BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Commission's Investigation of Ohio's Retail Electric Service Market)))	12-3151-EL-COI
In the Matter of the Market Development Working Group Staff Report.)	14-2074-EL-EDI

REPLY COMMENTS OF DUKE ENERGY OHIO, INC.

I. INTRODUCTION

The Staff of the Public Utilities Commission of Ohio (Staff) filed a report (Report), on July 16, 2015 regarding an operational plan for either a seamless move, contract portability, instant connect, or warm transfer. Subsequent to the filing of the Report, a comment period was requested. The Retail Energy Supply Association, (RESA), The Dayton Power and Light Company, DP&L), The Office of the Ohio Consumers' Counsel, (OCC), IGS Energy, Inc., (IGS), Ohio Power Company, (Ohio Power) and the Staff, all submitted initial comments. Duke Energy Ohio, Inc. (Duke Energy Ohio or the Company) offers the following reply comments for the Commission's consideration.

II. COMMENTS

A. Comments in response to OCC.

Duke Energy Ohio agrees with the OCC that the best option among the choices discussed is the option for "cold transfer," for the reasons set forth in the Company's initial comments in this docket. However, the OCC is recommending to the Commission

that the Company serve as a source of education and guidance to the customer in the process. OCC states that it "support's the EDU providing information about competitive choices to customers when service is initiated." This is recommendation is ill considered. If the EDU is required to function as an advisor to customers with respect to selecting a competitive retail electric service (CRES) provider, this will inevitably lead to complaints filed by the very same CRES that the EDU is somehow favoring one CRES over another. The EDU must be permitted to remain competitively neutral to allay any concern regarding favoritism or preference.

Additionally, the EDU must not be saddled with the burden of becoming an energy advisor to the customer such that the transfer process becomes unduly prolonged and complicated. Providing advice in this manner is not something that call center representatives are trained or educated to do. Moreover, such calls would be lengthy, costly and fraught with daily uncertainty as prices for CRES providers can change frequently. OCC's recommendation fails to account for the difficulties inherent in such a process and should be rejected.

B. Comments in response to RESA.

RESA's business prospects. RESA does so even though there is no evidence to suggest there are presently any impediments that hamper customers in selecting CRES providers. In fact, in Duke Energy Ohio's service territory, approximately 49 percent of customers are currently served by competitive suppliers, representing 76 percent of the Company's kWh switched annual load. When the Commission undertook to review competition in the CRES market in Ohio, it did so without reference to any of the methodologies

commonly used in measuring economic competition. Had it done so, it could conclude nothing other than that competition is indeed robust in Ohio.

Nonetheless, CRES providers have consistently sought more and more support from regulated entities to enhance their own competitive positions. The Commission is tasked with ensuring that customers are treated fairly and have as many competitive options available to them as are feasible. However, the Commission should not require regulated customers to subsidize competition. Much of what RESA recommends would do just that.

RESA argues that the Staff focused on barriers and obstacles rather than implement changes that RESA advocates. However, RESA chooses to simply overlook costs and logistical obstacles rather than suggest a means to address them. And simply pointing to a neighboring state to argue that Ohio should follow suit is likewise unhelpful. As DP&L recognized, to the extent the Commission opts to seek a warm transfer process, the Commission must recognize that each of the EDUs are uniquely situated. Each network telecom system and call center functions differently under differing constraints. Thus, each EDU should be permitted to address Commission requirements as needed. Likewise, DP&L recognized that there will be time and expenses associated with accomplishing warm transfer and Duke Energy Ohio is one of the EDUs that currently employs a third party to carry out customer account changes. Thus, education, understanding and flexibility are paramount in this context.

Duke Energy Ohio urges the Commission to recognize that the Staff's recommendation for a warm connect process is really the best option under the circumstances, for reasons reflected in the Staff's Report.

III. CONCLUSION

For the reasons stated, Duke Energy Ohio respectfully request that the Commission not direct EDUs to be required to implement a "one size fits all" solution. The Commission should provide flexibility and instead allow each EDU to implement its best option to achieve the goal of allowing a customer to stay with its existing CRES provider contract.

Respectfully submitted, DUKE ENERGY OHIO, INC.

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CERTIFICATE OF SERVICE

I hereby certify that the Comments of Duke Energy Ohio, Inc. was filed electronically through the Docketing Information System of the Public Utilities Commission of Ohio on this 20th day January 2016. The PUCO's e-filing system will electronically serve notice of the filing of this document to all parties of service.

Elizabeth H. Watts

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Summary: Comments Reply Comments of Duke Energy Ohio, Inc. electronically filed by Dianne Kuhnell on behalf of Duke Energy Ohio, Inc. and Spiller, Amy B. and Watts, Elizabeth H.