.	(1)	(2)	(3)	(4)	
Line No.	Attachment H-22A Page, Line, Col.			Transmission	Allocator
<b>TRANSMISSION PLANT</b>					
1	Gross Transmission Plant - Total	Att. H-22A, p 2, line 2 col 5 (Note A)	-		
2	Net Transmission Plant - Total	Att. H-22A, p 2, line 14 col 5 (Note B)	-		
<b>O&amp;M EXPENSE</b>					
3	Total O&M Allocated to Transmission	Att. H-22A, p 3, line 8 col 5	-		
4	Annual Allocation Factor for O&M	(line 3 divided by line 1 col 3)	0.00%	0.00%	
<b>GENERAL AND COMMON (G&amp;C) DEPRECIATION EXPENSE</b>					
5	Total G&C Depreciation Expense	Att. H-22A, p 3, lines 10 & 11, col 5 (Note H)	-		
6	Annual Allocation Factor for G&C Depreciation Expense	(line 5 divided by line 1 col 3)	0.00%	0.00%	
<b>TAXES OTHER THAN INCOME TAXES</b>					
7	Total Other Taxes	Att. H-22A, p 3, line 20 col 5	-		
8	Annual Allocation Factor for Other Taxes	(line 7 divided by line 1 col 3)	0.00%	0.00%	
<b>9</b>	<b>Annual Allocation Factor for Expense</b>	<b>Sum of lines 4, 6 and 8</b>		<b>0.00%</b>	
<b>INCOME TAXES</b>					
10	Total Income Taxes	Att. H-22A, p 3, line 27 col 5	-		
11	Annual Allocation Factor for Income Taxes	(line 10 divided by line 2 col 3)	0.00%	0.00%	
<b>RETURN</b>					
12	Return on Rate Base	Att. H-22A, p 3, line 28 col 5	-		
13	Annual Allocation Factor for Return on Rate Base	(line 12 divided by line 2 col 3)	0.00%	0.00%	
<b>14</b>	<b>Annual Allocation Factor for Return</b>	<b>Sum of lines 11 and 13</b>		<b>0.00%</b>	



Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
RTEP – Transmission Enhancement Charges

**Network Upgrade Charge Calculation By Project**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
Line No.	Project Name	RTEP Project Number	Project Gross Plant	Annual Allocation Factor for Expense	Annual Expense Charge	Project Net Plant	Annual Allocation Factor for Return	Annual Return Charge	Project Depreciation Expense	Annual Revenue Requirement	True-Up Adjustment	Network Upgrade Charge
		(Note C)	(Page 1 line 9)	(Col. 3 * Col. 4)	(Note D)	(Page 1 line 14)	(Col. 6 * Col. 7)	(Note E)	(Sum Col. 5, 8 & 9)	(Note F)	(Note G)	
1b		\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00	\$0	\$0.00	\$ -	\$0.00	
1c		\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00	\$0	\$0.00	\$ -	\$0.00	
2	Annual Totals								\$0	\$0	\$0	
3	RTEP Transmission Enhancement Charges for Attachment H-22A										\$0	

Notes:

- A. Gross Transmission Plant is that identified on page 2 line 2 of Attachment H-22A and includes any sub lines 2a or 2b etc. and is inclusive of any CWIP included in rate base when authorized by FERC order.
- B. Net Transmission Plant is that identified on page 2 line 14 of Attachment H-22A and includes any sub lines 14a or 14b etc. and is inclusive of any CWIP included in rate base when authorized by FERC order.
- C. Project Gross Plant is the total capital investment for the project calculated in the same method as the gross plant value in line 1 and includes CWIP in rate base if applicable. This value includes subsequent capital investments required to maintain the facilities to their original capabilities.
- D. Project Net Plant is the Project Gross Plant Identified in Column 3 less the associated Accumulated Depreciation.
- E. Project Depreciation Expense is the actual value booked for the project and included in the Depreciation Expense in Attachment H-22A page 3 line 12.
- F. True-Up Adjustment is included pursuant to a FERC approved methodology if applicable.
- G. The Network Upgrade Charge is the value to be used in Schedule 12.
- H. The Total General and Common Depreciation Expense excludes any depreciation expense directly associated with a project and thereby included in page 2 column 9.

Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
Legacy MTEP Credit

To be completed in conjunction with Attachment H-22A

Line No.	(1)	(2)	(3)	(4)
Line No.	Attachment H-22A	Page, Line, Col.	Transmission	Allocator
<b>TRANSMISSION PLANT</b>				
1	Gross Transmission Plant - Total	Att. H-22A, p 2, line 2 col 5 (Note A)	-	
2	Net Transmission Plant - Total	Att. H-22A, p 2, line 14 col 5 (Note B)	-	
<b>O&amp;M EXPENSE</b>				
3	Total O&M Allocated to Transmission	Att. H-22A, p 3, line 8 col 5	-	
4	Annual Allocation Factor for O&M	(line 3 divided by line 1 col 3)	0.00%	0.00%
<b>GENERAL AND COMMON (G&amp;C) DEPRECIATION EXPENSE</b>				
5	Total G&C Depreciation Expense	Att. H-22A, p 3, lines 10 & 11, col 5 (Note H)	-	
6	Annual Allocation Factor for G&C Depreciation Expense	(line 5 divided by line 1 col 3)	0.00%	0.00%
<b>TAXES OTHER THAN INCOME TAXES</b>				
7	Total Other Taxes	Att. H-22A, p 3, line 20 col 5	-	
8	Annual Allocation Factor for Other Taxes	(line 7 divided by line 1 col 3)	0.00%	0.00%
<b>9</b>	<b>Annual Allocation Factor for Expense</b>	<b>Sum of lines 4, 6 and 8</b>		<b>0.00%</b>
<b>INCOME TAXES</b>				
10	Total Income Taxes	Att. H-22A, p 3, line 27 col 5	-	
11	Annual Allocation Factor for Income Taxes	(line 10 divided by line 2 col 3)	0.00%	0.00%
<b>RETURN</b>				
12	Return on Rate Base	Att. H-22A, p 3, line 28 col 5	-	
13	Annual Allocation Factor for Return on Rate Base	(line 12 divided by line 2 col 3)	0.00%	0.00%
<b>14</b>	<b>Annual Allocation Factor for Return</b>	<b>Sum of lines 11 and 13</b>		<b>0.00%</b>

Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
Legacy MTEP Credit

**Network Upgrade Charge Calculation By Project**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
Line No.	Project Name	MTEP Project Number	Project Gross Plant	Annual Allocation Factor for Expense	Annual Expense Charge	Project Net Plant	Annual Allocation Factor for Return	Annual Return Charge	Project Depreciation Expense	Annual Revenue Requirement	True-Up Adjustment	Network Upgrade Charge
		(Note C)	(Page 1 line 9)	(Col. 3 * Col. 4)	(Note D)	(Page 1 line 14)	(Col. 6 * Col. 7)	(Note E)	(Sum Col. 5, 8 & 9)	(Note F)	Sum Col. 10 & 11 (Note G)	
1b		\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00	\$0	\$0.00	\$ -	\$0.00	
1c		\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00	\$0	\$0.00	\$ -	\$0.00	
2	Annual Totals									\$0	\$0	\$0
3	Legacy MTEP Credit for Attachment H-22A, Page 1, Line 5a											\$0

Notes:

- A. Gross Transmission Plant is that identified on page 2 line 2 of Attachment H-22A and includes any sub lines 2a or 2b etc. and is inclusive of any CWIP included in rate base when authorized by FERC order.
- B. Net Transmission Plant is that identified on page 2 line 14 of Attachment H-22A and includes any sub lines 14a or 14b etc. and is inclusive of any CWIP included in rate base when authorized by FERC order.
- C. Project Gross Plant is the total capital investment for the project calculated in the same method as the gross plant value in line 1 and includes CWIP in rate base if applicable. This value includes subsequent capital investments required to maintain the facilities to their original capabilities.
- D. Project Net Plant is the Project Gross Plant Identified in Column 3 less the associated Accumulated Depreciation.
- E. Project Depreciation Expense is the actual value booked for the project and included in the Depreciation Expense in Attachment H-22A page 3 line 12.
- F. True-Up Adjustment is included pursuant to a FERC approved methodology if applicable.
- G. The Network Upgrade Charge is the value to be used in Schedule 26.
- H. The Total General and Common Depreciation Expense excludes any depreciation expense directly associated with a project and thereby included in page 2 column 9.

DUKE ENERGY OHIO, INC.  
DEPRECIATION RATES

FERC Account Number (A)	Company Account Number (B)	Description (C)	Actual Accrual Rates (D) %
<b>Wholly Owned Transmission Plant</b>			
350	3403	Rights of Way	1.54
352	3420	Structures & Improvements	1.90
352	3424	Structures & Improvements - Duke Ohio - Loc. in Ky.	1.90
353	3430	Station Equipment	<u>1,441.68</u>
353	3434	Station Equipment - Duke Ohio - Loc. in Ky.	<u>1,681.44</u>
354	3440	Towers & Fixtures	1.85
354	3444	Towers & Fixtures - Duke Ohio - Loc. in Ky.	1.85
355	3450	Poles & Fixtures	2.31
355	3454	Poles & Fixtures - Duke Ohio - Loc. in Ky.	2.31
356	3460	Overhead Conductors & Devices	1.91
356	3464	Overhead Conductors & Devices - Duke Ohio - Loc. in Ky.	1.91
357	3470	Underground Conduit	1.43
358	3480	Underground Conductors & Devices	2.37
<b>Commonly Owned Transmission Plant - CCD Projects</b>			
352	3421	Structures & Improvements - CCD Projects	2.50
352	3425	Structures & Improvements - CCD Projects	2.50
353	3431	Station Equipment - CCD Projects	<u>1,442.86</u>
353	3432	Station Equipment - CCD Projects	<u>2,861.44</u>
353	3435	Station Equipment - CCD Projects	<u>2,861.44</u>
353	3437	Station Equipment - CCD Projects	<u>2,861.44</u>
354	3441	Towers & Fixtures - CCD Projects	3.00
354	3442	Towers & Fixtures - CCD Projects	3.00
354	3445	Towers & Fixtures - CCD Projects	3.00
354	3446	Towers & Fixtures - CCD Projects - Loc. In Ky.	3.00
354	3448	Towers & Fixtures - CCD Projects	3.00
355	3451	Poles & Fixtures - CCD Projects	3.00
355	3455	Poles & Fixtures - CCD Projects	3.00
356	3461	Overhead Conductors & Devices - CCD Projects	2.50
356	3462	Overhead Conductors & Devices - CCD Projects	2.50
356	3465	Overhead Conductors & Devices - CCD Projects	2.50
356	3466	Overhead Conductors & Devices - CCD Projects - Loc. In Ky.	2.50
<b>Commonly Owned Transmission Plant - CD Projects</b>			
352	3423	Structures & Improvements - CD Projects	2.50
353	3433	Station Equipment - CD Projects	<u>2,861.44</u>
353	3438	Station Equipment - CD Projects	<u>2,861.44</u>
354	3447	Towers & Fixtures - CD Projects	3.00
356	3467	Overhead Conductors & Devices - CD Projects	2.50
<b>General and Intangible Plant</b>			
303	3030	Miscellaneous Intangible Plant	20.00
389	3890	Land and Land Rights	N/A
390	3900	Structures and Improvements	<u>2,502.90</u>
391	3910	Office Furniture and Equipment	<u>2,005.00</u>
391	3911	Electronic Data Processing Equipment	20.00
391	3920	Transportation Equipment	<u>8,337.50</u>
391	3921	Trailers	<u>4,254.05</u>
392	3940	Tools, Shop & Garage Equipment	4.00
392	3950	Laboratory Equipment	6.67
393	3960	Power Operated Equipment	<u>5,884.45</u>
393	3970	Communication Equipment	6.67
394	3980	Miscellaneous Equipment	5.00

DUKE ENERGY KENTUCKY, INC.  
DEPRECIATION RATES

<u>FERC Account Number</u> (A)	<u>Company Account Number</u> (B)	<u>Description</u> (C)	<u>Actual Accrual Rates</u> (D)
			%
		<b>Transmission Plant</b>	
350	3501	Rights of Way	1.48
352	3520	Structures & Improvements	0.41
353	3530	Station Equipment	2.25
353	3532	Station Equipment - Major	<del>2.772.27</del>
353	3535	Station Equipment – Electronic	9.55
355	3550	Poles & Fixtures	<del>2.282.10</del>
356	3560	Overhead Conductors & Devices	2.31
		<b>General and Intangible Plant</b>	20.00
303	3030	Miscellaneous Intangible Plant	1.77
390	3900	Land and Land Rights	18.56
391	39110	Structures and Improvements	6.53
392	3921	Electronic Data Processing Equipment	4.14
394	3940	Transportation Equipment	6.93
397	3970	Stores Equipment	

Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
Firm PTP Service Revenue Credit Adjustment Calculation

To be completed in conjunction with Attachment H-22A

<u>No.</u>	(1)	(2)	(3)
	<u>Reference</u>		<u>Company Total</u>
<b>REVENUE CREDIT TRUE-UP</b>			
1	Difference Between Revenue Received In PJM vs. <i>Midcontinent</i> ISO	(Note A)	\$0
<b>ACCUMULATED BALANCE OF REVENUE CREDIT TRUE-UP</b>			
2	Accumulated Balance of Deferral	(Note B)	\$0
3	Income Tax Rate for Deferral Calculation	(Note C)	0.00%
4	Deferred Income Taxes on Accumulated Deferral (line 2 * line 3)		\$0
5	Accumulated Deferral for Carrying Cost Calculation (Line 2 - Line 4)		\$0
<b>INCOME TAXES</b>			
6	$CIT = (T/(1-T)) * (1 - (WCLTD/R))$	Attachment H-22, page 3, line 22	0.00%
7	Income Taxes (Line 6 * Line 9)		\$0
<b>CARRYING COST ON DEFERRAL</b>			
8	FERC Refund Rate	(Note D)	0.00%
9	Carrying Cost (Line 5 * Line 8)		\$0
10	Revenue Credit Adjustment (Line 1 + Line 7 + Line 9)		\$0

Notes

- A. From Appendix E, Workpaper, Column (4).
- B. Accumulated balance of deferral as of December 31<sup>st</sup> of the year prior to effective date of new *rates*.
- C. Effective deferred tax rate during applicable test year.
- D. FERC Refund Rate is the approved rate as of December 31 of calendar prior to the rate year (see 18 C.F.R. Section 35.19a).

Duke Energy Ohio and Duke Energy Kentucky  
Worksheet for Firm PTP Service Revenue Credit Adjustment Calculation

(1) Period	(2) Actual Firm PTP Service Revenue Included in Test Year Rate Calculation (Note A)	(3) Actual Firm PTP Service Revenue Received from PJM (Note B)	(4) = (2) - (3) Difference Between Revenue Received and Amount in Rates Excluding True Up	(5) Monthly True-Up Adjustment Included In H-22A Net Revenue Requirement (Note C)	(6) = (4) - (5) Amount Deferred for Future Recovery	(7) = Prior month's Balance + (6) Accumulated Balance of Deferred Firm PTP Service Revenue Credit Adjustment
Jan-12	\$ -	\$ -	\$ -	-	\$ -	\$ -
Feb-12	-	-	-	-	-	-
Mar-12	-	-	-	-	-	-
Apr-12	-	-	-	-	-	-
May-12	-	-	-	-	-	-
Jun-12	-	-	-	-	-	-
Jul-12	-	-	-	-	-	-
Aug-12	-	-	-	-	-	-
Sep-12	-	-	-	-	-	-
Oct-12	-	-	-	-	-	-
Nov-12	-	-	-	-	-	-
Dec-12	-	-	-	-	-	-
<b>Total</b>				\$ -	\$ -	-
Jan-13	-	-	-	-	\$ -	-
Feb-13	-	-	-	-	-	-
Mar-13	-	-	-	-	-	-
Apr-13	-	-	-	-	-	-
May-13	-	-	-	-	-	-
Jun-13	-	-	-	-	-	-
Jul-13	-	-	-	-	-	-
Aug-13	-	-	-	-	-	-
Sep-13	-	-	-	-	-	-
Oct-13	-	-	-	-	-	-
Nov-13	-	-	-	-	-	-
Dec-13	-	-	-	-	-	-
<b>Total</b>				\$ -	\$ -	\$ -
Jan-14	-	-	-	\$ -	\$ -	\$ -
Feb-14	-	-	-	-	-	-
Mar-14	-	-	-	-	-	-
Apr-14	-	-	-	-	-	-
May-14	-	-	-	-	-	-
Jun-14	-	-	-	-	-	-
Jul-14	-	-	-	-	-	-
Aug-14	-	-	-	-	-	-
Sep-14	-	-	-	-	-	-
Oct-14	-	-	-	-	-	-
Nov-14	-	-	-	-	-	-
Dec-14	-	-	-	-	-	-
<b>Total</b>				\$ -	\$ -	\$ -
Jan-15	-	-	-	\$ -	\$ -	\$ -
Feb-15	-	-	-	-	-	-
Mar-15	-	-	-	-	-	-
Apr-15	-	-	-	-	-	-
May-15	-	-	-	-	-	-
<b>Total</b>				\$ -	\$ -	\$ -

Notes:

- A. Monthly Firm PTP service revenue from *Midcontinent* ISO during test year applicable to currently effectives NITS and PTP service rates.
- B. Actual monthly Firm PTP service revenue received from PJM during current period.
- C. Recovery of deferral begins with the first period for billing rates approved using a test year for Attachment H-22A that includes actual operations in PJM.  
The recovery of the amounts deferred between January 1, 2012, and December 31, 2012, will begin on June 1, 2013, and will end on May 31, 2014.  
The recovery of the amounts deferred between January 1, 2013 and May 31, 2013, will begin on June 1, 2014, and will end on May 31, 2015.

