BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Duke)	
Energy Ohio, Inc., to Adjust and Set its)	Case No. 16-1260 - EL-UEX
Electric Uncollectible Recovery Rate)	
Under Rider UE-ED.)	

APPLICATION OF DUKE ENERGY OHIO TO SET THE RATE FOR ELECTRIC UNCOLLECTIBLE RIDER UE-ED

Pursuant to R.C. 4909.18, Duke Energy Ohio, Inc., (Duke Energy Ohio or the Company) requests approval to adjust the rate for its electric uncollectible rider, Rider UE-ED, and continued authority to defer uncollectible expense for subsequent recovery.

Duke Energy Ohio is an Ohio corporation engaged in the business of supplying electric transmission, distribution, and generation service to customers in southwestern Ohio, all of whom 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:

1. This Application is made pursuant to the Opinion and Order of the Public Utilities Commission of Ohio (Commission), issued July 8, 2009, in Case Nos. 08-709-EL-AIR, et al. (Opinion and Order). In its Opinion and Order, the Commission approved a stipulation in which the signatory parties agreed, among other things, that Duke Energy Ohio would implement an electric uncollectible expense rider (Rider UE-ED) to recover incremental net

^{1 1} In the Matter of the Application of Duke Energy Ohio, Inc., for an Increase in Electric Rates, Case No. 08-709-EL-AIR, Opinion and Order, at pp. 10-11, 19 (July 8, 2009).

uncollectible expense above the baseline established in the test period in the Company's most recent electric distribution rate case. ² Rider UE-ED is subject to an annual review and adjustment initiated through a filing made by Duke Energy Ohio.³

- 2. Pursuant to the Commission's Opinion and Order, in addition to the recovery of net uncollectible expense related to the provision of electric distribution service, Rider UE-ED is intended to recover all percentage of income payment plan (PIPP) installment payments that are not recovered through the universal service fund rider (USR).⁴ The Company is permitted to recover any PIPP installment amounts that are not recovered through the USR or from the customer, where the Company demonstrates reasonable attempts to collect said payments from customers.⁵ Finally, if the Commission determines to use an independent third-party auditor to review the Company's Rider UE-ED filing, the costs of the auditor will also be recovered through Rider UE-ED.⁶
- 3. Pursuant to the terms of the stipulation approved in the Opinion and Order, the amounts included in Rider UE-ED, exclusive of PIPP, are collected only from the class of customers that created the bad debt expense. Bad debt expense associated with PIPP is allocated in the manner of the USR.⁷
- 4. Rider UE-ED currently has a monthly charge of \$0.000463 per kWh for residential customers and \$0.47 per bill for non-residential customers, which rates were approved in Case No. 15-1072-EL-UEX.8

 $^{^{2}}$ Id

³ Id

⁴ *Id*.

⁵ *Id*.

⁶ *Id*.

^{7 7 3}

⁸ In the Matter of the Application of Duke Energy Ohio, Inc. to Adjust and Set its Electric Uncollectible Recovery Rate for Rider UE-ED, Case Nos. 15-1072-EL-UEX, Finding and Order (October 15, 2015).

- 5. Pursuant to the terms of the stipulation referenced above and the Opinion and Order, Duke Energy Ohio now seeks approval to modify the rate under Rider UE-ED. The total incremental unrecovered balance as of March 31, 2017, is projected to be approximately \$3,573,265 for residential and \$337,054 for non-residential rate classes (exclusive of any fees for any third-party audit that the Commission may determine is required). The Company proposes Rider UE-ED monthly charges of \$0.000505 per kWh for residential customers and \$0.39 per bill for non-residential customers. Attachment 1 provides the calculation of proposed rates for Rider UE-ED. Attachments 2 and 3 are copies of the tariff for Rider UE-ED, showing tracked changes and final language, respectively.
- 6. As directed by the Commission's Opinion and Order, the uncollectible expenses eligible for recovery through Rider UE-ED are those expenses generated by the class of customers paying the uncollectible expense rider.
- 7. In addition, Duke Energy Ohio notes that the Commission has previously authorized the Company to create a regulatory asset to defer variances in uncollectible expense in future periods for recovery or refund in further proceedings to adjust Rider UE-ED. As such authority was not limited in duration, Duke Energy Ohio respectfully requests that the Commission clarify that the Company's authority to create regulatory assets continues.

