

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE APPLICATION
OF DUKE ENERGY OHIO, INC., FOR
APPROVAL OF AN ALTERNATIVE RATE
PLAN PURSUANT TO R.C. 4929.05 FOR
AN ACCELERATED SERVICE LINE
REPLACEMENT PROGRAM.

CASE NO. 14-1622-GA-ALT

ENTRY ON REHEARING

Entered in the Journal on December 21, 2016

I. SUMMARY

{¶ 1} The Commission finds that Duke Energy Ohio, Inc.'s application for rehearing of the Commission's Opinion and Order in this proceeding should be granted for further consideration of the matters specified in the application for rehearing.

II. DISCUSSION

{¶ 2} The applicant, Duke Energy Ohio, Inc. (Duke), is a natural gas company as defined by R.C. 4905.03, and a public utility as defined by R.C. 4905.02, and, thus, is subject to the jurisdiction of this Commission. Duke provides natural gas distribution service to approximately 426,000 customers in eight southwest Ohio counties (Staff Ex. 1 at 1; Tr. Vol. I at 125; Co. Ex. 1 at 12).

{¶ 3} On January 20, 2015, Duke filed an application, along with supporting exhibits, pursuant to R.C. 4929.05, 4929.051(B), 4929.11, and 4909.18. In its application, Duke states that it seeks approval of an accelerated service line replacement program (ASRP). Duke argues the risks associated with service lines are great, given their close proximity to high population areas, and replacement of these lines could potentially take decades without acceleration. Additionally, Duke asserts that its application should be considered not for an increase in rates, in accordance with Ohio Adm.Code 4901:1-19-06(C), as the proposed rates will be based upon the billing determinants and

cost allocation methodology utilized by the Commission in Duke's most recent rate case proceeding.

{¶ 4} On October 26, 2016, the Commission issued its Opinion and Order in this proceeding, denying the application submitted by Duke and noting that the evidence of record failed to establish that the proposed ASRP was just and reasonable pursuant to R.C. 4929.05.

{¶ 5} R.C. 4903.10 states that any party who has entered an appearance in a Commission proceeding may apply for rehearing with respect to any matters determined in that proceeding, by filing an application within 30 days after the entry of the order upon the journal of the Commission.

{¶ 6} On November 23, 2016, Duke filed an application for rehearing of the Commission's Opinion and Order, asserting seven separate assignments of error.

{¶ 7} On December 5, 2016, Ohio Consumers' Counsel and Ohio Partners for Affordable Energy filed memoranda contra Duke's application for rehearing.

{¶ 8} The Commission finds that the application for rehearing filed by Duke should be granted. We believe that sufficient reasons have been set forth by Duke to warrant further consideration of the matters specified in the application for rehearing.

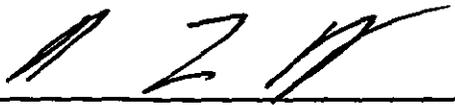
III. ORDER

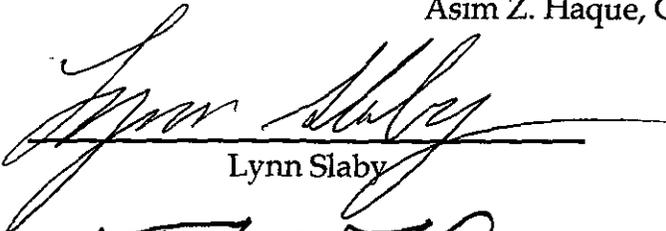
{¶ 9} It is, therefore,

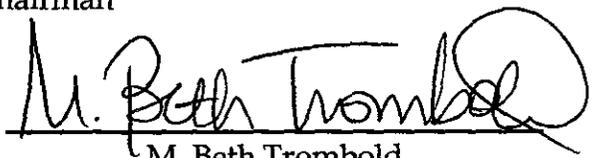
{¶ 10} ORDERED, That the application for rehearing filed by Duke be granted for further consideration of the matters specified in the application for rehearing. It is, further,

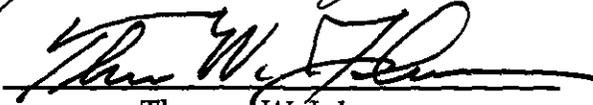
{¶ 11} ORDERED, That a copy of this Entry on Rehearing be served upon all parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO


Asim Z. Haque, Chairman


Lynn Slaby


M. Beth Trombold


Thomas W. Johnson


M. Howard Petricoff

MJA/sc

Entered in the Journal

DEC 21 2016



Barcy F. McNeal
Secretary