

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Duke )  
Energy Ohio, Inc. for Approval to ) Case No. 12-817-EL-RDR  
Establish the Initial Level of Rider )  
RECON. )

SECOND FINDING AND ORDER

The Commission finds:

- (1) On November 22, 2011, the Commission issued its Opinion and Order in *In the Matter of Application of Duke Energy Ohio, Inc. 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 Nos. 11-3549-EL-SSO, et al., approving the stipulation filed by various parties. Among other terms, the stipulation provided that Duke Energy Ohio, Inc. (Duke) would establish a reconciliation rider (Rider RECON), which is designed to true-up Duke's price-to-compare fuel and purchased power rider (Rider PTC-FPP) and system reliability tracker rider (Rider PTC-SRT), both of which expired on December 31, 2011. The purpose of Rider RECON is to recover the collective balance of any over- or under-recovery in both of these riders. Once the balances in Riders PTC-FPP and PTC-SRT are resolved, Rider RECON will expire.
- (2) On May 25, 2012, as supplemented on June 20, 2012, Duke filed an application to update its Rider RECON rate. On June 25, 2012, as amended on June 26, 2012, Staff filed its review and recommendations recommending that the proposed Rider RECON rate be approved and implemented on a services-rendered basis.
- (3) By finding and order issued July 2, 2012, the Commission issued a finding and order approving Duke's application with implementation of Rider RECON on a services-rendered basis.
- (4) On June 28, 2012, Duke filed a response to the Staff review and recommendation. In its response, Duke requests that Rider RECON be implemented on a bills-rendered basis. In support of its request, Duke explains that Rider RECON was previously approved for recovery on a bills-rendered basis and changing the recovery basis now would require reprogramming of its billing system. Moreover, collection on a services-rendered basis would result in a delay in

implementation of Rider RECON which would further extend the recovery period on what is intended to be a short-term rider. Accordingly, Duke requests that we approve Rider RECON with implementation on a bills-rendered basis.

- (5) The Commission finds that, in light of Duke's supplemental filing, we believe that Rider RECON should be implemented on a bills-rendered basis, and hereby modify our July 2, 2012, finding and order.

It is, therefore,

ORDERED, That Rider RECON be implemented on a bills-rendered basis. It is, further,

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


ORDERED, That a copy of this second finding and order be served upon all parties of record.

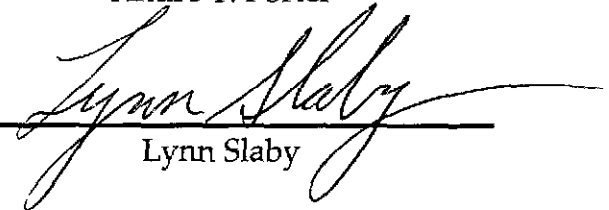
THE PUBLIC UTILITIES COMMISSION OF OHIO

  
Todd A. Snitchler, Chairman

  
Steven D. Lesser

  
André T. Porter

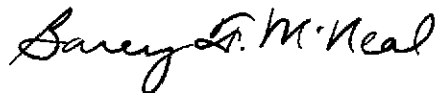
  
Cheryl L. Roberto

  
Lynn Slaby

KLS/CMTP/dah

Entered in the Journal

**JUL 11 2012**



Barcy F. McNeal  
Secretary