

For the 12 months ended: **12/31/2019**
Rates effective: **6/1/2020**

of Work Papers
18

		Per 2019 FERC Form 1			
DESCRIPTION	Form No. 1	DEO	DEK	DEOK	
	Page, Line, Col.				
GROSS PLANT IN SERVICE					
Production	205.46.g	\$	-	\$	1,299,945,527
Transmission	207.58.g		1,054,714,199		65,186,534
Distribution	207.75.g		2,898,316,398		530,273,159
General & Intangible	205.5.g & 207.99.g		351,287,963		34,584,382
Common	356 (Total Common x Elec Dept %)		246,690,743		33,870,745
TOTAL GROSS PLANT		\$	4,551,009,303	\$	1,963,860,347
ACCUMULATED DEPRECIATION					
Production	219.20.c-219.24.c	\$	-	\$	614,773,639
Transmission	219.25.c		208,570,543		18,662,145
Distribution	219.26.c		704,855,958		146,549,643
General & Intangible	200.21.c & 219.28.c		151,701,583		17,535,646
Common	356		99,858,027		22,998,633
TOTAL ACCUM. DEPRECIATION		\$	1,164,986,111	\$	820,519,706
NET PLANT IN SERVICE					
Production	Calculated	\$	-	\$	685,171,888
Transmission	Calculated		846,143,656		46,524,389
Distribution	Calculated		2,193,460,440		383,723,516
General & Intangible	Calculated		199,586,380		17,048,736
Common	Calculated		146,832,716		10,872,112
TOTAL NET PLANT		\$	3,386,023,192	\$	1,143,340,641
ADJUSTMENTS TO RATE BASE					
Account No. 281 (enter negative)	273.8.k	\$	-	\$	-
Account No. 282 (enter negative)	Exhibit No. DUK-102, Pg. 1		(491,541,082)		(177,220,474)
Account No. 283 (enter negative)	Exhibit No. DUK-102, Pg. 1		(44,504,198)		(24,793,065)
Account No. 190	Exhibit No. DUK-102, Pg. 1		22,688,149		28,613,144
Account No. 254 (enter negative)	DIT Worksheet, 11.e		(274,477,340)		(66,757,724)
Account No. 255 (enter negative)	267.8.h		0		0
TOTAL ADJUSTMENTS		\$	(787,834,471)	\$	(240,158,119)
LAND HELD FOR FUTURE USE (Note G)					
	214.x.d [Exhibit No. DUK-102, Pg. 3]	\$	1,504,633	\$	-
WORKING CAPITAL					
CWC	calculated	\$	9,918,354	\$	2,946,617
Materials & Supplies (Note G)	Exhibit No. DUK-102, Pg. 2		16,648,425		5,461
Prepayments (Account 165)	111.57.c		143,006		422,679
TOTAL WORKING CAPITAL		\$	26,709,785	\$	3,374,757
RATE BASE		\$	2,626,403,139	\$	906,557,280
				\$	3,532,960,419

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DESCRIPTION	Form No. 1	DEO	DEK	DEOK	
	Page, Line, Col.				
O&M					
Transmission	321.112.b	\$ 42,620,606	\$ 21,781,523	\$ 64,402,129	
Less LSE Expenses included in Transmission O&M Accounts (Note V)	Exhibit No. DUK-102, Pg. 17	22,686,347	2,600,734	25,287,081	
Less Midwest ISO Exit Fees included in Transmission O&M (Note X)	(Note X)	0	0	0	
Less EPRI Annual Membership Dues (Note I)	Exhibit No. DUK-102, Pg. 4	0	122,365	122,365	
Less Account 565	321.96.b	0	16,382,133	16,382,133	
A&G					
PBOP Expense excluding Pension Expense included in line 3 for information only	(Note E)	61,497,642	21,801,699	83,299,341	
		2,062,166	413,587	2,475,753	
Less PJM Integration Costs included in A&G (Note Y)	(Note Y)	0	0	0	
Less Internal Integration Costs included in A&G (Note Z)	(Note Z)	0	0	0	
Less FERC Annual Fees	350.b	0	0	0	
Less EPRI & Reg. Comm. Exp. & Non-safety Advertising (Note I)	Exhibit No. DUK-102, Pg. 4	2,085,073	905,052	2,990,125	
Plus Transmission Related Reg. Comm. Exp. (Note I)		0	0	0	
Common	356	0	0	0	
Transmission Lease Payments		0	0	0	
TOTAL O&M (sum lines 1, 3, 5a, 6, 7 less lines 1a, 1b, 1c, 2, 3b, 4, 5)		\$ 79,346,828	\$ 23,572,938	\$ 102,919,766	
DEPRECIATION EXPENSE					
Transmission	336.7.f	\$ 16,808,765	\$ 1,315,015	\$ 18,123,780	
General & Intangible	336.1.f & 336.10.f	24,438,660	3,166,659	27,605,319	
Common	336.11.f	8,577,728	(372,819)	8,204,909	
TOTAL DEPRECIATION (Sum lines 9 - 11)		\$ 49,825,153	\$ 4,108,855	\$ 53,934,008	
TAXES OTHER THAN INCOME TAXES					
LABOR RELATED					
Payroll	263.i.	\$ 4,092,842	\$ 1,916,181	\$ 6,009,023	
Highway and vehicle	263.i.	3,783	1,236	5,019	
PLANT RELATED					
Property	263.i.	159,034,266	10,234,196	169,268,462	
Gross Receipts	263.i.	2,504,074	0	2,504,074	
Other	263.i	0	0	0	
Payments in lieu of taxes		0	0	0	
TOTAL OTHER TAXES (sum lines 13 - 19)		\$ 165,634,965	\$ 12,151,613	\$ 177,786,578	
INCOME TAX RATES					
Federal Income Tax (FIT)		21.000000%	21.000000%		
State Income Tax (SIT) or Composite SIT		0.000000%	5.000000%		
(percent of federal income tax deductible for state purposes)		0.000000%	0.000000%		
Effective Income Tax Rate		21.000000%	24.950000%		
Amortized Investment Tax Credit	266.8.f (enter negative)	(174,774)	(428)	(175,202)	
TRANSMISSION PLANT INCLUDED IN ISO RATES					
Less transmission plant excluded from ISO rates (Note M)		0	0	0	
Less transmission plant included in OATT Ancillary Services (Note N)	Exhibit No. DUK-102, Pg. 7	0	16,503,955	16,503,955	
TRANSMISSION EXPENSES					
(561.1) Load Dispatch-Reliability	321.85.b	740,979	100,643	841,622	
(561.2) Load Dispatch-Monitor & Operate Transmission System	321.86.b	3,242,814	463,568	3,706,382	
(561.3) Load Dispatch-Transmission Service & Scheduling	321.87.b	443,865	61,911	505,776	
Less transmission expenses included in OATT Ancillary Services (Note L)	321.85-87.b	4,427,658	626,122	5,053,780	

For the 12 months ended:	12/31/2019
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# of Work Papers	18
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		Per 2019 FERC Form 1		
		Form No. 1		
		Page, Line, Col.		
DESCRIPTION		DEO	DEK	DEOK
WAGES & SALARY ALLOCATOR (W&S)				
		\$	\$	
Production	354.20.b	2,328,065	13,028,545	15,356,610
Transmission	354.21.b	7,126,118	954,631	8,080,749
Distribution	354.23.b	21,090,038	3,614,544	24,704,582
Other	354.24,25,26.b	10,819,571	2,343,162	13,162,733
Total (sum lines 12-15)		41,363,792	19,940,882	61,304,674
COMMON PLANT ALLOCATOR (CE) (Note O)				
		\$	\$	
Electric	200.3.c	3,311,071,338	1,538,958,960	4,850,030,298
Gas	201.3.d	1,937,162,763	458,349,865	2,395,512,628
Water	201.3.e	0	0	0
Total (sum lines 17 - 19)		5,248,234,101	1,997,308,825	7,245,542,926
RETURN (R)				
Interest on Long-Term Debt (427)	117.62.c	94,062,814	23,263,985	117,326,799
Amort. Of Debt Disc. And Expense (428)	117.63.c	3,232,110	361,034	3,593,144
Amort. Of Loss on Reacquired Debt (428.1)	117.64.c	439,837	232,976	672,813
(Less) Amort. Of Premium on Debt-Credit (429)	117.65.c	(473,735)	-	(473,735)
(Less) Amort. Of Gain on Reacquired Debt-Credit (429.1)	117.66.c	-	-	0
Interest on Debt to Assoc. Companies (430)	117.67.c	1,880,690	1,829,960	3,710,650
Long Term Interest (117, sum of 62.c through 67.c)		99,141,716	25,687,955	124,829,671
Preferred Dividends (118.29.c) (positive number)		0	0	0
Development of Common Stock:				
Proprietary Capital (112.16.c)	Exhibit No. DUK-102, Pg. 9	2,946,919,526	645,093,592	3,592,013,118
(Less) Preferred Stock (112.3.c)		0	0	0
(Less) Account 216.1 (112.12.c) (enter negative)		(633,829,713)	0	(633,829,713)
Common Stock		2,313,089,813	645,093,592	2,958,183,405
	(Note P)	\$	\$	
Bonds (221)	112.18.c	1,450,000,000	0	1,450,000,000
(Less) Reacquired Bonds (222)	112.19.c	0	0	0
Advances from Associated Companies (223)	112.20.c	0	25,000,000	25,000,000
Other Lon-Term Debt (224)	112.21.c	550,000,000	636,720,000	1,186,720,000
Long Term Debt (112, sum of 18.c through 21.c)		2,000,000,000	661,720,000	2,661,720,000
Preferred Stock (112.3.c)		0	0	0
Common Stock (page 4 of 6, line 26)		2,313,089,813	645,093,592	2,958,183,405
Total (sum lines 27-29)		4,313,089,813	1,306,813,592	5,619,903,405
REVENUE CREDITS				
a. Bundled Non-RQ Sales for Resale (311.x.h)		0	0	0
b. Bundled Sales for Resale included in Divisor on page 1		0	0	0
Total of (a)-(b)				
ACCOUNT 454 (RENT FROM ELECTRIC PROPERTY)	Exhibit No. DUK-102, Pg. 8			
(Note R)		\$ 382,466	\$ 26,029	\$ 408,495
ACCOUNT 456.1 (OTHER ELECTRIC REVENUES)	Exhibit No. DUK-102, Pg. 8			
(Note U)		\$ 849,974	\$ 34,726	\$ 884,700
ROE - Docket Nos. ER12-91-000 and ER12-92-000 (Settlement)		11.38%	11.38%	11.38%
Revenue Requirement	Page 1 of 6, Line 7	\$ 153,967,495	\$ 5,870,410	\$ 159,837,905
FERC Refund Rate		5.50%		

Formula Rate - Non-Levelized

For the 12 months ended: 12/31/2019

Rate Formula Template
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)

