

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of)
Duke Energy Ohio, Inc. to Adjust its)
Interim, Emergency and Temporary) Case No. 13- 1308 - GA-PIP
Percentage of Income Payment Plan)
Rider.)

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

Duke Energy Ohio, Inc., (Duke Energy Ohio) hereby submits its annual Interim, Emergency and Temporary Percentage of Income Payment Plan Rider Report (Rider PIPP) and also requests approval to adjust the rate for its Rider PIPP.

Duke Energy Ohio is an Ohio corporation engaged in the business of supplying natural gas to approximately 420,000 customers in southwestern Ohio, all of whom, except Interruptible Transportation customers, 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:

The Finding and Order in Case No. 08-1229-GA-COI, dated December 14, 2011, requires each natural gas company to file an annual PIPP status report in May of each year. The annual report is to include the level of PIPP recoveries to write off and the rate if applicable. Attached hereto as Exhibit 2 is Duke Energy Ohio's annual PIPP Report.

Duke Energy Ohio's current gas PIPP rider became effective December 1, 2009, as a result of Case No. 09-918-GA-PIP. This rate was designed to recover a deferred gas PIPP

customer account balance that existed as of June 30, 2009. It was also designed to recover an ongoing amount of arrears that were expected to occur during each succeeding twelve-month period. The proposed rate in this proceeding is designed to recover the deferred gas PIPP customer balance that existed as of April 30, 2013 over a three-year period and an amount of PIPP customer arrears Duke Energy Ohio expects to continue to incur in each succeeding twelve-month period. The method of computing the proposed rider for this proceeding is consistent with that approved in Case Nos. 03-1096-GA-PIP, 05-512-GA-PIP, 07-606-GA-PIP, and 09-918-GA-PIP, respectively. The schedule supporting the proposed gas rider is attached as Exhibit 2.

Duke Energy Ohio's current Rider PIPP rate is \$0.022126 per CCF. The proposed Rider PIPP rate is \$0.006051 per CCF.

The Commission has continued to recognize that an emergency, as described in Revised Code 4909.16 exists, and that in response to that emergency, PIPP should continue to be available to residential customers. Consistent with the Stipulation and Recommendation in Case No. 88-1115-GE-PIP, approved and adopted by the Commission on December 2, 1993 (Stipulation). The Stipulation provides for the adjustment of PIPP riders upon request of the affected utility.

The Finding and Order in Case No. 88-1115-GE-PIP set forth a procedure for the implementation of revised PIPP rates that requires a utility to implement its new rate on the forty-sixth day after its application, absent action by the Commission. Duke Energy Ohio proposes to implement the rates proposed herein, absent any direction to the contrary by the Commission. The proposed rate therefore would become effective on the forty-sixth day after the application is filed.

WHEREFORE, Duke Energy Ohio respectfully requests that the Commission approve the proposed Interim Emergency and Temporary Percentage of Income Payment Plan Rider charge as filed herein as Exhibit 1 to become effective coincident with the forty-sixth day after the application is filed.

Respectfully submitted,

Duke Energy Ohio, Inc.

/s/ Elizabeth H. Watts

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P.U.C.O. Gas No. 18
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Cancels and Supersedes
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**INTERIM EMERGENCY AND TEMPORARY
RIDER PIPP
PERCENTAGE OF INCOME PAYMENT PLAN**

The current amount of Percentage of Income Payment Plan arrearages for recovery is a plus \$0.006051 per 100 cubic feet.

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

Issued:

Effective:

Issued by James P. Henning, President

Exhibit 2

Annual Report and Calculation of PIPP Interim Rider Rate
Based on PIPP Deferrals as of April 30, 2013
(GAS SERVICE)

| Line No. | Description | Amount |
|----------|---|-------------------------|
| 1 | Balance of PIPP Arrears Over 2 Months Old 04/30/13 | 391,634.44 |
| 2 | Recovery of PIPP Deferrals over 3 Years (Line 1 / 3) | 130,544.81 |
| 3 | Budgeted Annual Sales - Twelve Months Ended April 2014 (Less Inter Dept. & IT Trans Sales) | 501,086,828 ccf |
| 4 | Deferred PIPP Balance Rate (Line 2 / Line 3) | 0.000261 \$ccf |
| 5 | Transfer From PIPP A/R to PIPP Deferred During July 2009 Thru March 2013 | <u>\$ 11,121,503.76</u> |
| 6 | Monthly Average (Line 5 / 46) | <u>\$ 241,771.82</u> |
| 7 | Annual Average Arrearages (Line 6 * 12) | <u>\$ 2,901,261.84</u> |
| 8 | Annual Average Rate (Line 7 / Line 3) | <u>0.005790 \$ccf</u> |
| 10 | Deferred PIPP Balance Rate | 0.000261 \$ccf |
| 11 | Annual Average Rate | 0.005790 \$ccf |
| 12 | Total Recommended Rate | <u>0.006051 \$ccf</u> |

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Case No(s). 13-1308-GA-PIP, 89-8002-GA-TRF

Summary: Application APPLICATION OF DUKE ENERGY OHIO, INC.
electronically filed by Carys Cochern on behalf of Watts, Elizabeth H. Ms.