

## 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 Commission 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

This is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business.  
 Technician DN Date Processed 4/15/09

correct the true-up of the 2008 budget to actual environmental reagent variance. By entry dated March 24, 2009, the attorney examiner allowed interested parties the opportunity to comment on Duke's proposed true-up of the 2008 budget to actual environmental reagent variance, by no later than March 30, 2009.

- (5) No comments were filed by any party.
- (6) The Commission has reviewed the application. The revised tariff pages would true up the 2008 budget to reflect actual environmental reagent expenses. We find that the rates set forth in the proposed tariff are reasonable. The Commission has noted, however, that the approval information in the footer of each proposed tariff page incorrectly references Case No. 08-920-EL-SSC [sic]. That language should be revised to reflect the date of this entry and the case number of this proceeding. With that change, we find that the proposed tariff pages should be approved.

It is, therefore,

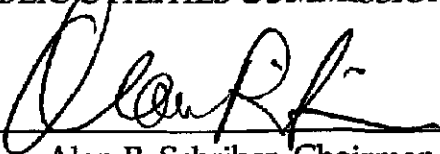
ORDERED, That Duke's application to set the level of rider AAC be approved, to the extent set forth herein, effective with the filing of revised tariffs, on a services rendered basis. It is, further,

ORDERED, That Duke file, in final form, four complete copies of tariffs consistent with this opinion and order. Duke shall file one copy in this case docket and one copy in its TRF docket (or may make such filing electronically, as directed in Case No. 06-900-AU-WVR). The remaining two copies shall be designated for distribution to Commission staff. It is, further,

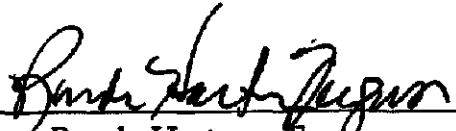
ORDERED, That nothing in this decision shall be binding upon this Commission in any future proceeding or investigation involving the justness or reasonableness of any rate, charge, rule, or regulation. It is, further,

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

THE PUBLIC UTILITIES COMMISSION OF OHIO

  
Alan R. Schriber, Chairman

  
Paul A. Centolella

  
Ronda Hartman Fergus


\_\_\_\_\_  
Valerie A. Lemmie

  
Cheryl L. Roberto

JWK/SEF:geb

Entered in the Journal

**APR 15 2009**

  
Renee J. Jenkins  
Secretary