Line No.	(1)	(2)	(3)	(4)	(5) Allocated Amount
1	GROSS REVENUE REQUIREMENT	DEO + DEK			\$ 162,326,003
2	REVENUE CREDITS				
	Account No. 454	DEO + DEK			\$ 401,905
3	Account No. 456.1	DEO + DEK			875,908
4a	Revenues from Grandfathered Interzonal Transactions				-
4b	Revenues from service provided by ISO at a discount				-
5	Legacy MTEP Credit (Account 456.1)	DEO + DEK			1,210,285
	Corrections Related to Prior Year Filings (Note Z)				602,379
6	TOTAL REVENUE CREDITS (sum lines 2-5)				\$ 3,090,477
7	NET REVENUE REQUIREMENT	(line 1 minus line 6)			\$ 159,235,526
8	DIVISOR				
	1 CP	DEO + DEK			4,954,000
9	12 CP	DEO + DEK			4,474,167
10	Reserved				
11	Reserved				
12	Reserved				
13	Reserved				
14	Reserved				
15	Annual Cost (\$/kW/Yr) - 1 CP	(line 7 / line 8)	\$32.143		
16	Annual Cost (\$/kW/Yr) - 12 CP	(line 7 / line 9)	\$35.590		
17	Network Rate (\$/kW/Mo)	(line 15 / 12)	\$2.679		
17a	Point-To-Point Rate (\$/kW/Mo)	(line 16 / 12)	\$2.966		
			Peak Rate		Off-Peak Rate
18	Point-To-Point Rate (\$/kW/Wk)	(line 16 / 52; line 16 / 52)	\$0.684		
19	Point-To-Point Rate (\$/kW/Day)	(line 16 / 260; line 16 / 365)	\$0.137 Capped at weekly rate		\$0.098
20	Point-To-Point Rate (\$/MWh)	(line 16 / 4,160; line 16 / 8,760 * 1,000)	\$0.009 Capped at weekly and daily rate		\$4.063

For the 12 months ended: 12/31/2019

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)
Transmission Formula Rate Revenue Requirement
Utilizing FERC Form 1 Data
For Rates Effective June 1, 2020

Schedule 1A Rate Calculation

Line No.		Source	Revenue Requirement
A. <u>Schedule 1A Annual Revenue Requirements</u>			
1	Total Load Dispatch & Scheduling (Account 561)	Attachment H-22A, Page 4, Line 7	\$ 5,053,780
2	Revenue Credits for Schedule 1A - Note A		\$ 136,100
3	Net Schedule 1A Revenue Requirement for Zone		\$ 4,917,680
B. <u>Schedule 1A Rate Calculations</u>			
4	2019 Annual MWh - Note B	Company Records	27,123,428 MWh
5	Schedule 1A rate \$/MWh	(Line 3 / Line 4)	\$0.1813 \$/MWh

Note:

- 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 used by all transmission customers per PJM MSRS report.

Rate Formula Template
Utilizing Attachment H-22A Data

DUKE ENERGY OHIO AND DUKE ENERGY KENTUCKY (DEOK)
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)						(Note D) (Page 1, line 14)			(Note E)	(Sum Col. 5, 8 & 9)	(Note F)	Sum Col. 10 & 11 (Note G)				
1a		\$ -			\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
1b		\$ -			\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
1c		\$ -			\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			

Note
Letter

- A Gross Transmission Plant is that identified on page 2, line 2 of Attachment H-22A.
B Net Transmission Plant is that identified on page 2, line 14 of Attachment H-22A.
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 (DEOK)
MTEP - 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	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)						(Note D) (Page 1, line 14)			(Note E)	(Sum Col. 5, 8 & 9)	(Note F)	Sum Col. 10 & 11 (Note G)
1a	Hillcrest 345 kV	91	\$ 17,548,347		\$ 1,189,778	\$ 15,464,835		\$ 1,243,373	\$ 315,870	\$ 2,749,021	\$ -	\$ 2,749,021
1b	Project 2	P2	\$ -		\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
1c	Project 3	P3	\$ -		\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -

Note
Letter

- A Gross Transmission Plant is that identified on page 2, line 2 of Attachment H-22A.
B Net Transmission Plant is that identified on page 2, line 14 of Attachment H-22A.
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	Company Account Number	Description	Actual Accrual Rates
(A)	(B)	(C)	(D) %
Wholly Owned Transmission Plant			
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
Commonly Owned Transmission Plant - CCD Projects			
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
Commonly Owned Transmission Plant - CD Projects			
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

**DUKE ENERGY OHIO, INC.
DEPRECIATION RATES**

FERC Account Number (A)	Company Account Number (B)	Description (C)	Actual Accrual Rates (D) %
General and Intangible Plant			
303	3030	Miscellaneous Intangible Plant - 5 Year	20.00
303	30310	Miscellaneous Intangible Plant - 10 Year	10.00
389	3890	Land and Land Rights	N/A
390	3900	Structures and Improvements	4.20
391	3910	Office Furniture and Equipment	5.00
391	3911	Electronic Data Processing Equipment	20.00
392	3920	Transportation Equipment	9.09
392	3921	Trailers	4.13
393	3930	Stores Equipment	5.00
394	3940	Tools, Shop & Garage Equipment	4.00
395	3950	Laboratory Equipment	6.67
396	3960	Power Operated Equipment	5.29
397	3970	Communication Equipment	6.67
398	3980	Miscellaneous Equipment	5.00
Common Plant			
	1030	Miscellaneous Intangible Plant	20.00
	1701	Common AMI Meters	6.67
	1890	Land and Land Rights	N/A
	1900	Structures and Improvements	3.29
	1910	Office Furniture and Equipment	5.00
	1911	Electronic Data Processing Equipment	20.00
	1920	Transportation Equipment	8.33
	1921	Trailers	4.13
	1930	Stores Equipment	5.00
	1940	Tools, Shop & Garage Equipment	4.00
	1960	Power Operated Equipment	5.29
	1970	Communication Equipment	6.67
	1980	Micellaneous Equipment	5.00

**DUKE ENERGY KENTUCKY, INC.
DEPRECIATION RATES**

FERC Account Number	Company Account Number	Description	Actual Accrual Rates
(A)	(B)	(C)	(D) %
Transmission Plant			
350	3501	Rights of Way	1.27
352	3520	Structures & Improvements	1.96
353	3530	Station Equipment	2.16
353	3532	Station Equipment - Major	1.73
353	3535	Station Equipment - Electronic	2.16
355	3550	Poles & Fixtures	1.76
356	3560	Overhead Conductors & Devices	1.91
General and Intangible Plant			
303	3030	Miscellaneous Intangible Plant - 5 Year	20.00
303	30310	Miscellaneous Intangible Plant - 10 Year	10.00
390	3900	Structures and Improvements	3.40
391	3910	Office Furniture and Equipment	5.00
391	3911	Electronic Data Processing Equipment	20.00
392	3921	Trailers	3.84
394	3940	Tools, Shop & Garage Equipment	4.00
397	3970	Communication Equipment	6.67
Common Plant			
	1030	Miscellaneous Intangible Plant	20.00
	1900	Structures and Improvements	1.26
	1910	Office Furniture and Equipment	5.00
	1911	Electronic Data Processing Equipment	20.00
	1940	Tools, Shop & Garage Equipment	4.00
	1970	Communication Equipment	6.67
	1980	Miscellaneous Equipment	6.67

For the 12 months ended: 12/31/2019

Duke Energy Ohio, Inc.
Protected Federal Excess/Deficient Deferred Income Tax Worksheet

Line No.	Offset (Dr.)/Cr. <u>Deferred Income Tax Remeasurement</u> (a)	Dr./((Cr.) <u>190</u> (b)	Dr./((Cr.) <u>282</u> (c)	Dr./((Cr.) <u>283</u> (d)	Dr./((Cr.) <u>Total</u> (e)
1	182.3	\$ -	\$ -	\$ -	\$ -
2	253	-	-	-	-
3	Balance Sheet Only Total	\$ -	\$ -	\$ -	\$ -
4	182.3	\$ -	\$ -	\$ -	\$ -
5	254	(15,303,676)	194,155,847	-	178,852,171
6	EDIT Liability Total	\$ (15,303,676)	\$ 194,155,847	\$ -	\$ 178,852,171
7	411.2	\$ -	\$ -	\$ -	\$ -
8	Def. Income Tax Expense Total	\$ -	\$ -	\$ -	\$ -
9	Total Change in Excess/Deficient DIT (Line 3 + Line 6 + Line 8)	\$ (15,303,676)	\$ 194,155,847	\$ -	\$ 178,852,171

	(a) Year	(b) Amortization Rate	(c) Beginning Year Balance	(d)* = (b) x (System Level Balance) Current Year Amortization	(e)* = (c) - (d) Remaining Balance
10	2018	0.00%	\$ 178,852,171	\$ -	\$ 178,852,171
11	2019	0.86%	\$ 178,852,171	\$ 1,543,209	\$ 177,308,962

(d) * To Page 3, Line 25
(e) * To Page 2, Line 23

For the 12 months ended: 12/31/2019

Duke Energy Ohio, Inc.
Unprotected Federal Excess/Deficient Deferred Income Tax Worksheet

Line No.	Offset (Dr.)/Cr. <u>Deferred Income Tax Remeasurement</u> (a)	Dr./((Cr.) <u>190</u> (b)	Dr./((Cr.) <u>282</u> (c)	Dr./((Cr.) <u>283</u> (d)	Dr./((Cr.) <u>Total</u> (e)
1	182.3	\$ -	\$ 32,534,620	\$ -	\$ 32,534,620
2	253	-	-	(236,711)	(236,711)
3	Balance Sheet Only Total	\$ -	\$ 32,534,620	\$ (236,711)	\$ 32,297,909
4	182.3	\$ -	\$ -	\$ -	\$ -
5	254	(3,740,705)	92,067,703	15,499,047	103,826,045
6	EDIT Liability Total	\$ (3,740,705)	\$ 92,067,703	\$ 15,499,047	\$ 103,826,045
7	411.2	\$ -	\$ (312,771)	\$ (57,596)	\$ (370,367)
8	Def. Income Tax Expense Total	\$ -	\$ (312,771)	\$ (57,596)	\$ (370,367)
9	Total Change in Excess/Deficient DIT (Line 3 + Line 6 + Line 8)	\$ (3,740,705)	\$ 124,289,552	\$ 15,204,740	\$ 135,753,587

	(a) Year	(b)* Amortization Rate	(c) Beginning Year Balance	(d)* = (b) x (System Level Balance) Current Year Amortization	(e)* = (c) - (d) Remaining Balance
10	2018	0.00%	\$ 103,826,045	\$ -	\$ 103,826,045
11	2019	6.41%	\$ 103,826,045	\$ 6,657,667	\$ 97,168,378

- (b) * The Company is proposing a 10% amortization rate for unprotected Excess ADIT beginning June 1, 2020.
(d) * To Page 3, Line 25
(e) * To Page 2, Line 23

For the 12 months ended: 12/31/2019

Duke Energy Kentucky, Inc.
Protected Federal Excess/Deficient Deferred Income Tax Worksheet

Line No.	Offset (Dr.)/Cr. <u>Deferred Income Tax Remeasurement</u> (a)	Dr./Cr. <u>190</u> (b)	Dr./Cr. <u>282</u> (c)	Dr./Cr. <u>283</u> (d)	Dr./Cr. <u>Total</u> (e)
1	182.3	\$ -	\$ -	\$ -	\$ -
2	253	-	-	-	-
3	Balance Sheet Only Total	\$ -	\$ -	\$ -	\$ -
4	182.3	\$ -	\$ -	\$ -	\$ -
5	254	-	<u>47,815,707</u>	-	<u>47,815,707</u>
6	EDIT Liability Total	\$ -	\$ 47,815,707	\$ -	\$ 47,815,707
7	411.2	\$ -	\$ -	\$ -	\$ -
8	Def. Income Tax Expense Total	\$ -	\$ -	\$ -	\$ -
9	Total Change in Excess/Deficient DIT (Line 3 + Line 6 + Line 8)	\$ -	\$ 47,815,707	\$ -	\$ 47,815,707

	(a) Year	(b) Amortization Rate	(c) Beginning Year Balance	(d)* = (b) x (System Level Balance) Current Year Amortization	(e)* = (c) - (d) Remaining Balance
10	2018	0.61%	\$ 47,815,707	\$ 292,642	\$ 47,523,065
11	2019	1.54%	\$ 47,523,065	\$ 729,855	\$ 46,793,210

