

**FILE**

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**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Duke ) Case No. 11-2641-EL-RDR  
Energy Ohio, Inc., for Approval of the )  
Establishment of Rider BTR and Associated )  
Tariffs. )

In the Matter of the Application of Duke ) Case No. 11-2642-EL-RDR  
Energy Ohio, Inc., for Approval of the )  
Establishment of Rider RTO and Associated )  
Tariffs. )

**PUCO**

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**STIPULATION AND RECOMMENDATION**

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Rule 4901-1-30, Ohio Administrative Code, provides that any two or more parties to a proceeding may enter into a written stipulation covering the issues presented in such a proceeding. The purpose of this document is to set forth the understanding and agreement of the parties, which include Duke Energy Ohio, Ohio Energy Group, The Office of the Ohio Consumers' Counsel, and the Commission Staff<sup>1</sup> (Signatory Parties or Parties) that have signed below and to recommend that the Public Utilities Commission of Ohio (Commission) approve and adopt this Stipulation and Recommendation (Stipulation), which resolves all of the issues raised by the Parties in this case relative to Duke Energy Ohio's Application for Approval of the Establishment of Rider BTR and Associated Tariffs and for Approval of the Establishment of Rider RTO and Associated Tariffs (Application). This Stipulation is supported by adequate data and information including, but not limited to, Duke Energy Ohio's Application filed on April 25, 2011.

The Stipulation represents a just and reasonable resolution of the issues raised in this proceeding, violates no regulatory principle or precedent, and is the product of lengthy, serious

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<sup>1</sup> The Commission Staff is a party for the purpose of entering into this Stipulation by virtue of O.A.C. 4901-1-10(C).

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Technician Ann

Date Processed APR 26 2011

bargaining among knowledgeable and capable Parties in a cooperative process, encouraged by this Commission and undertaken by the Parties representing a wide range of interests, including the Commission's Staff, to resolve the aforementioned issues. Although this Stipulation is not binding on the Commission, it is entitled to careful consideration by the Commission. For purposes of resolving all issues raised by this proceeding, the Parties stipulate, agree and recommend as set forth below.

This Stipulation is a reasonable compromise that balances diverse and competing interests and does not necessarily reflect the position that any one or more of the Parties would have taken had these issues been fully litigated. This Stipulation represents an agreement by all Parties to a package of provisions rather than an agreement to each of the individual provisions included within the Stipulation. The Signatory Parties' agreement to this Stipulation, in its entirety, shall not be interpreted in a future proceeding before this Commission as their agreement to only an isolated provision of this Stipulation.

Except for purposes of enforcement of the terms of this Stipulation, neither this Stipulation, the information and data contained therein or attached, nor the Commission's entries and orders on the Stipulation shall be cited as precedent in any future proceeding for or against any Party.

This Stipulation is expressly conditioned upon its adoption by the Commission in its entirety and without material modification. If the Commission rejects or materially modifies all or any part of this Stipulation in any entry or order in the above-captioned case, each and every Signatory Party shall have the right, within thirty days of issuance of the Commission's entry or order, to file an application for rehearing or to terminate and withdraw the Stipulation by filing a notice with the Commission. The Signatory Parties agree they will not oppose or argue against

any other Party's notice of termination or application for rehearing that seeks to uphold the original, unmodified Stipulation and Recommendation. If, in a ruling upon an application for rehearing, the Commission does not adopt the Stipulation in its entirety and without material modification, any Party may terminate and withdraw from the Stipulation. Termination and withdrawal shall be accomplished by filing a notice with the Commission, including service to all Signatory Parties, in this proceeding within thirty days of the Commission's order or ruling on rehearing, as applicable. Other Parties to this Stipulation agree to defend and shall not oppose the termination and withdrawal of the Stipulation by any other Party.<sup>2</sup> Upon the filing of a notice of termination and withdrawal, the Stipulation shall immediately become null and void.