## **Attachment B**

Clean revised Attachment H-22A  
(effective January 1, 2012)



Formula Rate - Non-Levelized

For the 12 months ended 12/31/       

**Rate Formula Template**  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

Line No.		Allocated Amount		
1	GROSS REVENUE REQUIREMENT (page 3, line 29)	\$ -		
	REVENUE CREDITS (Note T)			
	<table border="0" style="margin-left: auto; margin-right: auto;"> <tr> <th style="text-align: left;">Total</th> <th style="text-align: left;">Allocator</th> </tr> </table>	Total	Allocator	
Total	Allocator			
2	Account No. 454 (page 4, line 34)	\$ -		
3	Account No. 456.1 (page 4, line 35)	0		
4a	Revenues from Grandfathered Interzonal Transactions	0		
4b	Revenues from service provided by ISO at a discount	0		
5a	Legacy MTEP Credit (Appendix C, page 2, line 3, col. 12)	0		
5b	Firm PTP Revenue Credit Adjustment (Appendix E, line 10, col. 3)	0		
6	TOTAL REVENUE CREDITS (sum lines 2-5c)	\$ -		
7	NET REVENUE REQUIREMENT (line 1 minus line 6)	\$ -		
	DIVISOR			
8	1 CP (Note A)	0		
9	12 CP (Note B)	0		
10	Reserved			
11	Reserved			
12	Reserved			
13	Reserved			
14	Reserved			
15	Annual Cost (\$/kW/Yr) - 1 CP (line 7 / line 8)	\$0.000		
16	Annual Cost (\$/kW/Yr) - 12 CP (line 7 / line 9)	\$0.000		
17	Network Rate (\$/kW/Mo) (line 15 / 12)	\$0.000		
17a	Point-To-Point Rate (\$/kW/Mo) (line 16 / 12)	\$0.000		
	Peak Rate	Off-Peak Rate		
18	Point-To-Point Rate (\$/kW/Wk) (line 16 / 52; line 16 / 52)	\$0.000		
19	Point-To-Point Rate (\$/kW/Day) (line 16 / 260; line 16 / 365)	\$0.000	Capped at weekly rate \$0.000	
20	Point-To-Point Rate (\$/MWh) (line 16 / 4,160; line 16 / 8,760 * 1000)	\$0.000	Capped at weekly and daily rate \$0.000	

Formula Rate - Non-Levelized

For the 12 months ended 12/31/ [REDACTED]

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

Line No.	(1) RATE BASE:	(2) Form No. 1 Page, Line, Col.	(3) Company Total	(4) Allocator	(5) Transmission (Col. 3 times Col. 4)
	<b>GROSS PLANT IN SERVICE</b>				
1	Production	205.46.g	\$ -	NA	
2	Transmission	207.58.g	0	TP	0.00000 \$ -
3	Distribution	207.75.g	0	NA	
4	General & Intangible	205.5.g & 207.99.g	0	W/S	0.00000 0
5	Common	356.1	0	CE	0.00000 0
6	TOTAL GROSS PLANT (sum lines 1-5)		\$ -	GP=	0.000% \$ -
	<b>ACCUMULATED DEPRECIATION</b>				
7	Production	219.20-24.c	\$ -	NA	
8	Transmission	219.25.c	0	TP	0.00000 \$ -
9	Distribution	219.26.c	0	NA	
10	General & Intangible	219.28.c	0	W/S	0.00000 0
11	Common	356.1	0	CE	0.00000 0
12	TOTAL ACCUM. DEPRECIATION (sum lines 7-11)		\$ -		\$ -
	<b>NET PLANT IN SERVICE</b>				
13	Production	(line 1 - line 7)	\$ -		
14	Transmission	(line 2 - line 8)	0		\$ -
15	Distribution	(line 3 - line 9)	0		
16	General & Intangible	(line 4 - line 10)	0		0
17	Common	(line 5 - line 11)	0		0
18	TOTAL NET PLANT (sum lines 13-17)		\$ -	NP=	0.000% \$ -
	<b>ADJUSTMENTS TO RATE BASE (Note F)</b>				
19	Account No. 281 (enter negative)	273.8.k	\$ -	NA	zero \$ -
20	Account No. 282 (enter negative)	275.2.k	0	NP	0.00000 0
21	Account No. 283 (enter negative)	277.9.k	0	NP	0.00000 0
22	Account No. 190	234.8.c	0	NP	0.00000 0
23	Account No. 255 (enter negative)	267.8.h	0	NP	0.00000 0
24	TOTAL ADJUSTMENTS (sum lines 19- 23)		\$ -		\$ -
25	LAND HELD FOR FUTURE USE (Note G)	214.x.d	\$ -	TP	0.00000 \$ -
	<b>WORKING CAPITAL (Note H)</b>				
26	CWC	calculated	\$ -		0
27	Materials & Supplies (Note G)	227.8.c & .16.c	0	TE	0.00000 0
28	Prepayments (Account 165)	111.57.c	0	GP	0.00000 0
29	TOTAL WORKING CAPITAL (sum lines 26 - 28)		\$ -		\$ -
30	RATE BASE (sum lines 18, 24, 25, & 29)		\$ -		\$ -

Formula Rate - Non-Levelized

For the 12 months ended 12/31/ [REDACTED]

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

Line No.	(1) RATE BASE	(2) Form No. 1 Page, Line, Col.	(3) Company Total	(4) Allocator	(5) Transmission (Col. 3 times Col. 4)
	<b>O&amp;M</b>				
1	Transmission	321.112.b	\$ -	TE	0.00000
1a	Less LSE Expenses included in Transmission O&M Accounts (Note V)	321.88.b, 92.b; 322.121.b	0		1.00000
1b	Less Midwest ISO Fees included in Transmission O&M	(Note X)	0	TE	0.00000
2	Less Account 565	321.96.b	0	TE	0.00000
3	<b>A&amp;G</b>				
3a	Less Actual PBOP Expense	(Note E)	0	W/S	0.00000
3b	Plus Fixed PBOP Expense	(Note E)	0	W/S	0.00000
3c	Less PJM integration Costs included in A&G	(Note Y)	0	W/S	0.00000
4	Less FERC Annual Fees	350.14.b	0	W/S	0.00000
5	Less EPRI & Reg. Comm. Exp. & Non-safety Advertising (Note I)		0	W/S	0.00000
5a	Plus Transmission Related Reg. Comm. Exp. (Note I)		0	TE	0.00000
6	Common	356.1	0	CE	0.00000
7	Transmission Lease Payments		0		1.00000
8	TOTAL O&M (Sum lines 1, 2a, 3, 5a, 6, 7 less lines 1a, 2, 4, 5)		\$ -		\$ -
	<b>DEPRECIATION EXPENSE</b>				
9	Transmission	336.7.b	\$ -	TP	0.00000
10	General	336.10.b	0	W/S	0.00000
11	Common	336.11.b	0	CE	0.00000
12	TOTAL DEPRECIATION (Sum lines 9 - 11)		\$ -		\$ -
	<b>TAXES OTHER THAN INCOME TAXES (Note J)</b>				
	<b>LABOR RELATED</b>				
13	Payroll	263.i	\$ -	W/S	0.00000
14	Highway and vehicle	263.i	0	W/S	0.00000
15	<b>PLANT RELATED</b>				
16	Property	263.i	0	GP	0.00000
17	Gross Receipts	263.i	0	NA	zero
18	Other	263.i	0	GP	0.00000
19	Payments in lieu of taxes		0	GP	0.00000
20	TOTAL OTHER TAXES (sum lines 13 - 19)		\$ -		\$ -
	<b>INCOME TAXES (Note K)</b>				
21	T=1 - {(1 - SIT) * (1 - FIT)} / (1 - SIT * FIT * p) =		0.000000%		
22	CIT=(T/1-T) * (1-(WCLTD/R)) = where WCLTD=(page 4, line 27) and R= (page 4, line 30) and FIT, SIT & p are as given in footnote K.		0.000000%		
23	1 / (1 - T) = (from line 21)		0.0000		
24	Amortized Investment Tax Credit	266.8.f (enter negative)	0		
25	Income Tax Calculation (line 22 * line 28)		\$ -	NA	\$ -
26	ITC adjustment (line 23 * line 24)		0	NP	0.00000
27	Total Income Taxes (line 25 plus line 26)		\$ -		\$ -
28	RETURN [Rate Base (page 2, line 30) * Rate of Return (page 4, line 30)]		\$ -	NA	\$ -
29	REV. REQUIREMENT (sum lines 8, 12, 20, 27, 28)		\$ -		\$ -

Formula Rate - Non-Levelized

For the 12 months ended 12/31/ [REDACTED]

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)  
SUPPORTING CALCULATIONS AND NOTES

<b>TRANSMISSION PLANT INCLUDED IN ISO RATES</b>									
1	Total transmission plant (page 2, line 2, column 3)							\$	-
2	Less transmission plant excluded from ISO rates (Note M)								0
3	Less transmission plant included in OATT Ancillary Services (Note N)								0
4	<hr/>								
4	Transmission plant included in ISO Rates (line 1 less lines 2 & 3)							\$	-
5	Percentage of transmission plant included in ISO Rates (line 4 divided by line 1)						TP=		0.00000
<b>TRANSMISSION EXPENSES</b>									
6	Total transmission expenses (page 3, line 1, column 3)							\$	-
7	Less transmission expenses included in OATT Ancillary Services (Note L)								0
8	<hr/>								
8	Included transmission expenses (line 6 less line 7)							\$	-
9	Percentage of transmission expenses after adjustment (line 8 divided by line 6)								0.00000
10	Percentage of transmission plant included in ISO Rates (line 5)						TP		0.00000
11	Percentage of transmission expenses included in ISO Rates (line 9 times line 10)						TE=		0.00000
<b>WAGES &amp; SALARY ALLOCATOR (W&amp;S)</b>									
		Form 1 Reference	\$	TP	Allocation				
12	Production	354.20.b	0	0.00	0				
13	Transmission	354.21.b	0	0.00	0				
14	Distribution	354.23.b	0	0.00	0				
15	Other	354.24,25,26.b	0	0.00	0			W&S Allocator	
16	Total (sum lines 12-15)		0		0	=		(\$ / Allocation)	
									0.00000 = WS
<b>COMMON PLANT ALLOCATOR (CE) (Note O)</b>									
			\$		% Electric			W&S Allocator	
17	Electric	200.3.c	0		(line 17 / line 20)			(line 16)	
18	Gas	201.3.d	0		0.00000 *			0.00000 =	CE
19	Water	201.3.e	0						0.00000
20	<hr/>								
20	Total (sum lines 17 - 19)		0						
<b>RETURN (R)</b>									
21		Long Term Interest (117, sum of 62.c through 67.c)						\$	0
22		Preferred Dividends (118.29c) (positive number)							0
23	Development of Common Stock:	Proprietary Capital (112.16.c)							0
24		Less Preferred Stock (line 28)							0
25		Less Account 216.1 (112.12.c) (enter negative)							0
26		Common Stock (sum lines 23-25)							0
27		(Note P)	\$	%	Cost			Weighted	
27	Long Term Debt (112, sum of 18.c through 21.c)		0	0%	0.0000			0.0000 =	WCLTD
28	Preferred Stock (112.3.c)		0	0%	0.0000			0.0000	
29	Common Stock (line 26)		0	0%	0.1238			0.0000	
30	<hr/>								
30	Total (sum lines 27-29)		0					0.0000 =	R
<b>REVENUE CREDITS</b>									
31	ACCOUNT 447 (SALES FOR RESALE) (Note Q)	(310-311)						Load	
31	a. Bundled Non-RQ Sales for Resale (311.x.h)								0
32	b. Bundled Sales for Resale included in Divisor on page 1								-
33	<hr/>								
33	Total of (a)-(b)								0
34	ACCOUNT 454 (RENT FROM ELECTRIC PROPERTY) (Note R)							\$	-
35	ACCOUNT 456.1 (OTHER ELECTRIC REVENUES) (Note U)	(330.x.n)						\$	-

Formula Rate - Non-Levelized

For the 12 months ended 12/31/ [REDACTED]

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

General Note: References to pages in this formulary rate are indicated as: (page#, line#, col.#)  
References to data from FERC Form 1 are indicated as: #.y.x (page, line, column)

Notes:

- A DEOK 1 CP is Duke Energy Ohio ("DEO") Monthly Firm Transmission System Peak Load as reported on page 400, column b of Form 1 at the time of DEO's annual peak, plus load served by Duke Energy Kentucky at Longbranch. For years ending 12/31/2010 and 12/31/2011, this sum will be reduced by the amount of distribution load served by East Kentucky Power Cooperative via Duke Kentucky's Hebron substation. Excludes demands from grandfathered interzonal transactions and demands from service provided by ISO at a discount.
- B DEOK 12 CP is DEO Monthly Firm Transmission System Peak Load as reported on page 400, column b of Form 1 at the time of DEO's monthly peaks, plus load served by Duke Kentucky at Longbranch. For years ending 12/31/2010 and 12/31/2011, this sum will be reduced by the amount of distribution load served by East Kentucky Power Cooperative via Duke Kentucky's Hebron substation. Excludes demands from grandfathered interzonal transactions and demands from service provided by ISO at a discount.
- C Reserved
- D Reserved
- E This deduction is to remove expenses recorded by DEOK for Postretirement Benefits Other than Pensions (PBOP). PBOP expense is set forth in line 3b and is fixed until changed as the result of a filing at FERC. The fixed amount of PBOP for DEO is \$2,342,494 and for Duke Energy Kentucky ("DEK") is \$575,908.
- F The balances in Accounts 190, 281, 282 and 283, as adjusted by any amounts in contra accounts identified as regulatory assets or liabilities related to FASB 106 or 109. Balance of Account 255 is reduced by prior flow throughs and excluded if the utility chose to utilize amortization of tax credits against taxable income as discussed in Note K. Account 281 is not allocated.
- G Identified in Form 1 as being only transmission related.
- H Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission at page 3, line 8, column 5. Prepayments are the electric related prepayments booked to Account No. 165 and reported on Page 111 line 57 in the Form 1.
- I Line 5 - EPRI Annual Membership Dues listed in Form 1 at 353.f, all Regulatory Commission Expenses itemized at 351.h, and non-safety related advertising included in Account 930.1. Line 5a - Regulatory Commission Expenses directly related to transmission service, ISO filings, or transmission siting itemized at 351.h.
- J Includes only FICA, unemployment, highway, property, gross receipts, and other assessments charged in the current year. Taxes related to income are excluded. Gross receipts taxes are not included in transmission revenue requirement in the Rate Formula Template, since they are recovered elsewhere.
- K The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = "the percentage of federal income tax deductible for state income taxes". If the utility is taxed in more than one state it must attach a work paper showing the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) multiplied by (1/1-T) (page 3, line 26).  

Inputs Required:	FIT =	0.00%	
	SIT=	0.00%	(State Income Tax Rate or Composite SIT)
	p =	0.00%	(percent of federal income tax deductible for state purposes)
- L Removes dollar amount of transmission expenses included in the OATT ancillary services rates, including Account Nos. 561.1, 561.2, 561.3, and 561.BA.
- M Removes transmission plant determined by Commission order to be state-jurisdictional according to the seven-factor test (until Form 1 balances are adjusted to reflect application of seven-factor test).
- N Removes dollar amount of transmission plant included in the development of OATT ancillary services rates and generation step-up facilities, which are deemed to be included in OATT ancillary services. For these purposes, generation step-up facilities are those facilities at a generator substation on which there is no through-flow when the generator is shut down.
- O Enter dollar amounts.
- P Debt cost rate = long-term interest (line 21) / long term debt (line 27). Preferred cost rate = preferred dividends (line 22) / preferred outstanding (line 28). ROE will be supported in the original filing and no change in ROE may be made absent a filing with FERC. Capitalization adjusted to exclude impacts of purchase accounting.
- Q Line 33 must equal zero since all short-term power sales must be unbundled and the transmission component reflected in Account No. 456.1 and all other uses are to be included in the divisor.
- R Includes income related only to transmission facilities, such as pole attachments, rentals and special use.
- S Reserved
- T The revenues credited on page 1 lines 2-5c shall include only the amounts received directly (in the case of grandfathered agreements) or from the ISO (for service under this tariff) reflecting the Transmission Owner's integrated transmission facilities. They do not include revenues associated with FERC annual charges, gross receipts taxes, ancillary services, or facilities not included in this template (e.g., direct assignment facilities and GSUs) which are not recovered under this Rate Formula Template.

Formula Rate - Non-Levelized

For the 12 months ended 12/31/       

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

General Note: References to pages in this formulary rate are indicated as: (page#, line#, col.)  
References to data from FERC Form 1 are indicated as: #.y.x (page, line, column)

Notes:

- U On Line 35, enter revenues from RTO settlements that are associated with NITS and firm Point-to-Point Service for which the load is not included in the divisor to derive Duke Energy Ohio's and Duke Energy Kentucky's zonal rates. Exclude non-firm Point-to-Point revenues, revenues related to MTEP and RTEP projects, revenues from grandfathered interzonal transactions and revenues from service provided by ISO at a discount.
- V Account Nos. 561.4, 561.8 and 575.7 consist of RTO expenses billed to load-serving entities and are not included in Transmission Owner revenue requirements.
- W Reserved
- X Midwest ISO Fees include (1) the charges that DEOK paid to the Midwest ISO pursuant to the Settlement Agreement filed on July 29, 2011 in Docket No. ER11-2059 and (2) the exit fees that DEOK paid to the Midwest ISO pursuant to the Exit Fee Agreement filed on October 5, 2011 in Docket No. ER12-33.
- Y PJM Integration Costs are the fees that PJM assessed DEOK for the costs that PJM incurred in connection with DEOK's move into PJM.

For the 12 months ended 12/31/

Duke Energy Ohio and Duke Energy Kentucky  
Transmission Formula Rate Revenue Requirement  
Utilizing FERC Form 1 Data  
For Rates Effective January 1, 2012

Schedule 1A Rate Calculation

Line No.		Source	Revenue Requirement	
<b>A. <u>Schedule 1A Annual Revenue Requirements</u></b>				
1	Total Load Dispatch & Scheduling (Account 561)	Attachment H-22A, Page 4, Line 7	\$	-
2	Revenue Credits for Schedule 1A - Note A		\$	-
3	Net Schedule 1A Revenue Requirement for Zone		\$	-
<b>B. <u>Schedule 1A Rate Calculations</u></b>				
4	2010 Annual MWh - Note B	(401a.22b & 24b)		- MWh
5	Schedule 1A rate \$/MWh (Line 3 / Line 4)	(Line 3 / Line 4)	\$0.0000	\$/MWh

Notes:

- A Revenue received pursuant to PJM Schedule 1A revenue allocation procedures for transmission service outside of DEOK's zone during the year used to calculate rates under Attachment H-22A.
- B Load expressed in MWh consistent with load used for billing under Schedule 1A for the DEOK zone. Data from RTO settlement systems for the calendar year prior to the rate year.

Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
RTEP – Transmission Enhancement Charges

To be completed in conjunction with Attachment H-22A

Line No.	(1)	(2)	(3)	(4)	
Line No.	Attachment H-22A Page, Line, Col.			Transmission	Allocator
	<b>TRANSMISSION PLANT</b>				
1	Gross Transmission Plant - Total	Sch. H-22A, p 2, line 2 col 5 (Note A)	-		
2	Net Transmission Plant - Total	Sch. H-22A, p 2, line 14 col 5 (Note B)	-		
	<b>O&amp;M EXPENSE</b>				
3	Total O&M Allocated to Transmission	Sch. H-22A, p 3, line 8 col 5	-		
4	Annual Allocation Factor for O&M	(line 3 divided by line 1 col 3)	0.00%	0.00%	
	<b>GENERAL AND COMMON (G&amp;C) DEPRECIATION EXPENSE</b>				
5	Total G&C Depreciation Expense	Sch. H-22A, p 3, lines 10 & 11, col 5 (Note H)	-		
6	Annual Allocation Factor for G&C Depreciation Expense	(line 5 divided by line 1 col 3)	0.00%	0.00%	
	<b>TAXES OTHER THAN INCOME TAXES</b>				
7	Total Other Taxes	Sch. H-22A, p 3, line 20 col 5	-		
8	Annual Allocation Factor for Other Taxes	(line 7 divided by line 1 col 3)	0.00%	0.00%	
<b>9</b>	<b>Annual Allocation Factor for Expense</b>	<b>Sum of lines 4, 6 and 8</b>		<b>0.00%</b>	
	<b>INCOME TAXES</b>				
10	Total Income Taxes	Sch. H-22A, p 3, line 27 col 5	-		
11	Annual Allocation Factor for Income Taxes	(line 10 divided by line 2 col 3)	0.00%	0.00%	
	<b>RETURN</b>				
12	Return on Rate Base	Sch. H-22A, p 3, line 28 col 5	-		
13	Annual Allocation Factor for Return on Rate Base	(line 12 divided by line 2 col 3)	0.00%	0.00%	
<b>14</b>	<b>Annual Allocation Factor for Return</b>	<b>Sum of lines 11 and 13</b>		<b>0.00%</b>	



Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
RTEP – Transmission Enhancement Charges

**Network Upgrade Charge Calculation By Project**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
Line No.	Project Name	RTEP Project Number	Project Gross Plant	Annual Allocation Factor for Expense	Annual Expense Charge	Project Net Plant	Annual Allocation Factor for Return	Annual Return Charge	Project Depreciation Expense	Annual Revenue Requirement	True-Up Adjustment	Network Upgrade Charge
		(Note C)	(Page 1 line 7)	(Col. 3 * Col. 4)	(Note D)	(Page 1 line 12)	(Col. 6 * Col. 7)	(Note E)	(Sum Col. 5, 8 & 9)	(Note F)	(Note G)	Sum Col. 10 & 11
1b		\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00	\$0	\$0.00	\$ -	\$0.00	
1c		\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00	\$0	\$0.00	\$ -	\$0.00	
2	Annual Totals								\$0	\$0	\$0	
3	RTEP Transmission Enhancement Charges for Attachment H-22A, Page 1, Line 5c										\$0	

Notes:

- A. Gross Transmission Plant is that identified on page 2 line 2 of Attachment H-22A and includes any sub lines 2a or 2b etc. and is inclusive of any CWIP included in rate base when authorized by FERC order.
- B. Net Transmission Plant is that identified on page 2 line 14 of Attachment H-22A and includes any sub lines 14a or 14b etc. and is inclusive of any CWIP included in rate base when authorized by FERC order.
- C. Project Gross Plant is the total capital investment for the project calculated in the same method as the gross plant value in line 1 and includes CWIP in rate base if applicable. This value includes subsequent capital investments required to maintain the facilities to their original capabilities.
- D. Project Net Plant is the Project Gross Plant Identified in Column 3 less the associated Accumulated Depreciation.
- E. Project Depreciation Expense is the actual value booked for the project and included in the Depreciation Expense in Attachment H-22A page 3 line 12.
- F. True-Up Adjustment is included pursuant to a FERC approved methodology if applicable.
- G. The Network Upgrade Charge is the value to be used in Schedule 26.
- H. The Total General and Common Depreciation Expense excludes any depreciation expense directly associated with a project and thereby included in page 2 column 9.

Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
Legacy MTEP Credit

To be completed in conjunction with Attachment H-22A

Line No.	(1)	(2)	(3)	(4)
Line No.	Attachment H-22A Page, Line, Col.	Transmission	Allocator	
<b>TRANSMISSION PLANT</b>				
1	Gross Transmission Plant - Total	Sch. H-22A, p 2, line 2 col 5 (Note A)	-	
2	Net Transmission Plant - Total	Sch. H-22A, p 2, line 14 col 5 (Note B)	-	
<b>O&amp;M EXPENSE</b>				
3	Total O&M Allocated to Transmission	Sch. H-22A, p 3, line 8 col 5	-	
4	Annual Allocation Factor for O&M	(line 3 divided by line 1 col 3)	0.00%	0.00%
<b>GENERAL AND COMMON (G&amp;C) DEPRECIATION EXPENSE</b>				
5	Total G&C Depreciation Expense	Sch. H-22A, p 3, lines 10 & 11, col 5 (Note H)	-	
6	Annual Allocation Factor for G&C Depreciation Expense	(line 5 divided by line 1 col 3)	0.00%	0.00%
<b>TAXES OTHER THAN INCOME TAXES</b>				
7	Total Other Taxes	Sch. H-22A, p 3, line 20 col 5	-	
8	Annual Allocation Factor for Other Taxes	(line 7 divided by line 1 col 3)	0.00%	0.00%
<b>9</b>	<b>Annual Allocation Factor for Expense</b>	<b>Sum of lines 4, 6 and 8</b>		<b>0.00%</b>
<b>INCOME TAXES</b>				
10	Total Income Taxes	Sch. H-22A, p 3, line 27 col 5	-	
11	Annual Allocation Factor for Income Taxes	(line 10 divided by line 2 col 3)	0.00%	0.00%
<b>RETURN</b>				
12	Return on Rate Base	Sch. H-22A, p 3, line 28 col 5	-	
13	Annual Allocation Factor for Return on Rate Base	(line 12 divided by line 2 col 3)	0.00%	0.00%
<b>14</b>	<b>Annual Allocation Factor for Return</b>	<b>Sum of lines 11 and 13</b>		<b>0.00%</b>

Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
Legacy MTEP Credit

**Network Upgrade Charge Calculation By Project**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
Line No.	Project Name	MTEP Project Number	Project Gross Plant	Annual Allocation Factor for Expense	Annual Expense Charge	Project Net Plant	Annual Allocation Factor for Return	Annual Return Charge	Project Depreciation Expense	Annual Revenue Requirement	True-Up Adjustment	Network Upgrade Charge
		(Note C)	(Page 1 line 7)	(Col. 3 * Col. 4)	(Note D)	(Page 1 line 12)	(Col. 6 * Col. 7)	(Note E)	(Sum Col. 5, 8 & 9)	(Note F)	Sum Col. 10 & 11 (Note G)	
1b		\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00	\$0	\$0.00	\$ -	\$0.00	
1c		\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00	\$0	\$0.00	\$ -	\$0.00	
2	Annual Totals									\$0	\$0	\$0
3	Legacy MTEP Credit for Attachment H-22A, Page 1, Line 5a											\$0

Notes:

- A. Gross Transmission Plant is that identified on page 2 line 2 of Attachment H-22A and includes any sub lines 2a or 2b etc. and is inclusive of any CWIP included in rate base when authorized by FERC order.
- B. Net Transmission Plant is that identified on page 2 line 14 of Attachment H-22A and includes any sub lines 14a or 14b etc. and is inclusive of any CWIP included in rate base when authorized by FERC order.
- C. Project Gross Plant is the total capital investment for the project calculated in the same method as the gross plant value in line 1 and includes CWIP in rate base if applicable. This value includes subsequent capital investments required to maintain the facilities to their original capabilities.
- D. Project Net Plant is the Project Gross Plant Identified in Column 3 less the associated Accumulated Depreciation.
- E. Project Depreciation Expense is the actual value booked for the project and included in the Depreciation Expense in Attachment H-22A page 3 line 12.
- F. True-Up Adjustment is included pursuant to a FERC approved methodology if applicable.
- G. The Network Upgrade Charge is the value to be used in Schedule 26.
- H. The Total General and Common Depreciation Expense excludes any depreciation expense directly associated with a project and thereby included in page 2 column 9.

DUKE ENERGY OHIO, INC.  
DEPRECIATION RATES

<u>FERC Account Number</u> (A)	<u>Company Account Number</u> (B)	<u>Description</u> (C)	<u>Actual Accrual Rates</u> (D) %
<b>Wholly Owned Transmission Plant</b>			
350	3403	Rights of Way	1.54
352	3420	Structures & Improvements	1.90
352	3424	Structures & Improvements - Duke Ohio - Loc. in Ky.	1.90
353	3430	Station Equipment	1.68
353	3434	Station Equipment - Duke Ohio - Loc. in Ky.	1.68
354	3440	Towers & Fixtures	1.85
354	3444	Towers & Fixtures - Duke Ohio - Loc. in Ky.	1.85
355	3450	Poles & Fixtures	2.31
355	3454	Poles & Fixtures - Duke Ohio - Loc. in Ky.	2.31
356	3460	Overhead Conductors & Devices	1.91
356	3464	Overhead Conductors & Devices - Duke Ohio - Loc. in Ky.	1.91
357	3470	Underground Conduit	1.43
358	3480	Underground Conductors & Devices	2.37
<b>Commonly Owned Transmission Plant - CCD Projects</b>			
352	3421	Structures & Improvements - CCD Projects	2.50
352	3425	Structures & Improvements - CCD Projects	2.50
353	3431	Station Equipment - CCD Projects	2.86
353	3432	Station Equipment - CCD Projects	2.86
353	3435	Station Equipment - CCD Projects	2.86
353	3437	Station Equipment - CCD Projects	2.86
354	3441	Towers & Fixtures - CCD Projects	3.00
354	3442	Towers & Fixtures - CCD Projects	3.00
354	3445	Towers & Fixtures - CCD Projects	3.00
354	3446	Towers & Fixtures - CCD Projects - Loc. In Ky.	3.00
354	3448	Towers & Fixtures - CCD Projects	3.00
355	3451	Poles & Fixtures - CCD Projects	3.00
355	3455	Poles & Fixtures - CCD Projects	3.00
356	3461	Overhead Conductors & Devices - CCD Projects	2.50
356	3462	Overhead Conductors & Devices - CCD Projects	2.50
356	3465	Overhead Conductors & Devices - CCD Projects	2.50
356	3466	Overhead Conductors & Devices - CCD Projects - Loc. In Ky.	2.50
<b>Commonly Owned Transmission Plant - CD Projects</b>			
352	3423	Structures & Improvements - CD Projects	2.50
353	3433	Station Equipment - CD Projects	2.86
353	3438	Station Equipment - CD Projects	2.86
354	3447	Towers & Fixtures - CD Projects	3.00
356	3467	Overhead Conductors & Devices - CD Projects	2.50
<b>General and Intangible Plant</b>			
303	3030	Miscellaneous Intangible Plant	20.00
389	3890	Land and Land Rights	N/A
390	3900	Structures and Improvements	2.50
391	3910	Office Furniture and Equipment	2.00
391	3911	Electronic Data Processing Equipment	20.00
391	3920	Transportation Equipment	8.33
391	3921	Trailers	4.25
392	3940	Tools, Shop & Garage Equipment	4.00
392	3950	Laboratory Equipment	6.67
393	3960	Power Operated Equipment	5.88
393	3970	Communication Equipment	6.67
394	3980	Miscellaneous Equipment	5.00

DUKE ENERGY KENTUCKY, INC.  
DEPRECIATION RATES

<u>FERC Account Number</u> (A)	<u>Company Account Number</u> (B)	<u>Description</u> (C)	<u>Actual Accrual Rates</u> (D)
			%
		<b>Transmission Plant</b>	
350	3501	Rights of Way	1.48
352	3520	Structures & Improvements	0.41
353	3530	Station Equipment	2.25
353	3532	Station Equipment - Major	2.27
353	3535	Station Equipment – Electronic	9.55
355	3550	Poles & Fixtures	2.10
356	3560	Overhead Conductors & Devices	2.31
		<b>General and Intangible Plant</b>	20.00
303	3030	Miscellaneous Intangible Plant	1.77
390	3900	Land and Land Rights	18.56
391	39110	Structures and Improvements	6.53
392	3921	Electronic Data Processing Equipment	4.14
394	3940	Transportation Equipment	6.93
397	3970	Stores Equipment	

Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
Firm PTP Service Revenue Credit Adjustment Calculation

To be completed in conjunction with Attachment H-22A

<u>No.</u>	(1)	(2)	(3)
	<u>Reference</u>		<u>Company Total</u>
<b>REVENUE CREDIT TRUE-UP</b>			
1	Difference Between Revenue Received In PJM vs. Midwest ISO	(Note A)	\$0
<b>ACCUMULATED BALANCE OF REVENUE CREDIT TRUE-UP</b>			
2	Accumulated Balance of Deferral	(Note B)	\$0
3	Income Tax Rate for Deferral Calculation	(Note C)	0.00%
4	Deferred Income Taxes on Accumulated Deferral (line 2 * line 3)		\$0
5	Accumulated Deferral for Carrying Cost Calculation (Line 2 - Line 4)		\$0
<b>INCOME TAXES</b>			
6	$CIT = (T/(1-T)) * (1 - (WCLTD/R))$	Attachment H-22, page 3, line 22	0.00%
7	Income Taxes (Line 6 * Line 9)		\$0
<b>CARRYING COST ON DEFERRAL</b>			
8	FERC Refund Rate	(Note D)	0.00%
9	Carrying Cost (Line 5 * Line 8)		\$0
10	Revenue Credit Adjustment (Line 1 + Line 7 + Line 9)		\$0

Notes

- A. From Appendix E, Workpaper, Column (4).
- B. Accumulated balance of deferral as of December 31<sup>st</sup> of the year prior to effective date of new rate.
- C. Effective deferred tax rate during applicable test year.
- D. FERC Refund Rate is the approved rate as of December 31 of calendar prior to the rate year (see 18 C.F.R. Section 35.19a).

Duke Energy Ohio and Duke Energy Kentucky

Worksheet for Firm PTP Service Revenue Credit Adjustment Calculation

(1) Period	(2) Actual Firm PTP Service Revenue Included in Test Year Rate Calculation (Note A)	(3) Actual Firm PTP Service Revenue Received from PJM (Note B)	(4) = (2) - (3) Difference Between Revenue Received and Amount in Rates Excluding True Up	(5) Monthly True-Up Adjustment Included In H-22A Net Revenue Requirement (Note C)	(6) = (4) - (5) Amount Deferred for Future Recovery	(7) = Prior month's Balance + (6) Accumulated Balance of Deferred Firm PTP Service Revenue Credit Adjustment
Jan-12	\$ -	\$ -	\$ -	-	\$ -	\$ -
Feb-12	-	-	-	-	-	-
Mar-12	-	-	-	-	-	-
Apr-12	-	-	-	-	-	-
May-12	-	-	-	-	-	-
Jun-12	-	-	-	-	-	-
Jul-12	-	-	-	-	-	-
Aug-12	-	-	-	-	-	-
Sep-12	-	-	-	-	-	-
Oct-12	-	-	-	-	-	-
Nov-12	-	-	-	-	-	-
Dec-12	-	-	-	-	-	-
<b>Total</b>				\$ -	\$ -	-
Jan-13	-	-	-	-	\$ -	-
Feb-13	-	-	-	-	-	-
Mar-13	-	-	-	-	-	-
Apr-13	-	-	-	-	-	-
May-13	-	-	-	-	-	-
Jun-13	-	-	-	-	-	-
Jul-13	-	-	-	-	-	-
Aug-13	-	-	-	-	-	-
Sep-13	-	-	-	-	-	-
Oct-13	-	-	-	-	-	-
Nov-13	-	-	-	-	-	-
Dec-13	-	-	-	-	-	-
<b>Total</b>				\$ -	\$ -	\$ -
Jan-14	-	-	-	-	\$ -	\$ -
Feb-14	-	-	-	-	-	-
Mar-14	-	-	-	-	-	-
Apr-14	-	-	-	-	-	-
May-14	-	-	-	-	-	-
Jun-14	-	-	-	-	-	-
Jul-14	-	-	-	-	-	-
Aug-14	-	-	-	-	-	-
Sep-14	-	-	-	-	-	-
Oct-14	-	-	-	-	-	-
Nov-14	-	-	-	-	-	-
Dec-14	-	-	-	-	-	-
<b>Total</b>				\$ -	\$ -	\$ -
Jan-15	-	-	-	-	\$ -	\$ -
Feb-15	-	-	-	-	-	-
Mar-15	-	-	-	-	-	-
Apr-15	-	-	-	-	-	-
May-15	-	-	-	-	-	-
<b>Total</b>				\$ -	\$ -	\$ -

Notes:

- A. Monthly Firm PTP service revenue from Midwest ISO during test year applicable to currently effective NITS and PTP service rates.
- B. Actual monthly Firm PTP service revenue received from PJM during current period.
- C. Recovery of deferral begins with the first period for billing rates approved using a test year for Attachment H-22A that includes actual operations in PJM.  
The recovery of the amounts deferred between January 1, 2012, and December 31, 2012, will begin on June 1, 2013, and will end on May 31, 2014.  
The recovery of the amounts deferred between January 1, 2013 and May 31, 2013, will begin on June 1, 2014, and will end on May 31, 2015.

Clean revised Attachment H-22A  
(effective May 1, 2013)



Formula Rate - Non-Levelized

For the 12 months ended 12/31/       

**Rate Formula Template**  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

Line No.		Allocated Amount														
1	GROSS REVENUE REQUIREMENT (page 3, line 29)	\$ -														
	REVENUE CREDITS (Note T)															
	<table border="0" style="margin-left: 40px;"> <thead> <tr> <th style="text-align: left;">Total</th> <th style="text-align: left;">Allocator</th> </tr> </thead> <tbody> <tr> <td style="text-align: right;">\$ -</td> <td>TP 0.00000</td> </tr> <tr> <td style="text-align: right;">0</td> <td>TP 0.00000</td> </tr> <tr> <td style="text-align: right;">0</td> <td>TP 0.00000</td> </tr> <tr> <td style="text-align: right;">0</td> <td>TP 0.00000</td> </tr> <tr> <td style="text-align: right;">0</td> <td>1.00000</td> </tr> <tr> <td style="text-align: right;">0</td> <td>1.00000</td> </tr> </tbody> </table>	Total	Allocator	\$ -	TP 0.00000	0	TP 0.00000	0	TP 0.00000	0	TP 0.00000	0	1.00000	0	1.00000	
Total	Allocator															
\$ -	TP 0.00000															
0	TP 0.00000															
0	TP 0.00000															
0	TP 0.00000															
0	1.00000															
0	1.00000															
2	Account No. 454 (page 4, line 34)	\$ -														
3	Account No. 456.1 (page 4, line 35)	0														
4a	Revenues from Grandfathered Interzonal Transactions	0														
4b	Revenues from service provided by ISO at a discount	0														
5a	Legacy MTEP Credit (Appendix C, page 2, line 3, col. 12)	0														
5b	Firm PTP Revenue Credit Adjustment (Appendix E, line 10, col. 3)	0														
6	TOTAL REVENUE CREDITS (sum lines 2-5c)	\$ -														
7	NET REVENUE REQUIREMENT (line 1 minus line 6)	\$ -														
	DIVISOR															
8	1 CP (Note A)	0														
9	12 CP (Note B)	0														
10	Reserved															
11	Reserved															
12	Reserved															
13	Reserved															
14	Reserved															
15	Annual Cost (\$/kW/Yr) - 1 CP (line 7 / line 8)	\$0.000														
16	Annual Cost (\$/kW/Yr) - 12 CP (line 7 / line 9)	\$0.000														
17	Network Rate (\$/kW/Mo) (line 15 / 12)	\$0.000														
17a	Point-To-Point Rate (\$/kW/Mo) (line 16 / 12)	\$0.000														
	Peak Rate	Off-Peak Rate														
18	Point-To-Point Rate (\$/kW/Wk) (line 16 / 52; line 16 / 52)	\$0.000														
19	Point-To-Point Rate (\$/kW/Day) (line 16 / 260; line 16 / 365)	\$0.000	Capped at weekly rate \$0.000													
20	Point-To-Point Rate (\$/MWh) (line 16 / 4,160; line 16 / 8,760 * 1000)	\$0.000	Capped at weekly and daily rate \$0.000													

Formula Rate - Non-Levelized

For the 12 months ended 12/31/       

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

Line No.	(1) RATE BASE:	(2) Form No. 1 Page, Line, Col.	(3) Company Total	(4) Allocator	(5) Transmission (Col. 3 times Col. 4)
<b>GROSS PLANT IN SERVICE</b>					
1	Production	205.46.g	\$ -	NA	
2	Transmission	207.58.g	0	TP	0.00000 \$ -
3	Distribution	207.75.g	0	NA	
4	General & Intangible	205.5.g & 207.99.g	0	W/S	0.00000 0
5	Common	356.1	0	CE	0.00000 0
6	TOTAL GROSS PLANT (sum lines 1-5)		\$ -	GP=	0.000% \$ -
<b>ACCUMULATED DEPRECIATION</b>					
7	Production	219.20-24.c	\$ -	NA	
8	Transmission	219.25.c	0	TP	0.00000 \$ -
9	Distribution	219.26.c	0	NA	
10	General & Intangible	219.28.c	0	W/S	0.00000 0
11	Common	356.1	0	CE	0.00000 0
12	TOTAL ACCUM. DEPRECIATION (sum lines 7-11)		\$ -		\$ -
<b>NET PLANT IN SERVICE</b>					
13	Production	(line 1 - line 7)	\$ -		
14	Transmission	(line 2 - line 8)	0		\$ -
15	Distribution	(line 3 - line 9)	0		
16	General & Intangible	(line 4 - line 10)	0		0
17	Common	(line 5 - line 11)	0		0
18	TOTAL NET PLANT (sum lines 13-17)		\$ -	NP=	0.000% \$ -
<b>ADJUSTMENTS TO RATE BASE (Note F)</b>					
19	Account No. 281 (enter negative)	273.8.k	\$ -	NA	zero \$ -
20	Account No. 282 (enter negative)	275.2.k	0	NP	0.00000 0
21	Account No. 283 (enter negative)	277.9.k	0	NP	0.00000 0
22	Account No. 190	234.8.c	0	NP	0.00000 0
23	Account No. 255 (enter negative)	267.8.h	0	NP	0.00000 0
24	TOTAL ADJUSTMENTS (sum lines 19- 23)		\$ -		\$ -
25	LAND HELD FOR FUTURE USE (Note G)	214.x.d	\$ -	TP	0.00000 \$ -
<b>WORKING CAPITAL (Note H)</b>					
26	CWC	calculated	\$ -		0
27	Materials & Supplies (Note G)	227.8.c & .16.c	0	TE	0.00000 0
28	Prepayments (Account 165)	111.57.c	0	GP	0.00000 0
29	TOTAL WORKING CAPITAL (sum lines 26 - 28)		\$ -		\$ -
30	RATE BASE (sum lines 18, 24, 25, & 29)		\$ -		\$ -

Formula Rate - Non-Levelized

For the 12 months ended 12/31/ [REDACTED]