(d) * To Page 3, Line 25

(e) * To Page 2, Line 23

For the 12 months ended: 12/31/2019

Duke Energy Kentucky, Inc.
Unprotected Federal Excess/Deficient Deferred Income Tax Worksheet

Line No.	Offset (Dr.)/Cr. <u>Deferred Income Tax Remeasurement</u> (a)	Dr./((Cr.) <u>190</u> (b)	Dr./((Cr.) <u>282</u> (c)	Dr./((Cr.) <u>283</u> (d)	Dr./((Cr.) <u>Total</u> (e)
1	182.3	\$ -	\$ 1,908,088	\$ -	\$ 1,908,088
2	253	-	-	-	-
3	Balance Sheet Only Total	\$ -	\$ 1,908,088	\$ -	\$ 1,908,088
4	182.3	\$ -	\$ -	\$ -	\$ -
5	254	(7,618,493)	21,974,672	11,065,317	25,421,496
6	EDIT Liability Total	\$ (7,618,493)	\$ 21,974,672	\$ 11,065,317	\$ 25,421,496
7	411.2	\$ -	\$ 18,895,103	\$ (51,436)	\$ 18,843,667
8	Def. Income Tax Expense Total	\$ -	\$ 18,895,103	\$ (51,436)	\$ 18,843,667
9	Total Change in Excess/Deficient DIT (Line 3 + Line 6 + Line 8)	\$ (7,618,493)	\$ 42,777,863	\$ 11,013,881	\$ 46,173,251

	(a) Year	(b)* Amortization Rate	(c) Beginning Year Balance	(d)* = (b) x (System Level Balance) Current Year Amortization	(e)* = (c) - (d) Remaining Balance
10	2018	8.66%	\$ 25,421,496	\$ 2,202,186	\$ 23,219,311
11	2019	14.02%	\$ 23,219,311	\$ 3,254,797	\$ 19,964,514

(b) * The Company is proposing a 10% amortization rate for unprotected Excess ADIT. The Company began amortizing unprotected Excess ADIT on May 1, 2018 for retail rate purposes in accordance with a regulatory order from the Kentucky Public Service Commission.

(d) * To Page 3, Line 25

(e) * To Page 2, Line 23

Formula Rate - Non-Levelized

For the 12 months ended: 12/31/2019

Rate Formula Template
Utilizing FERC Form 1 Data

DUKE ENERGY OHIO (DEO)					
Line No.	(1)	(2)	(3)	(4)	(5) Allocated Amount
1	GROSS REVENUE REQUIREMENT	(page 3, line 31)			\$ 156,410,220
	REVENUE CREDITS (Note T)				
2	Account No. 454	(page 4, line 34)	Total	Allocator	
3	Account No. 456.1	(page 4, line 35)	\$ 382,466	TP 1.00000	\$ 382,466
4a	Revenues from Grandfathered Interzonal Transactions		849,974	TP 1.00000	849,974
4b	Revenues from service provided by ISO at a discount		-	TP 1.00000	0
5	Legacy MTEP Credit (Account 456.1)	(page 4, line 36)	-	TP 1.00000	0
			1,210,285	1.00000	1,210,285
6	TOTAL REVENUE CREDITS (sum lines 2-5)				\$ 2,442,725
7	NET REVENUE REQUIREMENT	(line 1 minus line 6)			\$ 153,967,495

Formula Rate - Non-Levelized

Rate Formula Template
Utilizing FERC Form 1 Data

For the 12 months ended: 12/31/2019

DUKE ENERGY OHIO (DEO)

Line No.	(1)	(2) Form No. 1 Page, Line, Col.	(3) Company Total	(4) Allocator	(5) Transmission (Col. 3 times Col. 4)
	<u>RATE BASE:</u>				
	GROSS PLANT IN SERVICE				
1	Production	205.46.g	\$ -	NA	
2	Transmission	207.58.g	1,054,714,199	TP 1.00000	\$ 1,054,714,199
3	Distribution	207.75.g	2,898,316,398	NA	
4	General & Intangible	205.5.g & 207.99.g	351,287,963	WS 0.17228	60,519,890
5	Common	356	246,690,743	CE 0.10869	26,812,817
6	TOTAL GROSS PLANT (sum lines 1-5)		\$ 4,551,009,303	GP= 0.25094	\$ 1,142,046,906
	ACCUMULATED DEPRECIATION AND AMORTIZATION				
7	Production	219.20.c-219.24.c	\$ -	NA	
8	Transmission	219.25.c	208,570,543	TP 1.00000	\$ 208,570,543
9	Distribution	219.26.c	704,855,958	NA	
10	General & Intangible	200.21.c & 219.28.c	151,701,583	WS 0.17228	26,135,149
11	Common	356	99,858,027	CE 0.10869	10,853,569
12	TOTAL ACCUM. DEPRECIATION AND AMORTIZATION (sum lines 7-11)		\$ 1,164,986,111		\$ 245,559,261
	NET PLANT IN SERVICE				
13	Production	(line 1 - line 7)	\$ -		
14	Transmission	(line 2 - line 8)	846,143,656		\$ 846,143,656
15	Distribution	(line 3 - line 9)	2,193,460,440		
16	General & Intangible	(line 4 - line 10)	199,586,380		34,384,741
17	Common	(line 5 - line 11)	146,832,716		15,959,248
18	TOTAL NET PLANT (sum lines 13-17)		\$ 3,386,023,192	NP= 0.26476	\$ 896,487,645
	ADJUSTMENTS TO RATE BASE (Note F)				
19	Account No. 281 (enter negative)	273.8.k	\$ -	NA	\$ -
20	Account No. 282 (enter negative)	275.2.k & 275.6.k	(491,541,082)	NP 0.26476	(130,140,417)
21	Account No. 283 (enter negative)	277.9.k & 277.18.k	(44,504,198)	NP 0.26476	(11,782,931)
22	Account No. 190	234.8.c & 234.17.c	22,688,149	NP 0.26476	6,006,914
23	Account No. 254 (enter negative)	DIT Worksheet, 11.e	(274,477,340)	NP 0.26476	(72,670,621)
24	Account No. 255 (enter negative) (Note K)	267.8.h	0	NP 0.26476	0
25	TOTAL ADJUSTMENTS (sum lines 19 - 24)		\$ (787,834,471)		\$ (208,587,055)
26	LAND HELD FOR FUTURE USE (Note G)	214.x.d	\$ 1,504,633	1.00000	\$ 1,504,633
	WORKING CAPITAL (Note H)				
27	CWC	calculated	\$ 9,918,354		\$ 3,217,750
28	Materials & Supplies (Note G)	227.8.c & 227.16.c	16,648,425	TE 0.89611	14,918,820
29	Prepayments (Account 165)	111.57.c	143,006	GP 0.25094	35,886
30	TOTAL WORKING CAPITAL (sum lines 27 - 29)		\$ 26,709,785		\$ 18,172,456
31	RATE BASE (sum lines 18, 25, 26, & 30)		\$ 2,626,403,139		\$ 707,577,679

Formula Rate - Non-Levelized

Rate Formula Template
Utilizing FERC Form 1 Data

For the 12 months ended: 12/31/2019

DUKE ENERGY OHIO (DEO)

Line No.	(1)	(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	\$ 42,620,606	TE 0.89611	\$ 38,192,751
1a	Less LSE Expenses included in Transmission O&M Accounts (Note V)	321.88.b & 321.92.b	22,686,347	1.00000	22,686,347
1b	Less Midcontinent ISO Exit Fees included in Transmission O&M	(Note X)	0	TE 0.89611	0
1c	Less EPRI Annual Membership Dues	(Note I)	0	TE 0.89611	0
2	Less Account 565	321.96.b	0	TE 0.89611	0
3	A&G	323.197.b	61,497,642	WS 0.17228	10,594,814
3a	PBOP Expense excluding Pension Expense included in line 3 for information only	(Note E)	2,062,166	WS 0.17228	355,270
3b	Less PJM Integration Costs included in A&G and Internal Integration Costs included in A&G	(Note Y)	0	WS 0.17228	0
4	Less FERC Annual Fees	350.x.b	0	WS 0.17228	0
5	Less EPRI & Reg. Comm. Exp. & Non-safety Advertising (Note I)		2,085,073	WS 0.17228	359,216
5a	Plus Transmission Related Reg. Comm. Exp. (Note I)		0	TE 0.89611	0
6	Common	356	0	CE 0.10869	0
7	Transmission Lease Payments		0	1.00000	0
8	TOTAL O&M (sum lines 1, 3, 5a, 6, 7 less lines 1a, 1b, 1c, 2, 3b, 4, 5)		\$ 79,346,828		\$ 25,742,002
	DEPRECIATION AND AMORTIZATION EXPENSE				
9	Transmission	336.7.f	\$ 16,808,765	TP 1.00000	\$ 16,808,765
10	General & Intangible	336.1.f & 336.10.f	24,438,660	WS 0.17228	4,210,292
11	Common	336.11.f	8,577,728	CE 0.10869	932,313
12	TOTAL DEPRECIATION AND AMORTIZATION (sum lines 9 - 11)		\$ 49,825,153		\$ 21,951,370
	TAXES OTHER THAN INCOME TAXES (Note J)				
	LABOR RELATED				
13	Payroll	263.i	\$ 4,092,842	WS 0.17228	\$ 705,115
14	Highway and vehicle	263.i	3,783	WS 0.17228	652
15	PLANT RELATED				
16	Property	263.i	159,034,266	GP 0.25094	39,908,059
17	Gross Receipts	263.i	2,504,074	NA zero	0
18	Other	263.i	0	GP 0.25094	0
19	Payments in lieu of taxes		0	GP 0.25094	0
20	TOTAL OTHER TAXES (sum lines 13 - 19)		\$ 165,634,965		\$ 40,613,826
	INCOME TAXES (Note K)				
21	$T = 1 - \{[(1 - \text{SIT}) * (1 - \text{FIT})] / (1 - \text{SIT} * \text{FIT} * p)\} =$		21.000000%		
22	$\text{CIT} = (T / (1 - T)) * (1 - (\text{WCLTD} / \text{R})) =$ where WCLTD=(page 4, line 27) and R=(page 4, line 30) and FIT, SIT & p are as given in footnote K.		19.303797%		
23	$1 / (1 - T) =$ (from line 21)		1.26582278		
24	Amortized Investment Tax Credit	266.8.f (enter negative)	\$ (174,774)		
25	Amortization of Excess/Deficient Deferred Income Taxes (Note O)	DIT Worksheet, 11.d	(8,200,876)		
26	Income Tax Calculation (line 22 * line 30)		\$ 42,587,626	NA	\$ 11,473,506
27	ITC adjustment (line 23 * line 24)		(221,233)	NP 0.26476	(58,574)
28	Excess/Deficient DIT amortization (line 23 * line 25)		(10,380,856)	NP 0.26476	(2,748,435)
29	Total Income Taxes (sum lines 26 - 28)		\$ 31,985,537		\$ 8,666,497
30	RETURN [Rate Base (page 2, line 31) * Rate of Return (page 4, line 30)]		\$ 220,617,864	NA	\$ 59,436,525
31	REV. REQUIREMENT (sum lines 8, 12, 20, 29, 30)		\$ 547,410,347		\$ 156,410,220