Prior to the filing of such a notice, the Party wishing to terminate agrees to work in good faith with the other Parties to achieve an outcome that substantially satisfies the intent of the Stipulation and, if a new agreement is reached that includes the Party wishing to terminate, then the new agreement shall be filed for Commission review and approval. If the discussions to achieve an outcome that substantially satisfies the intent of the Stipulation are unsuccessful in reaching a new agreement that includes all Signatory Parties to the present Stipulation, all said Parties shall encourage the Commission to convene an evidentiary hearing such that the Parties are afforded the opportunity to present evidence through witnesses and cross-examination, present rebuttal testimony, and brief all issues that the Commission shall decide based upon the record and briefs as if this Stipulation had never been executed. Some or all of the Parties may submit a new agreement to the Commission for approval if the discussions achieve an outcome they believe substantially satisfies the intent of the present Stipulation.

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<sup>2</sup> Any signatory Party has the right, in its sole discretion, to determine what constitutes a "material" modification for the purposes of that Party withdrawing from the Stipulation.

All the Signatory Parties fully support this Stipulation in its entirety and urge the Commission to accept and approve the terms herein.

The Signatory Parties agree that the settlement and resulting Stipulation are a product of serious bargaining among capable, knowledgeable Parties. This Stipulation is the product of an open process in which all Parties were represented by able counsel and technical experts. The Stipulation represents a comprehensive compromise of issues raised by Parties with diverse interests. The Signatory Parties have signed the Stipulation and adopted it as a reasonable resolution of all issues. The Signatory Parties believe that the Stipulation that they are recommending for Commission adoption presents a fair and reasonable result.

The Signatory Parties agree that the settlement, as a package, benefits customers and is in the public interest. The Signatory Parties agree that the settlement package does not violate any important regulatory principle or practice.

WHEREAS, all of the related issues and concerns raised by the Parties have been addressed in the substantive provisions of this Stipulation, and reflect, as a result of such discussions and compromises by the Parties, an overall reasonable resolution of all such issues;

WHEREAS, this Stipulation is the product of the discussions and negotiations of the Parties and is not intended to reflect the views or proposals that any individual Party may have advanced acting unilaterally;

WHEREAS, this Stipulation represents an accommodation of the diverse interests represented by the Parties and is entitled to careful consideration by the Commission;

WHEREAS, this Stipulation represents a serious compromise of complex issues and involves substantial benefits that would not otherwise have been achievable; and

WHEREAS, the Parties believe that the agreements herein represent a fair and reasonable solution to the issues raised in the case set forth above concerning Duke Energy Ohio's Application;

NOW, THEREFORE, the Parties stipulate, agree and recommend that the Commission make the following findings and issue its Opinion and Order in these proceedings approving this Stipulation in accordance with the following:

1. The Signatory Parties expressly agree and understand that the terms of this Stipulation are contingent upon Duke Energy Ohio exiting the Midwest Independent System Operator (Midwest ISO) and realigning its regional transmission organization (RTO) membership with PJM Interconnection LLC (PJM). Duke Energy Ohio currently anticipates joining PJM effective January 1, 2012. In the event Duke Energy Ohio does not realign its RTO membership by January 1, 2012, any Signatory Party may seek Commission approval to declare this Stipulation and Recommendation null and void and of no effect.

2. Duke Energy Ohio agrees not to seek recovery from retail customers of (a) Midwest ISO exit fees, except as otherwise provided with respect to Midwest ISO transmission expansion project costs in Paragraph 3 below; (b) PJM integration fees imposed upon Duke Energy Ohio through the Agreement to Implement Expansion of PJM Region For Duke Energy Ohio and Duke Energy Kentucky signed June 11, 2010, or subsequent revisions of such agreement; and, (c) internal costs associated with the RTO realignment, including Energy Management System upgrades, legal expenses, and other internal costs.<sup>3</sup>

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<sup>3</sup> The Midwest ISO exit fee is yet to be determined. The PJM integration fees are estimated at \$1.7 million and Duke Energy Ohio's internal costs are estimated at \$2 million.

