

FILE

December 9, 2008

08-1225-EL-CSS

The Public Utilities Commission of Ohio
Attn: Docketing
180 Broad St.
Columbus, OH 43215-3793

Re: SZL, Ltd. Complaint vs. Duke Energy Ohio (Case ID: SVAM092208CJ)
Answers to Duke Energy Ohio's response letter dated December 3, 2008

PUCO

2008 DEC 12 AM 10:23

RECEIVED-REGISTRATION

To Whom It May Concern:

SZL, Ltd. filed a formal complaint on November 11, 2008 claiming that Duke Energy Ohio (DEO) overcharged SZL Ltd. during the time period between May 8, 2008 and August 18, 2008, and beyond.

In the Formal Complaint, SZL laid out the basis for the complaint in an item-by-item fashion (Exhibit #4, attached to Complaint). There is a document (DEO's 15 minute printouts for the energy use) showing power usage when the building was not in use. The energy charges were unrealistic. The claimed max demand charge was physically impossible.

After several discussions with DEO representatives, Duke consented to change out the old electric meter (which stood idle for years). The change-out occurred on August 18, 2008, after which a drastic drop in both energy usage (from 2,856kWh in July to 1,209kWh in August) and in demand charge (38.4kW to 12.73kW) was registered. Since there was no change in the use of the building, the only factor causing the change was the changed meter.

Duke's Customer Service department checked the old meter and certified it to be accurate. However, no actual test data was provided nor was an independent testing agency involved.

Duke Energy of Ohio has been (and still is) charging us at the DSOI demand charge rate. After adjusting the demand charge in September to 12.73kW, they "reinstated" the 32.64kW demand charge in October.

In our Formal Complaint letter (November 11, 2008), we made 22 claims. In their response, DEO claimed "Not sufficient information or knowledge to either admit or deny the allegations" eleven times, even though they have access to all of the information we have. The allegations they "admitted" are all administrative in nature. None of the technical claims were addressed. There were no attempts made by Duke to clarify the "abnormalities" we have identified, including: Abrupt reduction in energy and demand charges after the meter change-out, irregular recordings of usage, elevated billings for

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high demand charges, etc. In their "affirmative defenses" DEO claims that "complainant failed to set forth reasonable grounds for complaint."

With all due respect, our opinion is that we provided all the "reasonable grounds" for our complaints, and it is DEO who failed to respond to those assertions in a reasonable manner.

SZL, Ltd. has stated in the Formal Complaint (in the last paragraph) that DEO overcharged us. According to the PUCO guidelines, this case falls under the category of cases where PUCO has the authority:

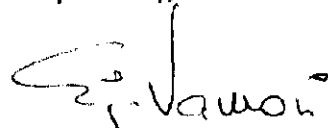
"Your complaint should show that the public utility has done at least one of the following:

- That a rule, tariff, **rate, charge...** (etc.) is **unjust and unreasonable.**"

Clearly, the formal complaint was made to force DEO to refund the overcharges. The amount claimed will be calculated once the factual issues are established.

SZL, Ltd., having fully answered Duke Energy Ohio's reply requests that the Commission schedule a time for a settlement conference per PUCO's policy.

Respectfully,

A handwritten signature in black ink, appearing to read "S.J. Vamosi", with a stylized flourish at the end.

S.J. Vamosi, P.E.

Managing Partner, SZL, Ltd.