Formula Rate - Non-Levelized

Rate Formula Template
Utilizing FERC Form 1 Data

For the 12 months ended: 12/31/2019

DUKE ENERGY OHIO (DEO)
SUPPORTING CALCULATIONS AND NOTES

Line No.									
TRANSMISSION PLANT INCLUDED IN ISO RATES									
1	Total transmission plant (page 2, line 2, column 3)							\$	1,054,714,199
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)							\$	1,054,714,199
5	Percentage of transmission plant included in ISO Rates (line 4 divided by line 1)						TP=		1.00000
TRANSMISSION EXPENSES									
6	Total transmission expenses (page 3, line 1, column 3)							\$	42,620,606
7	Less transmission expenses included in OATT Ancillary Services (Note L)								4,427,658
8	Included transmission expenses (line 6 less line 7)							\$	38,192,948
9	Percentage of transmission expenses after adjustment (line 8 divided by line 6)								0.89611
10	Percentage of transmission plant included in ISO Rates (line 5)						TP		1.00000
11	Percentage of transmission expenses included in ISO Rates (line 9 times line 10)						TE=		0.89611
WAGES & SALARY ALLOCATOR (WS)									
		Form 1 Reference	\$	TP	Allocation				
12	Production	354.20.b	2,328,065	0.00	0				
13	Transmission	354.21.b	7,126,118	1.00	7,126,118				
14	Distribution	354.23.b	21,090,038	0.00	0			WS Allocator	
15	Other	354.24,25,26.b	10,819,571	0.00	0			(\$ / Allocation)	
16	Total Electric (sum lines 12-15)		41,363,792		7,126,118	=		0.17228	= WS
COMMON PLANT ALLOCATOR (CE)									
			\$		% Electric		WS Allocator		
17	Electric	200.3.c	3,311,071,338		(line 17 / line 20)		(line 16)		CE
18	Gas	201.3.d	1,937,162,763		0.63089	*	0.17228	=	0.10869
19	Water	201.3.e	0						
20	Total (sum lines 17 - 19)		5,248,234,101						
RETURN (R)									
								\$	
21	Long Term Interest (117, sum of 62.c through 67.c)							99,141,716	
22	Preferred Dividends (118.29.c) (positive number)							0	
23	Development of Common Stock:								
24	Proprietary Capital (112.16.c)							2,946,919,526	
25	Less Preferred Stock (line 28)							0	
26	Less Account 216.1 (112.12.c) (enter negative)							(633,829,713)	
	Common Stock (sum lines 23-25)							2,313,089,813	
		(Note P)	\$	%	Cost		Weighted		
27	Long Term Debt (112, sum of 18.c through 21.c)		2,000,000,000	46%	0.0496		0.0230	=WCLTD	
28	Preferred Stock (112.3.c)		0	0%	0.0000		0.0000		
29	Common Stock (line 26)		2,313,089,813	54%	0.1138		0.0610		
30	Total (sum lines 27-29)		4,313,089,813				0.0840	=R	
REVENUE CREDITS									
								Load	
31	ACCOUNT 447 (SALES FOR RESALE) (Note Q)	(310-311)						0	
32	a. Bundled Non-RQ Sales for Resale (311.x.h)							0	
33	b. Bundled Sales for Resale included in Divisor on page 1							0	
	Total of (a)-(b)							0	
34	ACCOUNT 454 (RENT FROM ELECTRIC PROPERTY) (Note R)							\$	382,466
35	ACCOUNT 456.1 (OTHER ELECTRIC REVENUES) (Note U)	(330.x.n)						\$	849,974
36	ACCOUNT 456.1 (OTHER ELECTRIC REVENUES) (Note W)	(330.x.n)						\$	1,210,285

Formula Rate - Non-Levelized

Rate Formula Template
Utilizing FERC Form 1 Data

For the 12 months ended: 12/31/2019

DUKE ENERGY OHIO (DEO)

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. ⁽¹⁾
- B DEOK 12 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 monthly peaks. ⁽¹⁾
- C Reserved
- D Reserved
- E DEOK will provide, in connection with each Annual Update, a copy of the entire annual actuarial valuation report supporting the derivation of the annual Postretirement Benefits Other than Pensions ("PBOP") expense as charged to FERC account 926, and the amount of such expense included in Total Admin and General Expenses provided on Attachment H-22A, page 3 of 6, line 3 of the Formula Rate. DEOK will provide, in connection with each Annual Update, a worksheet that shows the actual PBOP expense components and calculation derivation (including, for each account to which PBOP expense is recorded, the account number, expense amount, description, calculation derivation and source).
- 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. Account 254 includes Other Regulated Liabilities related to Excess/Deficient Accumulated Deferred Income Taxes that have been allocated to electric operations. This line item is necessary to maintain rate base neutrality in the event of a change in the Federal or State income tax rates. 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 27).

Inputs Required:

FIT =	21.00%	
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 and 561.3.
- 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 Includes the amortization of any excess/deficient deferred income taxes resulting from changes to income tax laws, income tax rates (including changes in apportionment) and other actions taken by a taxing authority. Excess and deficient deferred income taxes will reduce or increase tax expense by the amount of the excess or deficiency multiplied by (1/(1-T)) (page 3, line 25).
- 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 2-5 shall include only the amounts received directly (in the case of grandfathered agreements) 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

Rate Formula Template
Utilizing FERC Form 1 Data

For the 12 months ended: 12/31/2019

DUKE ENERGY OHIO (DEO)

General Note: References to pages in this formula 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 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 NITS, 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 and 561.8 consist of RTO expenses billed to load-serving entities and are not included in Transmission Owner revenue requirements.
- W On Line 36, enter revenues from RTO settlements that are associated with MTEP projects. Exclude NITS, firm Point-to-Point, non-firm Point-to-Point revenues, revenues related to RTEP projects, revenues from grandfathered interzonal transactions and revenues from service provided by ISO at a discount.
- X Midcontinent ISO Exit Fees include (1) the charge 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.
- Z This amount reflects corrections to the prior year rate calculation, plus accumulated interest, and is included here in accordance with the formula rate protocols. It is shown on a combined basis, and not separately entered on the DEO and DEK tabs.

⁽¹⁾ For the purpose of calculating the DEO annual peak, the DEK annual peak as reported on page 401, column d of Form 1, was subtracted from the DEO annual peak as reported on page 400.
For the purpose of calculating the DEO monthly peak, the DEK monthly peak as reported on page 401, column d of Form 1, was subtracted from the DEO monthly peak as reported on page 400.

Rate Formula Template
Utilizing Attachment H-22A Data

DUKE ENERGY OHIO (DEO)
RTEP - Transmission Enhancement Charges

To be completed in conjunction with Attachment H-22A.

	(1)	(2)	(3)	(4)
Line No.		Attachment H-22A Page, Line, Col.	Transmission	Allocator
	TRANSMISSION PLANT			
1	Gross Transmission Plant - Total	Att. H-22A, p 2, line 2, col 5 (Note A)	1,054,714,199	
2	Net Transmission Plant - Total	Att. H-22A, p 2, line 14, col 5 (Note B)	846,143,656	
	O&M EXPENSE			
3	Total O&M Allocated to Transmission	Att. H-22A, p 3, line 8, col 5	25,742,002	
4	Annual Allocation Factor for O&M	(line 3 divided by line 1, col 3)	2.44%	2.44%
	GENERAL AND COMMON (G&C) DEPRECIATION AND AMORTIZATION EXPENSE			
5	Total G&C Depreciation and Amortization Expense	Att. H-22A, p 3, lines 10 & 11, col 5 (Note H)	5,142,605	
6	Annual Allocation Factor for G&C Depreciation and Amortization Expense	(line 5 divided by line 1, col 3)	0.49%	0.49%
	TAXES OTHER THAN INCOME TAXES			
7	Total Other Taxes	Att. H-22A, p 3, line 20, col 5	40,613,826	
8	Annual Allocation Factor for Other Taxes	(line 7 divided by line 1, col 3)	3.85%	3.85%
9	Annual Allocation Factor for Expense	Sum of lines 4, 6 and 8		6.78%
	INCOME TAXES			
10	Total Income Taxes	Att. H-22A, p 3, line 29, col 5	8,666,497	
11	Annual Allocation Factor for Income Taxes	(line 10 divided by line 2, col 3)	1.02%	1.02%
	RETURN			
12	Return on Rate Base	Att. H-22A, p 3, line 30, col 5	59,436,525	
13	Annual Allocation Factor for Return on Rate Base	(line 12 divided by line 2, col 3)	7.02%	7.02%
14	Annual Allocation Factor for Return	Sum of lines 11 and 13		8.04%

Rate Formula Template
Utilizing Attachment H-22A Data

DUKE ENERGY OHIO (DEO)
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)	Sum Col. 10 & 11 (Note G)					
1a		\$ -	6.78%	\$ -	\$ -	8.04%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
1b		\$ -	6.78%	\$ -	\$ -	8.04%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
1c		\$ -	6.78%	\$ -	\$ -	8.04%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
2	Annual Totals										\$0	\$0	\$0			
3	RTEP Transmission Enhancement Charges for Attachment H-22A											\$0				

Note
Letter

- A Gross Transmission Plant is that identified on page 2, line 2 of Attachment H-22A.
- B Net Transmission Plant is that identified on page 2, line 14 of Attachment H-22A.
- 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 (DEO)
MTEP - Transmission Enhancement Charges

To be completed in conjunction with Attachment H-22A

	(1)	(2)	(3)	(4)
Line No.		Attachment H-22A Page, Line, Col.	Transmission	Allocator
	TRANSMISSION PLANT			
1	Gross Transmission Plant - Total	Att. H-22A, p 2, line 2, col 5 (Note A)	1,054,714,199	
2	Net Transmission Plant - Total	Att. H-22A, p 2, line 14, col 5 (Note B)	846,143,656	
	O&M EXPENSE			
3	Total O&M Allocated to Transmission	Att. H-22A, p 3, line 8, col 5	25,742,002	
4	Annual Allocation Factor for O&M	(line 3 divided by line 1, col 3)	2.44%	2.44%
	GENERAL AND COMMON (G&C) DEPRECIATION AND AMORTIZATION EXPENSE			
5	Total G&C Depreciation and Amortization Expense	Att. H-22A, p 3, lines 10 & 11, col 5 (Note H)	5,142,605	
6	Annual Allocation Factor for G&C Depreciation and Amortization Expense	(line 5 divided by line 1, col 3)	0.49%	0.49%
	TAXES OTHER THAN INCOME TAXES			
7	Total Other Taxes	Att. H-22A, p 3, line 20, col 5	40,613,826	
8	Annual Allocation Factor for Other Taxes	(line 7 divided by line 1, col 3)	3.85%	3.85%
9	Annual Allocation Factor for Expense	Sum of lines 4, 6 and 8		6.78%
	INCOME TAXES			
10	Total Income Taxes	Att. H-22A, p 3, line 29, col 5	8,666,497	
11	Annual Allocation Factor for Income Taxes	(line 10 divided by line 2, col 3)	1.02%	1.02%
	RETURN			
12	Return on Rate Base	Att. H-22A, p 3, line 30, col 5	59,436,525	
13	Annual Allocation Factor for Return on Rate Base	(line 12 divided by line 2, col 3)	7.02%	7.02%
14	Annual Allocation Factor for Return	Sum of lines 11 and 13		8.04%

Rate Formula Template
Utilizing Attachment H-22A Data

DUKE ENERGY OHIO (DEO)
MTEP - 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	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)
1a	Hillcrest 345 kV	91	\$ 17,548,347	6.78%	\$ 1,189,778	\$ 15,464,835	8.04%	\$ 1,243,373	\$ 315,870	\$ 2,749,021	\$ -	\$ 2,749,021
1b	Project 2	P2	\$ -	6.78%	\$ -	\$ -	8.04%	\$ -	\$ -	\$ -	\$ -	\$ -
1c	Project 3	P3	\$ -	6.78%	\$ -	\$ -	8.04%	\$ -	\$ -	\$ -	\$ -	\$ -

Note
Letter

- A Gross Transmission Plant is that identified on page 2, line 2 of Attachment H-22A.
- B Net Transmission Plant is that identified on page 2, line 14 of Attachment H-22A.
- 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.