3. Duke Energy Ohio shall recover through retail rates all Midwest ISO Transmission Expansion Projects (MTEP) costs, including but not limited to multi-value project (MVP) costs<sup>4</sup> directly or indirectly charged to Duke Energy Ohio or the Duke Energy Ohio zone, other than such costs properly attributable to one or more of Duke Energy Ohio's operating company affiliates. Duke Energy Ohio shall recover MTEP costs, as described herein, through Rider BTR or any successor thereto.

a. On January 18, 2011, Duke Energy Ohio filed for rehearing of the Federal Energy Regulatory Commission's (FERC) order in Docket No. ER10-1791 (MVP Order) arguing, among other things, that non-usage-based allocation of costs of MVPs to a withdrawing transmission owner on the basis of project approval is unlawful. If Duke Energy Ohio's request for rehearing is denied by the FERC on substantive grounds, and it is determined that Duke Energy Ohio remains obligated to pay for such MVPs based upon a non-usage based allocation of costs of MVPs to withdrawing transmission owners on the basis of project approval, Duke Energy Ohio agrees to appeal the FERC decision. If the FERC rejects Duke Energy Ohio's request for rehearing of the MVP Order based upon a finding to the effect that the issue should instead be resolved in a subsequent proceeding on exit fees, Duke Energy Ohio agrees to argue the issue in that subsequent FERC proceeding on exit fees, and to seek rehearing and appeal with respect to any finding in such a proceeding that Duke Energy Ohio must pay an exit fee based upon a non-usage based allocation of MVP costs to withdrawing transmission

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<sup>4</sup> For purposes of this Stipulation, MTEP Obligations shall be defined as Duke Energy Ohio's obligation for MTEP costs that arise while it is a member of the Midwest ISO.

owners on the basis of project approval. Duke Energy Ohio will diligently prosecute its appeal of the MVP Order.

b. Duke Energy Ohio has argued in its request for rehearing of the FERC MVP Order that Duke Energy Ohio will not incur MVP obligations before Duke Energy Ohio withdraws from the Midwest ISO, among other things. However, recognizing that any FERC decision to allocate MVP costs to Duke Energy Ohio may or may not expressly agree with or address Duke Energy Ohio's argument, notwithstanding footnote 4 above, the Parties expressly agree that any MVP costs allocated to Duke Energy Ohio on a basis deemed consistent with the limits on transmission owner withdrawal obligations set forth in Article Five Section 2 of the Midwest ISO Transmission Owner's Agreement shall be recoverable under Paragraph 3.

4. Duke Energy Ohio shall recover through retail rates all costs that arise from Regional Transmission Expansion Plan (RTEP) projects that are charged to Duke Energy Ohio by PJM under PJM's FERC-approved rates. For the first \$121 million in RTEP costs, which include Legacy RTEP<sup>5</sup> and Future RTEP<sup>6</sup> costs, that are billed to Duke Energy Ohio by PJM, Duke Energy Ohio shall provide a credit to customers as described below in Paragraph 11 (the RTEP Commitment). After the RTEP Commitment is fulfilled, Duke Energy Ohio shall recover through Rider BTR or any successor thereto all RTEP costs charged to it by PJM, which may include Legacy RTEP costs and Future RTEP costs that are billed by PJM.

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<sup>5</sup> For purposes of this Stipulation, Legacy RTEP costs are those costs billed by PJM for projects that are approved by the PJM Board prior to the time that Duke Energy Ohio joins PJM.

<sup>6</sup> Future RTEP costs are those costs billed by PJM for projects that are approved by the PJM Board after the time that Duke Energy Ohio joins PJM.

