

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Duke)
Energy Ohio, Inc., to Set its Electric) Case No. 14-953- EL-UEx
Uncollectible Recovery Rate Under)
Rider UE-GEN.)

DIRECT TESTIMONY OF

JAMES E. ZIOLKOWSKI

ON BEHALF OF

DUKE ENERGY OHIO, INC.

June 10, 2014

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Attachments:

- JEZ-1: Rider UE-GEN – Proposed Rate Calculation**
- JEZ-2: Rider UE-GEN – Tariff Sheet redlined version**
- JEZ-3: Rider UE-GEN – Tariff Sheet clean version**

I. INTRODUCTION

1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A. My name is James E. Ziolkowski, and my business address is 139 East Fourth
3 Street, Cincinnati, Ohio 45202.

4 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

5 A. I am employed by the Duke Energy Business Services LLC (DEBS) as Director,
6 Rates and Regulatory Planning. DEBS provides various administrative and other
7 services to Duke Energy Ohio, Inc., (Duke Energy Ohio or the Company) and other
8 affiliated companies of Duke Energy Corporation (Duke Energy).

9 **Q. PLEASE BRIEFLY DESCRIBE YOUR EDUCATION AND**
10 **PROFESSIONAL EXPERIENCE.**

11 A. I received a Bachelor of Science degree in Mechanical Engineering from the U.S.
12 Naval Academy in 1979 and a Master of Business Administration degree from
13 Miami University in 1988. I am also a licensed Professional Engineer in the state
14 of Ohio.

15 After graduating from the Naval Academy, I attended the Naval Nuclear
16 Power School and other follow-on schools. I served as a nuclear-trained officer
17 on various ships in the U.S. Navy through 1986. From 1988 through 1990, I
18 worked for Mobil Oil Corporation as a Marine Marketing Representative in the
19 New York City area.

20 I joined The Cincinnati Gas & Electric Company (CG&E) in 1990 as a
21 Product Applications Engineer, in which capacity I designed and managed some

1 of CG&E's demand side management programs, including Energy Audits and
2 Interruptible Rates. From 1996 until 1998, I was an Account Engineer and
3 worked with large customers to resolve various service-related issues, particularly
4 in the areas of billing, metering, and demand management. In 1998, I joined
5 Cinergy Services, Inc.'s, Rate Department, where I focused on rate design and
6 tariff administration. I was significantly involved with the initial unbundling and
7 design of CG&E's retail electric rates. I was appointed to my current position in
8 December 2013.

9 **Q. HAVE YOU TESTIFIED PREVIOUSLY BEFORE THE PUBLIC**
10 **UTILITIES COMMISSION OF OHIO (COMMISSION)?**

11 A. Yes. Most recently, I filed testimony before the Public Utilities Commission of
12 Ohio (Commission) in support of Duke Energy Ohio's application for approval of its
13 next standard service offer, docketed under Case Number 14-481-EL-SSO, *et al.*,
14 and an application to update its energy efficiency rates, docketed under Case
15 Number 14-457-EL-RDR. I testified in the Company's most recent electric
16 distribution and gas base rate cases, filed under Case No. 12-1682-EL-AIR, *et al.*,
17 and Case No. 12-1685-GA-AIR, *et al.*, respectively. I also testified in Case No. 11-
18 3549-EL-SSO, *et al.*, Duke Energy Ohio's previous standard service offer (SSO)
19 filing.

II. OVERVIEW

20 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

21 A. The purpose of my testimony is to support Duke Energy Ohio's Application to
22 Adjust and Set its Electric Uncollectible Recovery Rate Under Rider UE-GEN. I

1 also sponsor Attachments JEZ-1, JEZ-2, and JEZ-3.

