

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Duke :
Energy Ohio, Inc. for Recovery of : Case No. 15-534-EL-RDR
Program Costs, Lost Distribution :
Revenue and Performance Incentives :
Related to its Energy Efficiency and :
Demand Response Programs. :

COMMENTS
SUBMITTED ON BEHALF OF THE STAFF OF
THE PUBLIC UTILITIES COMMISSION OF OHIO

In this filing, the Company is requesting approval to adjust its Rider EE-PDR to recover costs related to compliance with statutory energy efficiency requirements. Included in this adjustment request are items such as estimated costs of implementing its energy efficiency program, lost distribution revenue associated with certain rate classes, performance incentives in the form of shared savings, and true-up adjustments for cost recovery from prior periods. Staff notes that costs and incentives included in the Company's filing for recovery in Rider EE-PDR have yet to be evaluated through a financial audit process. Further, the claimed energy savings, which form the basis for the Company's calculation of shared savings and lost distribution revenue, have yet to be verified and approved through the Commission's Evaluation, Measurement , and Verification (EM&V) process. See Ohio Adm. Code 4901:1-39-05(D). Staff therefore recommends that any approval given by the Commission for the Company to adjust its Rider

EE-PDR rate be subject to further review, and adjustment, as deemed necessary in subsequent Commission proceedings. Staff views such an approach to be consistent with the Commission's May 20, 2015 order issued in Case No. 14-0457-EL-RDR, in which the Commission stated that approval of the rider rate was subject to consideration of an audit and any necessary true-ups. See ¶ (13).

Respectfully submitted,

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/s/ Ryan P. O'Rourke

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**On behalf of the Staff of
The Public Utilities Commission of Ohio**

PROOF OF SERVICE

I hereby certify that a true copy of the foregoing **Comments** submitted on behalf of the Staff of the Public Utilities Commission of Ohio, was served via electronic mail upon the following Parties of Record, this 17th day of June, 2015.

/s/ Ryan P. O'Rourke

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Summary: Comments submitted by Assistant Attorney General Ryan O'Rourke on behalf of the Staff of the Public Utilities Commission of Ohio. electronically filed by Kimberly L Keeton on behalf of Public Utilities Commission of Ohio