

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Duke)	
Energy Ohio, Inc., to Set its Electric)	Case No. 14-953- EL-UEX
Uncollectible Recovery Rate Under)	
Rider UE-GEN.)	

**APPLICATION OF DUKE ENERGY OHIO, INC.
TO ADJUST AND SET THE RATE FOR ITS
ELECTRIC UNCOLLECTIBLE RECOVERY RATE UNDER RIDER UE-GEN**

Pursuant to R.C. 4909.18, Duke Energy Ohio, Inc., (Duke Energy Ohio or the Company) requests approval to set the rate for its electric uncollectible rider, Rider UE-GEN, and continued authority to defer uncollectible expense for subsequent recovery.

Duke Energy Ohio is an Ohio corporation engaged in the business of supplying electric transmission, distribution, and generation service to customers in southwestern Ohio, all of whom will be affected by this Application, and is a public utility as defined by R.C. 4905.02 and 4905.03. Duke Energy Ohio serves incorporated communities and unincorporated territory within its entire service area, which includes all or parts of Adams, Brown, Butler, Clinton, Clermont, Hamilton, Montgomery, and Warren Counties in Ohio.

In support of its Application, Duke Energy Ohio states as follows:

1. This Application is made pursuant to the Opinion and Order of the Public Utilities Commission of Ohio (Commission), issued November 22, 2011, in Case No. 11-3549-EL-SSO, *et al.* (Opinion and Order).¹ In its Opinion and Order, the Commission approved a stipulation in which the signatory parties agreed, among other things, that Duke Energy Ohio would

¹ *In the Matter of the Application of Duke Energy Ohio for Authority to Establish a Standard Service Offer Pursuant to Section 4928.143, Revised Code, in the Form of an Electric Security Plan, Accounting Modifications, and Tariffs for Generation Service*, Case No. 11-3549-EL-SSO, *et al.*, Opinion and Order, at pp. 18, 32-33, 48 (November 22, 2011).

implement an electric uncollectible expense rider (Rider UE-GEN), to enable recovery of uncollectible accounts expense related to generation service. Rider UE-GEN is applicable to all retail jurisdictional customers, including those taking generation service from competitive retail electric service (CRES) providers, except for those customer accounts designated by CRES providers as not part of Duke Energy Ohio's Purchase of Accounts Receivable (PAR) Program.

2. Rider UE-GEN is bypassable with regard to dual-billed customer accounts and customer accounts designated by CRES providers as not part of the PAR program, but is non-bypassable by all other retail customers, including standard service offer customers and customers designated by CRES providers as part of PAR program.

3. The electric uncollectible rider, Rider UE-GEN, currently has a monthly charge of \$0.000601 per kWh for residential customers and \$0.46 per bill for non-residential customers, which were approved in Case No. 13-1510-EL-UEx in a Finding and Order dated August 28, 2013.²

4. Pursuant to the terms of the stipulation and the Opinion and Order, Duke Energy Ohio now applies to the Commission to establish a value to recover incremental expenses for Rider UE-GEN. The total unrecovered balance as of March 31, 2015, is projected to be approximately \$1,329,693 for residential and (\$64,035) for non-residential rate classes (exclusive of any fees for a third-party audit that the Commission may determine is required). The Company proposes Rider UE-GEN monthly charges of \$0.000184 per kWh for residential customers and (\$0.07) per bill for non-residential customers. The schedules supporting the adjustments are attached in the Direct Testimony of James Ziolkowski. Attachment JEZ-1

² *In the Matter of the Application of Duke Energy Ohio, Inc. to Adjust its Electric Uncollectible Recovery Rate Under Rider UE-GEN*, Case Nos. 13-1510-EL-UEx, *et al.*, Finding and Order (August 28, 2013).

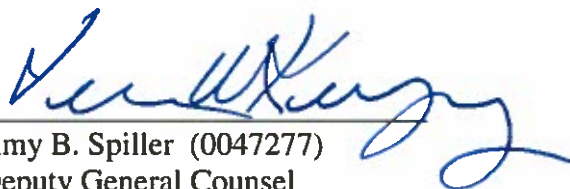
provides the calculation of proposed rates for Rider UE-GEN. Attachments JEZ-2 and JEZ-3 are copies of the tariff for Rider UE-GEN, showing tracked changes and final language, respectively.

5. In addition, Duke Energy Ohio notes that the Commission has previously authorized the Company to create a regulatory asset to defer variances in uncollectible expense in future periods for recovery or refund in further proceedings to adjust Rider UE-ED. As such authority was not limited in duration, Duke Energy Ohio respectfully requests that the Commission clarify that the Company's authority to create a regulatory assets continues.

WHEREFORE, Duke Energy Ohio respectfully requests that the Commission approve this Application, subject to the terms outlined herein and in the testimony filed contemporaneously herewith.

Respectfully submitted,

Duke Energy Ohio, Inc.

A handwritten signature in blue ink, appearing to read 'Amy B. Spiller', is written over a horizontal line.

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