2 **Q. WHAT IS THE HISTORY OF RIDER UE-GEN?**

3 A. Rider UE-GEN was approved as a mechanism for recovery of generation-related
4 electric uncollectible expense by the Commission in Duke Energy Ohio's last
5 SSO proceeding, through an opinion and order (Opinion and Order) approving the
6 parties' stipulation and recommendation (Stipulation).¹ Pursuant to the
7 Commission's Finding and Order addressing the most recent adjustment of the
8 rate, Rider UE-GEN is currently set at \$0.000601 per kWh for residential
9 customers and \$0.46 per bill for non-residential customers.² Duke Energy Ohio is
10 now seeking to adjust Rider UE-GEN to recover incremental generation-related
11 electric uncollectible expenses, as contemplated and approved in the
12 Commission's Opinion and Order. The Company's proposed rate for the
13 residential Rider UE-GEN is \$0.000184 per kWh and the proposed non-
14 residential Rider UE-GEN rate is (\$0.07) per bill. Attachment JEZ-1 shows the
15 calculation of the proposed rates.

16 **Q. DOES DUKE ENERGY OHIO'S APPLICATION COMPLY WITH THE**
17 **TERMS OF THE OPINION ORDER AND STIPULATION?**

18 A. Yes the filing is in compliance with the terms of the Opinion and Order and
19 Stipulation.

¹ *In the Matter of the Application of Duke Energy Ohio for Authority to Establish a Standard Service Offer Pursuant to Section 4928.143, Revised Code, in the Form of an Electric Security Plan, Accounting Modifications, and Tariffs for Generation Service*, Case No. 11-3549-EL-SSO, *et al.*, Opinion and Order, at pp. 18, 32-33, 48 (November 22, 2011).

² *In the Matter of the Application of Duke Energy Ohio, Inc. to Adjust its Electric Uncollectible Recovery Rate Under Rider UE-GEN*, Case Nos. 13-1510-EL-UEx, *et al.*, Finding and Order (August 28, 2013).

**III. REVISED TARIFFS AND CALCULATION
OF PROPOSED RATE**

1 **Q. ARE REVISED TARIFFS INCLUDED IN THE CURRENT FILING?**

2 A. Yes. Attachments JEZ-2 and JEZ-3 are, respectively, red-lined and clean tariff
3 sheets showing proposed changes to Rider UE-GEN. The rate for Rider UE-GEN,
4 currently set at \$0.000601 per kWh for residential customers and \$0.46 per bill for
5 non-residential customers, is updated to reflect the proposed rates of \$0.000184 per
6 kWh and (\$0.07) per bill, respectively.

7 **Q. PLEASE DESCRIBE ATTACHMENT JEZ-1, PAGE ONE.**

8 A. Attachment JEZ-1, page 1, calculates the Rider UE-GEN rates for residential and
9 non-residential customers using actual and projected incremental unrecovered
10 balances and projected billing determinants for the twelve months ending March
11 31, 2015.

12 **Q. PLEASE DESCRIBE ATTACHMENT JEZ-1, PAGES 2 – 3.**

13 A. Pages 2-3 of Attachment JEZ-1 show the calculation of the monthly residential
14 and non-residential under/over recovery balance of the uncollectible expense
15 revenue requirement that needs to be recovered through the Rider UE-GEN. For
16 both classes, actual uncollectible amounts are provided for April 2013 – March
17 2014 and forecasted uncollectible amounts for April 2014 – March 2015.

18 **Q. PLEASE DESCRIBE ATTACHMENT JEZ-1, PAGES 4 – 5.**

19 A. Pages 4-5 include the calculation the actual and projected recovery of the
20 uncollectible expense. The balance consists of actual net write-offs from pages 6-
21 7, less recovery from the uncollectible rider. The result for each month is passed

1 over to pages 2-3.

2 **Q. PLEASE DESCRIBE ATTACHMENT JEZ-1, PAGE 6 – 7.**

3 **A.** Pages 6 – 7 allocate the actual and projected net charge-offs by residential and
4 non-residential customers. From there, the total net charge-offs are allocated to
5 generation based on the generation revenue as a percent of electric retail revenue.
6 The result for each month is passed over to pages 4-5.

