

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Duke)	Case No. 12-1685-GA-AIR
Energy Ohio, Inc., for an Increase in Gas)	
Rates.)	
)	
In the Matter of the Application of Duke)	Case No. 12-1686-GA-ATA
Energy Ohio, Inc., for Tariff Approval.)	
)	
In the Matter of the Application of Duke)	
Energy Ohio, Inc., for the Approval of an)	Case No. 12-1687-GA-ALT
Alternative Rate Plan for Gas Distribution)	
Service.)	
)	
In the Matter of the Application of Duke)	Case No. 12-1688-GA-AAM
Energy Ohio, Inc., for Approval to Change)	
Accounting Methods.)	

**STATEMENT AS TO OBJECTIONS TO THE STAFF REPORT FILED BY
THE KROGER CO.**

Pursuant to Paragraph 5(a)(i) of the Entry issued April 4, 2013 in the above-captioned proceeding, each party that filed an objection to the Staff Report is required to file a statement identifying its objections to the Staff Report, which are pertinent to the issues that are not part of the Stipulation and Recommendation filed in this case on April 2, 2013, and which will be the subject of litigation at the evidentiary hearing. Accordingly, The Kroger Co. ("Kroger"), by and through counsel, hereby states as follows:

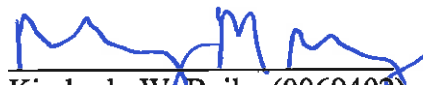
Kroger's objection to the Staff Report regarding the manufactured gas plant ("MGP") remediation costs has not been addressed by the Stipulation and Recommendation, and is the

subject of the matter pending before the Commission. Kroger's objection to the Staff Report¹ regarding the MGP remediation costs is restated below:

Kroger objects to the Staff Report's recommendation to permit Duke to recover approximately \$6.4 million in deferred manufactured gas plant (MGP) remediation costs.² In its Application, Duke is requesting recovery through base rates of approximately \$65.3 million in deferred remediation costs for two former manufactured gas plants located in its service territory.³ As the Staff Report notes, there are many questions and concerns regarding the recovery of such costs, including whether insurers may pay for these remediation efforts and the allocation between customers and shareholders of any remediation proceeds received from insurers.⁴

At the evidentiary hearing scheduled to commence on April 29, 2013, Kroger intends to litigate Duke's Application requesting the recovery of the MGP remediation costs and all related issues still pending before the Commission.

Respectfully Submitted,



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¹ Objections to the Staff Report Submitted by The Kroger Co. at 2-3, Objection B (February 4, 2013).

² Staff Report at 30-47 (January 4, 2013).

³ Duke Application at 5-12 (July 9, 2012).

⁴ Staff Report at 47.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and accurate copy of the foregoing document was served this 22nd day of April, 2013 by electronic mail if available or by regular U.S. mail, postage prepaid, upon the persons listed below.


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Case No(s). 12-1685-GA-AIR, 12-1686-GA-ATA, 12-1687-GA-ALT, 12-1688-GA-AAM

Summary: Text Statement as to Objections to the Staff Report Filed by The Kroger Co.
electronically filed by Mrs. Kimberly W. Bojko on behalf of The Kroger Co.