5. The Signatory Parties may contest, at the FERC or any federal court, the costs to be included in MTEP or RTEP. The Signatory Parties may also contest, at the FERC or any federal court, the propriety of allocating such costs to Duke Energy Ohio.

a. Such opposition at the FERC or any federal court shall not be inconsistent with the terms of this Stipulation.

b. Under no circumstances will the Parties oppose or in any way contest in any forum Duke Energy Ohio's right to recover through retail rates MTEP and/or RTEP costs consistent with Paragraphs 3 and 4 above.<sup>7</sup>

6. The Signatory Parties shall not, directly or indirectly, object to or otherwise contest, in any forum, Duke Energy Ohio's decision to exit the Midwest ISO and realign with PJM or any aspect of the process by which such decision was made. Furthermore, the Signatory Parties shall not, in any forum, directly or indirectly challenge or contest the prudence of Duke Energy Ohio's RTO realignment or the costs associated with same, including but not limited to MTEP and RTEP costs.

7. With regard to the standard service offer (SSO) that will supersede the ESP approved in Case No. 08-920-EL-SSO, Duke Energy Ohio commits to not charging its SSO customers twice for the same capacity.

8. Effective January 1, 2012, Rider BTR shall be created as a non-bypassable rider to allow for recovery of MTEP and RTEP charges, network integration transmission service (NITS) charges that will be paid by Duke Energy Ohio for all shopping and non-shopping load, and other non-market based charges, including but not limited to Commission audits.

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<sup>7</sup> This Stipulation does not preclude the Signatory Parties from opposing or in any way contesting the rights of utilities other than Duke Energy Ohio to recover MTEP and/or RTEP costs.



9. Effective January 1, 2012, Rider RTO shall be created as a bypassable rider to allow for recovery of market-based FERC and RTO charges billed to the Company in proportion to its SSO offer load.

10. With the approval of Rider BTR and RTO, Duke Energy Ohio's Rider TCR shall expire effective December 31, 2011, and a final true-up of Rider TCR shall occur as part of the annual adjustment of Rider BTR and Rider RTO.

11. Duke Energy Ohio shall seek recovery, through retail rates, of all transmission expansion project costs, including MTEP, Legacy RTEP, RTEP, and all other FERC-approved costs billed to it by either the Midwest ISO or PJM that are not specifically excluded as part of this Stipulation. The allocation to each rate schedule of MTEP, Legacy RTEP and RTEP costs shall be done on a demand basis, using the 12 CP results for each rate schedule. As Legacy RTEP or RTEP costs are billed by PJM, Duke Energy Ohio shall credit back to customers, via Rider BTR, the RTEP Commitment. The amount of the RTEP Commitment to be credited via Rider BTR will first be allocated between residential and non-residential customers using the 12 CP allocation method. The amount of the credit allocated to residential customers will be credited to these customers on an energy basis (*i.e.*, \$/kWh). The amount of the credit allocable to non-residential customers will also be credited back to non-residential customers on an equivalent energy basis (*i.e.*, same \$/kWh for all non-residential customers). Within thirty days of the RTEP Commitment having been fully credited back to customers, Duke Energy Ohio shall inform the Commission that said credits have ceased by filing a letter of termination with the Commission's Docketing Division.

12. To the extent the fees and costs described in Paragraph 2, above, are fixed costs, they will not be reflected in any attachment or schedule from which retail transmission rates, for

recovery by Duke Energy Ohio, are derived. In the event such fees or costs are not fixed costs and are therefore incorporated into an attachment or schedule, Duke Energy Ohio will demonstrate in its annual filings to adjust Rider BTR and Rider RTO that retail customers neither have paid nor will pay for said fees and costs, consistent with the commitments set forth in Paragraph 2.

13. Commission approval of the Company's Application for Approval of the Establishment of Rider BTR and Rider RTO and associated tariffs shall serve as authorization on the part of Duke Energy Ohio to recover costs consistent with the terms of this Stipulation, commencing January 1, 2012.

14. Nothing in this Stipulation will be construed as an agreement by the Stipulating Parties as to the proper interpretation and application of R.C. 4928.05.

15. The Signatory Parties agree that Rider BTR and Rider RTO shall be established, through Duke Energy Ohio's Application, to allow for the recovery of MTEP and RTEP charges consistent with the terms of this Stipulation. In addition, once Duke Energy Ohio has such information as is necessary to calculate actual transmission rates and rates for the recovery of RTEP charges consistent with the terms of this Stipulation, it shall, prior to January 1, 2012, provide such calculations to the Signatory Parties and, not less than ten days thereafter, file final tariff pages for Rider BTR and Rider RTO.