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

Line No.	(1) RATE BASE	(2) Form No. 1 Page, Line, Col.	(3) Company Total	(4) Allocator	(5) Transmission (Col. 3 times Col. 4)
	<b>O&amp;M</b>				
1	Transmission	321.112.b	\$ -	TE	0.00000
1a	Less LSE Expenses included in Transmission O&M Accounts (Note V)	321.88.b, 92.b; 322.121.b	0		1.00000
1b	Less Midwest ISO Fees included in Transmission O&M	(Note X)	0	TE	0.00000
2	Less Account 565	321.96.b	0	TE	0.00000
3	<b>A&amp;G</b>				
3a	Less Actual PBOP Expense	(Note E)	0	W/S	0.00000
3b	Plus Fixed PBOP Expense	(Note E)	0	W/S	0.00000
3c	Less PJM integration Costs included in A&G	(Note Y)	0	W/S	0.00000
4	Less FERC Annual Fees	350.14.b	0	W/S	0.00000
5	Less EPRI & Reg. Comm. Exp. & Non-safety Advertising (Note I)		0	W/S	0.00000
5a	Plus Transmission Related Reg. Comm. Exp. (Note I)		0	TE	0.00000
6	Common	356.1	0	CE	0.00000
7	Transmission Lease Payments		0		1.00000
8	TOTAL O&M (Sum lines 1, 2a, 3, 5a, 6, 7 less lines 1a, 2, 4, 5)		\$ -		\$ -
	<b>DEPRECIATION EXPENSE</b>				
9	Transmission	336.7.b	\$ -	TP	0.00000
10	General	336.10.b	0	W/S	0.00000
11	Common	336.11.b	0	CE	0.00000
12	TOTAL DEPRECIATION (Sum lines 9 - 11)		\$ -		\$ -
	<b>TAXES OTHER THAN INCOME TAXES (Note J)</b>				
	<b>LABOR RELATED</b>				
13	Payroll	263.i	\$ -	W/S	0.00000
14	Highway and vehicle	263.i	0	W/S	0.00000
15	<b>PLANT RELATED</b>				
16	Property	263.i	0	GP	0.00000
17	Gross Receipts	263.i	0	NA	zero
18	Other	263.i	0	GP	0.00000
19	Payments in lieu of taxes		0	GP	0.00000
20	TOTAL OTHER TAXES (sum lines 13 - 19)		\$ -		\$ -
	<b>INCOME TAXES (Note K)</b>				
21	$T=1 - \{(1 - SIT) * (1 - FIT)\} / (1 - SIT * FIT * p) =$		0.000000%		
22	$CIT=(T/1-T) * (1-(WCLTD/R)) =$ where WCLTD=(page 4, line 27) and R= (page 4, line 30) and FIT, SIT & p are as given in footnote K.		0.000000%		
23	$1 / (1 - T) =$ (from line 21)		0.0000		
24	Amortized Investment Tax Credit	266.8.f (enter negative)	0		
25	Income Tax Calculation (line 22 * line 28)		\$ -	NA	\$ -
26	ITC adjustment (line 23 * line 24)		0	NP	0.00000
27	Total Income Taxes (line 25 plus line 26)		\$ -		\$ -
28	RETURN [Rate Base (page 2, line 30) * Rate of Return (page 4, line 30)]		\$ -	NA	\$ -
29	REV. REQUIREMENT (sum lines 8, 12, 20, 27, 28)		\$ -		\$ -

Formula Rate - Non-Levelized

For the 12 months ended 12/31/

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)  
SUPPORTING CALCULATIONS AND NOTES

<b>TRANSMISSION PLANT INCLUDED IN ISO RATES</b>									
1	Total transmission plant (page 2, line 2, column 3)							\$	-
2	Less transmission plant excluded from ISO rates (Note M)								0
3	Less transmission plant included in OATT Ancillary Services (Note N)								0
4	<hr/>								
4	Transmission plant included in ISO Rates (line 1 less lines 2 & 3)							\$	-
5	Percentage of transmission plant included in ISO Rates (line 4 divided by line 1)						TP=		0.00000
<b>TRANSMISSION EXPENSES</b>									
6	Total transmission expenses (page 3, line 1, column 3)							\$	-
7	Less transmission expenses included in OATT Ancillary Services (Note L)								0
8	<hr/>								
8	Included transmission expenses (line 6 less line 7)							\$	-
9	Percentage of transmission expenses after adjustment (line 8 divided by line 6)								0.00000
10	Percentage of transmission plant included in ISO Rates (line 5)						TP		0.00000
11	Percentage of transmission expenses included in ISO Rates (line 9 times line 10)						TE=		0.00000
<b>WAGES &amp; SALARY ALLOCATOR (W&amp;S)</b>									
		Form 1 Reference	\$	TP	Allocation				
12	Production	354.20.b	0	0.00	0				
13	Transmission	354.21.b	0	0.00	0				
14	Distribution	354.23.b	0	0.00	0				
15	Other	354.24,25,26.b	0	0.00	0			W&S Allocator	
16	Total (sum lines 12-15)		0		0	=		(\$ / Allocation)	
									0.00000 = WS
<b>COMMON PLANT ALLOCATOR (CE) (Note O)</b>									
			\$		% Electric			W&S Allocator	
17	Electric	200.3.c	0		(line 17 / line 20)			(line 16)	
18	Gas	201.3.d	0		0.00000 *			0.00000	= CE
19	Water	201.3.e	0						0.00000
20	<hr/>								
20	Total (sum lines 17 - 19)		0						
<b>RETURN (R)</b>									
21		Long Term Interest (117, sum of 62.c through 67.c)						\$	0
22		Preferred Dividends (118.29c) (positive number)							0
23	Development of Common Stock:	Proprietary Capital (112.16.c)							0
24		Less Preferred Stock (line 28)							0
25		Less Account 216.1 (112.12.c) (enter negative)							0
26		Common Stock (sum lines 23-25)							0
27		(Note P)	\$	%	Cost			Weighted	
27	Long Term Debt (112, sum of 18.c through 21.c)		0	0%	0.0000			0.0000	= WCLTD
28	Preferred Stock (112.3.c)		0	0%	0.0000			0.0000	
29	Common Stock (line 26)		0	0%	0.1238			0.0000	
30	<hr/>								
30	Total (sum lines 27-29)		0					0.0000	= R
<b>REVENUE CREDITS</b>									
31	ACCOUNT 447 (SALES FOR RESALE) (Note Q)	(310-311)						Load	
31	a. Bundled Non-RQ Sales for Resale (311.x.h)								0
32	b. Bundled Sales for Resale included in Divisor on page 1								-
33	<hr/>								
33	Total of (a)-(b)								0
34	ACCOUNT 454 (RENT FROM ELECTRIC PROPERTY) (Note R)							\$	-
35	ACCOUNT 456.1 (OTHER ELECTRIC REVENUES) (Note U)	(330.x.n)						\$	-

Formula Rate - Non-Levelized

For the 12 months ended 12/31/ [REDACTED]

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

General Note: References to pages in this formulary rate are indicated as: (page#, line#, col.#)  
References to data from FERC Form 1 are indicated as: #.y.x (page, line, column)

Notes:

- A DEOK 1 CP is Duke Energy Ohio ("DEO") Monthly Firm Transmission System Peak Load as reported on page 400, column b of Form 1 at the time of DEO's annual peak, plus load served by Duke Energy Kentucky at Longbranch. For years ending 12/31/2010 and 12/31/2011, this sum will be reduced by the amount of distribution load served by East Kentucky Power Cooperative via Duke Kentucky's Hebron substation. Excludes demands from grandfathered interzonal transactions and demands from service provided by ISO at a discount.
- B DEOK 12 CP is DEO Monthly Firm Transmission System Peak Load as reported on page 400, column b of Form 1 at the time of DEO's monthly peaks, plus load served by Duke Kentucky at Longbranch. For years ending 12/31/2010 and 12/31/2011, this sum will be reduced by the amount of distribution load served by East Kentucky Power Cooperative via Duke Kentucky's Hebron substation. Excludes demands from grandfathered interzonal transactions and demands from service provided by ISO at a discount.
- C Reserved
- D Reserved
- E This deduction is to remove expenses recorded by DEOK for Postretirement Benefits Other than Pensions (PBOP). PBOP expense is set forth in line 3b and is fixed until changed as the result of a filing at FERC. The fixed amount of PBOP for DEO is \$2,342,494 and for Duke Energy Kentucky ("DEK") is \$575,908.
- F The balances in Accounts 190, 281, 282 and 283, as adjusted by any amounts in contra accounts identified as regulatory assets or liabilities related to FASB 106 or 109. Balance of Account 255 is reduced by prior flow throughs and excluded if the utility chose to utilize amortization of tax credits against taxable income as discussed in Note K. Account 281 is not allocated.
- G Identified in Form 1 as being only transmission related.
- H Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission at page 3, line 8, column 5. Prepayments are the electric related prepayments booked to Account No. 165 and reported on Page 111 line 57 in the Form 1.
- I Line 5 - EPRI Annual Membership Dues listed in Form 1 at 353.f, all Regulatory Commission Expenses itemized at 351.h, and non-safety related advertising included in Account 930.1. Line 5a - Regulatory Commission Expenses directly related to transmission service, ISO filings, or transmission siting itemized at 351.h.
- J Includes only FICA, unemployment, highway, property, gross receipts, and other assessments charged in the current year. Taxes related to income are excluded. Gross receipts taxes are not included in transmission revenue requirement in the Rate Formula Template, since they are recovered elsewhere.
- K The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = "the percentage of federal income tax deductible for state income taxes". If the utility is taxed in more than one state it must attach a work paper showing the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) multiplied by (1/1-T) (page 3, line 26).  

Inputs Required:	FIT =	0.00%	
	SIT=	0.00%	(State Income Tax Rate or Composite SIT)
	p =	0.00%	(percent of federal income tax deductible for state purposes)
- L Removes dollar amount of transmission expenses included in the OATT ancillary services rates, including Account Nos. 561.1, 561.2, 561.3, and 561.BA.
- M Removes transmission plant determined by Commission order to be state-jurisdictional according to the seven-factor test (until Form 1 balances are adjusted to reflect application of seven-factor test).
- N Removes dollar amount of transmission plant included in the development of OATT ancillary services rates and generation step-up facilities, which are deemed to be included in OATT ancillary services. For these purposes, generation step-up facilities are those facilities at a generator substation on which there is no through-flow when the generator is shut down.
- O Enter dollar amounts.
- P Debt cost rate = long-term interest (line 21) / long term debt (line 27). Preferred cost rate = preferred dividends (line 22) / preferred outstanding (line 28). ROE will be supported in the original filing and no change in ROE may be made absent a filing with FERC. Capitalization adjusted to exclude impacts of purchase accounting.
- Q Line 33 must equal zero since all short-term power sales must be unbundled and the transmission component reflected in Account No. 456.1 and all other uses are to be included in the divisor.
- R Includes income related only to transmission facilities, such as pole attachments, rentals and special use.
- S Reserved
- T The revenues credited on page 1 lines 2-5c shall include only the amounts received directly (in the case of grandfathered agreements) or from the ISO (for service under this tariff) reflecting the Transmission Owner's integrated transmission facilities. They do not include revenues associated with FERC annual charges, gross receipts taxes, ancillary services, or facilities not included in this template (e.g., direct assignment facilities and GSUs) which are not recovered under this Rate Formula Template.

Formula Rate - Non-Levelized

For the 12 months ended 12/31/       

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

General Note: References to pages in this formulary rate are indicated as: (page#, line#, col.)  
References to data from FERC Form 1 are indicated as: #.y.x (page, line, column)

Notes:

- U On Line 35, enter revenues from RTO settlements that are associated with NITS and firm Point-to-Point Service for which the load is not included in the divisor to derive Duke Energy Ohio's and Duke Energy Kentucky's zonal rates. Exclude non-firm Point-to-Point revenues, revenues related to MTEP and RTEP projects, revenues from grandfathered interzonal transactions and revenues from service provided by ISO at a discount.
- V Account Nos. 561.4, 561.8 and 575.7 consist of RTO expenses billed to load-serving entities and are not included in Transmission Owner revenue requirements.
- W Reserved
- X Midwest ISO Fees include (1) the charges that DEOK paid to the Midwest ISO pursuant to the Settlement Agreement filed on July 29, 2011 in Docket No. ER11-2059 and (2) the exit fees that DEOK paid to the Midwest ISO pursuant to the Exit Fee Agreement filed on October 5, 2011 in Docket No. ER12-33.
- Y PJM Integration Costs are the fees that PJM assessed DEOK for the costs that PJM incurred in connection with DEOK's move into PJM.

For the 12 months ended 12/31/

Duke Energy Ohio and Duke Energy Kentucky  
Transmission Formula Rate Revenue Requirement  
Utilizing FERC Form 1 Data  
For Rates Effective January 1, 2012

Schedule 1A Rate Calculation

Line No.		Source	Revenue Requirement	
<b>A. <u>Schedule 1A Annual Revenue Requirements</u></b>				
1	Total Load Dispatch & Scheduling (Account 561)	Attachment H-22A, Page 4, Line 7	\$	-
2	Revenue Credits for Schedule 1A - Note A		\$	-
3	Net Schedule 1A Revenue Requirement for Zone		\$	-
<b>B. <u>Schedule 1A Rate Calculations</u></b>				
4	2010 Annual MWh - Note B	(401a.22b & 24b)		- MWh
5	Schedule 1A rate \$/MWh (Line 3 / Line 4)	(Line 3 / Line 4)	\$0.0000	\$/MWh

Notes:

- A Revenue received pursuant to PJM Schedule 1A revenue allocation procedures for transmission service outside of DEOK's zone during the year used to calculate rates under Attachment H-22A.
- B Load expressed in MWh consistent with load used for billing under Schedule 1A for the DEOK zone. Data from RTO settlement systems for the calendar year prior to the rate year.

Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
RTEP – Transmission Enhancement Charges

To be completed in conjunction with Attachment H-22A

Line No.	(1)	(2)	(3)	(4)	
Line No.	Attachment H-22A Page, Line, Col.			Transmission	Allocator
	<b>TRANSMISSION PLANT</b>				
1	Gross Transmission Plant - Total	Sch. H-22A, p 2, line 2 col 5 (Note A)	-		
2	Net Transmission Plant - Total	Sch. H-22A, p 2, line 14 col 5 (Note B)	-		
	<b>O&amp;M EXPENSE</b>				
3	Total O&M Allocated to Transmission	Sch. H-22A, p 3, line 8 col 5	-		
4	Annual Allocation Factor for O&M	(line 3 divided by line 1 col 3)	0.00%	0.00%	
	<b>GENERAL AND COMMON (G&amp;C) DEPRECIATION EXPENSE</b>				
5	Total G&C Depreciation Expense	Sch. H-22A, p 3, lines 10 & 11, col 5 (Note H)	-		
6	Annual Allocation Factor for G&C Depreciation Expense	(line 5 divided by line 1 col 3)	0.00%	0.00%	
	<b>TAXES OTHER THAN INCOME TAXES</b>				
7	Total Other Taxes	Sch. H-22A, p 3, line 20 col 5	-		
8	Annual Allocation Factor for Other Taxes	(line 7 divided by line 1 col 3)	0.00%	0.00%	
<b>9</b>	<b>Annual Allocation Factor for Expense</b>	<b>Sum of lines 4, 6 and 8</b>		<b>0.00%</b>	
	<b>INCOME TAXES</b>				
10	Total Income Taxes	Sch. H-22A, p 3, line 27 col 5	-		
11	Annual Allocation Factor for Income Taxes	(line 10 divided by line 2 col 3)	0.00%	0.00%	
	<b>RETURN</b>				
12	Return on Rate Base	Sch. H-22A, p 3, line 28 col 5	-		
13	Annual Allocation Factor for Return on Rate Base	(line 12 divided by line 2 col 3)	0.00%	0.00%	
<b>14</b>	<b>Annual Allocation Factor for Return</b>	<b>Sum of lines 11 and 13</b>		<b>0.00%</b>	



Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
RTEP – Transmission Enhancement Charges

**Network Upgrade Charge Calculation By Project**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
Line No.	Project Name	RTEP Project Number	Project Gross Plant	Annual Allocation Factor for Expense	Annual Expense Charge	Project Net Plant	Annual Allocation Factor for Return	Annual Return Charge	Project Depreciation Expense	Annual Revenue Requirement	True-Up Adjustment	Network Upgrade Charge
			(Page 1 line 7) (Note C)	(Col. 3 * Col. 4)	(Note D)	(Page 1 line 12)	(Col. 6 * Col. 7)	(Note E)	(Sum Col. 5, 8 & 9)	(Note F)	Sum Col. 10 & 11 (Note G)	
1b		\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00	\$0	\$0.00	\$ -	\$0.00	
1c		\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00	\$0	\$0.00	\$ -	\$0.00	
2	Annual Totals								\$0	\$0	\$0	
3	RTEP Transmission Enhancement Charges for Attachment H-22A, Page 1, Line 5c											\$0

Notes:

- A. Gross Transmission Plant is that identified on page 2 line 2 of Attachment H-22A and includes any sub lines 2a or 2b etc. and is inclusive of any CWIP included in rate base when authorized by FERC order.
- B. Net Transmission Plant is that identified on page 2 line 14 of Attachment H-22A and includes any sub lines 14a or 14b etc. and is inclusive of any CWIP included in rate base when authorized by FERC order.
- C. Project Gross Plant is the total capital investment for the project calculated in the same method as the gross plant value in line 1 and includes CWIP in rate base if applicable. This value includes subsequent capital investments required to maintain the facilities to their original capabilities.
- D. Project Net Plant is the Project Gross Plant Identified in Column 3 less the associated Accumulated Depreciation.
- E. Project Depreciation Expense is the actual value booked for the project and included in the Depreciation Expense in Attachment H-22A page 3 line 12.
- F. True-Up Adjustment is included pursuant to a FERC approved methodology if applicable.
- G. The Network Upgrade Charge is the value to be used in Schedule 26.
- H. The Total General and Common Depreciation Expense excludes any depreciation expense directly associated with a project and thereby included in page 2 column 9.

Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
Legacy MTEP Credit

To be completed in conjunction with Attachment H-22A

Line No.	(1)	(2)	(3)	(4)
Line No.	Attachment H-22A Page, Line, Col.	Transmission	Allocator	
<b>TRANSMISSION PLANT</b>				
1	Gross Transmission Plant - Total	Sch. H-22A, p 2, line 2 col 5 (Note A)	-	
2	Net Transmission Plant - Total	Sch. H-22A, p 2, line 14 col 5 (Note B)	-	
<b>O&amp;M EXPENSE</b>				
3	Total O&M Allocated to Transmission	Sch. H-22A, p 3, line 8 col 5	-	
4	Annual Allocation Factor for O&M	(line 3 divided by line 1 col 3)	0.00%	0.00%
<b>GENERAL AND COMMON (G&amp;C) DEPRECIATION EXPENSE</b>				
5	Total G&C Depreciation Expense	Sch. H-22A, p 3, lines 10 & 11, col 5 (Note H)	-	
6	Annual Allocation Factor for G&C Depreciation Expense	(line 5 divided by line 1 col 3)	0.00%	0.00%
<b>TAXES OTHER THAN INCOME TAXES</b>				
7	Total Other Taxes	Sch. H-22A, p 3, line 20 col 5	-	
8	Annual Allocation Factor for Other Taxes	(line 7 divided by line 1 col 3)	0.00%	0.00%
<b>9</b>	<b>Annual Allocation Factor for Expense</b>	<b>Sum of lines 4, 6 and 8</b>		<b>0.00%</b>
<b>INCOME TAXES</b>				
10	Total Income Taxes	Sch. H-22A, p 3, line 27 col 5	-	
11	Annual Allocation Factor for Income Taxes	(line 10 divided by line 2 col 3)	0.00%	0.00%
<b>RETURN</b>				
12	Return on Rate Base	Sch. H-22A, p 3, line 28 col 5	-	
13	Annual Allocation Factor for Return on Rate Base	(line 12 divided by line 2 col 3)	0.00%	0.00%
<b>14</b>	<b>Annual Allocation Factor for Return</b>	<b>Sum of lines 11 and 13</b>		<b>0.00%</b>

Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
Legacy MTEP Credit

**Network Upgrade Charge Calculation By Project**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
Line No.	Project Name	MTEP Project Number	Project Gross Plant	Annual Allocation Factor for Expense	Annual Expense Charge	Project Net Plant	Annual Allocation Factor for Return	Annual Return Charge	Project Depreciation Expense	Annual Revenue Requirement	True-Up Adjustment	Network Upgrade Charge
		(Note C)	(Page 1 line 7)	(Col. 3 * Col. 4)	(Note D)	(Page 1 line 12)	(Col. 6 * Col. 7)	(Note E)	(Sum Col. 5, 8 & 9)	(Note F)	Sum Col. 10 & 11 (Note G)	
1b		\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00	\$0	\$0.00	\$ -	\$0.00	
1c		\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00	\$0	\$0.00	\$ -	\$0.00	
2	Annual Totals									\$0	\$0	\$0
3	Legacy MTEP Credit for Attachment H-22A, Page 1, Line 5a											\$0

Notes:

- A. Gross Transmission Plant is that identified on page 2 line 2 of Attachment H-22A and includes any sub lines 2a or 2b etc. and is inclusive of any CWIP included in rate base when authorized by FERC order.
- B. Net Transmission Plant is that identified on page 2 line 14 of Attachment H-22A and includes any sub lines 14a or 14b etc. and is inclusive of any CWIP included in rate base when authorized by FERC order.
- C. Project Gross Plant is the total capital investment for the project calculated in the same method as the gross plant value in line 1 and includes CWIP in rate base if applicable. This value includes subsequent capital investments required to maintain the facilities to their original capabilities.
- D. Project Net Plant is the Project Gross Plant Identified in Column 3 less the associated Accumulated Depreciation.
- E. Project Depreciation Expense is the actual value booked for the project and included in the Depreciation Expense in Attachment H-22A page 3 line 12.
- F. True-Up Adjustment is included pursuant to a FERC approved methodology if applicable.
- G. The Network Upgrade Charge is the value to be used in Schedule 26.
- H. The Total General and Common Depreciation Expense excludes any depreciation expense directly associated with a project and thereby included in page 2 column 9.

