

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Duke : Case No. 13-2417-GA-UNC  
Energy Ohio, Inc., for Approval to :  
Implement a Capital Expenditure :  
Program. :

In the Matter of the Application of Duke : Case No. 13-2418-GA-AAM  
Energy Ohio, Inc. for Approval to Change :  
Accounting Methods. :

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**MEMORANDUM CONTRA  
MOTION FOR CLARIFICATION BY DUKE ENERGY OHIO  
SUBMITTED ON BEHALF OF THE STAFF OF  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

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**INTRODUCTION**

On October 12, 2017, Duke Energy Ohio, Inc. (Duke) filed a Motion for Clarification of the Public Utilities Commission of Ohio (Commission) Finding and Order that was issued in the above captioned cases three years ago on October 1, 2014, approving Duke's Capital Expenditure Program (CEP). Besides being untimely, Duke's motion seeks clarification of an issue that was not previously raised by Duke and decided by the Commission in these cases. The authority to take ownership and replace service lines that are nonhazardous is a broader and more complicated issue that is beyond the scope of these cases. Instead, Duke should seek clarification of this issue in *In the Matter*

*of the Application of Duke Energy Ohio, Inc., for Approval of an Alternative Rate Plan Pursuant to Section 4929.05, Revised Code, for an Accelerated Service Line Replacement Program, Case No. 14-1622-GA-ALT and In the Matter of the Application of Duke Energy Ohio, Inc., for an Increase in Gas Rates, Case No. 07-589-GA-AIR, et al., so all Parties who may have an interest in this issue can file comments.*

## **DISCUSSION**

*In In the Matter of the Application of Duke Energy Ohio, Inc., for Approval of an Alternative Rate Plan Pursuant to Section 4929.05, Revised Code, for an Accelerated Service Line Replacement Program, Case No. 14-1622-GA-ALT (Opinion and Order at 37-38) (Oct. 26, 2016), the Commission found that non-leaking service lines in Duke’s service territory do not warrant accelerated replacement and recovery. To the extent that Duke’s clarification request in these cases might change the Commission’s determinations regarding non-leaking service lines in the accelerated replacement case, Duke should be required to seek its clarification in Case No.14-1622-GA-ALT. Similarly, in In the Matter of the Application of Duke Energy Ohio, Inc., for an Increase in Gas Rates, Case No. 07-589-GA-AIR, et al. (Opinion and Order at 9) (May 28, 2008), the Commission approved a Stipulation that included a term on ownership of curb-to-meter service. The term provides that Duke shall take ownership whenever a new service line or riser is installed or whenever an existing curb-to-meter service or riser is replaced. Id. The history surrounding that particular provision in the stipulation in that case concerned Duke taking ownership of “hazardous” customer service lines (e.g., when they*

are leaking). Duke raises the ownership of replaced curb-to-meter service lines, regardless of circumstances (leaking or non-leaking or hazardous or not), and requests that the Commission confirm that it be Duke's property in the instant cases rather than in Case No. 07-589-GA-AIR, *et al.*, where the issues that Duke raises should more properly be considered.

R.C. 4929.111 is the governing statute on the implementation of the capital expenditure program, the issue regarding whether service line replacements in general should be included in the approved CEP. The specific clarification Duke seeks in these cases must first be commented on by the parties in the accelerated service line replacement and rate cases, and decided by the Commission. It is premature for Duke to seek clarification on the ownership issue over replacement lines for purposes of its CEP.

## **CONCLUSION**

For the foregoing reasons, Duke's Motion for Clarification should be denied because it is not a proper issue to be considered and decided in these cases. The Commission should direct Duke to seek clarification of this issue in the Company's accelerated service line replacement and rate cases where all stakeholders who may have an interest in this issue may weigh in with comments.

Respectfully submitted,

**Michael DeWine**  
Ohio Attorney General

**William L. Wright**  
Section Chief

*/s/ John H. Jones*

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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 **Memorandum Contra Motion for Clarification by Duke Energy Ohio, Inc.**, 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 30<sup>th</sup> day of October, 2017.

*/s/ John H. Jones*

**John H. Jones**

Assistant Attorney General

### **Parties of Record:**

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Summary: Memorandum Contra Motion for Clarification by Duke Energy Ohio. Filed in 13-2417-GA-UNC on 10/30/17 electronically filed by Mrs. Tonnetta Y Scott on behalf of PUCO