16. The Signatory Parties agree that Duke Energy Ohio will reconcile and update its Rider BTR and Rider RTO, consistent with O.A.C. 4901:1-36.

17. The Signatory Parties understand and acknowledge that time is of the essence insofar as Duke Energy Ohio's Application and this Stipulation are concerned. The Signatory Parties will not object to any request by Duke Energy Ohio for an accelerated procedural

schedule in the above-captioned proceeding. Further, in the above-captioned proceeding, the Signatory Parties shall not request a hearing, file any comments or testimony in opposition to the Stipulation, cross-examine of any witnesses who may offer testimony in support of this Stipulation, or otherwise present evidence contrary to the terms of this Stipulation. Further, the Signatory Parties shall not argue in any way against such establishment of Rider BTR or Rider RTO or against the waiver of any filing requirements for such rider establishment as such requirements may appear in O.A.C. Chapter 4901:1-36 or otherwise, or against the approval of such final tariffs in the above-captioned proceeding. The Signatory Parties also shall not argue for any delay in the above-captioned proceeding. Rather, all Signatory Parties shall support and recommend approval – on an expedited basis – of Duke Energy Ohio’s Application, consistent with the terms of this Stipulation.

18. This Stipulation in no way precludes the Company from making a subsequent application under applicable statutes and regulations for recovery of FERC-approved costs assessed by the RTO that are not otherwise recovered through Rider BTR or Rider RTO or a subsequent application to establish successor riders thereto.

19. The Signatory Parties understand and acknowledge that, in light of the critical timing issues involved with the realignment, the Company may, in its sole exercise of discretion, withdraw its Application for Approval for the Establishment of Rider BTR and Rider RTO in the event that the Commission has not approved such Application by June 1, 2011. The Company’s withdrawal of the Application shall render this Stipulation null and void.

20. Duke Energy Ohio agrees that it will not institute a filing at the FERC under Section D of Schedule 8.1 of the PJM Reliability Assurance Agreement that requests FERC approval of a wholesale capacity charge applicable to load serving entities based upon Duke

Energy Ohio's costs as a Fixed Resource Requirement entity in PJM for the period between January 1, 2012, and May 31, 2016.

21. Duke Energy Ohio's customers shall not incur an obligation as a result of any settlement or final disposition of the FERC proceeding, filed by the Midwest ISO under FERC Docket No. ER11-2059.

22. The Signatory Parties agree to the tariffs attached hereto as Exhibits 1 and 2, respectively, and request that the Commission approve said tariffs on an expedited basis.

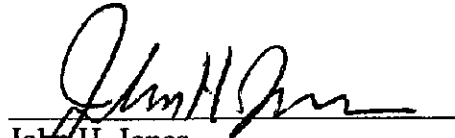
23. The Signatory Parties agree that the Stipulation and attachments thereto shall be tendered to the Commission and filed immediately following the filing of Duke Energy Ohio's Application in this docket. Each Signatory Party expressly consents to and urges approval of this Stipulation in its entirety.

24. The Signatory Parties agree to support the reasonableness of this Stipulation before the Commission and in any appeal from the Commission's adoption or enforcement of the Stipulation, pursuant to the terms set forth herein.

25. This Stipulation and Recommendation contains the entire agreement between the Signatory Parties and no additional consideration with regard to the above-captioned proceeding has been promised or agreed to by any Signatory Party.

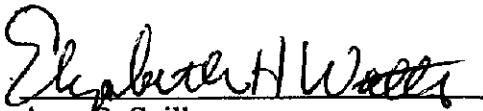
The undersigned Parties hereby stipulate and agree and each represents that it is authorized to enter into this Stipulation and Recommendation on this the 26<sup>th</sup> day of April 2011.