7 **Q. PLEASE DESCRIBE HOW YOU ARRIVED AT THE PROPOSED RIDER**
8 **RATE.**

9 **A.** The calculation of the proposed Ride UE-GEN rate is shown on Attachment JEZ-
10 1. As mentioned previously, the proposed residential Rider UE-GEN is
11 \$0.000184 cents per kWh and the proposed non-residential Rider UE-GEN rate is
12 (\$0.07) per bill. The rates for each were calculated by dividing the total
13 unrecovered tracker balance as of March 31, 2015, by the applicable projected
14 billing determinants (kWh or number of bills) for the twelve months ending
15 March 31, 2015. The tracker balance consists of the amount of actual net write-
16 offs, less recovery from the uncollectible rider. For residential customers the
17 unrecovered tracker balance of \$1,329,693 is divided by 7,250,184,490 kWh to
18 arrive at \$0.000183 per kWh times 0.26068 percent CAT to arrive at \$0.000184
19 per kWh. For non-residential customers the unrecovered tracker balance of
20 (\$64,035) is divided by 854,237 bills to arrive at (\$0.07) per bill times 0.26068
21 percent CAT to arrive at (\$0.07) per bill.

IV. CONCLUSION

1 **Q. WERE ATTACHMENTS JEZ-1, JEZ-2, AND JEZ-3 PREPARED BY YOU**
2 **OR AT YOUR DIRECTION?**

3 **A. Yes.**

4 **Q. IS THE INFORMATION CONTAINED IN ATTACHMENTS JEZ-1, JEZ-**
5 **2, AND JEZ-3 TRUE AND ACCURATE TO THE BEST OF YOUR**
6 **KNOWLEDGE AND BELIEF?**

7 **A. Yes.**

8 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

9 **A. Yes.**

Attachment JEZ-1

Line	Description	Source	Residential	Non-Residential
1	Total Unrecovered Balance at March 31, 2015	Page 3	\$1,329,693	(\$64,035)
2	Projected Billing Determinants 12 months ended March 31, 2015	Page 5	7,250,184,490 kWh	854,237 Bills
3	Calculated UE-GEN Rate		\$0.000183 per kWh	(\$0.07) per bill
4	Rider UE-GEN Rate including CAT tax		\$0.000184 per kWh	(\$0.07) per bill

Duke Energy Ohio Electric
Uncollectible Expense Tracker Balances

ATTACHMENT JEZ-1
Page 2 of 7

Line	Actual											
	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14
Residential Under-/(Over-) Recovery												
1	\$1,677,763	\$1,376,038	\$1,201,253	\$957,883	\$643,299	\$336,262	(\$17,795)	(\$112,035)	(\$229,251)	(\$368,964)	(\$664,284)	(\$1,092,638)
2	(\$301,725)	(\$174,785)	(\$243,370)	(\$314,584)	(\$307,037)	(\$354,057)	(\$94,239)	(\$117,217)	(\$139,712)	(\$295,320)	(\$428,354)	(\$531,121)
3	\$1,376,038	\$1,201,253	\$957,883	\$643,299	\$336,262	(\$17,795)	(\$112,035)	(\$229,251)	(\$368,964)	(\$664,284)	(\$1,092,638)	(\$1,423,759)
4	\$1,376,038	\$1,201,253	\$957,883	\$643,299	\$336,262	(\$17,795)	(\$112,035)	(\$229,251)	(\$368,964)	(\$664,284)	(\$1,092,638)	(\$1,423,759)
Total Non-Residential Under-/(Over-) Recovery												
5	\$136,849	\$100,866	\$66,794	\$34,567	\$4,716	(\$26,916)	(\$59,634)	(\$83,191)	(\$107,356)	(\$126,289)	(\$149,079)	(\$179,561)
6	(\$35,983)	(\$34,072)	(\$32,227)	(\$29,851)	(\$31,632)	(\$32,718)	(\$23,557)	(\$24,165)	(\$18,933)	(\$22,790)	(\$30,482)	(\$29,393)
7	\$100,866	\$66,794	\$34,567	\$4,716	(\$26,916)	(\$59,634)	(\$83,191)	(\$107,356)	(\$126,289)	(\$149,079)	(\$179,561)	(\$208,954)
8	\$100,866	\$66,794	\$34,567	\$4,716	(\$26,916)	(\$59,634)	(\$83,191)	(\$107,356)	(\$126,289)	(\$149,079)	(\$179,561)	(\$208,954)

