

each month for the following month's coverage. Such insurance coverage will be terminated when employees do not pay the total premium as stated above; when they accept full time employment elsewhere; or when they lose their system service in accordance with Article III, Section 5(h).

Section 29. (a) The Company agrees to maintain an employee savings plan, subject to the provisions of the appropriate federal legislation and regulation governing such plans, to be known as "Cinergy Corp. Union Employees' Savings Incentive Plan," hereinafter called the "Savings Incentive Plan."

(b) The Savings Incentive Plan is memorialized in the plan document entitled the "Cinergy Corp. Union Employees' Savings Incentive Plan," which, as amended includes the complete text of the Savings Incentive Plan.

(c) The Company hopes and expects to continue the Savings Incentive Plan indefinitely but it must reserve the right to alter or amend it or to discontinue Company contributions to it at any time. However, under no circumstances shall any part of the corpus or income held by the Trustee of the Savings Incentive Plan be recoverable by the Company or be used for or diverted to any purposes other than for the exclusive benefit of the employee participants or their beneficiaries as provided in the Savings Incentive Plan.

ARTICLE VI

Section 1. (a) With the exception of shift differential premium, and a holiday occurring during an employee's vacation or second off day, it is agreed that under no circumstances shall any Section of this Agreement be interpreted to provide the pyramiding of a benefit or premium payment to employees covered by this Agreement. For example, no employee may claim sick pay while receiving vacation pay or holiday pay while receiving sick pay.

(b) It is further agreed that there shall be no interruption in the payment of one benefit in order that the employee may receive payment for another benefit. For example, no employee may interrupt vacation to begin sick leave or interrupt sick leave to include a holiday. The only exceptions to this provision are that an employee's sick pay may be interrupted to include vacation pay and that vacation pay may be interrupted to include death in family pay as set forth in the Agreement. In the event that any vacation days are unused as a result of a death in the family situation, the use of these unused vacation days must be approved in advance by supervision and shall not apply to the administration of vacation in one-day increments as provided under Article IV, Section 1(e) of the Agreement.

Section 2. This Agreement shall remain binding upon successors, assigns or transferees of the Company in the event of a merger, acquisition, divestiture, asset swap or sale, or other similar transaction announced or begun during the Agreement. The Company will require the Buyer, or any transferee, to recognize the Union as the collective-bargaining agent for bargaining-unit employees the Buyer employs and assume provisions identical to provisions of the Agreement applicable to those bargaining-unit employees.

The Union will support and it will not oppose, or in any way support or encourage opposition to the Company's position regarding any mergers, acquisitions, divestitures or similar transactions or any regulatory matters (including rate cases or stranded cost determinations) or environmental matters announced or begun during the term of the Agreement.

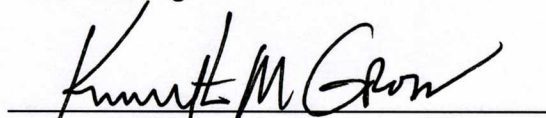
IN WITNESS WHEREOF, Local Union 1347 of the International Brotherhood of Electrical Workers and The Cincinnati Gas & Electric Company doing business as Duke Energy Ohio, Inc., The Union Light, Heat and Power Company doing business as Duke Energy Kentucky, Inc. ("Company"), wholly owned subsidiaries of Cinergy. Corp., a wholly owned subsidiary of Duke Energy Corporation, do hereby, by their duly authorized agents, in the premises, execute and sign this 2006 – 2009 Agreement between The Cincinnati Gas & Electric Company doing business as Duke Energy Ohio, Inc., The Union Light, Heat and Power Company doing business as Duke Energy Kentucky, Inc. and Local Union 1347, in duplicate, this 14th day of August, 2006.

FOR THE UNION

Local Union No. 1347 of the
International Brotherhood
of Electrical Workers



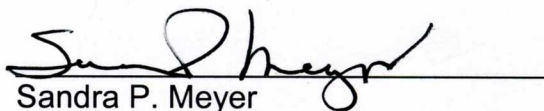
Stephen H. Feldhaus
Business Agent



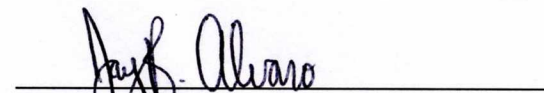
Kenneth M. Gross
President

FOR THE COMPANY

Duke Energy Ohio, Inc.
Duke Energy Kentucky, Inc.



Sandra P. Meyer
President



Jay R. Alvaro
Managing Director, Labor Relations



Terry J. Hoppenjans
Labor Relations Consultant

