

**BEFORE THE
PUBLIC UTILITIES COMMISSION OF OHIO**

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| In The Matter Of The Proper Procedures and Process for the Commission's Operations and Proceedings During the Declared State of Emergency and Related Matters. | : | Case No. 20-599-GE-UNC |
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| In the Matter of the Application of Duke Energy Ohio, Inc., Under the Commission's Proceedings During the Declared State of Emergency, for a Reasonable Arrangement with Customers Served Under Rates DS, DP, and TS. | : | Case No. 20-0856-EL-AEC |
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| In the Matter of the Application of Duke Energy Ohio to Modify its Economic Competitiveness Fund Rider and Request for Waivers. | : | Case No. 20-0857-EL-RDR |

COMMENTS OF THE OHIO ENERGY GROUP

The Ohio Energy Group ("OEG") submits these Comments on Duke Energy Ohio, Inc.'s ("Duke" or "Company") plan for addressing the COVID-19 State of Emergency. Specifically, OEG will address Duke's proposed reasonable arrangement and how any deferred costs associated with that arrangement should ultimately be recovered.

On April 16, 2020, Duke filed an Application requesting permission to modify the Company's minimum demand billing provisions for Rates DS (Secondary Distribution Voltage), DP (Primary Distribution Voltage), and TS (Transmission Voltage) through September 2020 such that the applicable ratchet is lowered from 85 percent to 50 percent of the summer peak for 2019.¹ Duke states that this change will provide *"financial relief to some of the most affected commercial and industrial businesses in a utility's service territory will assist those businesses in weathering the economic crisis that many will endure over*

¹ Application at 7.

the next several months.”² In support of its request, the Company cites the Public Utilities Commission of Ohio’s (“Commission” or “PUCO”) authority under the reasonable arrangement statute (R.C. 4905.31).

Duke proposes to recover any deferred costs associated with its requested relief, as well as carrying costs, through the Company’s Economic Competitiveness Fund Rider (“ECF”) over a period of one year, beginning January 1, 2021. However, the Company asks to modify the ECF allocation for these specific reasonable arrangement costs such that the costs are only recovered from rates DS, DP, and TS based upon a combination of relative base distribution revenue for each rate class as approved in Duke’s most recent distribution rate case and the allocation of the transmission revenue requirement under the then-applicable Base Transmission Rider (“BTR”). Duke proposes to recover the deferred costs within classes on a per kW or per kVa basis, as applicable under the underlying rate schedule.

On April 28, 2020, PUCO Staff submitted its Corrected Report on Duke’s COVID-19 plan, including the reasonable arrangement proposal. In that Report, Staff provides two potential cost recovery methods for any deferred reasonable arrangement costs: 1) the Company’s proposed method; or 2) if administratively feasible, a payment plan mechanism where each customer receiving relief as part of the reasonable arrangement would repay their deferred costs at some point in the future in some yet to be determined manner.³

On May 6, 2020, the Commission issued a Finding and Order in the Ohio Power Company (“AEP Ohio”) COVID-19 Emergency Plan case (Case Nos. 20-602-EL-UNC *et al*) considering a similar minimum demand relief proposal. In that case, consistent with Staff’s recommendation, the Commission ordered AEP Ohio to file an optional extended payment plan rate mechanism by which individual non-residential customers receiving minimum demand relief during the State of Emergency may pay back the costs of that

² Id.

³ Staff Report at 5.

relief over a future period of time.⁴ This approach is reasonable and should likewise be adopted in this proceeding.

Respectfully submitted,

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⁴ Finding and Order at 14.

CERTIFICATE OF SERVICE

In accordance with Rule 4901-1-05, Ohio Administrative Code, the PUCO's e-filing system will electronically serve notice of the filing of this document on the parties referenced on the service list of the docket card who have electronically subscribed to this case. In addition, the undersigned certifies that a courtesy copy of the foregoing document is also being served (via electronic mail) on the 7th day of May, 2020 to the following:

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Summary: Comments Comment of The Ohio Energy Group electronically filed by Mr. Michael L. Kurtz on behalf of Ohio Energy Group