Duke Energy Ohio Electric
Uncollectible Expense Tracker Balances

ATTACHMENT JEZ-1
Page 3 of 7

Line		Projected											
		Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15
Residential Under-/(Over-) Recovery													
1	Unrecovered Balance - Beginning of Month	(\$1,423,759)	(\$1,247,359)	(\$1,021,360)	(\$768,270)	(\$468,984)	(\$208,210)	\$32,489	\$266,597	\$520,918	\$885,736	\$1,151,875	\$1,229,728
2	Total Residential Bad Debt to Be Recovered	\$176,401	\$225,998	\$253,090	\$299,286	\$260,774	\$240,699	\$254,108	\$234,321	\$364,818	\$268,139	\$77,853	\$99,965
3	Balance Sub-Total	(\$1,247,359)	(\$1,021,360)	(\$768,270)	(\$468,984)	(\$208,210)	\$32,489	\$266,597	\$520,918	\$885,736	\$1,151,875	\$1,229,728	\$1,329,693
4	Unrecovered Balance - End of Month	(\$1,247,359)	(\$1,021,360)	(\$768,270)	(\$468,984)	(\$208,210)	\$32,489	\$266,597	\$520,918	\$885,736	\$1,151,875	\$1,229,728	\$1,329,693
Total Non-Residential Under-/(Over-) Recovery													
5	Unrecovered Balance - Beginning of Month	(\$208,954)	(\$199,670)	(\$187,775)	(\$174,455)	(\$158,703)	(\$144,978)	(\$132,309)	(\$118,935)	(\$106,603)	(\$87,402)	(\$73,394)	(\$69,297)
6	Total Non-Residential Bad Debt to Be Recovered	\$9,284	\$11,895	\$13,321	\$15,752	\$13,725	\$12,668	\$13,374	\$12,333	\$19,201	\$14,007	\$4,098	\$5,261
7	Balance Sub-Total	(\$199,670)	(\$187,775)	(\$174,455)	(\$158,703)	(\$144,978)	(\$132,309)	(\$118,935)	(\$106,603)	(\$87,402)	(\$73,394)	(\$69,297)	(\$64,035)
8	Unrecovered Balance - End of Month	(\$199,670)	(\$187,775)	(\$174,455)	(\$158,703)	(\$144,978)	(\$132,309)	(\$118,935)	(\$106,603)	(\$87,402)	(\$73,394)	(\$69,297)	(\$64,035)

Duke Energy Ohio Electric
Revenue Collected for Uncollectible Expense

ATTACHMENT JEZ-1
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Line	Description	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14
Residential													
1	kWh Sales	\$47,347,605	427,936,839	551,896,816	694,811,491	644,259,117	674,771,294	467,861,885	481,499,827	683,073,167	831,037,305	809,500,757	873,462,214
2	Unrecovered Balance _Beginning of Month	139,130	174,613	206,326	251,425	217,768	195,268	186,037	173,327	271,462	204,591	58,603	74,393
3	Recovery from Uncollectible Rider	\$442,005	\$350,309	\$450,868	\$567,484	\$526,173	\$550,757	\$283,013	\$291,301	\$412,246	\$501,215	\$488,226	\$406,571
4	CAT Tax	1,002,608	1,002,608	1,002,608	1,002,608	1,002,608	1,002,608	1,002,608	1,002,608	1,002,608	1,002,608	1,002,608	1,002,608
5	LESS: Recovery from Uncollectible Rider less CAT TAX	\$440,855	\$349,398	\$449,056	\$566,009	\$524,205	\$549,325	\$282,277	\$290,543	\$411,174	\$499,911	\$480,567	\$406,514
6	Total Residential Bad Debt to Be Recovered	(\$301,725)	(\$174,785)	(\$243,370)	(\$314,564)	(\$307,037)	(\$354,057)	(\$94,239)	(\$117,217)	(\$139,712)	(\$295,320)	(\$428,354)	(\$331,121)
Non-Residential													
7	Number of Bills	71,280	71,241	70,951	71,045	71,046	71,043	71,302	71,193	71,218	71,504	71,448	70,454
8	Unrecovered Balance _Beginning of Month	\$7,323	\$9,190	\$10,859	\$13,233	\$11,461	\$10,277	\$9,897	\$9,122	\$14,287	\$10,788	\$3,084	\$3,915
9	Recovery from Uncollectible Rider	\$43,419	\$43,375	\$43,199	\$43,196	\$43,206	\$43,107	\$33,541	\$33,374	\$33,307	\$33,645	\$33,654	\$33,395
10	CAT Tax	1,002,608	1,002,608	1,002,608	1,002,608	1,002,608	1,002,608	1,002,608	1,002,608	1,002,608	1,002,608	1,002,608	1,002,608
11	LESS: Recovery from Uncollectible Rider less CAT TAX	\$43,306	\$43,262	\$43,087	\$43,084	\$43,093	\$42,995	\$33,454	\$33,287	\$33,221	\$33,558	\$33,566	\$33,308
12	Total Non-Residential Bad Debt to Be Recovered	(\$35,983)	(\$34,072)	(\$32,227)	(\$29,851)	(\$31,632)	(\$32,718)	(\$23,557)	(\$24,165)	(\$18,933)	(\$22,790)	(\$30,482)	(\$29,393)
13	Total Bad Debt (Residential + Non-residential)	(\$337,708)	(\$208,857)	(\$275,597)	(\$344,435)	(\$338,669)	(\$386,775)	(\$117,797)	(\$141,381)	(\$158,645)	(\$318,110)	(\$458,836)	(\$360,514)

