

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Review of Ohio)	
Adm.Code Chapter 4901:1-36, Electric)	Case No. 13-0953-EL-ORD
Transmission Cost Recovery Riders)	
 In the Matter of the Review of Ohio)	
Adm.Code Chapter 4901:1-37, Corporate)	Case No. 13-0954-EL-ORD
Separation for Electric Utilities and)	
Affiliates)	
 In the Matter of the Review of Ohio)	
Adm.Code Chapter 4901:1-38, Reasonable)	Case No. 13-0955-EL-ORD
Arrangements for Electric Utility Customers)	

**REPLY COMMENTS OF DIRECT ENERGY SERVICES, LLC
AND DIRECT ENERGY BUSINESS, LLC**

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January 31, 2014

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**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Review of Ohio)	
Adm.Code Chapter 4901:1-36, Electric)	Case No. 13-953-EL-ORD
Transmission Cost Recovery Riders)	

In the Matter of the Review of Ohio)	
Adm.Code Chapter 4901:1-37, Corporate)	Case No. 13-954-EL-ORD
Separation for Electric Utilities and)	
Affiliates)	

In the Matter of the Review of Ohio)	
Adm.Code Chapter 4901:1-38, Reasonable)	Case No. 13-955-EL-ORD
Arrangements for Electric Utility Customers)	

**REPLY COMMENTS OF DIRECT ENERGY SERVICES, LLC
AND DIRECT ENERGY BUSINESS, LLC**

I. INTRODUCTION

On April 22, 2013, the Public Utilities Commission of Ohio (“Commission”) issued an Entry in the above-captioned docket and ordered a workshop to elicit stakeholder input on the proposed revisions, which was held on May 7, 2013.

On December 18, 2013, the Commission issued an Entry with Staff’s proposed changes to the rules and set an initial comment deadline of January 17, 2014, and a reply comment deadline of January 30, 2014. Direct Energy Services, LLC and Direct Energy Business, LLC (“Direct Energy”) submitted initial comments on January 17, 2014 and now respectfully submits its Reply Comments in this proceeding.

II. REPLY COMMENTS

Rule 4901:1-36-02 – Transmission cost recovery rider

Rule 4901:1-36-02, Ohio Administrative Code (“O.A.C.”), currently authorizes an electric utility to recover, through a reconcilable rider, all transmission and transmission-related costs. Direct Energy, in its Initial Comments, recommended the rule should be amended to limit the rider to costs exclusively allotted to the utility to prevent the possibility of duplication of charges to competitive retail electric supply (“CRES”) customers.¹ The Dayton Power and Light Company’s (“DP&L”) Initial Comments suggest eliminating Section 4901:1-36-04(B), O.A.C. DP&L explained that three out of the four Ohio electric distribution utilities have waivers of the rule with Commission-approved non-bypassable cost recovery riders in place and the fourth has requested a similar non-bypassable rider.² Direct Energy supports the elimination of Section 4901:1-36-04(B), O.A.C. However, if the Commission determines that the rule should remain in place because the currently approved riders are only authorized for the duration of a current electric security plan (“ESP”), and thus may not be included in future ESP plans, Direct Energy recommends the Commission include its clarifying language included in its Initial Comments to protect CRES customers from duplicate charges.

¹ Initial Comments of Direct Energy at 3.

² Initial Comments of the Dayton Power and Light Company at 2.

III. CONCLUSION

Direct Energy requests the Commission adopt its recommendations contained in its Initial Comments and Reply Comments.

Respectfully submitted,

/s/ Joseph M. Clark

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and accurate copy of the foregoing Reply to Duke Energy Ohio's Memorandum Contra of Direct Energy Services, LLC and Direct Energy Business, LLC was served this 31st day of January, 2014 by electronic mail delivery upon the persons listed below.

/s/ Joseph M. Clark

Joseph M. Clark

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Summary: Reply Comments electronically filed by JOSEPH CLARK on behalf of Direct Energy Services, LLC and Direct Energy Business, LLC