

Attachment G

Glossary for Duke Energy Ohio, Inc.'s Competitive Bidding Process Auctions

GLOSSARY

In the event of a conflict between this Glossary and the Master SSO Supply Agreement with respect to the definitions provided, the definitions included in the Master SSO Supply Agreement shall control.

This Glossary applies to the competitive bidding process (CBP) auctions for Duke Energy Ohio, Inc. (Duke Energy Ohio) to procure supply for the provision of Standard Service Offer supply (SSO Supply) for customers that take retail generation service from Duke Energy Ohio. Some terms contained in this Glossary may also be defined in the Master Standard Service Offer Supply Agreement (Master SSO Supply Agreement). When there is a conflict between this Glossary and the Master SSO Supply Agreement, the Master SSO Supply Agreement will take precedence.

Advisor means a person or persons who will be advising or assisting the Qualified Bidder with respect to bidding strategy, estimation of the value of any Tranche, or estimation of the risks associated with any Tranche.

Affiliate has the meaning set forth in the prevailing Master SSO Supply Agreement.

Alternate Guaranty Form has the meaning set forth in Part 1 Application.

Ancillary Services has the meaning set forth in the PJM Agreements.

Announced Price means the price of a Product in effect during a bidding round of the auction.

Applicant means a Party that has submitted or indicated that it is going to submit a Part 1 Application.

Applicant's Legal Representative in Ohio means legal counsel or a representative agent who has an address in Ohio and is authorized and agrees to accept service of process on the Applicant's behalf.

Application Website means the website through which a bidder submits the online Part 1 Form, the online Part 2 Form, and any required attachments. Bidders will be provided logon credentials for the application website upon submitting an expression of interest to the Auction Manager.

Associated and Association mean a Qualified Bidder is associated with another Qualified Bidder if the two Bidders have ties that could allow them to act in concert or that could prevent them from competing actively against each other. If two Qualified Bidders are Associated, then there is an Association between them.

Auction Manager means CRA International, Inc. d/b/a Charles River Associates (CRA) team working on this CBP.

Auction Software means the suite of tools available on the Bidding Website during a live auction.

Authorized Delegate (Delegate) means the Person authorized by the Applicant to be the point of contact for the Auction Manager when so designated by the Authorized Representative.

Authorized Representative means a designated person who is authorized to represent the Applicant in the CBP. The Authorized Representative must ensure that only authorized persons act on behalf of the Applicant in the CBP and is responsible for ensuring that no Confidential Information is disclosed improperly.

Backup Bidding Fax Number means any telephone number provided to Registered Bidders for use in submitting a bid by fax in the event of a complication with access to the Bidding Website.

Bidder means any party that may become a Qualified Bidder in the CBP or that submit bids in the CBP.

Bidding Agreement means an arrangement involving joint or coordinated bidding with any other Party.

Bidding Consortium means a group of separate businesses or business people joining together to submit joint bids in the auction.

Bidding Website means the secure Website used by Registered Bidders to participate in the CBP auction. The URL address for the Bidding Website will be provided to Registered Bidders.

Business Day has the meaning set forth in the prevailing Master SSO Supply Agreement.

Capacity has the meaning set forth in the prevailing Master SSO Supply Agreement.

CBP means Competitive Bidding Process.

Charge has the meaning set forth in the prevailing Master SSO Supply Agreement.

Commission (PUCO) means the Public Utilities Commission of Ohio.

Company means Duke Energy Ohio.

Competitive Retail Electric Service Supplier (CRES Supplier) means a Person that is duly certified by the PUCO to offer and to assume the contractual and legal responsibility to provide Standard Service Offer pursuant to retail open access programs approved by the PUCO to Customers who are not SSO Customers of the Company.

Confidential Information means two types of information. Confidential information relative to bidding strategy means information relating to a Bidder's bid, written or oral, which if it were to be made public or known to another Bidder would be likely to have an effect on any of the bids that another Bidder would be willing to submit in the CBP. Confidential information regarding the CBP means information, written or oral, that is not released publicly by the PUCO or the Auction Manager and that a Bidder acquires as a result of participating in the CBP, which if it were to be made public could impair the integrity of the current or future CBPs, impair the ability of the Company to hold future CBPs, harm consumers, or injure Bidders or Applicants.

Confirmed Bid means a bid submitted by a Bidder that is confirmed by the Bidding Website. A bid submitted by a Bidder is confirmed only if the Bidder receives a unique confirmation ID and time-stamp by the Bidding Website server. If the Bidder submits a bid but fails to complete the last step to confirm the bid, that bid will not be considered a Confirmed Bid.

Contingency Plan means in the event that fewer Tranches than a Product's Tranche Target are purchased in the auction, the Company will implement a Contingency Plan for the unfilled Tranches.

Costs has the meaning set forth in the prevailing Master SSO Supply Agreement.

Credit-Based Tranche Cap means the maximum possible Initial Eligibility for a Qualified Bidder based on its credit rating.

Credit Documents means Letter of Credit, Letter of Intent to Provide a Guaranty, Letter of Reference, or any other credit support document.