DUKE ENERGY OHIO, INC.  
DEPRECIATION RATES

FERC Account Number (A)	Company Account Number (B)	Description (C)	Actual Accrual Rates (D) %
<b>Wholly Owned Transmission Plant</b>			
350	3403	Rights of Way	1.54
352	3420	Structures & Improvements	1.90
352	3424	Structures & Improvements - Duke Ohio - Loc. in Ky.	1.90
353	3430	Station Equipment	1.68
353	3434	Station Equipment - Duke Ohio - Loc. in Ky.	1.68
354	3440	Towers & Fixtures	1.85
354	3444	Towers & Fixtures - Duke Ohio - Loc. in Ky.	1.85
355	3450	Poles & Fixtures	2.31
355	3454	Poles & Fixtures - Duke Ohio - Loc. in Ky.	2.31
356	3460	Overhead Conductors & Devices	1.91
356	3464	Overhead Conductors & Devices - Duke Ohio - Loc. in Ky.	1.91
357	3470	Underground Conduit	1.43
358	3480	Underground Conductors & Devices	2.37
<b>Commonly Owned Transmission Plant - CCD Projects</b>			
352	3421	Structures & Improvements - CCD Projects	2.50
352	3425	Structures & Improvements - CCD Projects	2.50
353	3431	Station Equipment - CCD Projects	2.86
353	3432	Station Equipment - CCD Projects	2.86
353	3435	Station Equipment - CCD Projects	2.86
353	3437	Station Equipment - CCD Projects	2.86
354	3441	Towers & Fixtures - CCD Projects	3.00
354	3442	Towers & Fixtures - CCD Projects	3.00
354	3445	Towers & Fixtures - CCD Projects	3.00
354	3446	Towers & Fixtures - CCD Projects - Loc. In Ky.	3.00
354	3448	Towers & Fixtures - CCD Projects	3.00
355	3451	Poles & Fixtures - CCD Projects	3.00
355	3455	Poles & Fixtures - CCD Projects	3.00
356	3461	Overhead Conductors & Devices - CCD Projects	2.50
356	3462	Overhead Conductors & Devices - CCD Projects	2.50
356	3465	Overhead Conductors & Devices - CCD Projects	2.50
356	3466	Overhead Conductors & Devices - CCD Projects - Loc. In Ky.	2.50
<b>Commonly Owned Transmission Plant - CD Projects</b>			
352	3423	Structures & Improvements - CD Projects	2.50
353	3433	Station Equipment - CD Projects	2.86
353	3438	Station Equipment - CD Projects	2.86
354	3447	Towers & Fixtures - CD Projects	3.00
356	3467	Overhead Conductors & Devices - CD Projects	2.50
<b>General and Intangible Plant</b>			
303	3030	Miscellaneous Intangible Plant	20.00
389	3890	Land and Land Rights	N/A
390	3900	Structures and Improvements	2.90
391	3910	Office Furniture and Equipment	5.00
391	3911	Electronic Data Processing Equipment	20.00
391	3920	Transportation Equipment	7.50
391	3921	Trailers	4.05
392	3940	Tools, Shop & Garage Equipment	4.00
392	3950	Laboratory Equipment	6.67
393	3960	Power Operated Equipment	4.45
393	3970	Communication Equipment	6.67
394	3980	Miscellaneous Equipment	5.00

DUKE ENERGY KENTUCKY, INC.  
DEPRECIATION RATES

<u>FERC Account Number</u> (A)	<u>Company Account Number</u> (B)	<u>Description</u> (C)	<u>Actual Accrual Rates</u> (D)
			%
		<b>Transmission Plant</b>	
350	3501	Rights of Way	1.48
352	3520	Structures & Improvements	0.41
353	3530	Station Equipment	2.25
353	3532	Station Equipment - Major	2.27
353	3535	Station Equipment – Electronic	9.55
355	3550	Poles & Fixtures	2.10
356	3560	Overhead Conductors & Devices	2.31
		<b>General and Intangible Plant</b>	20.00
303	3030	Miscellaneous Intangible Plant	1.77
390	3900	Land and Land Rights	18.56
391	39110	Structures and Improvements	6.53
392	3921	Electronic Data Processing Equipment	4.14
394	3940	Transportation Equipment	6.93
397	3970	Stores Equipment	

Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
Firm PTP Service Revenue Credit Adjustment Calculation

To be completed in conjunction with Attachment H-22A

<u>No.</u>	(1)	(2)	(3)
	<u>Reference</u>		<u>Company Total</u>
<b>REVENUE CREDIT TRUE-UP</b>			
1	Difference Between Revenue Received In PJM vs. Midwest ISO	(Note A)	\$0
<b>ACCUMULATED BALANCE OF REVENUE CREDIT TRUE-UP</b>			
2	Accumulated Balance of Deferral	(Note B)	\$0
3	Income Tax Rate for Deferral Calculation	(Note C)	0.00%
4	Deferred Income Taxes on Accumulated Deferral (line 2 * line 3)		\$0
5	Accumulated Deferral for Carrying Cost Calculation (Line 2 - Line 4)		\$0
<b>INCOME TAXES</b>			
6	$CIT = (T/(1-T)) * (1 - (WCLTD/R))$	Attachment H-22, page 3, line 22	0.00%
7	Income Taxes (Line 6 * Line 9)		\$0
<b>CARRYING COST ON DEFERRAL</b>			
8	FERC Refund Rate	(Note D)	0.00%
9	Carrying Cost (Line 5 * Line 8)		\$0
10	Revenue Credit Adjustment (Line 1 + Line 7 + Line 9)		\$0

Notes

- A. From Appendix E, Workpaper, Column (4).
- B. Accumulated balance of deferral as of December 31<sup>st</sup> of the year prior to effective date of new rate.
- C. Effective deferred tax rate during applicable test year.
- D. FERC Refund Rate is the approved rate as of December 31 of calendar prior to the rate year (see 18 C.F.R. Section 35.19a).

Duke Energy Ohio and Duke Energy Kentucky

Worksheet for Firm PTP Service Revenue Credit Adjustment Calculation

(1) Period	(2) Actual Firm PTP Service Revenue Included in Test Year Rate Calculation (Note A)	(3) Actual Firm PTP Service Revenue Received from PJM (Note B)	(4) = (2) - (3) Difference Between Revenue Received and Amount in Rates Excluding True Up	(5) Monthly True-Up Adjustment Included In H-22A Net Revenue Requirement (Note C)	(6) = (4) - (5) Amount Deferred for Future Recovery	(7) = Prior month's Balance + (6) Accumulated Balance of Deferred Firm PTP Service Revenue Credit Adjustment
Jan-12	\$ -	\$ -	\$ -	-	\$ -	\$ -
Feb-12	-	-	-	-	-	-
Mar-12	-	-	-	-	-	-
Apr-12	-	-	-	-	-	-
May-12	-	-	-	-	-	-
Jun-12	-	-	-	-	-	-
Jul-12	-	-	-	-	-	-
Aug-12	-	-	-	-	-	-
Sep-12	-	-	-	-	-	-
Oct-12	-	-	-	-	-	-
Nov-12	-	-	-	-	-	-
Dec-12	-	-	-	-	-	-
<b>Total</b>				\$ -	\$ -	-
Jan-13	-	-	-	-	\$ -	-
Feb-13	-	-	-	-	-	-
Mar-13	-	-	-	-	-	-
Apr-13	-	-	-	-	-	-
May-13	-	-	-	-	-	-
Jun-13	-	-	-	-	-	-
Jul-13	-	-	-	-	-	-
Aug-13	-	-	-	-	-	-
Sep-13	-	-	-	-	-	-
Oct-13	-	-	-	-	-	-
Nov-13	-	-	-	-	-	-
Dec-13	-	-	-	-	-	-
<b>Total</b>				\$ -	\$ -	\$ -
Jan-14	-	-	-	-	\$ -	\$ -
Feb-14	-	-	-	-	-	-
Mar-14	-	-	-	-	-	-
Apr-14	-	-	-	-	-	-
May-14	-	-	-	-	-	-
Jun-14	-	-	-	-	-	-
Jul-14	-	-	-	-	-	-
Aug-14	-	-	-	-	-	-
Sep-14	-	-	-	-	-	-
Oct-14	-	-	-	-	-	-
Nov-14	-	-	-	-	-	-
Dec-14	-	-	-	-	-	-
<b>Total</b>				\$ -	\$ -	\$ -
Jan-15	-	-	-	-	\$ -	\$ -
Feb-15	-	-	-	-	-	-
Mar-15	-	-	-	-	-	-
Apr-15	-	-	-	-	-	-
May-15	-	-	-	-	-	-
<b>Total</b>				\$ -	\$ -	\$ -

Notes:

- A. Monthly Firm PTP service revenue from Midwest ISO during test year applicable to currently effective NITS and PTP service rates.
- B. Actual monthly Firm PTP service revenue received from PJM during current period.
- C. Recovery of deferral begins with the first period for billing rates approved using a test year for Attachment H-22A that includes actual operations in PJM. The recovery of the amounts deferred between January 1, 2012, and December 31, 2012, will begin on June 1, 2013, and will end on May 31, 2014. The recovery of the amounts deferred between January 1, 2013 and May 31, 2013, will begin on June 1, 2014, and will end on May 31, 2015.

Clean revised Attachment H-22A  
(effective April 16, 2015)



Formula Rate - Non-Levelized

For the 12 months ended 12/31/       

**Rate Formula Template**  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

Line No.		Total	Allocator	Allocated Amount
1	GROSS REVENUE REQUIREMENT (page 3, line 29)			\$ -
	REVENUE CREDITS (Note T)			
2	Account No. 454 (page 4, line 34)	\$ -	TP 0.00000	\$ -
3	Account No. 456.1 (page 4, line 35)	0	TP 0.00000	0
4a	Revenues from Grandfathered Interzonal Transactions	0	TP 0.00000	0
4b	Revenues from service provided by ISO at a discount	0	TP 0.00000	0
5a	Legacy MTEP Credit (Appendix C, page 2, line 3, col. 12)	0	1.00000	0
5b	Firm PTP Revenue Credit Adjustment (Appendix E, line 10, col. 3)	0	1.00000	0
6	TOTAL REVENUE CREDITS (sum lines 2-5b)			\$ -
7	NET REVENUE REQUIREMENT (line 1 minus line 6)			\$ -
	DIVISOR			
8	1 CP (Note A)			0
9	12 CP (Note B)			0
10	Reserved			
11	Reserved			
12	Reserved			
13	Reserved			
14	Reserved			
15	Annual Cost (\$/kW/Yr) - 1 CP (line 7 / line 8)	\$0.000		
16	Annual Cost (\$/kW/Yr) - 12 CP (line 7 / line 9)	\$0.000		
17	Network Rate (\$/kW/Mo) (line 15 / 12)	\$0.000		
17a	Point-To-Point Rate (\$/kW/Mo) (line 16 / 12)	\$0.000		
		Peak Rate		Off-Peak Rate
18	Point-To-Point Rate (\$/kW/Wk) (line 16 / 52; line 16 / 52)	\$0.000		
19	Point-To-Point Rate (\$/kW/Day) (line 16 / 260; line 16 / 365)	\$0.000	Capped at weekly rate	\$0.000
20	Point-To-Point Rate (\$/MWh) (line 16 / 4,160; line 16 / 8,760 * 1000)	\$0.000	Capped at weekly and daily rate	\$0.000

Formula Rate - Non-Levelized

For the 12 months ended 12/31/ [REDACTED]

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

Line No.	(1) RATE BASE:	(2) Form No. 1 Page, Line, Col.	(3) Company Total	(4) Allocator	(5) Transmission (Col. 3 times Col. 4)
	GROSS PLANT IN SERVICE				
1	Production	205.46.g	\$ - NA		
2	Transmission	207.58.g	0 TP	0.00000	\$ -
3	Distribution	207.75.g	0 NA		
4	General & Intangible	205.5.g & 207.99.g	0 W/S	0.00000	0
5	Common	356.1	0 CE	0.00000	0
6	TOTAL GROSS PLANT (sum lines 1-5)		\$ - GP=	0.000%	\$ -
	ACCUMULATED DEPRECIATION				
7	Production	219.20-24.c	\$ - NA		
8	Transmission	219.25.c	0 TP	0.00000	\$ -
9	Distribution	219.26.c	0 NA		
10	General & Intangible	219.28.c	0 W/S	0.00000	0
11	Common	356.1	0 CE	0.00000	0
12	TOTAL ACCUM. DEPRECIATION (sum lines 7-11)		\$ -		\$ -
	NET PLANT IN SERVICE				
13	Production	(line 1 - line 7)	\$ -		
14	Transmission	(line 2 - line 8)	0		\$ -
15	Distribution	(line 3 - line 9)	0		
16	General & Intangible	(line 4 - line 10)	0		0
17	Common	(line 5 - line 11)	0		0
18	TOTAL NET PLANT (sum lines 13-17)		\$ - NP=	0.000%	\$ -
	ADJUSTMENTS TO RATE BASE (Note F)				
19	Account No. 281 (enter negative)	273.8.k	\$ - NA	zero	\$ -
20	Account No. 282 (enter negative)	275.2.k	0 NP	0.00000	0
21	Account No. 283 (enter negative)	277.9.k	0 NP	0.00000	0
22	Account No. 190	234.8.c	0 NP	0.00000	0
23	Account No. 255 (enter negative)	267.8.h	0 NP	0.00000	0
24	TOTAL ADJUSTMENTS (sum lines 19- 23)		\$ -		\$ -
25	LAND HELD FOR FUTURE USE (Note G)	214.x.d	\$ - TP	0.00000	\$ -
	WORKING CAPITAL (Note H)				
26	CWC	calculated	\$ -		0
27	Materials & Supplies (Note G)	227.8.c & .16.c	0 TE	0.00000	0
28	Prepayments (Account 165)	111.57.c	0 GP	0.00000	0
29	TOTAL WORKING CAPITAL (sum lines 26 - 28)		\$ -		\$ -
30	RATE BASE (sum lines 18, 24, 25, & 29)		\$ -		\$ -

Formula Rate - Non-Levelized

For the 12 months ended 12/31/ [REDACTED]

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

Line No.	(1) RATE BASE	(2) Form No. 1 Page, Line, Col.	(3) Company Total	(4) Allocator	(5) Transmission (Col. 3 times Col. 4)
1	O&M				
1	Transmission	321.112.b	\$ -	TE	0.00000
1a	Less LSE Expenses included in Transmission O&M Accounts (Note V)	321.88.b, 92.b; 322.121.b	0		1.00000
1b	Less Midcontinent ISO Fees included in Transmission O&M	(Note X)	0	TE	0.00000
2	Less Account 565	321.96.b	0	TE	0.00000
3	A&G	323.197.b	0	W/S	0.00000
3a	Less Actual PBOP Expense	(Note E)	0	W/S	0.00000
3b	Plus Fixed PBOP Expense	(Note E)	0	W/S	0.00000
3c	Less PJM Integration Costs included in A&G and Internal Integration Costs included in A&G	(Note Y)	0	W/S	0.00000
4	Less FERC Annual Fees	350.14.b	0	W/S	0.00000
5	Less EPRI & Reg. Comm. Exp. & Non-safety Advertising (Note I)		0	W/S	0.00000
5a	Plus Transmission Related Reg. Comm. Exp. (Note I)		0	TE	0.00000
6	Common	356.1	0	CE	0.00000
7	Transmission Lease Payments		0		1.00000
8	TOTAL O&M (Sum lines 1, , 3, 3b, 5a, 6, 7 less lines 1a, 1b, 2, 3a, 3c, 3d, 4, 5)		\$ -		\$ -
	DEPRECIATION EXPENSE				
9	Transmission	336.7.b	\$ -	TP	0.00000
10	General	336.10.b	0	W/S	0.00000
11	Common	336.11.b	0	CE	0.00000
12	TOTAL DEPRECIATION (Sum lines 9 - 11)		\$ -		\$ -
	TAXES OTHER THAN INCOME TAXES (Note J)				
	LABOR RELATED				
13	Payroll	263.i	\$ -	W/S	0.00000
14	Highway and vehicle	263.i	0	W/S	0.00000
15	PLANT RELATED				
16	Property	263.i	0	GP	0.00000
17	Gross Receipts	263.i	0	NA	zero
18	Other	263.i	0	GP	0.00000
19	Payments in lieu of taxes		0	GP	0.00000
20	TOTAL OTHER TAXES (sum lines 13 - 19)		\$ -		\$ -
	INCOME TAXES (Note K)				
21	$T=1 - \{(1 - SIT) * (1 - FIT)\} / (1 - SIT * FIT * p) =$		0.000000%		
22	$CIT=(T/1-T) * (1-(WCLTD/R)) =$		0.000000%		
	where WCLTD=(page 4, line 27) and R= (page 4, line 30) and FIT, SIT & p are as given in footnote K.				
23	$1 / (1 - T) =$ (from line 21)		0.0000		
24	Amortized Investment Tax Credit	266.8.f (enter negative)	0		
25	Income Tax Calculation (line 22 * line 28)		\$ -	NA	\$ -
26	ITC adjustment (line 23 * line 24)		0	NP	0.00000
27	Total Income Taxes	(line 25 plus line 26)	\$ -		\$ -
28	RETURN [Rate Base (page 2, line 30) * Rate of Return (page 4, line 30)]		\$ -	NA	\$ -
29	REV. REQUIREMENT (sum lines 8, 12, 20, 27, 28)		\$ -		\$ -

Formula Rate - Non-Levelized

For the 12 months ended 12/31/ [REDACTED]

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)  
SUPPORTING CALCULATIONS AND NOTES

<b>TRANSMISSION PLANT INCLUDED IN ISO RATES</b>									
1	Total transmission plant (page 2, line 2, column 3)							\$	-
2	Less transmission plant excluded from ISO rates (Note M)								0
3	Less transmission plant included in OATT Ancillary Services (Note N)								0
4	<hr/>								
4	Transmission plant included in ISO Rates (line 1 less lines 2 & 3)							\$	-
5	Percentage of transmission plant included in ISO Rates (line 4 divided by line 1)						TP=		0.00000
<b>TRANSMISSION EXPENSES</b>									
6	Total transmission expenses (page 3, line 1, column 3)							\$	-
7	Less transmission expenses included in OATT Ancillary Services (Note L)								0
8	<hr/>								
8	Included transmission expenses (line 6 less line 7)							\$	-
9	Percentage of transmission expenses after adjustment (line 8 divided by line 6)								0.00000
10	Percentage of transmission plant included in ISO Rates (line 5)						TP		0.00000
11	Percentage of transmission expenses included in ISO Rates (line 9 times line 10)						TE=		0.00000
<b>WAGES &amp; SALARY ALLOCATOR (W&amp;S)</b>									
		Form 1 Reference	\$	TP	Allocation				
12	Production	354.20.b	0	0.00	0				
13	Transmission	354.21.b	0	0.00	0				
14	Distribution	354.23.b	0	0.00	0				
15	Other	354.24,25,26.b	0	0.00	0			W&S Allocator	
16	Total (sum lines 12-15)		0		0	=		(\$ / Allocation)	
									0.00000 = WS
<b>COMMON PLANT ALLOCATOR (CE) (Note O)</b>									
			\$		% Electric			W&S Allocator	
17	Electric	200.3.c	0		(line 17 / line 20)			(line 16)	
18	Gas	201.3.d	0		0.00000 *			0.00000 =	CE
19	Water	201.3.e	0						0.00000
20	<hr/>								
20	Total (sum lines 17 - 19)		0						
<b>RETURN (R)</b>									
21		Long Term Interest (117, sum of 62.c through 67.c)						\$	0
22		Preferred Dividends (118.29c) (positive number)							0
23	Development of Common Stock:	Proprietary Capital (112.16.c)							0
24		Less Preferred Stock (line 28)							0
25		Less Account 216.1 (112.12.c) (enter negative)							0
26		Common Stock (sum lines 23-25)							0
27		(Note P)	\$	%	Cost			Weighted	
27	Long Term Debt (112, sum of 18.c through 21.c)		0	0%	0.0000			0.0000 =	WCLTD
28	Preferred Stock (112.3.c)		0	0%	0.0000			0.0000	
29	Common Stock (line 26)		0	0%	0.1138			0.0000	
30	Total (sum lines 27-29)		0					0.0000 =	R
<b>REVENUE CREDITS</b>									
31	ACCOUNT 447 (SALES FOR RESALE) (Note Q)	(310-311)						Load	
32	a. Bundled Non-RQ Sales for Resale (311.x.h)								0
33	b. Bundled Sales for Resale included in Divisor on page 1								-
33	<hr/>								
33	Total of (a)-(b)								0
34	ACCOUNT 454 (RENT FROM ELECTRIC PROPERTY) (Note R)		\$						-
35	ACCOUNT 456.1 (OTHER ELECTRIC REVENUES) (Note U)	(330.x.n)	\$						-