(a) Per Order dated November 22, 2011 in Case No. 11-3549-EL-SSO, Duke Energy Ohio's initial application shall include net uncollectible expenses including those taking generation service from a CRES provider.

(b) UE-GEN first filing was in Case No. 12-1963-EL-UEX with a effective date of September 28, 2012

Duke Energy Ohio Electric
Revenue Collected for Uncollectible Expense

ATTACHMENT JEZ-1
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Line	Description	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Total
Residential														
1	KWh Sales	477,134,280	436,360,194	560,265,981	715,305,508	744,486,349	674,719,343	482,350,332	456,045,015	649,826,996	767,003,902	704,602,127	602,284,463	7,250,184,490
2	Unrecovered Balance - Beginning of Month	176,401	225,998	253,090	299,286	260,774	240,699	254,108	234,321	364,818	268,139	77,853	99,965	
3	Recovery from Uncollectible Rider	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
4	CAT Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5	LESS: Recovery from Uncollectible Rider less CAT TAX	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
6	Total Residential Bad Debt to Be Recovered	\$176,401	\$225,998	\$253,090	\$299,286	\$260,774	\$240,699	\$254,108	\$234,321	\$364,818	\$268,139	\$77,853	\$99,965	
Non-Residential														
7	Number of Bills	71,321	71,262	70,982	71,086	71,087	71,064	71,363	71,234	71,259	71,545	71,489	70,495	854,237
8	Unrecovered Balance - Beginning of Month	\$9,284	\$11,895	\$13,321	\$15,752	\$13,725	\$12,668	\$13,374	\$12,333	\$19,201	\$14,007	\$4,098	\$5,261	
9	Recovery from Uncollectible Rider	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
10	CAT Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
11	LESS: Recovery from Uncollectible Rider less CAT TAX	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
12	Total Non-Residential Bad Debt to Be Recovered	\$9,284	\$11,895	\$13,321	\$15,752	\$13,725	\$12,668	\$13,374	\$12,333	\$19,201	\$14,007	\$4,098	\$5,261	
13	Total Bad Debt (Residential + Non-residential)	\$185,685	\$237,893	\$266,411	\$315,038	\$274,499	\$253,367	\$267,482	\$246,654	\$384,019	\$280,146	\$81,951	\$105,226	

(a) Per Order dated November 22, 2011 in Case No. 11-3549-EL SSO, Duke Energy Ohio's initial application shall include net uncollectible expenses including those taking generation service from a CRES provider.