Credit Limit has the meaning set forth in the prevailing Master SSO Supply Agreement.

Credit Representative means the Applicant's designated in-house Credit Representative who can answer questions or provide information about the Applicant's credit with respect to the requirements for the CBP.

Customer has the meaning set forth in the prevailing Master SSO Supply Agreement.

Day(s) means to Business Day(s), unless noted otherwise.

Default Bid: A bidder with positive eligibility that does not submit a bid in a round is assigned a default bid. A default bid consists of the minimum number of tranches that the bidder could have bid for each product.

Defaulting Party has the meaning set forth in Section 7.1 of the Master SSO Supply Agreement.

Delegate (Authorized Delegate) means a Person authorized by the Applicant to be the point of contact for the Auction Manager when so designated by the Authorized Representative.

Delivery Period has the meaning set forth in the prevailing Master SSO Supply Agreement.

Effective Date has the meaning set forth in the preamble of the Master SSO Supply Agreement.

Eligibility means the maximum number of Tranches a Bidder can bid across all Products in a bidding round. From round to round, a Bidder's Eligibility cannot increase; it can only stay the same or decrease.

Energy has the meaning set forth in the prevailing Master SSO Supply Agreement.

FERC has the meaning set forth in the prevailing Master SSO Supply Agreement.

Full Requirements Service includes Energy, Capacity, market-based transmission service and market-based transmission ancillaries, and any other LSE service or other service as may be required by PJM to serve the SSO Load of Duke Energy Ohio.

Goodwill means an intangible asset that is the amount by which the purchase price of an acquired entity exceeds its net tangible asset value.

Governmental Authority has the meaning set forth in the prevailing Master SSO Supply Agreement.

Guarantor has the meaning set forth in the prevailing Master SSO Supply Agreement.

Guaranty has the meaning set forth in the prevailing Master SSO Supply Agreement.

Help Desk means the resource available to provide technical assistance during a live auction.

ICR Collateral has the meaning set forth in the prevailing Master SSO Supply Agreement.

ICRT has the meaning set forth in Section 5.3 of the Master SSO Supply Agreement.

ICT Guaranty has the meaning set forth in the prevailing Master SSO Supply Agreement.

Independent Credit Requirement (ICR) has the meaning set forth in the prevailing Master SSO Supply Agreement.

Independent Credit Threshold (ICT) has the meaning set forth in the prevailing Master SSO Supply Agreement.

Indicative Offer means a Qualified Bidder's Indicative Offer that specifies two (2) numbers of Tranches for each Product in the auction. For each Product, the first number represents the number of Tranches that the Qualified Bidder is willing to serve at the Minimum Starting Price for the Product and the second number represents the number of Tranches that the Qualified Bidder is willing to serve at the Maximum Starting Price for the Product.

Information Website means www.duke-energyohiocbp.com which is the Website that will be the primary online source of information about the CBP auctions.

Initial Eligibility means Bidder's Eligibility for round 1 of the auction.

Joint Venture means an enterprise entered into by two or more people for profit with the purpose of bidding in the CBP. A Joint Venture has most of the elements of a partnership, such as shared management, the power of each venture to bind the others in the business, division of profits, and joint responsibility for losses. However, unlike a partnership, a Joint Venture anticipates a specific area of activity and/or period of operation, so after the purpose is completed, bills are paid, profits (or losses) are divided, and the Joint Venture is terminated.

Kilowatt (kW) has the meaning set forth in the prevailing Master SSO Supply Agreement.

Kilowatt-hour (kWh) has the meaning set forth in the prevailing Master SSO Supply Agreement.

Legal Representative means legal counsel or a representative agent who is authorized and agrees to accept service of process on the Applicant's behalf; must have an address in Ohio.

Letter of Credit has the meaning set forth in the prevailing Master SSO Supply Agreement.

Letter of Intent to Provide a Guaranty means a document that may be issued by Qualified Bidder's Guarantor during the Part 2 Application process. The letter indicates that an ICT Guaranty will be provided once the Master SSO Supply Agreement is signed.

Letter of Reference means a document that may be issued by a Qualified Bidder's bank during the Part 2 Application process. The letter specifies the amount of revolving credit provided to the Bidder by the bank. The letter also states that there is sufficient unused availability to issue a Letter of Credit for the amount indicated in the Bidder's Part 2 Application.

Load Serving Entity (LSE) has the meaning set forth in the applicable PJM Agreements.

Master Standard Service Offer Supply Agreement (Master SSO Supply Agreement or Agreement) means the standard contract that will be used by the winning Bidders and Duke Energy Ohio.

Maximum Starting Price: The Maximum Starting Price is the maximum Announced Price for a Product that can be set for round 1.

Megawatt (MW) means one thousand Kilowatts.

Megawatt-hour (MWh) means one Megawatt of electric power used over a period of one hour.

Minimum Starting Price: The Minimum Starting Price is the minimum Announced Price for a Product that can be set for round 1.