Formula Rate - Non-Levelized

For the 12 months ended 12/31/ [REDACTED]

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

General Note: References to pages in this formulary rate are indicated as: (page#, line#, col.#)  
References to data from FERC Form 1 are indicated as: #.y.x (page, line, column)

Notes:

- A DEOK 1 CP is Duke Energy Ohio ("DEO") Monthly Firm Transmission System Peak Load as reported on page 400, column b of Form 1 at the time of DEO's annual peak, plus load served by Duke Energy Kentucky at Longbranch. For years ending 12/31/2010 and 12/31/2011, this sum will be reduced by the amount of distribution load served by East Kentucky Power Cooperative via Duke Kentucky's Hebron substation. Excludes demands from grandfathered interzonal transactions and demands from service provided by ISO at a discount.
- B DEOK 12 CP is DEO Monthly Firm Transmission System Peak Load as reported on page 400, column b of Form 1 at the time of DEO's monthly peaks, plus load served by Duke Kentucky at Longbranch. For years ending 12/31/2010 and 12/31/2011, this sum will be reduced by the amount of distribution load served by East Kentucky Power Cooperative via Duke Kentucky's Hebron substation. Excludes demands from grandfathered interzonal transactions and demands from service provided by ISO at a discount.
- C Reserved
- D Reserved
- E This deduction is to remove expenses recorded by DEOK for Postretirement Benefits Other than Pensions (PBOP). PBOP expense is set forth in line 3b and is fixed until changed as the result of a filing at FERC. The fixed amount of PBOP for DEO is \$2,342,494 and for Duke Energy Kentucky ("DEK") is \$575,908.
- F The balances in Accounts 190, 281, 282 and 283, as adjusted by any amounts in contra accounts identified as regulatory assets or liabilities related to FASB 106 or 109. Balance of Account 255 is reduced by prior flow throughs and excluded if the utility chose to utilize amortization of tax credits against taxable income as discussed in Note K. Account 281 is not allocated.
- G Identified in Form 1 as being only transmission related.
- H Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission at page 3, line 8, column 5. Prepayments are the electric related prepayments booked to Account No. 165 and reported on Page 111 line 57 in the Form 1.
- I Line 5 - EPRI Annual Membership Dues listed in Form 1 at 353.f, all Regulatory Commission Expenses itemized at 351.h, and non-safety related advertising included in Account 930.1. Line 5a - Regulatory Commission Expenses directly related to transmission service, ISO filings, or transmission siting itemized at 351.h.
- J Includes only FICA, unemployment, highway, property, gross receipts, and other assessments charged in the current year. Taxes related to income are excluded. Gross receipts taxes are not included in transmission revenue requirement in the Rate Formula Template, since they are recovered elsewhere.
- K The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = "the percentage of federal income tax deductible for state income taxes". If the utility is taxed in more than one state it must attach a work paper showing the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) multiplied by (1/1-T) (page 3, line 26).  

Inputs Required:	FIT =	0.00%	
	SIT=	0.00%	(State Income Tax Rate or Composite SIT)
	p =	0.00%	(percent of federal income tax deductible for state purposes)
- L Removes dollar amount of transmission expenses included in the OATT ancillary services rates, including Account Nos. 561.1, 561.2, 561.3, and 561.BA.
- M Removes transmission plant determined by Commission order to be state-jurisdictional according to the seven-factor test (until Form 1 balances are adjusted to reflect application of seven-factor test).
- N Removes dollar amount of transmission plant included in the development of OATT ancillary services rates and generation step-up facilities, which are deemed to be included in OATT ancillary services. For these purposes, generation step-up facilities are those facilities at a generator substation on which there is no through-flow when the generator is shut down.
- O Enter dollar amounts.
- P Debt cost rate = long-term interest (line 21) / long term debt (line 27). Preferred cost rate = preferred dividends (line 22) / preferred outstanding (line 28). ROE will be supported in the original filing and no change in ROE may be made absent a filing with FERC. Capitalization adjusted to exclude impacts of purchase accounting.
- Q Line 33 must equal zero since all short-term power sales must be unbundled and the transmission component reflected in Account No. 456.1 and all other uses are to be included in the divisor.
- R Includes income related only to transmission facilities, such as pole attachments, rentals and special use.
- S Reserved
- T The revenues credited on page 1 lines 2-5c shall include only the amounts received directly (in the case of grandfathered agreements) or from the ISO (for service under this tariff) reflecting the Transmission Owner's integrated transmission facilities. They do not include revenues associated with FERC annual charges, gross receipts taxes, ancillary services, or facilities not included in this template (e.g., direct assignment facilities and GSUs) which are not recovered under this Rate Formula Template.

Formula Rate - Non-Levelized

For the 12 months ended 12/31/     

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

General Note: References to pages in this formulary rate are indicated as: (page#, line#, col.)  
References to data from FERC Form 1 are indicated as: #.y.x (page, line, column)

Notes:

- U On Line 35, enter revenues from RTO settlements that are associated with NITS and firm Point-to-Point Service for which the load is not included in the divisor to derive Duke Energy Ohio's and Duke Energy Kentucky's zonal rates. Exclude non-firm Point-to-Point revenues, revenues related to MTEP and RTEP projects, revenues from grandfathered interzonal transactions and revenues from service provided by ISO at a discount.
- V Account Nos. 561.4, 561.8 and 575.7 consist of RTO expenses billed to load-serving entities and are not included in Transmission Owner revenue requirements.
- W Reserved
- X Midcontinent ISO Fees include (1) the charges that DEOK paid to the Midcontinent ISO pursuant to the Settlement Agreement filed on July 29, 2011 in Docket No. ER11-2059 and (2) the exit fees that DEOK paid to the Midcontinent ISO pursuant to the Exit Fee Agreement filed on October 5, 2011 in Docket No. ER12-33.
- Y PJM Integration Costs are the fees that PJM assessed DEOK for the costs that PJM incurred in connection with DEOK's move into PJM. Internal Integration Costs are the internal administrative costs incurred by Duke Energy Ohio and Duke Energy Kentucky to accomplish their move from the Midcontinent ISO into PJM.

For the 12 months ended 12/31/

Duke Energy Ohio and Duke Energy Kentucky  
Transmission Formula Rate Revenue Requirement  
Utilizing FERC Form 1 Data  
For Rates Effective January 1, 2012

Schedule 1A Rate Calculation

Line No.	Source	Revenue Requirement
<b>A. <u>Schedule 1A Annual Revenue Requirements</u></b>		
1	Total Load Dispatch & Scheduling (Account 561) Attachment H-22A, Page 4, Line 7	\$ -
2	Revenue Credits for Schedule 1A - Note A	\$ -
3	Net Schedule 1A Revenue Requirement for Zone	\$ -
<b>B. <u>Schedule 1A Rate Calculations</u></b>		
4	2010 Annual MWh - Note B (401a.22b & 24b)	- MWh
5	Schedule 1A rate \$/MWh (Line 3 / Line 4) (Line 3 / Line 4)	\$0.0000 \$/MWh

Notes:

- A Revenue received pursuant to PJM Schedule 1A revenue allocation procedures for transmission service outside of DEOK's zone during the year used to calculate rates under Attachment H-22A.
- B Load expressed in MWh consistent with load used for billing under Schedule 1A for the DEOK zone. Data from RTO settlement systems for the calendar year prior to the rate year.

Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
RTEP – Transmission Enhancement Charges

To be completed in conjunction with Attachment H-22A

Line No.	(1)	(2)	(3)	(4)	
Line No.	Attachment H-22A Page, Line, Col.			Transmission	Allocator
	TRANSMISSION PLANT				
1	Gross Transmission Plant - Total	Sch. H-22A, p 2, line 2 col 5 (Note A)	-		
2	Net Transmission Plant - Total	Sch. H-22A, p 2, line 14 col 5 (Note B)	-		
	O&M EXPENSE				
3	Total O&M Allocated to Transmission	Sch. H-22A, p 3, line 8 col 5	-		
4	Annual Allocation Factor for O&M	(line 3 divided by line 1 col 3)	0.00%	0.00%	
	GENERAL AND COMMON (G&C) DEPRECIATION EXPENSE				
5	Total G&C Depreciation Expense	Sch. H-22A, p 3, lines 10 & 11, col 5 (Note H)	-		
6	Annual Allocation Factor for G&C Depreciation Expense	(line 5 divided by line 1 col 3)	0.00%	0.00%	
	TAXES OTHER THAN INCOME TAXES				
7	Total Other Taxes	Sch. H-22A, p 3, line 20 col 5	-		
8	Annual Allocation Factor for Other Taxes	(line 5 divided by line 1 col 3)	0.00%	0.00%	
<b>9</b>	<b>Annual Allocation Factor for Expense</b>	<b>Sum of lines 4, 6 and 8</b>		<b>0.00%</b>	
	INCOME TAXES				
10	Total Income Taxes	Sch. H-22A, p 3, line 27 col 5	-		
11	Annual Allocation Factor for Income Taxes	(line 8 divided by line 2 col 3)	0.00%	0.00%	
	RETURN				
12	Return on Rate Base	Sch. H-22A, p 3, line 28 col 5	-		
13	Annual Allocation Factor for Return on Rate Base	(line 10 divided by line 2 col 3)	0.00%	0.00%	
<b>14</b>	<b>Annual Allocation Factor for Return</b>	<b>Sum of lines 11 and 13</b>		<b>0.00%</b>	



Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
RTEP – Transmission Enhancement Charges

**Network Upgrade Charge Calculation By Project**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
Line No.	Project Name	RTEP Project Number	Project Gross Plant	Annual Allocation Factor for Expense	Annual Expense Charge	Project Net Plant	Annual Allocation Factor for Return	Annual Return Charge	Project Depreciation Expense	Annual Revenue Requirement	True-Up Adjustment	Network Upgrade Charge
			(Page 1 line 7) (Note C)	(Col. 3 * Col. 4)	(Note D)	(Page 1 line 12)	(Col. 6 * Col. 7)	(Note E)	(Sum Col. 5, 8 & 9)	(Note F)	Sum Col. 10 & 11 (Note G)	
1b		\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00	\$0	\$0.00	\$ -	\$0.00	
1c		\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00	\$0	\$0.00	\$ -	\$0.00	
2	Annual Totals								\$0	\$0	\$0	
3	RTEP Transmission Enhancement Charges for Attachment H-22A, Page 1, Line 5c											\$0

Notes:

- A. Gross Transmission Plant is that identified on page 2 line 2 of Attachment H-22A and includes any sub lines 2a or 2b etc. and is inclusive of any CWIP included in rate base when authorized by FERC order.
- B. Net Transmission Plant is that identified on page 2 line 14 of Attachment H-22A and includes any sub lines 14a or 14b etc. and is inclusive of any CWIP included in rate base when authorized by FERC order.
- C. Project Gross Plant is the total capital investment for the project calculated in the same method as the gross plant value in line 1 and includes CWIP in rate base if applicable. This value includes subsequent capital investments required to maintain the facilities to their original capabilities.
- D. Project Net Plant is the Project Gross Plant Identified in Column 3 less the associated Accumulated Depreciation.
- E. Project Depreciation Expense is the actual value booked for the project and included in the Depreciation Expense in Attachment H-22A page 3 line 12.
- F. True-Up Adjustment is included pursuant to a FERC approved methodology if applicable.
- G. The Network Upgrade Charge is the value to be used in Schedule 26.
- H. The Total General and Common Depreciation Expense excludes any depreciation expense directly associated with a project and thereby included in page 2 column 9.

Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
Legacy MTEP Credit

To be completed in conjunction with Attachment H-22A

Line No.	(1)	(2)	(3)	(4)
Line No.	Attachment H-22A Page, Line, Col.	Transmission	Allocator	
<b>TRANSMISSION PLANT</b>				
1	Gross Transmission Plant - Total	Sch. H-22A, p 2, line 2 col 5 (Note A)	-	
2	Net Transmission Plant - Total	Sch. H-22A, p 2, line 14 col 5 (Note B)	-	
<b>O&amp;M EXPENSE</b>				
3	Total O&M Allocated to Transmission	Sch. H-22A, p 3, line 8 col 5	-	
4	Annual Allocation Factor for O&M	(line 3 divided by line 1 col 3)	0.00%	0.00%
<b>GENERAL AND COMMON (G&amp;C) DEPRECIATION EXPENSE</b>				
5	Total G&C Depreciation Expense	Sch. H-22A, p 3, lines 10 & 11, col 5 (Note H)	-	
6	Annual Allocation Factor for G&C Depreciation Expense	(line 5 divided by line 1 col 3)	0.00%	0.00%
<b>TAXES OTHER THAN INCOME TAXES</b>				
7	Total Other Taxes	Sch. H-22A, p 3, line 20 col 5	-	
8	Annual Allocation Factor for Other Taxes	(line 7 divided by line 1 col 3)	0.00%	0.00%
<b>9</b>	<b>Annual Allocation Factor for Expense</b>	<b>Sum of lines 4, 6 and 8</b>		<b>0.00%</b>
<b>INCOME TAXES</b>				
10	Total Income Taxes	Sch. H-22A, p 3, line 27 col 5	-	
11	Annual Allocation Factor for Income Taxes	(line 10 divided by line 2 col 3)	0.00%	0.00%
<b>RETURN</b>				
12	Return on Rate Base	Sch. H-22A, p 3, line 28 col 5	-	
13	Annual Allocation Factor for Return on Rate Base	(line 12 divided by line 2 col 3)	0.00%	0.00%
<b>14</b>	<b>Annual Allocation Factor for Return</b>	<b>Sum of lines 11 and 13</b>		<b>0.00%</b>

Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
Legacy MTEP Credit

**Network Upgrade Charge Calculation By Project**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
Line No.	Project Name	MTEP Project Number	Project Gross Plant	Annual Allocation Factor for Expense	Annual Expense Charge	Project Net Plant	Annual Allocation Factor for Return	Annual Return Charge	Project Depreciation Expense	Annual Revenue Requirement	True-Up Adjustment	Network Upgrade Charge
		(Note C)	(Page 1 line 7)	(Col. 3 * Col. 4)	(Note D)	(Page 1 line 12)	(Col. 6 * Col. 7)	(Note E)	(Sum Col. 5, 8 & 9)	(Note F)	Sum Col. 10 & 11 (Note G)	
1b		\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00	\$0	\$0.00	\$ -	\$0.00	
1c		\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00	\$0	\$0.00	\$ -	\$0.00	
2	Annual Totals									\$0	\$0	\$0
3	Legacy MTEP Credit for Attachment H-22A, Page 1, Line 5a											\$0

Notes:

- A. Gross Transmission Plant is that identified on page 2 line 2 of Attachment H-22A and includes any sub lines 2a or 2b etc. and is inclusive of any CWIP included in rate base when authorized by FERC order.
- B. Net Transmission Plant is that identified on page 2 line 14 of Attachment H-22A and includes any sub lines 14a or 14b etc. and is inclusive of any CWIP included in rate base when authorized by FERC order.
- C. Project Gross Plant is the total capital investment for the project calculated in the same method as the gross plant value in line 1 and includes CWIP in rate base if applicable. This value includes subsequent capital investments required to maintain the facilities to their original capabilities.
- D. Project Net Plant is the Project Gross Plant Identified in Column 3 less the associated Accumulated Depreciation.
- E. Project Depreciation Expense is the actual value booked for the project and included in the Depreciation Expense in Attachment H-22A page 3 line 12.
- F. True-Up Adjustment is included pursuant to a FERC approved methodology if applicable.
- G. The Network Upgrade Charge is the value to be used in Schedule 26.
- H. The Total General and Common Depreciation Expense excludes any depreciation expense directly associated with a project and thereby included in page 2 column 9.

DUKE ENERGY OHIO, INC.  
DEPRECIATION RATES

FERC Account Number (A)	Company Account Number (B)	Description (C)	Actual Accrual Rates (D) %
<b>Wholly Owned Transmission Plant</b>			
350	3403	Rights of Way	1.54
352	3420	Structures & Improvements	1.90
352	3424	Structures & Improvements - Duke Ohio - Loc. in Ky.	1.90
353	3430	Station Equipment	1.68
353	3434	Station Equipment - Duke Ohio - Loc. in Ky.	1.68
354	3440	Towers & Fixtures	1.85
354	3444	Towers & Fixtures - Duke Ohio - Loc. in Ky.	1.85
355	3450	Poles & Fixtures	2.31
355	3454	Poles & Fixtures - Duke Ohio - Loc. in Ky.	2.31
356	3460	Overhead Conductors & Devices	1.91
356	3464	Overhead Conductors & Devices - Duke Ohio - Loc. in Ky.	1.91
357	3470	Underground Conduit	1.43
358	3480	Underground Conductors & Devices	2.37
<b>Commonly Owned Transmission Plant - CCD Projects</b>			
352	3421	Structures & Improvements - CCD Projects	2.50
352	3425	Structures & Improvements - CCD Projects	2.50
353	3431	Station Equipment - CCD Projects	2.86
353	3432	Station Equipment - CCD Projects	2.86
353	3435	Station Equipment - CCD Projects	2.86
353	3437	Station Equipment - CCD Projects	2.86
354	3441	Towers & Fixtures - CCD Projects	3.00
354	3442	Towers & Fixtures - CCD Projects	3.00
354	3445	Towers & Fixtures - CCD Projects	3.00
354	3446	Towers & Fixtures - CCD Projects - Loc. In Ky.	3.00
354	3448	Towers & Fixtures - CCD Projects	3.00
355	3451	Poles & Fixtures - CCD Projects	3.00
355	3455	Poles & Fixtures - CCD Projects	3.00
356	3461	Overhead Conductors & Devices - CCD Projects	2.50
356	3462	Overhead Conductors & Devices - CCD Projects	2.50
356	3465	Overhead Conductors & Devices - CCD Projects	2.50
356	3466	Overhead Conductors & Devices - CCD Projects - Loc. In Ky.	2.50
<b>Commonly Owned Transmission Plant - CD Projects</b>			
352	3423	Structures & Improvements - CD Projects	2.50
353	3433	Station Equipment - CD Projects	2.86
353	3438	Station Equipment - CD Projects	2.86
354	3447	Towers & Fixtures - CD Projects	3.00
356	3467	Overhead Conductors & Devices - CD Projects	2.50
<b>General and Intangible Plant</b>			
303	3030	Miscellaneous Intangible Plant	20.00
389	3890	Land and Land Rights	N/A
390	3900	Structures and Improvements	2.90
391	3910	Office Furniture and Equipment	5.00
391	3911	Electronic Data Processing Equipment	20.00
391	3920	Transportation Equipment	7.50
391	3921	Trailers	4.05
392	3940	Tools, Shop & Garage Equipment	4.00
392	3950	Laboratory Equipment	6.67
393	3960	Power Operated Equipment	4.45
393	3970	Communication Equipment	6.67
394	3980	Miscellaneous Equipment	5.00

DUKE ENERGY KENTUCKY, INC.  
DEPRECIATION RATES

<u>FERC Account Number</u> (A)	<u>Company Account Number</u> (B)	<u>Description</u> (C)	<u>Actual Accrual Rates</u> (D)
			%
		<b>Transmission Plant</b>	
350	3501	Rights of Way	1.48
352	3520	Structures & Improvements	0.41
353	3530	Station Equipment	2.25
353	3532	Station Equipment - Major	2.27
353	3535	Station Equipment – Electronic	9.55
355	3550	Poles & Fixtures	2.10
356	3560	Overhead Conductors & Devices	2.31
		<b>General and Intangible Plant</b>	20.00
303	3030	Miscellaneous Intangible Plant	1.77
390	3900	Land and Land Rights	18.56
391	39110	Structures and Improvements	6.53
392	3921	Electronic Data Processing Equipment	4.14
394	3940	Transportation Equipment	6.93
397	3970	Stores Equipment	

Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
Firm PTP Service Revenue Credit Adjustment Calculation

To be completed in conjunction with Attachment H-22A

<u>No.</u>	(1)	(2)	(3)
	<u>Reference</u>		<u>Company Total</u>
<b>REVENUE CREDIT TRUE-UP</b>			
1	Difference Between Revenue Received In PJM vs. Midcontinent ISO	(Note A)	\$0
<b>ACCUMULATED BALANCE OF REVENUE CREDIT TRUE-UP</b>			
2	Accumulated Balance of Deferral	(Note B)	\$0
3	Income Tax Rate for Deferral Calculation	(Note C)	0.00%
4	Deferred Income Taxes on Accumulated Deferral (line 2 * line 3)		\$0
5	Accumulated Deferral for Carrying Cost Calculation (Line 2 - Line 4)		\$0
<b>INCOME TAXES</b>			
6	CIT = (T/(1-T)) * (1 - (WCLTD/R))	Attachment H-22, page 3, line 22	0.00%
7	Income Taxes (Line 6 * Line 9)		\$0
<b>CARRYING COST ON DEFERRAL</b>			
8	FERC Refund Rate	(Note D)	0.00%
9	Carrying Cost (Line 5 * Line 8)		\$0
10	Revenue Credit Adjustment (Line 1 + Line 7 + Line 9)		\$0

Notes

- A. From Appendix E, Workpaper, Column (4).
- B. Accumulated balance of deferral as of December 31<sup>st</sup> of the year prior to effective date of new rates.
- C. Effective deferred tax rate during applicable test year.
- D. FERC Refund Rate is the approved rate as of December 31 of calendar prior to the rate year (see 18 C.F.R. Section 35.19a).