8. WHEREFORE, Duke Energy Ohio respectfully requests that the Commission approve this Application, subject to the terms outlined herein and in the testimony filed contemporaneously herewith.

Respectfully submitted,

Duke Energy Ohio, Inc.

Elysbeth H Watts/DBN
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Duke Energy Ohio Electric Calculation of Rider UE-ED Rates

Line	Description	Source	Residential	Non-Residential
1	Total Unrecovered Balance at March 31, 2017	Page 3	\$3,573,265	\$337,054
2	Projected Billing Determinants 12 months ended March 31, 2017	Page 5	7,084,287,374 kWh	862,377 Bills
3	Rider UE-ED Rate		\$0.000504 per kWh	\$0.39 per bill
4	Rider UE-ED Rate including CAT tax		\$0.000505 per kWh	\$0.39 per bill

Duke Energy Ohio Electric Electric Distribution Uncollectible Expense Tracker Balances

		1.190 makes	THE STOWNSHIP OF	ELINE HOLDER	arotsomprovie	CHYTHAY I VIVE	Actu	Artestrone Sta	n/CrtsCnFride/o	STATE CHARLES	GASTER STREET	MONOVELET	CTC 62-EUROS
Line		Apr-15	May-15	Jun-15	Jul-18	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
												-	
	Residential Under- /(Over-) Recovery												
1	Unrecovered Balance - Seginning of Month	(\$446,760)	(\$418,922)	(\$243,406)	(\$139,348)	\$83,197	\$385,705	\$619,607	\$839,842	\$1,014,128	\$1,125,459	\$1,186,909	\$979,880
2	Total Residential Bad Debt to be Recovered (Page 4 - 5)	\$27,838	\$175,516	\$104,058	\$222,545	\$302,508	\$233,902	\$220,235	\$174,288	\$111,331	\$61,450	(\$207,029)	(\$199,959)
3	Unrecovered Balance - End of Month	(\$418,922)	(\$243,408)	(\$139,348)	\$83,197	\$385,705	\$619,607	\$839,842	\$1,014,128	\$1,125,459	\$1,186,909	\$979,880	\$779,921
	Total Non-Residential Under- //Over-) Recovery												
4	Unrecovered Balance - Beginning of Month	\$106,800	\$127,127	\$154,988	\$180,019	\$211,653	\$247,761	\$279,917	\$310,078	\$292,194	\$274,277	\$257,202	\$224,938
5	Total Residential Bad Debt to be Recovered (Page 4 - 5)	\$20,327	\$27,861	\$25,031	\$31,634	\$36,108	\$32,158	\$30,161	(\$17,884)	(\$17,917)	(\$17,075)	(\$32,264)	(\$34,900)
6	Unrecovered Balance - End of Month	\$127,127	\$154,988	\$180,019	\$211,653	\$247,761	\$279,917	\$310,078	\$292,194	\$274,277	\$257,202	\$224,938	\$190,038

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Duke Energy Ohio Electric Electric Distribution Uncollectible Exper

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Line		Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-18	Dec-16	Jan-17	Feb-17	Mar-17
	Residential Under- /(Over-) Recovery												
1	Unrecovered Balance - Beginning of Month	\$779,921	\$1,157,119	\$1,270,071	\$1,334,067	\$1,417,314	\$1,614,103	\$1,777,837	\$2,061,817	\$2,424,818	\$2,708,734	\$2,939,775	\$3,247,559
2	Total Residential Bad Debt to be Recovered (Page 4 - 5)	\$377,198	\$112,952	\$63,996	\$83,247	\$196,789	\$163,734	\$283,980	\$363,001	\$283,916	\$231,041	\$307,784	\$325,706
3	Unrecovered Balance - End of Month	\$1,157,119	\$1,270,071	\$1,334,087	\$1,417,314	\$1,614,103	\$1,777,837	\$2,061,817	\$2,424,818	\$2,708,734	\$2,939,775	\$3,247,559	\$3,573,265
	Total Non-Residential Under- /(Over-) Recovery												
4	Unrecovered Balance - Beginning of Month	\$190,038	\$209,890	\$215,835	\$219,203	\$223,584	\$233,941	\$242,559	\$257,505	\$276,610	\$291,553	\$303,713	\$319,912
5	Total Residential Bad Debt to be Recovered (Page 4 - 5)	\$19,852	\$5,945	\$3,388	\$4,381	\$10,357	\$8,618	\$14,946	\$19,105	\$14,943	\$12,160	\$16,199	\$17,142
6	Unrecovered Balance - End of Month	\$209,890	\$215,835	\$219,203	\$223,584	\$233,941	\$242,559	\$257,505	\$276,610	\$291,553	\$303,713	\$319,912	\$337,054

