

BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Applications of Duke	)	
Energy Ohio, Inc. for an Increase in its Gas	)	Case No. 07-589-GA-AIR
Rates.	)	
	)	

In the Matter of the Application of Duke	)	
Energy Ohio, Inc. for Approval of an	)	Case No. 07-590-GA-ALT
Alternative Rate Plan for its Gas Distribution	)	
Service.	)	

In the Matter of the Application of Duke	)	
Energy Ohio, Inc. for Approval to Change	)	Case No. 07-591-AAM
Accounting Methods.	)	

**REPLY BRIEF OF DIRECT ENERGY SERVICES, LLC  
AND INTEGRYS ENERGY SERVICES, INC.**

DirectEnergy Services, LLC ("Direct") and Integrys Energy Services, Inc. ("Integrys") seek to clarify their position on the issue of the fixed vs. volumetric rate design and/or a sales decoupling rider issue.

Footnote 1 of the February 28, 2008 Stipulation and Recommendation states that "The parties expressly agree that the issue of fixed vs. volumetric rate design and/or a sales decoupling rider is not intended to be resolved through this Stipulation and will be decided by the Commission following the hearing, as noted in Footnote 7."

Footnote 7 of the February 28, 2008 Stipulation and Recommendation provides in part that "(t)he issue of fixed vs. volumetric rate design and/or a sales decoupling rider is not resolved through this Stipulation and will be decided by the Commission following the evidentiary hearing."

Direct and Integrys each signed the February 28, 2008 Stipulation and Recommendation. Neither filed an objection to the Staff Report on the issue of the fixed straight variable rate design nor participated in that phase of the hearing.

Direct and Integrys neither support nor oppose the Staff Report's recommendation relating to a fixed straight variable rate design.

Respectfully submitted,

/s/

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## CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Reply Brief was served upon the following persons, by e-mail this 24<sup>th</sup> day of March, 2008.

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Summary: Brief Reply Brief of Direct Energy Services, LLC and Integrys Energy Services, Inc.  
electronically filed by Stephen M Howard on behalf of Direct Energy Services, LLC and  
INTEGRYS ENERGY SERVICES INC (RETURNED MAIL)