Formula Rate - Non-Levelized

Rate Formula Template
Utilizing FERC Form 1 Data

For the 12 months ended: 12/31/2019

DUKE ENERGY KENTUCKY (DEK)					
Line	(1)	(2)	(3)	(4)	(5)
No.					Allocated Amount
1	GROSS REVENUE REQUIREMENT	(page 3, line 31)			\$ 5,915,783
	REVENUE CREDITS (Note T)				
2	Account No. 454	(page 4, line 34)	Total \$ 26,029	TP 0.74682	\$ 19,439
3	Account No. 456.1	(page 4, line 35)	34,726	TP 0.74682	25,934
4a	Revenues from Grandfathered Interzonal Transactions		0	TP 0.74682	0
4b	Revenues from service provided by ISO at a discount		0	TP 0.74682	0
5	Legacy MTEP Credit (Account 456.1)	(page 4, line 36)	0	1.00000	0
6	TOTAL REVENUE CREDITS (sum lines 2-5)				\$ 45,373
7	NET REVENUE REQUIREMENT	(line 1 minus line 6)			\$ 5,870,410

Formula Rate - Non-Levelized

Rate Formula Template
Utilizing FERC Form 1 Data

For the 12 months ended: 12/31/2019

DUKE ENERGY KENTUCKY (DEK)

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	\$ 1,299,945,527	NA	
2	Transmission	207.58.g	65,186,534	TP 0.74682	\$ 48,682,607
3	Distribution	207.75.g	530,273,159	NA	
4	General & Intangible	205.5.g & 207.99.g	34,584,382	WS 0.03575	1,236,392
5	Common	356	33,870,745	CE 0.02755	933,139
6	TOTAL GROSS PLANT (sum lines 1-5)		\$ 1,963,860,347	GP= 0.02589	\$ 50,852,138
ACCUMULATED DEPRECIATION AND AMORTIZATION					
7	Production	219.20.c-219.24.c	\$ 614,773,639	NA	
8	Transmission	219.25.c	18,662,145	TP 0.74682	\$ 13,937,263
9	Distribution	219.26.c	146,549,643	NA	
10	General & Intangible	200.21.c & 219.28.c	17,535,646	WS 0.03575	626,899
11	Common	356	22,998,633	CE 0.02755	633,612
12	TOTAL ACCUM. DEPRECIATION AND AMORTIZATION (sum lines 7-11)		\$ 820,519,706		\$ 15,197,774
NET PLANT IN SERVICE					
13	Production	(line 1 - line 7)	\$ 685,171,888		
14	Transmission	(line 2 - line 8)	46,524,389		\$ 34,745,344
15	Distribution	(line 3 - line 9)	383,723,516		
16	General & Intangible	(line 4 - line 10)	17,048,736		609,493
17	Common	(line 5 - line 11)	10,872,112		299,527
18	TOTAL NET PLANT (sum lines 13-17)		\$ 1,143,340,641	NP= 0.03118	\$ 35,654,364
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 & 275.6.k	(177,220,474)	NP 0.03118	(5,525,734)
21	Account No. 283 (enter negative)	277.9.k & 277.18.k	(24,793,065)	NP 0.03118	(773,048)
22	Account No. 190	234.8.c & 234.17.c	28,613,144	NP 0.03118	892,158
23	Account No. 254 (enter negative)	DIT Worksheet, 11.e	(66,757,724)	NP 0.03118	(2,081,506)
24	Account No. 255 (enter negative) (Note K)	267.8.h	0	NP 0.03118	0
25	TOTAL ADJUSTMENTS (sum lines 19 - 24)		\$ (240,158,119)		\$ (7,488,130)
26	LAND HELD FOR FUTURE USE (Note G)	214.x.d	\$ -	1.00000	\$ -
WORKING CAPITAL (Note H)					
27	CWC	calculated	\$ 2,946,617		\$ 246,752
28	Materials & Supplies (Note G)	227.8.c & 227.16.c	5,461	TE 0.72535	3,961
29	Prepayments (Account 165)	111.57.c	422,679	GP 0.02589	10,943
30	TOTAL WORKING CAPITAL (sum lines 27 - 29)		\$ 3,374,757		\$ 261,656
31	RATE BASE (sum lines 18, 25, 26, & 30)		\$ 906,557,280		\$ 28,427,890

Formula Rate - Non-Levelized

Rate Formula Template
Utilizing FERC Form 1 Data

For the 12 months ended: 12/31/2019

DUKE ENERGY KENTUCKY (DEK)

Line No.	(1)	(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	\$ 21,781,523	TE 0.72535	\$ 15,799,228
1a	Less LSE Expenses included in Transmission O&M Accounts (Note V)	321.88.b & 321.92.b	2,600,734	1.00000	2,600,734
1b	Less Midcontinent ISO Exit Fees included in Transmission O&M	(Note X)	0	TE 0.72535	0
1c	Less EPRI Annual Membership Dues	(Note I)	122,365	TE 0.72535	88,757
2	Less Account 565	321.96.b	16,382,133	TE 0.72535	11,882,780
3	A&G	323.197.b	21,801,699	WS 0.03575	779,411
3a	PBOP Expense excluding Pension Expense included in line 3 for information only	(Note E)	413,587	WS 0.03575	14,786
3b	Less PJM Integration Costs included in A&G and Internal Integration Costs included in A&G	(Note Y)	0	WS 0.03575	0
4	Less FERC Annual Fees	350.x.b	0	WS 0.03575	0
5	Less EPRI & Reg. Comm. Exp. & Non-safety Advertising (Note I)		905,052	WS 0.03575	32,356
5a	Plus Transmission Related Reg. Comm. Exp. (Note I)		0	TE 0.72535	0
6	Common	356	0	CE 0.02755	0
7	Transmission Lease Payments		0	1.00000	0
8	TOTAL O&M (sum lines 1, 3, 5a, 6, 7 less lines 1a, 1b, 1c, 2, 3b, 4, 5)		\$ 23,572,938		\$ 1,974,012
DEPRECIATION AND AMORTIZATION EXPENSE					
9	Transmission	336.7.f	\$ 1,315,015	TP 0.74682	\$ 982,080
10	General & Intangible	336.1.f & 336.10.f	3,166,659	WS 0.03575	113,208
11	Common	336.11.f	(372,819)	CE 0.02755	(10,271)
12	TOTAL DEPRECIATION AND AMORTIZATION (sum lines 9 - 11)		\$ 4,108,855		\$ 1,085,017
TAXES OTHER THAN INCOME TAXES (Note J)					
LABOR RELATED					
13	Payroll	263.i	\$ 1,916,181	WS 0.03575	\$ 68,503
14	Highway and vehicle	263.i	1,236	WS 0.03575	44
PLANT RELATED					
16	Property	263.i	10,234,196	GP 0.02589	264,963
17	Gross Receipts	263.i	0	NA zero	0
18	Other	263.i	0	GP 0.02589	0
19	Payments in lieu of taxes		0	GP 0.02589	0
20	TOTAL OTHER TAXES (sum lines 13 - 19)		\$ 12,151,613		\$ 333,510
INCOME TAXES (Note K)					
21	$T = 1 - \{[(1 - \text{SIT}) * (1 - \text{FIT})] / (1 - \text{SIT} * \text{FIT} * p)\} =$		24.950000%		
22	$\text{CIT} = (T / (1 - T)) * (1 - (\text{WCLTD} / \text{R})) =$ where WCLTD=(page 4, line 27) and R= (page 4, line 30) and FIT, SIT & p are as given in footnote K.		24.615825%		
23	$1 / (1 - T) =$ (from line 21)		1.33244504		
24	Amortized Investment Tax Credit	266.8.f (enter negative)	\$ (428)		
25	Amortization of Excess/Deficient Deferred Income Taxes (Note O)	DIT Worksheet, 11.d	(3,984,652)		
26	Income Tax Calculation (line 22 * line 30)		\$ 16,937,582	NA	\$ 531,130
27	ITC adjustment (line 23 * line 24)		(570)	NP 0.03118	(18)
28	Excess/Deficient DIT amortization (line 23 * line 25)		(5,309,330)	NP 0.03118	(165,545)
29	Total Income Taxes (sum lines 26 - 28)		\$ 11,627,682		\$ 365,567
30	RETURN [Rate Base (page 2, line 31) * Rate of Return (page 4, line 30)]		\$ 68,807,698	NA	\$ 2,157,677
31	REV. REQUIREMENT (sum lines 8, 12, 20, 29, 30)		\$ 120,268,786		\$ 5,915,783

Formula Rate - Non-Levelized

Rate Formula Template
Utilizing FERC Form 1 Data

For the 12 months ended: 12/31/2019

**DUKE ENERGY KENTUCKY (DEK)
SUPPORTING CALCULATIONS AND NOTES**

Line No.									
TRANSMISSION PLANT INCLUDED IN ISO RATES									
1	Total transmission plant (page 2, line 2, column 3)					\$	65,186,534		
2	Less transmission plant excluded from ISO rates (Note M)						0		
3	Less transmission plant included in OATT Ancillary Services (Note N)						16,503,955		
4	Transmission plant included in ISO Rates (line 1 less lines 2 & 3)					\$	48,682,579		
5	Percentage of transmission plant included in ISO Rates (line 4 divided by line 1)					TP=	0.74682		
TRANSMISSION EXPENSES									
6	Total transmission expenses (page 3, line 1, column 3)					\$	21,781,523		
7	Less transmission expenses included in OATT Ancillary Services (Note L)						626,122		
8	Included transmission expenses (line 6 less line 7)					\$	21,155,401		
9	Percentage of transmission expenses after adjustment (line 8 divided by line 6)						0.97125		
10	Percentage of transmission plant included in ISO Rates (line 5)					TP	0.74682		
11	Percentage of transmission expenses included in ISO Rates (line 9 times line 10)					TE=	0.72535		
WAGES & SALARY ALLOCATOR (WS)									
		Form 1 Reference	\$	TP		Allocation			
12	Production	354.20.b	13,028,545	0.00		0			
13	Transmission	354.21.b	954,631	0.74682		712,938			
14	Distribution	354.23.b	3,614,544	0.00		0			
15	Other	354.24,25,26.b	2,343,162	0.00		0			
16	Total Electric (sum lines 12-15)		19,940,882			712,938	=	0.03575	= WS
COMMON PLANT ALLOCATOR (CE)									
			\$			% Electric		WS Allocator	
17	Electric	200.3.c	1,538,958,960			(line 17 / line 20)		(line 16)	CE
18	Gas	201.3.d	458,349,865			0.77052	*	0.03575	= 0.02755
19	Water	201.3.e	0						
20	Total (sum lines 17 - 19)		1,997,308,825						
RETURN (R)									
21		Long Term Interest (117, sum of 62.c through 67.c)				\$	25,687,955		
22		Preferred Dividends (118.29.c) (positive number)					0		
Development of Common Stock:									
23		Proprietary Capital (112.16.c)					645,093,592		
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)					645,093,592		
		(Note P)	\$	%		Cost		Weighted	
27	Long Term Debt (112, sum of 18.c through 21.c)		661,720,000	51%		0.0388		0.0197	=WCLTD
28	Preferred Stock (112.3.c)		0	0%		0.0000		0.0000	
29	Common Stock (line 26)		645,093,592	49%		0.1138		0.0562	
30	Total (sum lines 27-29)		1,306,813,592					0.0759	=R
REVENUE CREDITS									
								Load	
31	ACCOUNT 447 (SALES FOR RESALE) (Note Q)	(310-311)						0	
32	a. Bundled Non-RQ Sales for Resale (311.x.h)							0	
33	b. Bundled Sales for Resale included in Divisor on page 1							0	
	Total of (a)-(b)								
34	ACCOUNT 454 (RENT FROM ELECTRIC PROPERTY) (Note R)					\$	26,029		
35	ACCOUNT 456.1 (OTHER ELECTRIC REVENUES) (Note U)	(330.x.n)				\$	34,726		
36	ACCOUNT 456.1 (OTHER ELECTRIC REVENUES) (Note W)	(330.x.n)				\$	-		