Duke Energy Ohio Electric Revenue Collected for Electric Distribution Uncollectible Expense

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Line	Description	Apr-18	May-18	Jun-16	Jul-15	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-18	Feb-16	16ar-10
	Residential												
1	kWh Sales	483.578,929	448,425,748	575,005.892	661.828,728	692.584,777	840,687.359	457,754,812	429.302,300	571,445,201	711,207.096	672,457.570	548,551,578
2	Net Charge Offs for Month (pages 6-7)	\$107,440	\$250,638	\$196,655	\$322,375	\$406,943	\$331,849	\$293,940	\$387,490	\$390,892	\$405,823	\$119,795	\$70,151
3	Shortfall of Customers using Rate RSLI	3,735	3,816	3,897	2,733	2,853	2,962	3,125	3,244	3,394	3,468	3,580	3.671
5	Customer Charge Monthly Credit LESS: Unused RSLI Funds (Reduction to Bad Debts) (a)	\$14,940	\$4 \$15,284	\$4 \$15,588	\$4 \$10,932	\$11,412	\$4 \$11,928	\$4 \$12,500	\$4 \$12,976	\$4 \$13,576	\$4 \$13,872	\$14,240	\$14,684
6 7	Recovery from Uncollectible Rider CAT Tax (b)	364,831 1.0026068	\$60,014 1,0026068	\$77,210 1.0026068	\$89,130 1,0026068	\$93,265 1,0026068	\$88.243 1.0026068	\$61,364 1.0028068	\$200,750 1,0026068	\$266.676 1,0026068	\$331,362 1,0026068	\$313,399 1,0026068	\$256.092 1,0028068
8	LESS: Recovery from Uncollectible Rider less CAT TAX	\$84,682	\$59,858	\$77,009	\$88,898	\$93,023	\$86,019	\$61,205	\$200,228	\$265,965	\$330,501	\$312,584	\$255,426
9	Total Residential Bad Debt to be Recovered (Line 2 - Line 5 - Line 5)	\$27,838	\$175,516	\$104,058	\$222,545	\$302,508	\$233,902	\$220,235	\$174,286	\$111,331	\$81,450	(\$207,029)	(\$190,950
	Non-Residential												
10	Number of Bills	71,815	71,837	71,801	71,836	71,768	71,714	71,772	71.758	71,840	71,793	71,881	71,096
11	Net Charge Offs for Month (pages 6-7)	\$5,655	\$13,191	\$10,360	\$16,967	\$21,418	\$17,488	\$15,470	\$20,394	\$20,573	\$21,359	\$8,305	\$3,892
12 13	Recovery from Uncollectible Rider CAT Tax (b)	(\$14,710) 1,0026068	(\$14.708) 1,0028068	(\$14,719) 1,0026068	(\$14,706) 1,0026068	(\$14,728) 1,0026068	(\$14.728) 1.0026088	(\$14,729) 1.0026068	\$38,378 1,0026068	\$38,590 1,0026068	\$38,534 1,0029068	\$38,670 1,0026066	\$36.692 1.0026068
14	LESS: Recovery from Uncollectible Rider less CAT TAX	(\$14,672)	(\$14,670)	(\$14,681)	(\$14,887)	(\$14,690)	(\$14,690)	(\$14,691)	\$38,278	\$38,490	\$38,434	\$38,569	\$38,592
15	Total Non-Residential Bad Debt to be Recovered (Line 11 - Line 14)	\$20,327	\$27,861	\$25,031	\$31,634	\$38,108	\$32,156	\$30,161	(\$17,884)	(\$17,917)	(\$17,075)	(\$32,264)	(\$34,900
16	Total Bad Debt (Residential + Non-residential)	\$48,185	\$203,377	\$129,089	\$254,179	\$338,616	\$266,058	\$250,398	\$156,402	\$93,414	\$44,375	(\$239,293)	(\$234,859

⁽a) Per itam \$14 of the Stiputation in Case No. 08-709-EL-AIR, the parties agreed that up to 10,000 customers may participate in Rate R812 and receive a 45 credit per month. To the extent less than \$40,000 is credited to customers during each month, the deficit shall be used to reduce amounts collected through Rider UE-ED (b) CAT has was intergrated into calculation in Case No. 12-1945-EL-UEX, effective September 28, 2012

