

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Duke)
Energy Ohio, Inc. for Approval of an) Case No. 10-726-GA-UEx
Adjustment to Its Uncollectible Expense)
Rider Rate.)

FINDING AND ORDER

The Commission finds:

- (1) By Finding and Order issued December 21, 2005, in Case Nos. 05-732-EL-MER, et al., the Commission authorized Duke Energy Ohio, Inc. (Duke) to establish an uncollectible expense (UEX) rider.
- (2) Duke's current UEX rider rate of \$0.1569 per thousand cubic feet (Mcf) was approved by Finding and Order dated November 18, 2009, in Case No. 09-773-GA-UEx.
- (3) On May 28, 2010, Duke filed the instant application to revise its existing UEX rider rate. The proposed rate is an increase to \$0.26073 per Mcf. Staff reviewed the application and, on June 4, 2010, filed its comments recommending approval.
- (4) The Commission has reviewed the application and Staff's filed comments and finds that Duke's application is reasonable and in the public interest, and should be approved.
- (5) In its comments, Staff also recommended that, in the next gas cost recovery financial audit, Duke's independent financial auditor should examine the monthly UEX balances and write-offs and recoveries for 2009 and that any required adjustments or corrections be considered in the next UEX rider application. Additionally, Staff recommends that the auditor randomly sample customers whose balances have been written off to determine if write-offs were timely and how subsequent payments were accounted for.

It is, therefore,

ORDERED, That Duke be authorized to increase the rate for its UEX rider to \$0.26073 per Mcf. It is, further,

ORDERED, That Duke is authorized to file four complete copies of tariffs in final form consistent with this Finding and Order. Duke shall file one copy in this case docket and one copy in its TRF docket (or may make such filing electronically as directed in Case No. 06-900-AU-WVR). The remaining two copies shall be designated for distribution to the Rates and Tariffs, Energy and Water Division of the Commission's Utilities Department. It is, further,

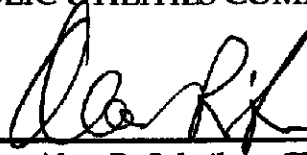
ORDERED, That the effective date of the new tariffs shall be a date not earlier than the date upon which final tariffs are filed with the Commission. It is, further,

ORDERED, That, in Duke's next gas cost recovery audit and next UEX rider application, Duke's independent financial auditor shall perform the reviews described in this order. It is, further,

ORDERED, That nothing in this Finding and Order shall be binding upon this Commission in any further proceeding or investigation involving the justness or reasonableness of any rate, charge, rule, or regulation. It is, further,

ORDERED, That a copy of this Finding and Order be served upon all parties of record in this proceeding.

THE PUBLIC UTILITIES COMMISSION OF OHIO



Alan R. Schriber, Chairman

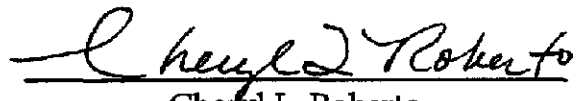
Paul A. Centolella



Valerie A. Lemmie



Steven D. Lesser



Cheryl L. Roberto

JN:js

Entered in the Journal

JUN 23 2010



Renee J. Jenkins
Secretary