Formula Rate - Non-Levelized

For the 12 months ended: 12/31/2019

Rate Formula Template
Utilizing FERC Form 1 Data

DUKE ENERGY KENTUCKY (DEK)

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. ⁽¹⁾
- B DEOK 12 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 monthly peaks. ⁽¹⁾
- C Reserved
- D Reserved
- E DEOK will provide, in connection with each Annual Update, a copy of the entire annual actuarial valuation report supporting the derivation of the annual Postretirement Benefits Other than Pensions ("PBOP") expense as charged to FERC account 926, and the amount of such expense included in Total Admin and General Expenses provided on Attachment H-22A, page 3 of 6, line 3 of the Formula Rate. DEOK will provide, in connection with each Annual Update, a worksheet that shows the actual PBOP expense components and calculation derivation (including, for each account to which PBOP expense is recorded, the account number, expense amount, description, calculation derivation and source).
- 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. Account 254 includes Other Regulated Liabilities related to Excess/Deficient Accumulated Deferred Income Taxes that have been allocated to electric operations. This line item is necessary to maintain rate base neutrality in the event of a change in the Federal or State income tax rates. 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 27).
- | | | | |
|------------------|-------|--------|---|
| Inputs Required: | FIT = | 21.00% | |
| | SIT = | 5.00% | (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 and 561.3.
- 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 Includes the amortization of any excess/deficient deferred income taxes resulting from changes to income tax laws, income tax rates (including changes in apportionment) and other actions taken by a taxing authority. Excess and deficient deferred income taxes will reduce or increase tax expense by the amount of the excess or deficiency multiplied by (1/(1-T)) (page 3, line 25).
- 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 2-5 shall include only the amounts received directly (in the case of grandfathered agreements) 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

Rate Formula Template
Utilizing FERC Form 1 Data

For the 12 months ended: 12/31/2019

DUKE ENERGY KENTUCKY (DEK)

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 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 NITS, 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 and 561.8 consist of RTO expenses billed to load-serving entities and are not included in Transmission Owner revenue requirements.
- W On Line 36, enter revenues from RTO settlements that are associated with MTEP projects. Exclude NITS, firm Point-to-Point, non-firm Point-to-Point revenues, revenues related to RTEP projects, revenues from grandfathered interzonal transactions and revenues from service provided by ISO at a discount.
- X Midcontinent ISO Exit Fees include (1) the charge 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.
- Z This amount reflects corrections to the prior year rate calculation, plus accumulated interest, and is included here in accordance with the formula rate protocols. It is shown on a combined basis, and not separately entered on the DEO and DEK tabs.

⁽¹⁾ For the purpose of calculating the DEK annual peak, the DEK annual peak is as reported on page 401, column d of Form 1, at the time of the DEK annual peak.
For the purpose of calculating the DEK monthly peak, the DEK monthly peak is as reported on page 401, column d of Form 1, at the time of the DEK monthly peak.

Rate Formula Template
Utilizing Attachment H-22A Data

DUKE ENERGY KENTUCKY (DEK)
RTEP - Transmission Enhancement Charges

To be completed in conjunction with Attachment H-22A.

	(1)	(2)	(3)	(4)
Line No.		Attachment H-22A Page, Line, Col.	Transmission	Allocator
	TRANSMISSION PLANT			
1	Gross Transmission Plant - Total	Att. H-22A, p 2, line 2, col 5 (Note A)	48,682,607	
2	Net Transmission Plant - Total	Att. H-22A, p 2, line 14, col 5 (Note B)	34,745,344	
	O&M EXPENSE			
3	Total O&M Allocated to Transmission	Att. H-22A, p 3, line 8, col 5	1,974,012	
4	Annual Allocation Factor for O&M	(line 3 divided by line 1, col 3)	4.05%	4.05%
	GENERAL AND COMMON (G&C) DEPRECIATION AND AMORTIZATION EXPENSE			
5	Total G&C Depreciation and Amortization Expense	Att. H-22A, p 3, lines 10 & 11, col 5 (Note H)	102,937	
6	Annual Allocation Factor for G&C Depreciation and Amortization Expense	(line 5 divided by line 1, col 3)	0.21%	0.21%
	TAXES OTHER THAN INCOME TAXES			
7	Total Other Taxes	Att. H-22A, p 3, line 20, col 5	333,510	
8	Annual Allocation Factor for Other Taxes	(line 7 divided by line 1, col 3)	0.69%	0.69%
9	Annual Allocation Factor for Expense	Sum of lines 4, 6 and 8		4.95%
	INCOME TAXES			
10	Total Income Taxes	Att. H-22A, p 3, line 29, col 5	365,567	
11	Annual Allocation Factor for Income Taxes	(line 10 divided by line 2, col 3)	1.05%	1.05%
	RETURN			
12	Return on Rate Base	Att. H-22A, p 3, line 30, col 5	2,157,677	
13	Annual Allocation Factor for Return on Rate Base	(line 12 divided by line 2, col 3)	6.21%	6.21%
14	Annual Allocation Factor for Return	Sum of lines 11 and 13		7.26%

Rate Formula Template
Utilizing Attachment H-22A Data

DUKE ENERGY KENTUCKY (DEK)
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)	Sum Col. 10 & 11 (Note G)	
1a		\$ -	4.95%	\$ -	\$ -	7.26%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1b		\$ -	4.95%	\$ -	\$ -	7.26%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1c		\$ -	4.95%	\$ -	\$ -	7.26%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note
Letter

- A Gross Transmission Plant is that identified on page 2, line 2 of Attachment H-22A.
- B Net Transmission Plant is that identified on page 2, line 14 of Attachment H-22A.
- 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 KENTUCKY (DEK)
MTEP - Transmission Enhancement Charges

To be completed in conjunction with Attachment H-22A

	(1)	(2)	(3)	(4)
Line No.		Attachment H-22A Page, Line, Col.	Transmission	Allocator
	TRANSMISSION PLANT			
1	Gross Transmission Plant - Total	Att. H-22A, p 2, line 2, col 5 (Note A)	48,682,607	
2	Net Transmission Plant - Total	Att. H-22A, p 2, line 14, col 5 (Note B)	34,745,344	
	O&M EXPENSE			
3	Total O&M Allocated to Transmission	Att. H-22A, p 3, line 8, col 5	1,974,012	
4	Annual Allocation Factor for O&M	(line 3 divided by line 1, col 3)	4.05%	4.05%
	GENERAL AND COMMON (G&C) DEPRECIATION AND AMORTIZATION EXPENSE			
5	Total G&C Depreciation and Amortization Expense	Att. H-22A, p 3, lines 10 & 11, col 5 (Note H)	102,937	
6	Annual Allocation Factor for G&C Depreciation and Amortization Expense	(line 5 divided by line 1, col 3)	0.21%	0.21%
	TAXES OTHER THAN INCOME TAXES			
7	Total Other Taxes	Att. H-22A, p 3, line 20, col 5	333,510	
8	Annual Allocation Factor for Other Taxes	(line 7 divided by line 1, col 3)	0.69%	0.69%
9	Annual Allocation Factor for Expense	Sum of lines 4, 6 and 8		4.95%
	INCOME TAXES			
10	Total Income Taxes	Att. H-22A, p 3, line 29, col 5	365,567	
11	Annual Allocation Factor for Income Taxes	(line 10 divided by line 2, col 3)	1.05%	1.05%
	RETURN			
12	Return on Rate Base	Att. H-22A, p 3, line 30, col 5	2,157,677	
13	Annual Allocation Factor for Return on Rate Base	(line 12 divided by line 2, col 3)	6.21%	6.21%
14	Annual Allocation Factor for Return	Sum of lines 11 and 13		7.26%

Rate Formula Template
Utilizing Attachment H-22A Data

DUKE ENERGY KENTUCKY (DEK)
MTEP - 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	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)						
1a	Project 1	P1	\$ -	4.95%	\$ -	\$ -	7.26%	\$ -	\$ -	\$ -	\$ -	\$ -					
1b	Project 2	P2	\$ -	4.95%	\$ -	\$ -	7.26%	\$ -	\$ -	\$ -	\$ -	\$ -					
1c	Project 3	P3	\$ -	4.95%	\$ -	\$ -	7.26%	\$ -	\$ -	\$ -	\$ -	\$ -					
								</									

Note
Letter

- A Gross Transmission Plant is that identified on page 2, line 2 of Attachment H-22A.
- B Net Transmission Plant is that identified on page 2, line 14 of Attachment H-22A.
- 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 and Duke Energy Kentucky

Exhibit No. DUK-102

Page 1 of 18

For the 12 months ended: 12/31/2019

**Accumulated Deferred Income Taxes
Account 190, Account 282, and Account 283**

Line No.	Account 190	DEO	DEK
1	Per Books Total, Page 234, lines 8 & 17, column c	\$ 100,841,985	\$ 52,618,787
2			
3	Less:		
4	FAS 106	2,568,284	642,768
5	FAS 109 - Gross-up on ITC	(35,331)	971,372
6	Gross-up on Tax Reform EDIT	74,686,500	22,163,788
7	Gross-up on State Tax Reform EDIT	-	441,426
8	Gas & Electric Non-Utility & Non-Regulated	934,383	(35,416)
9	Total Subtracted from Account 190 Balance	78,153,836	24,183,938
10			
11	Add:		
12	Base State Tax Reform EDIT	-	178,295
13	Total Added to Account 190 Balance	-	178,295
14			
15	Adjusted Balances - To Page 2, Line 22	\$ 22,688,149	\$ 28,613,144
16			
17			
18	Account 282	DEO	DEK
19			
20	Per Books Total, Page 275, lines 2 & 6, column k	\$ 534,495,721	\$ 204,679,457
21			
22	Less:		
23	FAS109	31,077,461	4,176,475
24	Solar Gross Up Federal ITC	-	327,063
25	Gas & Electric Non-Utility & Non-Regulated	11,877,178	24,207,326
26	Total Subtracted from Account 282 Balance	42,954,639	28,710,864
27			
28	Add:		
30	Base State Tax Reform EDIT	-	1,251,881
31	Total Added to Account 282 Balance	-	1,251,881
32			
33	Adjusted Balances - To Page 2, Line 20	\$ 491,541,082	\$ 177,220,474
34			
35			
36	Account 283	DEO	DEK
37			
38	Per Books Total, Page 277, lines 9 & 18, column k	\$ 42,595,080	\$ 24,375,833
39			
40	Less:		
41	FAS 106	(1,189,431)	(269,807)
42	Solar - Gross-Up Fed Basis Reduction	-	108,585
43	Gas & Electric Non-Utility & Non-Regulated	(719,687)	-
44	Total Subtracted from Account 283 Balance	(1,909,118)	(161,222)
45			
46	Add:		
48	Base State Tax Reform EDIT	-	256,010
49	Total Added to Account 283 Balance	-	256,010
50			
51	Adjusted Balances - To Page 2, Line 21	\$ 44,504,198	\$ 24,793,065