NERC has the meaning set forth in the prevailing Master SSO Supply Agreement.

Network Integrated Transmission Services (NITS) has the meaning set forth in the applicable PJM Agreements.

Notification of Qualification means the notification sent by the Auction Manager to an Applicant once the Applicant becomes a Qualified Bidder. The Notification is in the format set forth in the Part 1 Application.

Notification to Registered Bidders means the notification sent by the Auction Manager to the Qualified Bidder once the Qualified Bidder becomes a Registered Bidder. The Notification is in the format set forth in Part 2 Application.

Over-Subscribed: means supply for a Product (*i.e.*, the number of Tranches bid) is greater than the Product's Tranche Target.

Part 1 Application means the first of the two parts of the application process for prospective Bidders to participate in the CBP.

Part 1 Application Due Date means the date specified in the timeline on the Information Website.

Part 2 Application means the second of the two parts of the application process for prospective Bidders to participate in the CBP.

Part 2 Application Due Date means the date specified in the timeline on the Information Website.

Party has the meaning set forth in the prevailing Master SSO Supply Agreement.

Person PJM has the meaning set forth in the prevailing Master SSO Supply Agreement.

PJM Agreements has the meaning set forth in the prevailing Master SSO Supply Agreement.

PJM Control Area means the control area recognized by NERC as the PJM Control Area.

PJM E-Account has the meaning set forth in the prevailing Master SSO Supply Agreement.

PJM OATT (PJM Tariff) has the meaning set forth in the prevailing Master SSO Supply Agreement.

PJM Operating Agreement has the meaning set forth in the prevailing Master SSO Supply Agreement.

Pre-Bid Security means the Pre-Bid Security posted by each Qualified Bidder sufficient for its Indicative Offer. Pre-Bid Security to be posted by a Qualified Bidder included in its Part 2 Application consists of cash or a Letter of Credit and, if necessary, a Letter of Reference and/or a Letter of Intent to provide a Guaranty. A Qualified Bidder in the CBP is notified upon qualification whether a Letter of Reference or a Letter of Intent to provide a Guaranty is required.

Price Decrement means the reduction in the Announced Price for a given Product from one round to the next round of the auction.

Product means the SSO Load of Duke Energy Ohio for the Delivery Period, as determined by the PUCO.

PUCO has the meaning set forth in the prevailing Master SSO Supply Agreement.

PUCO Consultant means any firm and/or individual(s) retained by the PUCO for purposes of assisting the PUCO or PUCO Staff.

Qualified Bidder means a Party that has successfully completed a Part 1 Application.

Registered Bidder means a Party that has successfully completed a Part 2 Application.

Registered User means a Party that has registered through the Information Website to receive information about the CBP.

Service Territory means the geographic areas of the State of Ohio in which the Company serves Customers.

Solicitation means the Competitive Bidding Process by which the counterparty, quantity, pricing and other terms of the Master SSO supply Agreement are established.

Special Contract Customers has the meaning set forth in the prevailing Master SSO Supply Agreement.

SSO Customers has the meaning set forth in the prevailing Master SSO Supply Agreement.

SSO Load has the meaning set forth in the prevailing Master SSO Supply Agreement.

SSO Service has the meaning set forth in the prevailing Master SSO Supply Agreement.

SSO Supplier has the meaning set forth in the prevailing Master SSO Supply Agreement.

SSO Supplier Responsibility Share has the meaning set forth in the prevailing Master SSO Supply Agreement.

SSO Supply has the meaning set forth in the prevailing Master SSO Supply Agreement.

Standard Service Offer has the meaning set forth in the prevailing Master SSO Supply Agreement.

Starting Price means the announced price for a product in effect for round 1 of the auction for the product.

Subscribed means a Product is subscribed if supply (*i.e.*, the number of Tranches bid) is equal to the Product's Tranche Target.

Summer Factor: To determine the \$/MWh price to be paid to an SSO Supplier during June 1 through August 31 for a Tranche won by the SSO Supplier, the Winning Price of the Tranche is multiplied by the Summer Factor.

Term has the meaning set forth in Section 2.1 of the Master SSO Supply Agreement.

Total Initial Eligibility means the sum across all Registered Bidders of the indicative offers at the maximum starting price.

Tranche has the meaning set forth in the prevailing Master SSO Supply Agreement.

Tranche Size means the fixed percentage of SSO load assigned to each tranche.

Tranche Target means the number of Tranches for a Product intended to be procured for the Product in the auction.

UCC means the Uniform Commercial Code.

Under-Subscribed means a product is under-subscribed if supply (*i.e.*, the number of Tranches bid) is less than the Product's Tranche Target.

Winning Bidder means a Registered Bidder that has won Tranches in the auction.

Winning Price means for a Product is the price to be paid to each Winning Bidder having won one or more Tranches for the Product.

Winter Factor: To determine the \$/MWh price to be paid to an SSO Supplier during January 1 through May 30 and September 1 through December 31 for a Tranche won by the SSO Supplier, the Winning Price of the Tranche is multiplied by the Winter Factor.