(b) UE-GEN first filing was in Case No. 12-1963-EL UEX with a effective date of September 28, 2012

Duke Energy Ohio Electric
Allocation of Charge-offs to Electric Generation Residential and Non-Residential

Line	Description	Actual											
		Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14
1	Net Charge Offs for Month - Residential	\$ 349,529	\$ 448,914	\$ 503,529	\$ 569,342	\$ 519,177	\$ 474,105	\$ 505,876	\$ 469,787	\$ 719,612	\$ 529,177	\$ 159,323	\$ 202,902
2	Net Charge Offs for Month - Non - Residential	\$ 18,398	\$ 23,627	\$ 26,502	\$ 31,281	\$ 27,325	\$ 24,953	\$ 26,625	\$ 24,673	\$ 37,874	\$ 28,378	\$ 8,385	\$ 10,679
3	Net Charge Offs for Month - Total	\$ 367,925	\$ 472,541	\$ 530,030	\$ 625,623	\$ 546,502	\$ 499,058	\$ 532,501	\$ 493,460	\$ 757,486	\$ 557,555	\$ 167,708	\$ 213,581
4	Electric Generation Revenue (b)	\$ 30,204,702	\$ 27,649,074	\$ 34,723,098	\$ 41,179,518	\$ 37,853,894	\$ 37,915,407	\$ 27,125,501	\$ 27,850,011	\$ 33,014,167	\$ 36,606,752	\$ 35,280,183	\$ 31,913,178
5	Electric Retail Revenue (c)	\$ 75,881,215	\$ 71,083,285	\$ 64,739,964	\$ 67,343,950	\$ 60,246,841	\$ 62,057,302	\$ 72,875,520	\$ 75,324,476	\$ 87,516,828	\$ 86,473,220	\$ 85,951,348	\$ 87,041,895
6	Generation Revenue as a % of Electric Retail Revenue	39.80520%	38.89670%	40.97600%	42.30310%	41.94480%	41.18670%	37.17070%	36.97340%	37.72380%	37.94500%	36.78240%	36.66420%
7	Net Charge Offs for Month Allocated to Generation	\$ 146,433	\$ 183,803	\$ 217,165	\$ 264,658	\$ 229,229	\$ 205,545	\$ 197,534	\$ 182,449	\$ 285,749	\$ 215,359	\$ 61,647	\$ 76,308
8	Residential Actual Net Charge Offs for Month	\$ 139,130	\$ 174,613	\$ 206,326	\$ 251,425	\$ 217,768	\$ 195,268	\$ 188,037	\$ 173,327	\$ 271,462	\$ 204,591	\$ 58,603	\$ 74,393
9	Non-Residential Actual Net Charge Offs for Month	\$ 7,323	\$ 9,190	\$ 10,859	\$ 13,233	\$ 11,461	\$ 10,277	\$ 9,887	\$ 9,122	\$ 14,287	\$ 10,768	\$ 3,084	\$ 3,915

(a) Per Order dated November 22, 2011 in Case No. 11-3549-EL-SSO, Duke Energy Ohio's initial application shall include net uncollectible expenses.
(b) Total Generation Retail Sales (billed) excluding interdepartmental
(c) Total Retail Sales (billed) excluding interdepartmental

Duke Energy Ohio Electric
Allocation of Charge-offs to Electric Generation Residential and Non-Residential

Line	Description	Projected												Jan-15	Feb-15	Mar-15
		Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15			
1	Net Charge Offs for Month - Residential	\$ 434,430	\$ 557,426	\$ 825,752	\$ 738,489	\$ 645,110	\$ 588,742	\$ 628,598	\$ 581,809	\$ 893,800	\$ 645,167	\$ 100,334	\$ 244,153			
2	Net Charge Offs for Month - Non-Residential	\$ 22,965	\$ 28,358	\$ 32,934	\$ 38,868	\$ 33,953	\$ 30,986	\$ 33,084	\$ 30,627	\$ 47,049	\$ 33,956	\$ 10,018	\$ 12,850			
3	Net Charge Offs for Month - Total	\$ 457,394	\$ 585,784	\$ 858,686	\$ 777,357	\$ 679,063	\$ 619,728	\$ 661,682	\$ 612,436	\$ 940,849	\$ 679,123	\$ 210,352	\$ 257,003			
4	Electric Generation Revenue (b)	\$ 32,657,227	\$ 30,778,135	\$ 35,732,357	\$ 41,265,234	\$ 41,169,829	\$ 36,960,323	\$ 32,478,228	\$ 31,514,200	\$ 37,575,918	\$ 41,510,653	\$ 39,268,111	\$ 36,189,621			
5	Electric Retail Revenue (c)	\$ 80,428,175	\$ 75,914,453	\$ 88,345,983	\$ 102,068,881	\$ 101,847,068	\$ 97,741,690	\$ 80,337,947	\$ 78,282,174	\$ 92,073,847	\$ 100,828,170	\$ 98,004,183	\$ 88,389,255			
6	Generation Revenue as a % of Electric Retail Revenue	40.60420%	40.54320%	40.44580%	40.52680%	40.42320%	40.68360%	40.42450%	40.28770%	40.81060%	41.25110%	40.90550%	40.94340%			
7	Net Charge Offs for Month Allocated to Generation	\$ 185,945	\$ 237,893	\$ 286,411	\$ 315,038	\$ 274,498	\$ 253,267	\$ 267,482	\$ 248,854	\$ 384,018	\$ 280,146	\$ 81,941	\$ 105,228			
8	Residential Actual Net Charge Offs for Month	\$ 178,401	\$ 225,998	\$ 253,090	\$ 299,296	\$ 260,774	\$ 240,699	\$ 254,186	\$ 234,321	\$ 364,818	\$ 268,139	\$ 77,853	\$ 99,865	95%	95%	95%
9	Non-Residential Actual Net Charge Offs for Month	\$ 9,284	\$ 11,895	\$ 13,321	\$ 15,752	\$ 13,725	\$ 12,568	\$ 13,374	\$ 12,333	\$ 19,201	\$ 14,007	\$ 4,088	\$ 5,261	95%	95%	95%