Duke Energy Ohio Electric Revenue Collected for Electric Distribution Uncollectible Exper

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Line	Description	Apr-16	May-16	Jun-10	Jul-16	Aug-16	Sep-18	Oct-18	Nov-18	Dec-16	Jan-17	Feb-17	Mar-47	Total		
	Residential															
1	KWh Sales	505.213,051	420,631.582	536,245,975	687.816,767	699,945,183	637,132.615	453,932,770	443.987,404	617,033.135	783,494.766	705.078,610	613,777,338	7,084,287,37		
2	Net Charge Offs for Month (pages 6-7)	\$377,196	\$112,952	\$63,996	\$83,247	\$196,789	\$163,734	\$283,980	\$363,001	\$283,916	\$231,041	\$307,784	\$325,708			
3	Shortfall of Customers using Rate RSLI Customer Charge Monthly Credit	0 \$4	0 \$4	0 \$4	0 \$4	0 \$4	0 34	0 \$4	0 \$4	0 34	0 \$4	0 \$4	0 \$4			
5	LESS: Unused RSLJ Funds (Reduction to Sed Debts) (a)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
6	Recovery from Uncollectible Rider CAT Tax (b)	\$0	\$0	\$0	\$0	50	\$0	\$0	\$0	\$0	\$0	\$0	so			
8	LESS: Recovery from Uncollectible Rider less CAT TAX	\$0	SC	\$0	\$0	20	\$0	\$0	\$0	\$0	\$0	10	\$0			
9	Total Residential Bad Debt to be Recovered (Line 2 - Line 6 - Line 8)	\$377,198	\$112,952	\$63,996	\$83,247	\$196,769	\$163,734	\$283,980	\$363,001	\$283,918	\$231,041	\$307,784	\$325,708			
	Non-Realdential															
10	Number of Bills	71,663	71,885	71,849	71,684	71,836	71,782	71.820	71,808	71,588	71.841	71,929	72,014	862,377		
11	Net Charge Offs for Month (pages 6-7)	\$19,852	\$6,945	\$3,368	\$4,381	\$10,357	\$5,618	\$14,946	\$19,105	\$14,943	\$12,180	\$18,199	\$17,142			
12 13 14	Recovery from Uncollectible Rider CAT Tax (b) LESS: Recovery from Uncollectible Rider less CAT TAX	\$6	\$0	\$0	\$0	\$0	\$0	30	\$0	\$0	\$0	\$0	\$0			
15	Total Non-Residential Bad Debt to be Recovered (Line 11 - Line 14)	\$19,852	\$5,945	\$3,368	\$4,381	\$10,357	\$8,618	\$14,948	\$19,105	\$14,943	\$12,160	\$15,199	\$17,142			
16	Total Bad Debt (Residential + Non-residential)	\$397,050	\$118,897	\$67,364	\$87,628	\$207,148	\$172,352	\$298,926	\$382,108	\$296,859	\$243,201	\$323,983	\$342.848			

 ⁽a) Per Barn \$14 of the Säpulation in Case No. 08-708-EL-AIR, the
parties agreed that up to 10,000 culorimers may participate in
Rele R812 and receive a 45 credit per month. To the extent less
than \$40,000 is credited to customers during each month, the
deficit shall be used to reduce amounts collected through Rider
UE-ED
 (b) CAT to: was intergrated into calculation in Case No. 12-1948-ELUEX, effective September 28, 2012