Duke Energy Ohio and Duke Energy Kentucky  
Worksheet for Firm PTP Service Revenue Credit Adjustment Calculation

(1) Period	(2) Actual Firm PTP Service Revenue Included in Test Year Rate Calculation (Note A)	(3) Actual Firm PTP Service Revenue Received from PJM (Note B)	(4) = (2) - (3) Difference Between Revenue Received and Amount in Rates Excluding True Up	(5) Monthly True-Up Adjustment Included In H-22A Net Revenue Requirement (Note C)	(6) = (4) - (5) Amount Deferred for Future Recovery	(7) = Prior month's Balance + (6) Accumulated Balance of Deferred Firm PTP Service Revenue Credit Adjustment
Jan-12	\$ -	\$ -	\$ -	-	\$ -	\$ -
Feb-12	-	-	-	-	-	-
Mar-12	-	-	-	-	-	-
Apr-12	-	-	-	-	-	-
May-12	-	-	-	-	-	-
Jun-12	-	-	-	-	-	-
Jul-12	-	-	-	-	-	-
Aug-12	-	-	-	-	-	-
Sep-12	-	-	-	-	-	-
Oct-12	-	-	-	-	-	-
Nov-12	-	-	-	-	-	-
Dec-12	-	-	-	-	-	-
<b>Total</b>				\$ -	\$ -	-
Jan-13	-	-	-	-	\$ -	-
Feb-13	-	-	-	-	-	-
Mar-13	-	-	-	-	-	-
Apr-13	-	-	-	-	-	-
May-13	-	-	-	-	-	-
Jun-13	-	-	-	-	-	-
Jul-13	-	-	-	-	-	-
Aug-13	-	-	-	-	-	-
Sep-13	-	-	-	-	-	-
Oct-13	-	-	-	-	-	-
Nov-13	-	-	-	-	-	-
Dec-13	-	-	-	-	-	\$ -
<b>Total</b>				\$ -	\$ -	-
Jan-14	-	-	-	-	\$ -	\$ -
Feb-14	-	-	-	-	-	-
Mar-14	-	-	-	-	-	-
Apr-14	-	-	-	-	-	-
May-14	-	-	-	-	-	-
Jun-14	-	-	-	-	-	-
Jul-14	-	-	-	-	-	-
Aug-14	-	-	-	-	-	-
Sep-14	-	-	-	-	-	-
Oct-14	-	-	-	-	-	-
Nov-14	-	-	-	-	-	-
Dec-14	-	-	-	-	-	\$ -
<b>Total</b>				\$ -	\$ -	-
Jan-15	-	-	-	-	\$ -	\$ -
Feb-15	-	-	-	-	-	-
Mar-15	-	-	-	-	-	-
Apr-15	-	-	-	-	-	-
May-15	-	-	-	-	-	\$ -
<b>Total</b>				\$ -	\$ -	-

Notes:

- A. Monthly Firm PTP service revenue from Midcontinent ISO during test year applicable to currently effectives NITS and PTP service rates.
- B. Actual monthly Firm PTP service revenue received from PJM during current period.
- C. Recovery of deferral begins with the first period for billing rates approved using a test year for Attachment H-22A that includes actual operations in PJM. The recovery of the amounts deferred between January 1, 2012, and December 31, 2012, will begin on June 1, 2013, and will end on May 31, 2014. The recovery of the amounts deferred between January 1, 2013 and May 31, 2013, will begin on June 1, 2014, and will end on May 31, 2015.

Clean revised Attachment H-22A  
(effective June 1, 2015)



Formula Rate - Non-Levelized

For the 12 months ended 12/31/ [REDACTED]

**Rate Formula Template**  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

Line No.					Allocated Amount
1	GROSS REVENUE REQUIREMENT (page 3, line 29)				\$ -
	REVENUE CREDITS (Note T)				
2	Account No. 454 (page 4, line 34)	Total	TP	0.00000	\$ -
3	Account No. 456.1 (page 4, line 35)		TP	0.00000	0
4a	Revenues from Grandfathered Interzonal Transactions		TP	0.00000	0
4b	Revenues from service provided by ISO at a discount		TP	0.00000	0
5a	Legacy MTEP Credit (Appendix C, page 2, line 3, col. 12)			1.00000	0
5b	Firm PTP Revenue Credit Adjustment (Appendix E, line 10, col. 3)			1.00000	0
6	TOTAL REVENUE CREDITS (sum lines 2-5b)				\$ -
7	NET REVENUE REQUIREMENT (line 1 minus line 6)				\$ -
	DIVISOR				
8	1 CP (Note A)				0
9	12 CP (Note B)				0
10	Reserved				
11	Reserved				
12	Reserved				
13	Reserved				
14	Reserved				
15	Annual Cost (\$/kW/Yr) - 1 CP (line 7 / line 8)				\$0.000
16	Annual Cost (\$/kW/Yr) - 12 CP (line 7 / line 9)				\$0.000
17	Network Rate (\$/kW/Mo) (line 15 / 12)				\$0.000
17a	Point-To-Point Rate (\$/kW/Mo) (line 16 / 12)				\$0.000
			Peak Rate		Off-Peak Rate
18	Point-To-Point Rate (\$/kW/Wk) (line 16 / 52; line 16 / 52)			\$0.000	
19	Point-To-Point Rate (\$/kW/Day) (line 16 / 260; line 16 / 365)			\$0.000	Capped at weekly rate \$0.000
20	Point-To-Point Rate (\$/MWh) (line 16 / 4,160; line 16 / 8,760 * 1000)			\$0.000	Capped at weekly and daily rate \$0.000

Formula Rate - Non-Levelized

For the 12 months ended 12/31/ [REDACTED]

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

Line No.	(1) RATE BASE:	(2) Form No. 1 Page, Line, Col.	(3) Company Total		(4) Allocator	(5) Transmission (Col. 3 times Col. 4)
<b>GROSS PLANT IN SERVICE</b>						
1	Production	205.46.g	\$ -	NA		
2	Transmission	207.58.g	0	TP	0.00000	\$ -
3	Distribution	207.75.g	0	NA		
4	General & Intangible	205.5.g & 207.99.g	0	W/S	0.00000	0
5	Common	356.1	0	CE	0.00000	0
6	TOTAL GROSS PLANT (sum lines 1-5)		\$ -	GP=	0.000%	\$ -
<b>ACCUMULATED DEPRECIATION</b>						
7	Production	219.20-24.c	\$ -	NA		
8	Transmission	219.25.c	0	TP	0.00000	\$ -
9	Distribution	219.26.c	0	NA		
10	General & Intangible	219.28.c	0	W/S	0.00000	0
11	Common	356.1	0	CE	0.00000	0
12	TOTAL ACCUM. DEPRECIATION (sum lines 7-11)		\$ -			\$ -
<b>NET PLANT IN SERVICE</b>						
13	Production	(line 1 - line 7)	\$ -			
14	Transmission	(line 2 - line 8)	0			\$ -
15	Distribution	(line 3 - line 9)	0			
16	General & Intangible	(line 4 - line 10)	0			0
17	Common	(line 5 - line 11)	0			0
18	TOTAL NET PLANT (sum lines 13-17)		\$ -	NP=	0.000%	\$ -
<b>ADJUSTMENTS TO RATE BASE (Note F)</b>						
19	Account No. 281 (enter negative)	273.8.k	\$ -	NA	zero	\$ -
20	Account No. 282 (enter negative)	275.2.k	0	NP	0.00000	0
21	Account No. 283 (enter negative)	277.9.k	0	NP	0.00000	0
22	Account No. 190	234.8.c	0	NP	0.00000	0
23	Account No. 255 (enter negative)	267.8.h	0	NP	0.00000	0
24	TOTAL ADJUSTMENTS (sum lines 19- 23)		\$ -			\$ -
25	LAND HELD FOR FUTURE USE (Note G)	214.x.d	\$ -	TP	0.00000	\$ -
<b>WORKING CAPITAL (Note H)</b>						
26	CWC	calculated	\$ -			0
27	Materials & Supplies (Note G)	227.8.c & .16.c	0	TE	0.00000	0
28	Prepayments (Account 165)	111.57.c	0	GP	0.00000	0
29	TOTAL WORKING CAPITAL (sum lines 26 - 28)		\$ -			\$ -
30	RATE BASE (sum lines 18, 24, 25, & 29)		\$ -			\$ -

Formula Rate - Non-Levelized

For the 12 months ended 12/31/       

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

Line No.	(1)	(2) Form No. 1 Page, Line, Col.	(3) Company Total		(4) Allocator	(5) Transmission (Col. 3 times Col. 4)
<b>O&amp;M</b>						
1	Transmission	321.112.b	\$ -	TE	0.00000	\$ -
1a	Less LSE Expenses included in Transmission O&M Accounts (Note V)	321.88.b, 92.b; 322.121.b	0		1.00000	0
1b	Less <i>Midcontinent</i> ISO Fees included in Transmission O&M	(Note X)	0	TE	0.00000	0
2	Less Account 565	321.96.b	0	TE	0.00000	0
3	A&G	323.197.b	0	W/S	0.00000	0
3a	Less Actual PBOP Expense	(Note E)	0	W/S	0.00000	0
3b	Plus Fixed PBOP Expense	(Note E)	0	W/S	0.00000	0
3c	Less PJM <i>Integration Costs</i> included in A&G and <i>Internal Integration</i> Costs included in A&G	(Note Y)	0	W/S	0.00000	0
4	Less FERC Annual Fees	350.14.b	0	W/S	0.00000	0
5	Less EPRI & Reg. Comm. Exp. & Non-safety Advertising (Note I)		0	W/S	0.00000	0
5a	Plus Transmission Related Reg. Comm. Exp. (Note I)		0	TE	0.00000	0
6	Common	356.1	0	CE	0.00000	0
7	Transmission Lease Payments		0		1.00000	0
8	TOTAL O&M (Sum lines 1, , 3, 3b, 5a, 6, 7 less lines 1a, 1b, 2, 3a, 3c, , 4, 5)		\$ -			\$ -
<b>DEPRECIATION EXPENSE</b>						
9	Transmission	336.7.b	\$ -	TP	0.00000	\$ -
10	General	336.10.b	0	W/S	0.00000	0
11	Common	336.11.b	0	CE	0.00000	0
12	TOTAL DEPRECIATION (Sum lines 9 - 11)		\$ -			\$ -
<b>TAXES OTHER THAN INCOME TAXES (Note J)</b>						
<b>LABOR RELATED</b>						
13	Payroll	263.i	\$ -	W/S	0.00000	\$ -
14	Highway and vehicle	263.i	0	W/S	0.00000	0
<b>PLANT RELATED</b>						
16	Property	263.i	0	GP	0.00000	0
17	Gross Receipts	263.i	0	NA	zero	0
18	Other	263.i	0	GP	0.00000	0
19	Payments in lieu of taxes		0	GP	0.00000	0
20	TOTAL OTHER TAXES (sum lines 13 - 19)		\$ -			\$ -
<b>INCOME TAXES (Note K)</b>						
21	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$		0.000000%			
22	$CIT=(T/1-T) * (1-(WCLTD/R)) =$ where WCLTD=(page 4, line 27) and R= (page 4, line 30) and FIT, SIT & p are as given in footnote K.		0.000000%			
23	$1 / (1 - T) =$ (from line 21)		0.0000			
24	Amortized Investment Tax Credit	266.8.f (enter negative)	0			
25	Income Tax Calculation (line 22 * line 28)		\$ -	NA		\$ -
26	ITC adjustment (line 23 * line 24)		0	NP	0.00000	0
27	Total Income Taxes	(line 25 plus line 26)	\$ -			\$ -

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28	RETURN [Rate Base (page 2, line 30) * Rate of Return (page 4, line 30)]	\$ - NA	\$ -
29	REV. REQUIREMENT (sum lines 8, 12, 20, 27, 28)	<u>\$ -</u>	<u>\$ -</u>
		<u>          </u>	<u>          </u>

Formula Rate - Non-Levelized

For the 12 months ended 12/31/

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)  
SUPPORTING CALCULATIONS AND NOTES

Line No. **TRANSMISSION PLANT INCLUDED IN ISO RATES**

1	Total transmission plant (page 2, line 2, column 3)	\$	-
2	Less transmission plant excluded from ISO rates (Note M)		0
3	Less transmission plant included in OATT Ancillary Services (Note N)		0
4	Transmission plant included in ISO Rates (line 1 less lines 2 & 3)	\$	-

5 Percentage of transmission plant included in ISO Rates (line 4 divided by line 1) TP= 0.00000

**TRANSMISSION EXPENSES**

6	Total transmission expenses (page 3, line 1, column 3)	\$	-
7	Less transmission expenses included in OATT Ancillary Services (Note L)		0
8	Included transmission expenses (line 6 less line 7)	\$	-

9 Percentage of transmission expenses after adjustment (line 8 divided by line 6) 0.00000  
 10 Percentage of transmission plant included in ISO Rates (line 5) TP 0.00000  
 11 Percentage of transmission expenses included in ISO Rates (line 9 times line 10) TE= 0.00000

**WAGES & SALARY ALLOCATOR (W&S)**

	Form 1 Reference	\$	TP	Allocation		
12	Production	354.20.b	0	0.00	0	
13	Transmission	354.21.b	0	0.00	0	
14	Distribution	354.23.b	0	0.00	0	
15	Other	354.24,25,26.b	0	0.00	0	
16	Total (sum lines 12-15)		0		0	= <u>W&amp;S Allocator (\$ / Allocation)</u> = 0.00000 = WS

**COMMON PLANT ALLOCATOR (CE) (Note O)**

		\$	% Electric (line 17 / line 20)	*	W&S Allocator (line 16)	=	CE
17	Electric	200.3.c	0				
18	Gas	201.3.d	0				
19	Water	201.3.e	0	0.00000			
20	Total (sum lines 17 - 19)		0		0.00000	=	0.00000

**RETURN (R)**

21	Long Term Interest (117, sum of 62.c through 67.c)	\$	0
22	Preferred Dividends (118.29c) (positive number)		0
23	Development of Common Stock:		
24	Proprietary Capital (112.16.c)		0
25	Less Preferred Stock (line 28)		0
26	Less Account 216.1 (112.12.c) (enter negative)		0
	Common Stock (sum lines 23-25)		0

	(Note P)	\$	%	Cost	Weighted	=	
27	Long Term Debt (112, sum of 18.c through 21.c)	0	0%	0.0000	0.0000	=	WCLTD
28	Preferred Stock (112.3.c)	0	0%	0.0000	0.0000	=	
29	Common Stock (line 26)	0	0%	0.1138	0.0000	=	
30	Total (sum lines 27-29)	0			0.0000	=	R

**REVENUE CREDITS**

		<u>Load</u>
31	ACCOUNT 447 (SALES FOR RESALE) (Note Q)	
	a. Bundled Non-RQ Sales for Resale (311.x.h)	0
32	b. Bundled Sales for Resale included in Divisor on page 1	-
33	Total of (a)-(b)	0
34	ACCOUNT 454 (RENT FROM ELECTRIC PROPERTY) (Note R)	\$ -
35	ACCOUNT 456.1 (OTHER ELECTRIC REVENUES) (Note U)	\$ -

Formula Rate - Non-Levelized

For the 12 months ended 12/31/ [REDACTED]

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

General Note: References to pages in this formulary rate are indicated as: (page#, line#, col.)  
References to data from FERC Form 1 are indicated as: #.y.x (page, line, column)

Notes:

- A DEOK 1 CP is Duke Energy Ohio ("DEO") Monthly Firm Transmission System Peak Load as reported on page 400, column b of Form 1 at the time of DEO's annual peak, plus load served by Duke Energy Kentucky at Longbranch. For years ending 12/31/2010 and 12/31/2011, this sum will be reduced by the amount of distribution load served by East Kentucky Power Cooperative via Duke Kentucky's Hebron substation. Excludes demands from grandfathered interzonal transactions and demands from service provided by ISO at a discount.
- B DEOK 12 CP is DEO Monthly Firm Transmission System Peak Load as reported on page 400, column b of Form 1 at the time of DEO's monthly peaks, plus load served by Duke Kentucky at Longbranch. For years ending 12/31/2010 and 12/31/2011, this sum will be reduced by the amount of distribution load served by East Kentucky Power Cooperative via Duke Kentucky's Hebron substation. Excludes demands from grandfathered interzonal transactions and demands from service provided by ISO at a discount.
- C Reserved
- D Reserved
- E This deduction is to remove expenses recorded by DEOK for Postretirement Benefits Other than Pensions (PBOP). PBOP expense is set forth in line 3b and is fixed until changed as the result of a filing at FERC. The fixed amount of PBOP for DEO is \$2,342,494 and for Duke Energy Kentucky ("DEK") is \$575,908.
- F The balances in Accounts 190, 281, 282 and 283, as adjusted by any amounts in contra accounts identified as regulatory assets or liabilities related to FASB 106 or 109. Balance of Account 255 is reduced by prior flow throughs and excluded if the utility chose to utilize amortization of tax credits against taxable income as discussed in Note K. Account 281 is not allocated.
- G Identified in Form 1 as being only transmission related.
- H Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission at page 3, line 8, column 5. Prepayments are the electric related prepayments booked to Account No. 165 and reported on Page 111 line 57 in the Form 1.
- I Line 5 - EPRI Annual Membership Dues listed in Form 1 at 353.f, all Regulatory Commission Expenses itemized at 351.h, and non-safety related advertising included in Account 930.1. Line 5a - Regulatory Commission Expenses directly related to transmission service, ISO filings, or transmission siting itemized at 351.h.
- J Includes only FICA, unemployment, highway, property, gross receipts, and other assessments charged in the current year. Taxes related to income are excluded. Gross receipts taxes are not included in transmission revenue requirement in the Rate Formula Template, since they are recovered elsewhere.
- K The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = "the percentage of federal income tax deductible for state income taxes". If the utility is taxed in more than one state it must attach a work paper showing the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) multiplied by (1/1-T) (page 3, line 26).

Inputs Required:	FIT = 0.00%	
	SIT = 0.00%	(State Income Tax Rate or Composite SIT)
	p = 0.00%	(percent of federal income tax deductible for state purposes)

- L Removes dollar amount of transmission expenses included in the OATT ancillary services rates, including Account Nos. 561.1, 561.2, 561.3, and 561.BA.
- M Removes transmission plant determined by Commission order to be state-jurisdictional according to the seven-factor test (until Form 1 balances are adjusted to reflect application of seven-factor test).
- N Removes dollar amount of transmission plant included in the development of OATT ancillary services rates and generation step-up facilities, which are deemed to be included in OATT ancillary services. For these purposes, generation step-up facilities are those facilities at a generator substation on which there is no through-flow when the generator is shut down.
- O Enter dollar amounts.
- P Debt cost rate = long-term interest (line 21) / long term debt (line 27). Preferred cost rate = preferred dividends (line 22) / preferred outstanding (line 28). ROE will be supported in the original filing and no change in ROE may be made absent a filing with FERC. Capitalization adjusted to exclude impacts of purchase accounting.
- Q Line 33 must equal zero since all short-term power sales must be unbundled and the transmission component reflected in Account No. 456.1 and all other uses are to be included in the divisor.
- R Includes income related only to transmission facilities, such as pole attachments, rentals and special use.
- S Reserved
- T The revenues credited on page 1 lines 2-5c shall include only the amounts received directly (in the case of grandfathered agreements) or from the ISO (for service under this tariff) reflecting the Transmission Owner's integrated transmission facilities. They do not include revenues associated with FERC annual charges, gross receipts taxes, ancillary services, or facilities not included in this template (e.g., direct assignment facilities and GSUs) which are not recovered under this Rate Formula Template.