On behalf of Staff of the Public Utilities Commission of Ohio



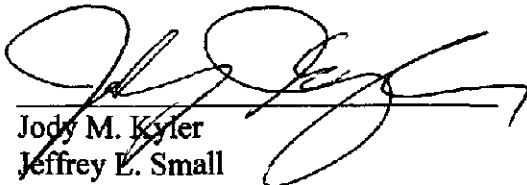
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# EXHIBIT 1

**RIDER BTR**

**BASE TRANSMISSION RIDER**

**APPLICABILITY**

Applicable to all retail jurisdictional customers in the Company's electric service area.

**CHARGE**

The Base Transmission Rider charges detailed below are to recover transmission costs related to the provision of retail transmission service in Duke Energy Ohio's service territory. Costs recoverable in this rider include transmission-related costs charged to Duke Energy Ohio by the Federal Energy Regulatory Commission (FERC), a FERC-approved regional transmission organization, or the Public Utilities Commission of Ohio (PUCO) including:

Schedule 1	Scheduling, System Control, and Dispatch
Schedule 1A	Transmission Owner Scheduling, System Control, and Dispatch
Schedule 2	Reactive Supply and Voltage Control from Generation or Other Sources Service
Schedule 11	Transitional Market Expansion Charge
Schedule 12	Transmission Enhancement Charges

Network Integrated Transmission Service – Pursuant to Attachment H-XX  
Transmission Expansion Planning Costs billed directly or indirectly from the Midwest ISO, Inc.  
Consultant fees incurred by the PUCO and billed to Duke Energy Ohio  
Other transmission-related costs incurred by Duke Energy Ohio as approved by the FERC and the PUCO.

Costs recoverable under Rider BTR are limited to those charges approved by the FERC and the PUCO subject to R.C. 4928.05 and O.A.C. 4901:1-36.

Rider BTR contains two components: a BTR charge and an RTEP credit to reflect a Stipulation approved by the Commission in Case No. 11-XXX-EL-RDR. Both components apply to all customers. The RTEP credit is a reduction to bills for all rate classes and reflects an agreement to credit the first \$121 million in RTEP costs billed to the Company's retail load.

Filed pursuant to an Order dated \_\_\_\_\_ in Case No. \_\_\_\_\_ before the  
Public Utilities Commission of Ohio.

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Issued:

Effective:

Issued by Julie Janson, President

**RATE**

The BTR charges and RTEP credits for each rate schedule are shown in the following tables. Both the BTR charge and the offsetting RTEP credit apply to all customers:

**BTR Charge Tariff Sheet**

**BTR Charge**  
**(per kWh/kW)**

Rate RS, Residential Service  
All kWh  
Rate ORH, Optional Residential Service With Electric Space Heating  
All kWh  
Rate TD, Optional Time-of-Day Rate  
All kWh  
Rate CUR, Common Use Residential Rate  
All kWh  
Rate DS, Service at Secondary Distribution Voltage  
All kW  
Rate GS-FL, Optional Unmetered For Small Fixed Loads  
All kWh  
Rate EH, Optional Rate For Electric Space Heating  
All kWh  
Rate DM, Secondary Distribution Service, Small  
All kWh  
Rate DP, Service at Primary Distribution Voltage  
All kW  
Rate SFL-ADPL, Optional Unmetered Rate For Small Fixed Loads Attached Directly  
to Company's Power Lines  
All kWh  
Rate TS, Service at Transmission Voltage  
All kVA  
Rate SL, Street Lighting Service  
All kWh  
Rate TL, Traffic Lighting Service  
All kWh  
Rate OL, Outdoor Lighting Service  
All kWh  
Rate NSU, Street Lighting Service for Non-Standard Units  
All kWh  
Rate NSP, Private Outdoor Lighting for Non-Standard Units  
All kWh  
Rate SC, Street Lighting Service - Customer Owned  
All kWh  
Rate SE, Street Lighting Service - Overhead Equivalent  
All kWh  
Rate UOLS, Unmetered Outdoor Lighting Electric Service  
All kWh

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Filed pursuant to an Order dated \_\_\_\_\_ in Case No. \_\_\_\_\_ before the  
Public Utilities Commission of Ohio.