Duke Energy Ohio Electric

ocation of Charge-offs to Electric Distribution Residential and Non-residential

			Carrier	ior#	4000		4001f561111	e i	20-50-6	1.9	THE RELEASE OF	-	Actus	d	or opin man-	100	VIII CLEAN	34	THE SECTION	er.	ZOWN SATISFI	100	1907/1902	2357	POSNIPI (III
Line	Description		Apr-18		May-18	\Box	Jun-16	_	Jul-16		Aug-16		Sep-16	_	Oct-15	Ξ	Nov-18		Dec-16		Jan-16	_	Feb-16		Mar-10
	and the second second																								
. 1	Not Charge Offs for Month - Residential		148,715		351,919		289,722		488,286		619,312		503,950 \$		421,340	8	558,112	8	578,103	\$	601,030	\$	176,565	\$	101,776
2	Net Charge Offs for Month - Non - Residential		7,627		18,522		15,249		25,593	8	32,595	\$	28,524 \$		22,176	8	29,269	8	30,426	\$	31,633	\$	9,293	8	5,357
3	Net Charge Offs for Month - Total	\$	156,542	*	370,441	\$	304,971	\$	511,859	\$	651,907	\$	530,473 \$	В	443,516	\$	585,381	\$	608,529	\$	632,863	\$	185,858	\$	107,132
4	Electric Regulated Distribution Revenue (a)	\$	48,936,430	8	47,429,708	s	53,188,862	\$	58,514,911	\$	59,705,362	3	57,473,557 8		50,479,364	s	49.035.790	8	54.698.984	2	61,475,167	4	80,209,791		54,323,553
6	Electric Retail Revenue (b)		67,738,234	Š	66,595,736	š	78,380,671		88,263,164		90,683,482	š	87,279,961 \$		72,358,509		70,374,533	š	80,896,149		91,045,579		88,743,198		78,813,456
	Distribution Revenue as a % of Electric Retail Revenue		72.245609	6	71.22030%		67.87700%	•	88.29800%	-	65.70890%	-	65.84970%		69.76290%	•	69.67830%	•	67.61630%	•	87.52130%	•	67.84720%		68.92670%
7	Net Charge Offs for Month Allocated to Distribution	*	113,098	8	263,828	8	207,008		339,342	\$	428,381	*	348,315 (•	309,410	8	407,884		411,485		427,182	8	128,100		73,843
	Reaktential		957		95%		\$5%		98%		95%		95%		96%		96%		98%		95%		95%		96%
•	Net Charge Offs for Month	\$	107,440	\$	250,638	\$	196,655	\$	322,375	\$	406,943	8	331,649 \$	•	293,940	\$	387,490	\$	390,692	\$	405,823	\$	119,795	\$	70,151
	Non-Residential		89	L	5%		5%		5%		6%		5%		6%		6%		5%		5%		5%		6%
	Net Charge Offs for Month		5,665		13,191	4	10,350		16,967		21,418		17,486 8		15,470		20,394		20,573		21,359		8,305		3,692
			0,000	•	.0,701	~	. 0,000	•	, 3,507	•	¥1,410	•	11,400 6	•	13,470	•	20,300	•	20,010	•	41,309	•	0,300	•	3,092

⁽a) Total Regulated Retail Sales (billed) excluding interdepartments

Duke Energy Ohio Electric

Allocation of Charge-offs to Electric Distribution Residential and Non-residential

											_						_		_		_		_	
Line	Description	100	A 40 I	May-10	1000	Jun-16		ul-16 T		wa-16 [- 74	Projec			1000	A A	9711	ULTREAM RECOU	V139		1022	Feb-17	-	COPIESTO S
Line	Description		Apr-16	жау-те		Jun-10		JR-10	_	ug-te [_	Sep-16		Oct-16	Ц.	160v-16	_	Dec-16	_	Jan-17	_	Pet)-17	_	Mar-17
	Not Charge Offs for Month - Residential		531,511	s 158,07		90,224		120,478		285,175		234.548		393,798		501,780		408.217		341,249		450,512		468,455
	Net Charge Offs for Month - Non - Residential		27.974	\$ 8,21		4.749	:	6.341		15,009	:	12.345		20,726	:	26,409	:	21,485	:	17,980		23,711		24,658
•	Net Charge Offs for Month - Total		559,485	\$ 164,29		94,973	:	126,819	:	300,184	:	246.893	:	414,524	:	528,189	:	429,702	:	359,208	:	474,223		493,111
•	rest crisingle critis for mortal - rock	•	309,400	0 (04,28	•	94,573	•	120,010	•	300,104	*	240,093	•	919,329	•	320,100	•	420,702	•	339,208		4/4,223	•	483,111
4	Electric Regulated Distribution Revenue (a)	\$	53,406,458	\$ 50,444,271	\$	56,474,425	\$ 64	4,549,087	\$ 6	4,338,464	\$	60,895,824	\$	53,448,525	8	52,279,553	\$	58,479,185	\$	63,267,194		60,925,517	8	58,188,150
6	Electric Retail Revenue (b)	\$	75,255,281	\$ 69,702,95		79,620,747	\$ 93	3,418,200	\$ 9	3,235,586	8	87,233,001	8	74,117,815	8	72,266,541	8	84,082,014	ŝ	93,445,964	Ś	89,178,559	8	63,687,831
6	Distribution Revenue as a % of Electric Retail Revenue		70.96710%	72,37040	K	70.92930%	61	9.09890%	. (89.00630%		69.80820%		72.11310%		72.34270%		89.55020%		67.70480%		68.31860%	•	69.52760%
7	Net Charge Offs for Month Allocated to Distribution	•	297,050	8 118,880	*	67,384		87,628	•	207,146	\$	172,362		288,826		382,108	*	200,850	8	243,201		323,803	\$	342,848
	Residential Net Charge Offe for Month		95% 377,198	98' \$ 112,96;		95% 63,996		95% 83,247		96% 198,789	\$	96% 163,734	\$	95% 283,980	8	98% 383,001	\$	95% 283,916	\$	95% 231,041		96% 307,784		16% 325,706
	Non-Residential Net Charge Offs for Month		5% 19,852	5 \$ 5,94		5% 3,368		5% 4,381	\$	8% 10,367	\$	5% 8,618	\$	5% 14,946	\$	6% 19,105		5% 14,943	\$	5% 12,160		6% 16,199		5% 17,142

