



139 East Fourth Street
P. O. Box 960
Cincinnati, Ohio 45201-0960
Tel: 513-287-4320
Fax: 513-287-4385
Rocco.d'ascenzo@duke-energy.com

Rocco D'Ascenzo
Associate General Counsel

RECEIVED

APR 15 2013

PUBLIC SERVICE
COMMISSION

VIA OVERNIGHT DELIVERY

April 12, 2013

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

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., Case No. 2011-00124.

Dear Mr. Derouen:

In the Settlement Agreement in the above-referenced case, Duke Energy Kentucky, Inc. (Duke Energy Kentucky) made several merger commitments. Duke Energy Kentucky regularly monitors these commitments to ensure compliance. Duke Energy Kentucky reports the following supplemental information regarding these commitments. Please file stamp the two copies of this letter enclosed herein and return in the enclosed return-addressed envelope.

Commitment #19

Applicants commit that, for a period of five years following the merger, Duke Energy Kentucky will advise the Commission at least annually on the adoption and implementation of best practices at Duke Energy Kentucky following the completion of the merger between Duke Energy and Progress Energy.

Duke Energy Kentucky Response:

Gas Operations – Implementation of Safety and Work Methods Best Practice

Duke Energy's Kentucky Gas Operations has had membership in the Kentucky Gas Association and the American Gas Association for many years. Through these organizations, Duke Energy Kentucky continues to have its subject matter experts attend topic discussion groups, workshops and roundtables to determine and gather best practices that can apply to and benefit its operations. In 2012, a best practice implementation modified our damage prevention processes which has resulted in reduced damages.

Duke Energy Kentucky will continue to provide ongoing reporting as required under the merger commitments. Thank you for your consideration in this matter.

Very truly yours,

A handwritten signature in black ink, consisting of a large, stylized loop followed by a horizontal line extending to the right.

Rocco D'Ascenzo
Associate General Counsel
Amy B. Spiller
Deputy General Counsel

cc: Hon. Dennis G. Howard, II