Formula Rate - Non-Levelized

For the 12 months ended 12/31/

Rate Formula Template  
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

General Note: References to pages in this formulary rate are indicated as: (page#, line#, col.#)  
References to data from FERC Form 1 are indicated as: #.y.x (page, line, column)

Notes:

- U On Line 35, enter revenues from RTO settlements that are associated with NITS and firm Point-to-Point Service for which the load is not included in the divisor to derive Duke Energy Ohio's and Duke Energy Kentucky's zonal rates. Exclude non-firm Point-to-Point revenues, revenues related to MTEP and RTEP projects, revenues from grandfathered interzonal transactions and revenues from service provided by ISO at a discount.
- V Account Nos. 561.4, 561.8 and 575.7 consist of RTO expenses billed to load-serving entities and are not included in Transmission Owner revenue requirements.
- W Reserved
- X *Midcontinent* ISO Fees include (1) the charges that DEOK paid to the *Midcontinent* ISO pursuant to the Settlement Agreement filed on July 29, 2011 in Docket No. ER11-2059 and (2) the exit fees that DEOK paid to the *Midcontinent* ISO pursuant to the Exit Fee Agreement filed on October 5, 2011 in Docket No. ER12-33.
- Y PJM Integration Costs are the fees that PJM assessed DEOK for the costs that PJM incurred in connection with DEOK's move into PJM. *Internal Integration Costs are the internal administrative costs incurred by Duke Energy Ohio and Duke Energy Kentucky to accomplish their move from the Midcontinent ISO into PJM.*



For the 12 months ended 12/31/ [REDACTED]

Duke Energy Ohio and Duke Energy Kentucky  
Transmission Formula Rate Revenue Requirement  
Utilizing FERC Form 1 Data

## Schedule 1A Rate Calculation

Line No.		Source	Revenue Requirement	
<b>A. <u>Schedule 1A Annual Revenue Requirements</u></b>				
1	Total Load Dispatch & Scheduling (Account 561)	Attachment H-22A, Page 4, Line 7	\$	-
2	Revenue Credits for Schedule 1A - Note A		\$	-
3	Net Schedule 1A Revenue Requirement for Zone		\$	-
<b>B. <u>Schedule 1A Rate Calculations</u></b>				
4	Annual MWh - Note B	(301.10.d & 11.d)	-	MWh
5	Schedule 1A rate \$/MWh (Line 3 / Line 4)	(Line 3 / Line 4)	\$0.0000	\$/MWh

Notes:

- A Revenue received pursuant to PJM Schedule 1A revenue allocation procedures for transmission service outside of DEOK's zone during the year used to calculate rates under Attachment H-22A.
- B The annual MWh represent the load used by all transmission customers.

Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
RTEP – Transmission Enhancement Charges

To be completed in conjunction with Attachment H-22A

Line No.	(1)	(2)	(3)	(4)	
Line No.	Attachment H-22A Page, Line, Col.			Transmission	Allocator
<b>TRANSMISSION PLANT</b>					
1	Gross Transmission Plant - Total	Att. H-22A, p 2, line 2 col 5 (Note A)	-		
2	Net Transmission Plant - Total	Att. H-22A, p 2, line 14 col 5 (Note B)	-		
<b>O&amp;M EXPENSE</b>					
3	Total O&M Allocated to Transmission	Att. H-22A, p 3, line 8 col 5	-		
4	Annual Allocation Factor for O&M	(line 3 divided by line 1 col 3)	0.00%	0.00%	
<b>GENERAL AND COMMON (G&amp;C) DEPRECIATION EXPENSE</b>					
5	Total G&C Depreciation Expense	Att. H-22A, p 3, lines 10 & 11, col 5 (Note H)	-		
6	Annual Allocation Factor for G&C Depreciation Expense	(line 5 divided by line 1 col 3)	0.00%	0.00%	
<b>TAXES OTHER THAN INCOME TAXES</b>					
7	Total Other Taxes	Att. H-22A, p 3, line 20 col 5	-		
8	Annual Allocation Factor for Other Taxes	(line 7 divided by line 1 col 3)	0.00%	0.00%	
<b>9</b>	<b>Annual Allocation Factor for Expense</b>	<b>Sum of lines 4, 6 and 8</b>		<b>0.00%</b>	
<b>INCOME TAXES</b>					
10	Total Income Taxes	Att. H-22A, p 3, line 27 col 5	-		
11	Annual Allocation Factor for Income Taxes	(line 10 divided by line 2 col 3)	0.00%	0.00%	
<b>RETURN</b>					
12	Return on Rate Base	Att. H-22A, p 3, line 28 col 5	-		
13	Annual Allocation Factor for Return on Rate Base	(line 12 divided by line 2 col 3)	0.00%	0.00%	
<b>14</b>	<b>Annual Allocation Factor for Return</b>	<b>Sum of lines 11 and 13</b>		<b>0.00%</b>	

Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
RTEP – Transmission Enhancement Charges

**Network Upgrade Charge Calculation By Project**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
Line No.	Project Name	RTEP Project Number	Project Gross Plant	Annual Allocation Factor for Expense	Annual Expense Charge	Project Net Plant	Annual Allocation Factor for Return	Annual Return Charge	Project Depreciation Expense	Annual Revenue Requirement	True-Up Adjustment	Network Upgrade Charge
		(Note C)	(Page 1 line 9)	(Col. 3 * Col. 4)	(Note D)	(Page 1 line 14)	(Col. 6 * Col. 7)	(Note E)	(Sum Col. 5, 8 & 9)	(Note F)	(Note G)	
1b		\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00	\$0	\$0.00	\$ -	\$0.00	
1c		\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00	\$0	\$0.00	\$ -	\$0.00	
2	Annual Totals								\$0	\$0	\$0	
3	RTEP Transmission Enhancement Charges for Attachment H-22A										\$0	

Notes:

- A. Gross Transmission Plant is that identified on page 2 line 2 of Attachment H-22A and includes any sub lines 2a or 2b etc. and is inclusive of any CWIP included in rate base when authorized by FERC order.
- B. Net Transmission Plant is that identified on page 2 line 14 of Attachment H-22A and includes any sub lines 14a or 14b etc. and is inclusive of any CWIP included in rate base when authorized by FERC order.
- C. Project Gross Plant is the total capital investment for the project calculated in the same method as the gross plant value in line 1 and includes CWIP in rate base if applicable. This value includes subsequent capital investments required to maintain the facilities to their original capabilities.
- D. Project Net Plant is the Project Gross Plant Identified in Column 3 less the associated Accumulated Depreciation.
- E. Project Depreciation Expense is the actual value booked for the project and included in the Depreciation Expense in Attachment H-22A page 3 line 12.
- F. True-Up Adjustment is included pursuant to a FERC approved methodology if applicable.
- G. The Network Upgrade Charge is the value to be used in Schedule 12.
- H. The Total General and Common Depreciation Expense excludes any depreciation expense directly associated with a project and thereby included in page 2 column 9.

Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
Legacy MTEP Credit

To be completed in conjunction with Attachment H-22A

Line No.	(1)	(2)	(3)	(4)
Line No.	Attachment H-22A	Page, Line, Col.	Transmission	Allocator
<b>TRANSMISSION PLANT</b>				
1	Gross Transmission Plant - Total	Att. H-22A, p 2, line 2 col 5 (Note A)	-	
2	Net Transmission Plant - Total	Att. H-22A, p 2, line 14 col 5 (Note B)	-	
<b>O&amp;M EXPENSE</b>				
3	Total O&M Allocated to Transmission	Att. H-22A, p 3, line 8 col 5	-	
4	Annual Allocation Factor for O&M	(line 3 divided by line 1 col 3)	0.00%	0.00%
<b>GENERAL AND COMMON (G&amp;C) DEPRECIATION EXPENSE</b>				
5	Total G&C Depreciation Expense	Att. H-22A, p 3, lines 10 & 11, col 5 (Note H)	-	
6	Annual Allocation Factor for G&C Depreciation Expense	(line 5 divided by line 1 col 3)	0.00%	0.00%
<b>TAXES OTHER THAN INCOME TAXES</b>				
7	Total Other Taxes	Att. H-22A, p 3, line 20 col 5	-	
8	Annual Allocation Factor for Other Taxes	(line 7 divided by line 1 col 3)	0.00%	0.00%
<b>9</b>	<b>Annual Allocation Factor for Expense</b>	<b>Sum of lines 4, 6 and 8</b>		<b>0.00%</b>
<b>INCOME TAXES</b>				
10	Total Income Taxes	Att. H-22A, p 3, line 27 col 5	-	
11	Annual Allocation Factor for Income Taxes	(line 10 divided by line 2 col 3)	0.00%	0.00%
<b>RETURN</b>				
12	Return on Rate Base	Att. H-22A, p 3, line 28 col 5	-	
13	Annual Allocation Factor for Return on Rate Base	(line 12 divided by line 2 col 3)	0.00%	0.00%
<b>14</b>	<b>Annual Allocation Factor for Return</b>	<b>Sum of lines 11 and 13</b>		<b>0.00%</b>

Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
Legacy MTEP Credit

**Network Upgrade Charge Calculation By Project**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
Line No.	Project Name	MTEP Project Number	Project Gross Plant	Annual Allocation Factor for Expense	Annual Expense Charge	Project Net Plant	Annual Allocation Factor for Return	Annual Return Charge	Project Depreciation Expense	Annual Revenue Requirement	True-Up Adjustment	Network Upgrade Charge
		(Note C)	(Page 1 line 9)	(Col. 3 * Col. 4)	(Note D)	(Page 1 line 14)	(Col. 6 * Col. 7)	(Note E)	(Sum Col. 5, 8 & 9)	(Note F)	Sum Col. 10 & 11 (Note G)	
1b		\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00	\$0	\$0.00	\$ -	\$0.00	
1c		\$ -	0.00%	\$0.00	\$ -	0.00%	\$0.00	\$0	\$0.00	\$ -	\$0.00	
2	Annual Totals									\$0	\$0	\$0
3	Legacy MTEP Credit for Attachment H-22A, Page 1, Line 5a											\$0

Notes:

- A. Gross Transmission Plant is that identified on page 2 line 2 of Attachment H-22A and includes any sub lines 2a or 2b etc. and is inclusive of any CWIP included in rate base when authorized by FERC order.
- B. Net Transmission Plant is that identified on page 2 line 14 of Attachment H-22A and includes any sub lines 14a or 14b etc. and is inclusive of any CWIP included in rate base when authorized by FERC order.
- C. Project Gross Plant is the total capital investment for the project calculated in the same method as the gross plant value in line 1 and includes CWIP in rate base if applicable. This value includes subsequent capital investments required to maintain the facilities to their original capabilities.
- D. Project Net Plant is the Project Gross Plant Identified in Column 3 less the associated Accumulated Depreciation.
- E. Project Depreciation Expense is the actual value booked for the project and included in the Depreciation Expense in Attachment H-22A page 3 line 12.
- F. True-Up Adjustment is included pursuant to a FERC approved methodology if applicable.
- G. The Network Upgrade Charge is the value to be used in Schedule 26.
- H. The Total General and Common Depreciation Expense excludes any depreciation expense directly associated with a project and thereby included in page 2 column 9.

DUKE ENERGY OHIO, INC.  
DEPRECIATION RATES

FERC Account Number (A)	Company Account Number (B)	Description (C)	Actual Accrual Rates (D) %
<b>Wholly Owned Transmission Plant</b>			
350	3403	Rights of Way	1.54
352	3420	Structures & Improvements	1.90
352	3424	Structures & Improvements - Duke Ohio - Loc. in Ky.	1.90
353	3430	Station Equipment	1.68
353	3434	Station Equipment - Duke Ohio - Loc. in Ky.	1.68
354	3440	Towers & Fixtures	1.85
354	3444	Towers & Fixtures - Duke Ohio - Loc. in Ky.	1.85
355	3450	Poles & Fixtures	2.31
355	3454	Poles & Fixtures - Duke Ohio - Loc. in Ky.	2.31
356	3460	Overhead Conductors & Devices	1.91
356	3464	Overhead Conductors & Devices - Duke Ohio - Loc. in Ky.	1.91
357	3470	Underground Conduit	1.43
358	3480	Underground Conductors & Devices	2.37
<b>Commonly Owned Transmission Plant - CCD Projects</b>			
352	3421	Structures & Improvements - CCD Projects	2.50
352	3425	Structures & Improvements - CCD Projects	2.50
353	3431	Station Equipment - CCD Projects	2.86
353	3432	Station Equipment - CCD Projects	2.86
353	3435	Station Equipment - CCD Projects	2.86
353	3437	Station Equipment - CCD Projects	2.86
354	3441	Towers & Fixtures - CCD Projects	3.00
354	3442	Towers & Fixtures - CCD Projects	3.00
354	3445	Towers & Fixtures - CCD Projects	3.00
354	3446	Towers & Fixtures - CCD Projects - Loc. In Ky.	3.00
354	3448	Towers & Fixtures - CCD Projects	3.00
355	3451	Poles & Fixtures - CCD Projects	3.00
355	3455	Poles & Fixtures - CCD Projects	3.00
356	3461	Overhead Conductors & Devices - CCD Projects	2.50
356	3462	Overhead Conductors & Devices - CCD Projects	2.50
356	3465	Overhead Conductors & Devices - CCD Projects	2.50
356	3466	Overhead Conductors & Devices - CCD Projects - Loc. In Ky.	2.50
<b>Commonly Owned Transmission Plant - CD Projects</b>			
352	3423	Structures & Improvements - CD Projects	2.50
353	3433	Station Equipment - CD Projects	2.86
353	3438	Station Equipment - CD Projects	2.86
354	3447	Towers & Fixtures - CD Projects	3.00
356	3467	Overhead Conductors & Devices - CD Projects	2.50
<b>General and Intangible Plant</b>			
303	3030	Miscellaneous Intangible Plant	20.00
389	3890	Land and Land Rights	N/A
390	3900	Structures and Improvements	2.90
391	3910	Office Furniture and Equipment	5.00
391	3911	Electronic Data Processing Equipment	20.00
391	3920	Transportation Equipment	7.50
391	3921	Trailers	4.05
392	3940	Tools, Shop & Garage Equipment	4.00
392	3950	Laboratory Equipment	6.67
393	3960	Power Operated Equipment	4.45
393	3970	Communication Equipment	6.67
394	3980	Miscellaneous Equipment	5.00

DUKE ENERGY KENTUCKY, INC.  
DEPRECIATION RATES

<u>FERC Account Number</u> (A)	<u>Company Account Number</u> (B)	<u>Description</u> (C)	<u>Actual Accrual Rates</u> (D)
			%
		<b>Transmission Plant</b>	
350	3501	Rights of Way	1.48
352	3520	Structures & Improvements	0.41
353	3530	Station Equipment	2.25
353	3532	Station Equipment - Major	2.27
353	3535	Station Equipment – Electronic	9.55
355	3550	Poles & Fixtures	2.10
356	3560	Overhead Conductors & Devices	2.31
		<b>General and Intangible Plant</b>	20.00
303	3030	Miscellaneous Intangible Plant	1.77
390	3900	Land and Land Rights	18.56
391	39110	Structures and Improvements	6.53
392	3921	Electronic Data Processing Equipment	4.14
394	3940	Transportation Equipment	6.93
397	3970	Stores Equipment	

Rate Formula Template  
Utilizing Attachment H-22A Data

Duke Energy Ohio and Duke Energy Kentucky  
Firm PTP Service Revenue Credit Adjustment Calculation

To be completed in conjunction with Attachment H-22A

<u>No.</u>	(1)	(2)	(3)
	<u>Reference</u>	<u>Company Total</u>	
<b>REVENUE CREDIT TRUE-UP</b>			
1	Difference Between Revenue Received In PJM vs. <i>Midcontinent</i> ISO	(Note A)	\$0
<b>ACCUMULATED BALANCE OF REVENUE CREDIT TRUE-UP</b>			
2	Accumulated Balance of Deferral	(Note B)	\$0
3	Income Tax Rate for Deferral Calculation	(Note C)	0.00%
4	Deferred Income Taxes on Accumulated Deferral (line 2 * line 3)		\$0
5	Accumulated Deferral for Carrying Cost Calculation (Line 2 - Line 4)		\$0
<b>INCOME TAXES</b>			
6	$CIT = (T/(1-T)) * (1 - (WCLTD/R))$	Attachment H-22, page 3, line 22	0.00%
7	Income Taxes (Line 6 * Line 9)		\$0
<b>CARRYING COST ON DEFERRAL</b>			
8	FERC Refund Rate	(Note D)	0.00%
9	Carrying Cost (Line 5 * Line 8)		\$0
10	Revenue Credit Adjustment (Line 1 + Line 7 + Line 9)		\$0

Notes

- A. From Appendix E, Workpaper, Column (4).
- B. Accumulated balance of deferral as of December 31<sup>st</sup> of the year prior to effective date of new *rates*.
- C. Effective deferred tax rate during applicable test year.
- D. FERC Refund Rate is the approved rate as of December 31 of calendar prior to the rate year (see 18 C.F.R. Section 35.19a).



Duke Energy Ohio and Duke Energy Kentucky  
Worksheet for Firm PTP Service Revenue Credit Adjustment Calculation

(1) Period	(2) Actual Firm PTP Service Revenue Included in Test Year Rate Calculation (Note A)	(3) Actual Firm PTP Service Revenue Received from PJM (Note B)	(4) = (2) - (3) Difference Between Revenue Received and Amount in Rates Excluding True Up	(5) Monthly True-Up Adjustment Included In H-22A Net Revenue Requirement (Note C)	(6) = (4) - (5) Amount Deferred for Future Recovery	(7) = Prior month's Balance + (6) Accumulated Balance of Deferred Firm PTP Service Revenue Credit Adjustment
Jan-12	\$ -	\$ -	\$ -	-	\$ -	\$ -
Feb-12	-	-	-	-	-	-
Mar-12	-	-	-	-	-	-
Apr-12	-	-	-	-	-	-
May-12	-	-	-	-	-	-
Jun-12	-	-	-	-	-	-
Jul-12	-	-	-	-	-	-
Aug-12	-	-	-	-	-	-
Sep-12	-	-	-	-	-	-
Oct-12	-	-	-	-	-	-
Nov-12	-	-	-	-	-	-
Dec-12	-	-	-	-	-	-
<b>Total</b>				\$ -	\$ -	-
Jan-13	-	-	-	-	\$ -	-
Feb-13	-	-	-	-	-	-
Mar-13	-	-	-	-	-	-
Apr-13	-	-	-	-	-	-
May-13	-	-	-	-	-	-
Jun-13	-	-	-	-	-	-
Jul-13	-	-	-	-	-	-
Aug-13	-	-	-	-	-	-
Sep-13	-	-	-	-	-	-
Oct-13	-	-	-	-	-	-
Nov-13	-	-	-	-	-	-
Dec-13	-	-	-	-	-	-
<b>Total</b>				\$ -	\$ -	-
Jan-14	-	-	-	\$ -	\$ -	\$ -
Feb-14	-	-	-	-	-	-
Mar-14	-	-	-	-	-	-
Apr-14	-	-	-	-	-	-
May-14	-	-	-	-	-	-
Jun-14	-	-	-	-	-	-
Jul-14	-	-	-	-	-	-
Aug-14	-	-	-	-	-	-
Sep-14	-	-	-	-	-	-
Oct-14	-	-	-	-	-	-
Nov-14	-	-	-	-	-	-
Dec-14	-	-	-	-	-	-
<b>Total</b>				\$ -	\$ -	-
Jan-15	-	-	-	\$ -	\$ -	\$ -
Feb-15	-	-	-	-	-	-
Mar-15	-	-	-	-	-	-
Apr-15	-	-	-	-	-	-
May-15	-	-	-	-	-	-
<b>Total</b>				\$ -	\$ -	-

Notes:

- A. Monthly Firm PTP service revenue from *Midcontinent* ISO during test year applicable to currently effectives NITS and PTP service rates.
- B. Actual monthly Firm PTP service revenue received from PJM during current period.
- C. Recovery of deferral begins with the first period for billing rates approved using a test year for Attachment H-22A that includes actual operations in PJM.  
The recovery of the amounts deferred between January 1, 2012, and December 31, 2012, will begin on June 1, 2013, and will end on May 31, 2014.  
The recovery of the amounts deferred between January 1, 2013 and May 31, 2013, will begin on June 1, 2014, and will end on May 31, 2015.