(a) Per Order dated November 22, 2011 in Case No. 11-3549-EL-SSO, Duke E
(b) Total Generation Retail Sales (billed) excluding interdepartmental
(c) Total Retail Sales (billed) excluding interdepartmental

Attachment JEZ-2

Duke Energy Ohio
139 East Fourth Street
Cincinnati, Ohio 45202

P.U.C.O. Electric No. 19
Sheet No. 88.~~32~~
Cancels and Supersedes
Original Sheet No. 88.~~21~~
Page 1 of 1

RIDER UE-GEN

UNCOLLECTIBLE EXPENSE – ELECTRIC GENERATION RIDER

APPLICABILITY

Applicable to all retail jurisdictional customers in the Company's electric service territory including those customers taking generation service from a Competitive Retail Electric Service provider, except for those customer accounts not designated for Duke Energy Ohio's Purchase of Accounts Receivable.

DESCRIPTION

This rider enables the recovery of uncollectible accounts expense related to generation service. The amounts in the Rider will only be collected from the class (residential or non-residential) that created the uncollectible accounts expense. The first application shall be filed in the second quarter of 2012.

CHARGE

A charge of \$0.000~~60~~184 per kWh shall be applied to all kWh delivered to residential customers. A charge of ~~(\$0.460.07)~~ per bill shall be applied to each non-residential customer.

Filed pursuant to an Order dated ~~August 28, 2013~~ in Case No. ~~13-1510-EL-UEx~~ before the Public Utilities Commission of Ohio.

Issued: ~~August 28, 2013~~

Effective: ~~September 30, 2013~~

Issued by James P. Henning, President

Attachment JEZ-3

Duke Energy Ohio
139 East Fourth Street
Cincinnati, Ohio 45202

P.U.C.O. Electric No. 19
Sheet No. 88.3
Cancels and Supersedes
Original Sheet No. 88.2
Page 1 of 1

RIDER UE-GEN

UNCOLLECTIBLE EXPENSE – ELECTRIC GENERATION RIDER

APPLICABILITY

Applicable to all retail jurisdictional customers in the Company's electric service territory including those customers taking generation service from a Competitive Retail Electric Service provider, except for those customer accounts not designated for Duke Energy Ohio's Purchase of Accounts Receivable.

DESCRIPTION

This rider enables the recovery of uncollectible accounts expense related to generation service. The amounts in the Rider will only be collected from the class (residential or non-residential) that created the uncollectible accounts expense. The first application shall be filed in the second quarter of 2012.

CHARGE

A charge of \$0.000184 per kWh shall be applied to all kWh delivered to residential customers. A charge of (\$0.07) per bill shall be applied to each non-residential customer.

Filed pursuant to an Order dated_____ in Case No._____ before the Public Utilities Commission of Ohio.

Issued:

Effective:

Issued by James P. Henning, President