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From:	David F. Boehm, Esq. Michael L. Kurtz, Esq. BOEHM, KURTZ & LOWRY	Date:	January 28, 2011
Re:	In The Matter Of The Application Of Duke Energy Ohio, Inc. For Approval Of A Market Rate Offer To Conduct A Competitive Bidding Process For Standard Service Offer Electric Generation Supply, Accounting Modifications, And Tariffs For Generation Service Case No. 10-2586-EL-SSO	Pages	<u>2</u>

Attached please find CORRECTED PAGE NO. 17 to the BRIEF OF THE OHIO ENERGY GROUP originally filed on January 27, 2011 in the above-referenced matter. The original and 20 copies will follow by overnight mail.

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for cost recovery only. Duke will not join PJM until January 2012, providing sufficient time for a full consideration by the Commission of this issue outside the confines of an accelerated MRO proceeding.²⁶

4. **OEG Agrees With Staff's Recommendations With Respect to Rider RECON and Rider UE-GEN.**

OEG supports the recommendation of Staff witness Tamara Turkenton with respect to the treatment of Rider RECON and Rider UE-GEN.

Duke is requesting the establishment of Rider RECON in order to collect the over or under recovery balances remaining as of December 31, 2011 pertaining to Rider PTC-FPP and Rider SRA-SRT under the current ESP. OEG agrees with Staff that Rider RECON should only be collected on a fully bypassable basis. It is appropriate to collect Rider RECON on the same fully bypassable basis as Rider PTC-FPP.²⁷

Duke's proposed Rider UE-GEN seeks to recover the cost of bad debt associated with Duke's SSO. With respect to Rider UE-GEN OEG agrees with Staff that an uncollectible rider for generation is not allowable under R.C. 4928.142(D). Duke's request to recover these costs through Rider UE-GEN should be rejected.²⁸

²⁶ Direct Testimony of Stephen J. Baron p. 23.

²⁷ Direct Testimony of Tamara Turkenton pp. 4-5.

²⁸ Direct Testimony of Tamara Turkenton p. 6.