Duke Energy Ohio and Duke Energy Kentucky

Exhibit No. DUK-102
Page 2 of 18
For the 12 months ended: 12/31/2019

**Materials and Supplies
Allocation of Account 163**

Line No.	Description	M&S Assigned to		Total M&S	Percentage	Account 163 ⁽⁴⁾	Total M&S ⁽¹⁾
		M&S ⁽²⁾	Construction ⁽³⁾				
1	Duke Energy Ohio						
2							
3	Production	\$ -	\$ -	\$ -	0.00%	\$ -	
4	Transmission	1,759,826	14,030,481	15,790,307	27.73%	858,118	\$ 16,648,425
5	Distribution	4,895,819	30,617,186	35,513,005	62.36%	1,929,942	
6	Gas	-	5,646,760	5,646,760	9.92%	306,871	
7	Total M&S	<u>\$ 6,655,645</u>	<u>\$ 50,294,427</u>	<u>\$ 56,950,072</u>	<u>100.00%</u>	<u>\$ 3,094,931</u>	
8							
9							
10	Duke Energy Kentucky						
11							
12	Production	\$ 15,594,233	\$ 1,572,897	\$ 17,167,130	96.41%	\$ 1,167,113	
13	Transmission	2,013	3,100	5,113	0.03%	348	\$ 5,461
14	Distribution	164,323	470,239	634,562	3.56%	43,141	
15	Total M&S	<u>\$ 15,760,569</u>	<u>\$ 2,046,236</u>	<u>\$ 17,806,805</u>	<u>100.00%</u>	<u>\$ 1,210,601</u>	

⁽¹⁾ To Page 2, Line 28

⁽²⁾ Source FERC Form 1, page 227, lines 7-9, column (c)

⁽³⁾ Source FERC Form 1, page 227, line 5, column (c)

⁽⁴⁾ Source FERC Form 1, page 227, line 16, column (c)

Duke Energy Ohio and Duke Energy Kentucky

Exhibit No. DUK-102

Page 3 of 18

For the 12 months ended: 12/31/2019

Detail of Land Held for Future Use

Line No.	Description	Transmission Related ⁽²⁾	Non-Transmission Related	Reported on FERC Form 1
1	Duke Energy Ohio ⁽¹⁾			
2	Other Projects	\$ 1,504,633	\$ 7,361,463	\$ 8,866,096
3	Duke Energy Kentucky ⁽¹⁾			
4	Other Projects	\$ -	\$ 365	\$ 365

⁽¹⁾ Source: FERC Form 1, Page 214

⁽²⁾ Balances to Page 2, Line 26

Duke Energy Ohio and Duke Energy Kentucky

Exhibit No. DUK-102
Page 4 of 18
For the 12 months ended: 12/31/2019

Non-Safety Adv., Reg. Comm. Exp. & EPRI

Line No.	Description	Source	DEO	DEK
1	General Advertising - 930.1	Form 1, P.323.191, col. b	\$ 227,469	\$ 50,330
2	Regulatory Commission Expense	Form 1, P.350, col. h	1,404,355	675,957
3	Ohio Consumers' Counsel	Form 1, P.350, col. h	229,105	-
4	PUCO - Division of Forecasting	Form 1, P.350, col. h	108,507	-
5	Request for Rate Increase & Other Misc Exp	Form 1, P.350, col. h	60,286	131,484
6				
7	Electric Power Research Institute	Form 1, P.353, col. f	229,000	304,664
8	Less amounts recorded in a transmission account	FERC Account 566	-	122,365 (1)
9	Less amounts recorded in a non-formula related account	FERC Account 500	-	3,613
10	Less amounts recorded in a non-formula related account	FERC Account 506	-	94,638
11	Less amounts recorded in a non-formula related account	FERC Account 588	132,562	-
12	Less amounts recorded in a non-formula related account	FERC Account 910	41,087	36,767
13	Total Electric Power Research Institute		\$ 55,351	\$ 47,281
14				
15	Subtotal		\$ 2,085,073	\$ 905,052
16				
17	Amount of Safety Related Advertising in Account 930.1		-	-
18				
19	Non-Safety Adv., Reg. Comm. Exp. & EPRI - To Page 3, Line 5		\$ 2,085,073	\$ 905,052

(1) To Page 3, line 1c

Duke Energy Ohio and Duke Energy Kentucky

Exhibit No. DUK-102

Page 5 of 18

For the 12 months ended: 12/31/2019

A&G Expense

Line No.	Description	DEO	DEK
1	A&G Expense, Page 323, line 197, column b	\$ 61,497,642	\$ 21,938,487
2	Less: Department of Justice Settlement - 2015	-	136,788
3	Adjusted A&G Expense - To Page 3, Line 3	\$ 61,497,642	\$ 21,801,699

Duke Energy Ohio and Duke Energy Kentucky

Exhibit No. DUK-102

Page 6 of 18

For the 12 months ended: 12/31/2019

State Tax Composite Rate

Line No.	Description	DEO	DEK
1	Revenue Requirement	\$ 156,410,220	\$ 5,915,783
2	Tax Rate	0.00%	5.00%
3	State Taxes	\$ -	\$ 295,789
4	Composite Tax Rate	0.00%	5.00%

Duke Energy Ohio and Duke Energy Kentucky

Exhibit No. DUK-102

Page 7 of 18

For the 12 months ended: 12/31/2019

Determination of Transmission Plant Included in OATT Ancillary Services

Line No.	Description	DEO	DEK
1	Total Generation Step-up Transformers	\$ -	\$ 16,503,955
2	Distribution Use	-	-
3	Transmission Plant Included in OATT Ancillary Services - To Page 4, Line 3	\$ -	\$ 16,503,955

Duke Energy Ohio and Duke Energy Kentucky

Exhibit No. DUK-102

Page 8 of 18

For the 12 months ended: 12/31/2019

Revenue Credits, Accounts 454 and 456.1

Line No.	Description	Account 454	
		DEO	DEK
1	Total Account 454 per Books Total, Page 300, line 19, column b	\$ 15,002,536	\$ 1,801,706
2			
3	Less: Other Electric Revenue in Line 1 Total above	10,158,352	983,773
4			
5	Total Revenue Available for Credit Calculation	\$ 4,844,184	\$ 817,933
6			
7	Tower Lease Revenues in Line 1 Total above	\$ 103,223	\$ 12,252
8			
9	Rent from Electric Property in Line 1 Total above	\$ 4,740,961	\$ 805,681
10	Portion Attributable to Transmission (Exhibit No. DUK-102, Page 15)	5.89%	1.71%
11	Rent from Electric Property Attributable to Transmission	\$ 279,243	\$ 13,777
12			
13	Total Account 454 - To Page 4, Line 34	\$ 382,466	\$ 26,029
14			
15			
16			
17			
		Account 456.1	
		DEO	DEK
18	Total Account 456.1 Per Books Total, Page 300, line 22, column b	\$ 25,019,086	\$ 3,922,927
19			
20	Less: Transmission Revenues - Load in Divisor		
21	Sch 4 - Day-Ahead Load Response Charge Allocation	\$ (17,291)	\$ -
22	Sch 4 - Real-Time Load Response Charge Allocation	(328)	-
23	Sch 8 - Non-Firm PTP	107,043	21,511
24	Sch 9 - NITS	22,856,073	-
25	Sch 26 - MTEP Project Cost Recovery	1,210,285	-
26	PJM Customer Payment Default	(175,167)	-
27	Facilities Charges	186,764	60,987
28	Other Transmission Revenues - FTR's	-	3,805,703
29	Miscellaneous	1,733	-
30	Total Transmission Revenues - Load in Divisor	\$ 24,169,112	\$ 3,888,201
31			
32	Total Account 456.1 - To Page 4, Line 35	\$ 849,974	\$ 34,726

Duke Energy Ohio and Duke Energy Kentucky

Exhibit No. DUK-102

Page 9 of 18

For the 12 months ended: 12/31/2019

Duke Energy Ohio Consolidated
Capital Structure
December 31, 2019
(In Dollars)

Line No.	Description	Parent DE Ohio Holding Co.
1	Total Proprietary Capital, page 112, line 16, column c	\$ 3,693,838,173
2	Less: Goodwill, page 233, line 1, column f	\$ 746,918,647
3	Total Common Stock Equity	<u>\$ 2,946,919,526</u>

Duke Energy Ohio and Duke Energy Kentucky

Exhibit No. DUK-102

Page 10 of 18

For the 12 months ended: 12/31/2019

**2019 DEOK MONTHLY TRANSMISSION SYSTEM PEAKS
(KILOWATTS)**

Line No.	Month	Monthly Peak ⁽¹⁾
1	Jan	4,866,000
2	Feb	4,097,000
3	Mar	4,212,000
4	Apr	3,593,000
5	May	4,461,000
6	Jun	4,846,000
7	Jul	4,931,000
8	Aug	4,954,000
9	Sep	4,915,000
10	Oct	4,862,000
11	Nov	3,886,000
12	Dec	4,067,000
13	Total	53,690,000
14	Average	4,474,167

Notes:

(1) 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.

Duke Energy Ohio
2019 OATT Annual Update
Worksheet for Derivation of PBOP Expense
Included in 2019 FERC Form 1 Data

Exhibit No. DUK-102
Page 11 of 18
For the 12 months ended: 12/31/2019

Actual PBOP Expense Components and Calculation Derivation (per Note E)					
Line	FERC Account	Description and Calculation Derivation	DEO / Duke Energy Ohio (503)	Duke Energy Business Services (110)	Total DEO
1	926	Duke Energy - All Legacy Postretirement Welfare Plans			
2					
3		Net Periodic Benefit Cost - Service Cost	\$ 261,430	\$ 1,387,414	
4		Long-term Disability Expense			
5		Adjustment to Reflect (Gains) and Losses - Legacy Duke Plan	298,553	107,283	
6		Adjustment to Reflect (Gains) and Losses - Legacy Progress Plan	-	145,185	
7		Accrual for Future Disableds	250,000	4,750,000	
8					
9		Total Service Cost and Long-Term Disability Expense	\$ 809,983	\$ 6,389,882	
10					
11		O&M Percentage	53.57%	100.00%	
12		Electric Only Percentage	73.68%		
13		Percent DEBS Allocation to DEO (Electric only)		10.76%	
14		Adjustment to Transfer Expense to/from Duke Affiliates			\$ (180,112)
15					
16		PBOP Expense O&M for DEO (Line 9 * Line 11 * (Line 12 or Line 13))	\$ 319,703	\$ 687,242	\$ 1,006,945
17					
18		Total DEO Direct and Allocated PBOP Expense (Benefit cost pool)			\$ 826,833
19					
20		Duke Energy - All Legacy Postretirement Welfare Plans			
21		Net Periodic Benefit Cost - Non-Service Cost	\$ 263,648	\$ (235,423)	
22		Purchase Accounting Adjustment	1,423,835		
23		Total Non-Service Cost and Purchase Accounting Adjustment	\$ 1,687,483	\$ (235,423)	
24					
25		Electric Only Percentage	73.68%		
26		Percent DEBS Allocation to DEO (Electric only)		3.40%	
27					
28		PBOP Expense O&M for DEO - Non-Service Cost Including Purchase Accounting Adjustment (Line 23 * (Line 25 or Line 26))	\$ 1,243,337	\$ (8,004)	\$ 1,235,333
29					
30					
31		Total DEO PBOP Expense - FERC Account 926 (To page 3 of 6, Line 3a)			\$ 2,062,166

Actuarial Valuation Report December 31, 2019 Disclosure and Fiscal 2020 Net Periodic Benefit Cost for Duke Energy Ohio and Duke Energy Kentucky Retirement Plans Page 11

Duke Energy Corporation Post Employment Welfare Benefit Plans Actuarial Valuation Report Postemployment Benefit Cost and Employer Cash Flow For Fiscal Year Ending December 31, 2019 Page 31
Duke Energy Corporation Post Employment Welfare Benefit Plans Actuarial Valuation Report Postemployment Benefit Cost and Employer Cash Flow For Fiscal Year Ending December 31, 2019 Page 33
LTD_FAS 112 Summary