⁽a) Total Regulated Retail Sales (billed) excluding interdepartments

⁽b) Total Retail Sales (billed) excluding interdepartmental

Duke Energy Ohio 139 East Fourth Street Cincinnati, Ohio 45202 P.U.C.O. Electric No. 19 Sheet No. 108.67 Cancels and Supersedes Sheet No. 108.56 Page 1 of 1

RIDER UE-ED

UNCOLLECTIBLE EXPENSE – ELECTRIC DISTRIBUTION RIDER

APPLICABILITY

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

DESCRIPTION

This rider enables the recovery of uncollectible accounts expense and includes Percentage of Income Payment ("PIPP") customer installments not collected through the Universal Service Fund Rider. Also, to the extent that less than \$40,000 per month has not been credited to customers through electric Rate RSLI, any shortfall will be used to reduce collections in Rider UE-ED. The amounts in the Rider, exclusive of uncollectible PIPP installments, will only be collected from the class (residential or non-residential) that created the uncollectible accounts expense. Uncollectible accounts expense associated with PIPP will be allocated in the manner consistent with the Universal Service Fund Rider.

CHARGE

A charge of \$0.000463-000505 per kWh shall be applied to all kWh delivered to residential customers. A charge of \$0.47-39 per bill shall be applied to each non-residential customer.

Filed pursuant to an Order dated October 14, 2015 in Case No.15-107216-1260-EL-UEX before the Public Utilities Commission of Ohio.

Issued: October 15, 2015

Effective: October 29, 2015

Duke Energy Ohio 139 East Fourth Street Cincinnati, Ohio 45202 P.U.C.O. Electric No. 19 Sheet No. 108.7 Cancels and Supersedes Sheet No. 108.6 Page 1 of 1

RIDER UE-ED

UNCOLLECTIBLE EXPENSE - ELECTRIC DISTRIBUTION RIDER

APPLICABILITY

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

DESCRIPTION

This rider enables the recovery of uncollectible accounts expense and includes Percentage of Income Payment ("PIPP") customer installments not collected through the Universal Service Fund Rider. Also, to the extent that less than \$40,000 per month has not been credited to customers through electric Rate RSLI, any shortfall will be used to reduce collections in Rider UE-ED. The amounts in the Rider, exclusive of uncollectible PIPP installments, will only be collected from the class (residential or non-residential) that created the uncollectible accounts expense. Uncollectible accounts expense associated with PIPP will be allocated in the manner consistent with the Universal Service Fund Rider.

CHARGE

A charge of \$0.000505 per kWh shall be applied to all kWh delivered to residential customers. A charge of \$0.39 per bill shall be applied to each non-residential customer.

Filed pursuant to an Order dated Commission of Ohio.

in Case No.16-1260-EL-UEX before the Public Utilities

Issued:

Effective:

Issued by James P. Henning, President

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Summary: Application Application of Duke Energy Ohio to Set the Rate for Electric Uncollectible Rider UE-ED electronically filed by Mrs. Debbie L Gates on behalf of Duke Energy Ohio Inc. and Spiller, Amy B and Watts, Elizabeth H