

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Procurement of Standard)
Service Offer Generation for Customers of) Case No. 17-2391-EL-UNC
Ohio Power Company.)

In the Matter of the Procurement of Standard)
Service Offer Generation for Customers or) Case No. 17-957-EL-UNC
the Dayton Power and Light Company.)

In the Matter of the Procurement of Standard)
Service Offer Generation for Customers of) Case No. 18-6000-EL-UNC
Duke Energy Ohio, Inc.)

In the Matter of the Procurement of Standard)
Service Offer Generation as Part of the)
Fourth Electric Security Plan for Customers) Case No. 16-776-EL-UNC
of Ohio Edison Company, The Cleveland)
Electric Illuminating Company, and The)
Toledo Edison Company.)

**COMMENTS
OF
DUKE ENERGY OHIO, INC.**

In response to continuing delays and uncertainty regarding the capacity construct of PJM Interconnection (PJM), the Public Utilities Commission of Ohio (Commission) issued an entry on February 13, 2020, directing Staff to propose a modified product containing capacity flow-through provisions for electric utility default service auctions. Staff filed its proposal on March 13, 2020. In accordance with the Commission's schedule, Duke Energy Ohio, Inc., (Duke Energy Ohio or Company) respectfully submits its comments.

Staff suggests, in its proposal, that the SSO auction products be modified such that capacity is priced at \$0/MW-day and the winning suppliers are made whole for the actual capacity

costs via a pass-through charge to the utility. That charge would then be recovered from SSO customers as part of the auction cost recovery mechanism.

Duke Energy Ohio does not oppose this approach but does believe that some additional clarity would be helpful. It is the Company's understanding that suppliers do not necessarily have separate subaccounts for each utility they supply, or even for wholesale versus retail operations. Thus, the calculation of the costs to be passed through is not straightforward. If the amount of the cost to be passed through is to be provided by each supplier, consideration should be given to how that amount would be verified. This could be accomplished through a series of audits, through information provided by PJM, or other means that may be available. If the amount of the cost passed through is to be calculated by the utility, the Commission should consider how to true up those estimates with actual values.

Duke Energy Ohio appreciates the opportunity to provide its comments to the Commission.

Respectfully submitted,

DUKE ENERGY OHIO, INC.

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