

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Duke)
Energy Ohio, Inc., to Adjust and Set the) Case No. 08-1025-EL-UNC
Annually Adjusted Component of its Market)
Based Standard Service Offer.)

ENTRY

The attorney examiner finds:

- (1) On October 24, 2007, the Commission issued an order on remand, approving a standard service offer rate stabilization plan (RSP) for Duke Energy Ohio, Inc., (Duke) in Case No. 03-93-EL-ATA (03-93). As part of the RSP, the Commission found that it was reasonable to allow Duke to collect for expenditures in the areas of environmental compliance, homeland security, and taxes, to the extent that calculations of incremental expenditures are based on changes in costs after December 31, 2000, through a rider known as the annually adjustable component (AAC). This AAC rider is comparable to the identically named rider that had previously been approved by the Commission in the same proceeding, prior to remand by the Supreme Court of Ohio.
- (2) On August 28, 2008, Duke filed an application to adjust the AAC rate, in order to incorporate and account for changes in underlying portions of the AAC.
- (3) On December 17, 2008, the Commission approved a stipulation in *In the Matter of the Application of Duke Energy Ohio, Inc., for Approval of an Electric Security Plan*, Case No. 08-920-EL-SSO, et al. (08-920). As part of the stipulation, that rider, now referred to as rider PTC-AAC, would be updated, effective December 1, 2008. In addition, Duke agreed to propose to the Commission the manner of any true-up of rider PTC-AAC reagent revenues and costs through December 31, 2008, with such filing to be made during the first quarter of 2009. The stipulation also provided that the filing would be subject to due process.
- (4) On February 27, 2009, Duke filed a proposed update to its electric tariff for rider PTC-AAC, which it proposed should be effective on April 1, 2009. Duke noted that this update is to

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correct the true-up of the 2008 budget to actual environmental reagent variance.

- (5) In accordance with the Commission directive that this change in rider PTC-AAC be subject to due process, the attorney examiner finds that there should be a brief period of time in order to allow interested parties the opportunity to comment on Duke's proposed true-up of the 2008 budget to actual environmental reagent variance. Therefore, interested parties should file any comments by March 30, 2009.

It is, therefore,

ORDERED, That any interested party file comments on Duke's proposed true-up of the 2008 budget to actual environmental reagent variance by March 30, 2009. It is, further,

ORDERED, That a copy of this entry be served upon all parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO

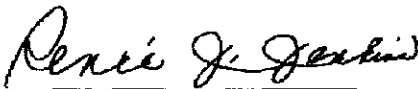

By: Scott Farkas

Attorney Examiner

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Entered in the Journal

MAR 24 2009


Renee J. Jenkins

Secretary