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Issued:

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Effective:



RTEP Credit

Tariff Sheet

RTEP Credit  
(per kWh)

Rate RS, Residential Service  
Rate ORH, Optional Residential Service With Electric Space Heating  
Rate TD, Optional Time-of-Day Rate  
Rate CUR, Common Use Residential Rate  
Rate DS, Service at Secondary Distribution Voltage  
Rate EH, Optional Rate For Electric Space Heating  
Rate DM, Secondary Distribution Service, Small  
Rate DP, Service at Primary Distribution Voltage  
Rate SFL-ADPL, Optional Unmetered Rate For Small Fixed Loads Attached Directly  
to Company's Power Lines  
Rate TS, Service at Transmission Voltage  
Rate SL, Street Lighting Service  
Rate TL, Traffic Lighting Service  
Rate OL, Outdoor Lighting Service  
Rate NSU, Street Lighting Service for Non-Standard Units  
Rate NSP, Private Outdoor Lighting for Non-Standard Units  
Rate SC, Street Lighting Service - Customer Owned  
Rate SE, Street Lighting Service - Overhead Equivalent  
Rate UOLS, Unmetered Outdoor Lighting Electric Service

Filed pursuant to an Order dated \_\_\_\_\_ in Case No. \_\_\_\_\_ before the  
Public Utilities Commission of Ohio.

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Issued:

Issued by Julie Janson, President

Effective:

## EXHIBIT 2

## RIDER RTO

### REGIONAL TRANSMISSION ORGANIZATION RIDER

#### APPLICABILITY

Applicable to all jurisdictional retail customers in the Company's electric service area, except those customers receiving generation service from a Certified Supplier.

#### CHARGE

Rider RTO charges include only those costs charged to or imposed upon Duke Energy Ohio by the Federal Energy Regulatory Commission (FERC), FERC-approved regional transmission organizations, or similar organizations approved by the FERC and/or the Public Utilities Commission of Ohio (PUCO) under approved tariffs. Costs recoverable under Rider RTO include ancillary service charges but exclude any transmission costs recovered in Rider BTR. For customers who receive their energy from a Certified Supplier, the specific rates, terms, and conditions of the Company's FERC Open Access Transmission Tariff apply as such tariff may be amended from time to time and as incorporated herein by reference. The charges for the respective electric service schedules, effective beginning with the first billing cycle of January 2012 and updated on an annual basis, are as follows:

#### RTO Charge Tariff Sheet

#### RTO Charge (per kWh)

Rate RS, Residential Service  
Rate ORH, Optional Residential Service With Electric Space Heating  
Rate TD, Optional Time-of-Day Rate  
Rate CUR, Common Use Residential Rate  
Rate DS, Service at Secondary Distribution Voltage  
Rate GS-FL, Optional Unmetered For Small Fixed Loads  
Rate EH, Optional Rate For Electric Space Heating  
Rate DM, Secondary Distribution Service, Small  
Rate DP, Service at Primary Distribution Voltage  
Rate SFL-ADPL, Optional Unmetered Rate For Small Fixed Loads Attached Directly  
to Company's Power Lines  
Rate TS, Service at Transmission Voltage  
Rate SL, Street Lighting Service  
Rate TL, Traffic Lighting Service  
Rate OL, Outdoor Lighting Service  
Rate NSU, Street Lighting Service for Non-Standard Units  
Rate NSP, Private Outdoor Lighting for Non-Standard Units  
Rate SC, Street Lighting Service - Customer Owned  
Rate SE, Street Lighting Service - Overhead Equivalent  
Rate UOLS, Unmetered Outdoor Lighting Electric Service

Costs recoverable under Rider RTO are limited to those charges approved by the FERC and the PUCO subject to R.C. 4928.05 and O.A.C. 4901:1-36.

Filed pursuant to an Order dated \_\_\_\_\_ in Case No. \_\_\_\_\_ before the  
Public Utilities Commission of Ohio.

Issued:

Effective:

Issued by Julie Janson, President