

**Mark David Goss**  
Member  
859.244.3232  
mgoss@fbtlaw.com

August 9, 2011

*Via Hand-Delivery*

Mr. Jeffrey Derouen  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
P. O. Box 615  
Frankfort, Kentucky 40602-0615

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PUBLIC SERVICE  
COMMISSION

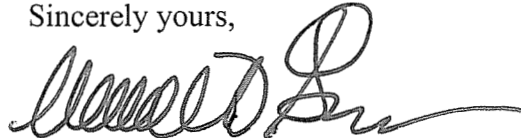
Re: In the Matter of: The Joint Application of Duke Energy Corporation,  
Cinergy Corp., Duke Energy Ohio, Inc., Duke Energy Kentucky, Inc.,  
Diamond Acquisition Corporation, and Progress Energy, Inc., for  
Approval of the Indirect Transfer of Control of Duke Energy Kentucky, Inc.  
PSC Case No. 2011-00124

Dear Mr. Derouen:

Please find enclosed an original and ten (10) copies of the Joint Applicants' Motion to Extend Deadline for Filing Acceptance and Agreement to be Bound by Regulatory Commitments. Please file these documents in the record and return a file-stamped copy to me.

Please do not hesitate to contact me if you have any questions.

Sincerely yours,



Mark David Goss

Enclosures

cc: Dennis G. Howard, II  
Larry Cook

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**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

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**IN THE MATTER OF:**

**THE JOINT APPLICATION OF DUKE ENERGY )  
CORPORATION, CINERGY CORP., DUKE )  
ENERGY OHIO, INC., DUKE ENERGY ) CASE NO. 2011-00124  
KENTUCKY, INC., DIAMOND ACQUISITION )  
CORPORATION, AND PROGRESS ENERGY, INC. )  
FOR APPROVAL OF THE INDIRECT TRANSFER )  
OF CONTROL OF DUKE ENERGY KENTUCKY, INC. )**

**MOTION TO EXTEND DEADLINE FOR FILING ACCEPTANCE  
AND AGREEMENT TO BE BOUND BY REGULATORY COMMITMENTS**

Come now Duke Energy Corporation (“Duke”), Cinergy Corp. (“Cinergy”), Duke Energy Ohio, Inc. (“Duke Ohio”), Duke Energy Kentucky, Inc. (“Duke Kentucky”), Diamond Acquisition Corporation (“Diamond”), and Progress Energy, Inc. (“Progress”) (collectively “Applicants”), and move the Kentucky Public Service Commission (“Commission”) for an Order extending the deadline within which the Chief Executive Officers of each Applicant must provide a written acknowledgment accepting, and agreeing to be bound by, all of the regulatory commitments set forth in Appendix B of the Commission’s Order of August 2, 2011. The Applicants respectfully request that this deadline be extended by fourteen (14) days from this date, until August 23, 2011.

In support of this Motion, the Applicants state as follows:

1. Commitment 48, as contained in Appendix B to the Commission’s August 2, 2011 Order, provides as follows: “Joint Applicants commit that for as long as Duke’s post-merger operations include regulated utility service in Kentucky, Duke’s post-merger Board of Directors will include at least one non-employee member who is a customer of either Duke

Kentucky, Duke Ohio, or Duke Energy Indiana.” Read literally, Commitment 48 requires that for as long as Duke Kentucky engages in regulated utility service within Kentucky, Duke’s Board of Directors must at all times include an individual who is a non-employee customer of one of Duke’s Midwest utilities.

2. As written, Commitment 48 alters the future composition of Duke’s Board of Directors since at least one seat on the Board must always be filled by a non-employee customer of one of Duke’s Midwest utilities. By extension, this effects Board Member qualifications and presents a significant Board governance issue which must be considered by Duke’s Board Governance Committee and, ultimately, by Duke’s Board of Directors.

3. Because only Duke’s Board Governance Committee and its Board of Directors have the authority to alter the qualifications of one of its Board Members, the decision whether to accept and agree to be bound by Commitment 48, either in whole or in part, is a decision which must be made in consultation with the Board of Directors and not solely by either Duke’s legal or executive staff.

4. This issue must first be brought to the attention of Duke’s Board Governance Committee and Board of Directors and an opportunity for discussion and consideration must occur before a decision can be made regarding acceptance of Commitment 48. This process will, at best, take several days to occur because of the necessity of convening meetings of Duke’s Board Governance Committee and/or Duke’s Board of Directors. Because of the time necessary to consider this issue, the Applicants respectfully request that the Commission extend the deadline for the filing of their acceptances and agreements to be bound by the Regulatory Commitments for a period of fourteen (14) days from this date, until August 23, 2011.

This Motion is not made for purposes of hindrance or delay but in good faith by the Applicants in order to give them an adequate opportunity to discuss and provide for consideration of this very important issue at the Board of Directors level.

WHEREFORE, the Applicants request that the Commission enter an Order sustaining this Motion and providing that the Applicants shall have fourteen (14) days from and after this date, until August 23, 2011, to provide and file their written acceptances and agreements to be bound by the regulatory commitments as contained in Exhibit B to the Commission's August 2, 2011 Order.

Respectfully submitted,



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Mark David Goss  
David S. Samford  
Frost Brown Todd LLC  
250 West Main Street, Suite 2800  
Lexington, KY 40507-1749  
(859) 231-0000 – Telephone  
*Counsel for Joint Applicants,  
Duke Energy Corporation; Cinergy Corp.  
Duke Energy Ohio, Inc.  
Duke Energy Kentucky, Inc.  
Diamond Acquisition Corporation  
Progress Energy, Inc.*

- and -

Rocco D'Ascenzo  
Amy B. Spiller  
Duke Energy Business Services LLC  
139 East Fourth Street  
Room 2500, Atrium II  
P. O. Box 960  
Cincinnati, Ohio 45201-0960  
*Counsel for Joint Applicants,  
Duke Energy Corporation; Cinergy Corp.  
Duke Energy Ohio, Inc.  
Duke Energy Kentucky, Inc.  
Diamond Acquisition Corporation*

**CERTIFICATE OF SERVICE**

I hereby certify that the foregoing was mailed, first class postage prepaid, this 9<sup>th</sup>  
day of August, 2011 to the following parties of record:

Hon. Dennis G. Howard, II  
Hon. Lawrence Cook  
Assistant Attorneys General  
Utility and Rate Intervention Division  
P. O. Box 2000  
Frankfort, Kentucky 40602-2000



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*Counsel for Joint Applicants,  
Duke Energy Corporation  
Cinergy Corp.  
Duke Energy Ohio, Inc.  
Duke Energy Kentucky, Inc.  
Diamond Acquisition Corporation  
Progress Energy, Inc.*