Actual O&M % of Total Payroll for YE 2019
DEO 2019 Allocation Stat Percentages Table
Service Company Labor Allocation to DEO for 2019

Actuarial Valuation Report December 31, 2019 Disclosure and Fiscal 2020 Net Periodic Benefit Cost for Duke Energy Ohio and Duke Energy Kentucky Retirement Plans Page 11
Year End 2015 Footnote Disclosures - Prepurchase Accounting

DEO 2019 Allocation Stat Percentages Table
Service Company Labor Allocation to DEO for 2019

Duke Energy Kentucky
2019 OATT Annual Update
Worksheet for Derivation of PBOP Expense
Included in 2019 FERC Form 1 Data

Exhibit No. DUK-102
Page 12 of 18
For the 12 months ended: 12/31/2019

Actual PBOP Expense Components and Calculation Derivation (per Note E)					
Line	FERC Account	Description and Calculation Derivation	DEK / Duke Energy Kentucky (536)	Duke Energy Business Services (110)	Total DEK
1	926				
2		Duke Energy - All Legacy Postretirement Welfare Plans			
3		Net Periodic Benefit Cost - Service Cost	\$ 150,381	\$ 1,387,414	
4		Long-term Disability Expense			
5		Adjustment to Reflect (Gains) and Losses - Legacy Duke Plan	(142,473)	107,283	
6		Adjustment to Reflect (Gains) and Losses - Legacy Progress Plan	-	145,185	
7		Accrual for Future Disableds	125,000	4,750,000	
8					
9		Total Service Cost and Long-Term Disability Expense	\$ 132,908	\$ 6,389,882	
10					
11		O&M Percentage	71.75%	100.00%	
12		Electric Only Percentage	75.87%		
13		Percent DEBS Allocation to DEO (Electric only)		3.26%	
14		Adjustment to Transfer Expense to/from Duke Affiliates			\$ 11,422
15					
16		PBOP Expense O&M for DEO (Line 9 * Line 11 * (Line 12 or Line 13))	\$ 72,351	\$ 208,487	\$ 280,838
17					
18		Total DEO Direct and Allocated PBOP Expense (Benefit cost pool)			\$ 292,260
19					
20		Duke Energy - All Legacy Postretirement Welfare Plans			
21		Net Periodic Benefit Cost - Non-Service Cost	\$ (68,380)	\$ (235,423)	
22		Purchase Accounting Adjustment	231,739		
23		Total Non-Service Cost and Purchase Accounting Adjustment	\$ 163,359	\$ (235,423)	
24					
25		Electric Only Percentage	75.87%		
26		Percent DEBS Allocation to DEO (Electric only)		1.11%	
27					
28		PBOP Expense O&M for DEO - Non-Service Cost Including Purchase Accounting Adjustment (Line 23 * (Line 25 or Line 26))	\$ 123,940	\$ (2,613)	\$ 121,327
29					
30					
31		Total DEO PBOP Expense - FERC Account 926 (To page 3 of 6, Line 3a)			\$ 413,587

Actuarial Valuation Report December 31, 2019 Disclosure and Fiscal 2020 Net Periodic Benefit Cost for Duke Energy Ohio and Duke Energy Kentucky Retirement Plans Page 11

Duke Energy Corporation Post Employment Welfare Benefit Plans Actuarial Valuation Report Postemployment Benefit Cost and Employer Cash Flow For Fiscal Year Ending December 31, 2019 Page 31/32
Duke Energy Corporation Post Employment Welfare Benefit Plans Actuarial Valuation Report Postemployment Benefit Cost and Employer Cash Flow For Fiscal Year Ending December 31, 2019 Page 33
LTD_FAS 112 Summary

Actual O&M % of Total Payroll for YE 2019
DEK 2019 Allocation Stat Percentages Table
Service Company Labor Allocation to DEK for 2019

Actuarial Valuation Report December 31, 2019 Disclosure and Fiscal 2020 Net Periodic Benefit Cost for Duke Energy Ohio and Duke Energy Kentucky Retirement Plans Page 11
Year End 2015 Footnote Disclosures - Prepurchase Accounting

DEK 2019 Allocation Stat Percentages Table
Service Company Labor Allocation to DEK for 2019

Duke Energy Ohio and Duke Energy Kentucky

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For the 12 months ended: 12/31/2019

Schedule 1A - Annual MWh

Line No.	Transaction Type	Seller	MWh
1	Default Supplier Load	AEPDO2	(232,433)
2		EPPDPR	(362,233)
3		NEEDEO	(884,451)
4		CEDDPR	(1,563,137)
5		DTTDEO	(538,822)
6		DEDPR	(246,521)
7		HARDOL	(197,217)
8	Total Default Supplier Load		(4,024,814)
9			
10	De-rated Losses		(322,526)
11			
12	Retail Load Responsibility		(17,001,344)
13			
14	Wholesale Load Responsibility	AMPGEO	(47,652)
15		AMPHAM	(603,389)
16		AMPLEB	(394,410)
17		AMPWTN	(43,221)
18		BUCK	(258,209)
19		DEK	(4,165,579)
20		EKPC	(143,790)
21		EPVOBO	(27,035)
22		EPVOHO	(5,942)
23		EPVORO	(18,070)
24		IMPA	(67,447)
25	Total Wholesale Load Responsibility		(5,774,744)
26			
27	Grand Total (to Appendix A, line 4)		(27,123,428)

Source: PJM MSRS Report Catalog
Report Category: Energy Transaction Details
Report: RT Daily Energy Transactions

Duke Energy Ohio and Duke Energy Kentucky

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For the 12 months ended: 12/31/2019

**Transmission Owner Scheduling, System Control and Dispatch Service Credit Summary
PJM Billing Line Item 2320**

Line No.	PJM Invoice	Month Booked	Schedule 1A Zone Credit	Schedule 1A Non-Zone Credit	Total	PJM Invoice	Variance	Cum. Var.
1	December 2018	January 2019	\$ (373,411.93)	\$ (12,038.02)	\$ (385,449.95)	\$ (385,449.04)	0.91	0.91
2	January 2019	February	(414,276.72)	(13,094.31)	(427,371.03)	(427,371.94)	(0.91)	0.00
3	February	March	(354,179.10)	(10,894.10)	(365,073.20)	(365,073.20)	0.00	0.00
4	March	April	(367,946.94)	(9,100.32)	(377,047.26)	(377,047.26)	0.00	0.00
5	April	May	(311,370.57)	(9,794.40)	(321,164.97)	(321,161.69)	3.28	3.28
6	May	June	(352,599.96)	(12,565.88)	(365,165.84)	(365,169.12)	(3.28)	0.00
7	June	July	(352,466.29)	(13,755.21)	(366,221.50)	(366,221.50)	0.00	0.00
8	July	August	(435,288.79)	(12,045.60)	(447,334.39)	(447,334.39)	0.00	0.00
9	August	September	(405,472.02)	(12,741.01)	(418,213.03)	(418,213.03)	0.00	0.00
10	September	October	(381,132.52)	(13,063.38)	(394,195.90)	(394,195.90)	0.00	0.00
11	October	November	(313,988.97)	(9,676.26)	(323,665.23)	(323,665.23)	0.00	0.00
12	November	December	\$ (328,655.67)	\$ (7,331.47)	\$ (335,987.14)	\$ (335,987.14)	0.00	0.00
13								
14	Attachment H-22A, Appendix A - Line 2			\$ (136,099.96)				

Source: PJM MSRS Report Catalog
Report Category: Other Ancillary Services
Report: Sched 1A Credit Summary

Duke Energy Ohio and Duke Energy Kentucky

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For the 12 months ended: 12/31/2019

**Pole Attachment Percentage Calculation
For Revenue Credits, Account 454**

Line No.	Counts	DEO		DEK	
		Transmission	Distribution	Transmission	Distribution
1	Poles	24,200	387,231	69	3,962
2	Towers	6	3	-	-
3	Structures	42	64	-	-
4	Total	24,248	387,298	69	3,962
5					
6	Portion Attributable to Transmission	5.89%	94.11%	1.71%	98.29%

Duke Energy Ohio and Duke Energy Kentucky

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For the 12 months ended: 12/31/2019

Corrections to May 2019 Annual Update Filing

Line No.	DEOK Issue Reference	Description	Revenue Impact of Correction	Revenue Requirement
1		May 15, 2019 Filing		\$ 134,316,531
2				
3	B.1	Remove \$2,055,484 of DEO short-term interest from Account 430		
4		Return	\$ (353,814)	
5		Income Tax	-	
6			\$ (353,814)	\$ (353,814)
7				
8	B.2	Remove \$1,122,533 of DEK short-term interest from Account 430		
9		Return	\$ (21,346)	
10		Income Tax	-	
11			\$ (21,346)	\$ (21,346)
12				
13	A.11	Remove \$426,023 of expenses related to the "DE Ohio Load Factor Adjustment"		
14		Change in A&G	\$ (67,341)	
15		Return	(732)	
16		Income Tax	(143)	
17			\$ (68,216)	\$ (68,216)
18				
19	A.4	Remove \$2,154 of Routine Outage Expenses included in Account 566 - Miscellaneous Transmission Expense		
20		Change in O&M	\$ (3,033)	
21		Return	(226)	
22		Income Tax	(44)	
23			\$ (3,303)	\$ (3,303)
24				
25	A.10	Reduce the amount recorded in the charge "501C6NP - 501c6 Donation - Non-political" by \$363		
26		Change in A&G	\$ (57)	
27		Return	-	
28		Income Tax	-	
29			\$ (57)	\$ (57)
30				
31	A.7	Reduce amount recorded in "S043 - Ohio/Kentucky State Regulatory" by \$676,123		
32		Change in A&G	\$ (106,876)	
33		Return	(1,149)	
34		Income Tax	(228)	
35			\$ (108,253)	\$ (108,253)
36				
37		Revised Revenue Requirement - May 15, 2019 Filing		\$ 133,761,542
38				
39		Changes to May 15, 2019 Attachment H Filing		\$ 554,989
40				
41		FERC Refund Rate		5.50%
42				
43		Number of Periods		1.5
44				
45		Interest - ((Amount * (1+Rate)^Periods) - Amount)		\$ 47,390
46				
47		Total Refunds Due to Customers - To Attachment H, page 1 of 1	Line 39 + Line 45	\$ 602,379

Duke Energy Ohio and Duke Energy Kentucky

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For the 12 months ended: 12/31/2019

LSE Expenses Included in Transmission O&M

Line No.	Account	Description	DEO	DEK
1	561.4	Scheduling, System Control & Dispatch Services, Page 321, line 88, col b	\$ 11,209,946	\$ 2,288,960
2				
3	561.8	Reliability, Planning and Standards Development Services, Page 321, line 92, col b	<u>14,106,530</u>	<u>1,296,528</u>
4				
5		Total LSE Expenses Included in Transmission O&M	\$ 25,316,476	\$ 3,585,488
6				
7		TE Allocator	<u>89.611%</u>	<u>72.535%</u>
8				
9		LSE Expense Allocated to Transmission To Page 3, Line 1a	<u>\$ 22,686,347</u>	<u>\$ 2,600,734</u>

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For the 12 months ended: 12/31/2019

Transmission O&M Expense

Line No.	Description	DEO	DEK
1	Transmission O&M Expense, Page 321, line 112, column b	\$ 42,656,456	\$ 21,781,523
2	Less: The Cincinnati, New Orleans and Texas Pacific Railway Company natural gas pipeline permit	<u>35,850</u>	<u>-</u>
3	Adjusted Transmission O&M Expense - To Page 3, Line 1	<u>\$ 42,620,606</u>	<u>\$ 21,781,523</u>