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September 12, 2018

PUCO

Docketing Division  
Public Utilities Commission of Ohio  
180 East Broad Street  
Columbus OH 43215

RE: *In the Matter of the Application of Duke Energy Ohio to Update its Basic Transmission  
Rate Rider, Case No. 18-941-EL-RDR*

Dear Docketing Division:

Enclosed please find the Staff's Review and Recommendations in regard to the  
application filed by Duke Energy Ohio, in Case No. 18-941-EL-RDR.

  
Tamara S. Turkenton  
Director, Rates and Analysis Dept.  
Public Utilities Commission of Ohio

  
David Lipthratt  
Chief, Research and Policy Division  
Public Utilities Commission of Ohio

Enclosure  
Cc: Parties of Record

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**Duke Energy Ohio**  
**Case No. 18-941-EL-RDR (BTR)**

**Overview**

On July 13, 2018, Duke Energy Ohio (Duke or Company) filed an application to adjust its Base Transmission Rate Rider (BTR) proposing updated rates effective on a bills rendered basis beginning on September 28, 2018. The Company filed a revised application on August 31, 2018. The BTR is a non-bypassable rider designed to recover all FERC approved costs including fees associated with the realignment of regional transmission organization (RTO) memberships. The BTR contains two components: a BTR charge and a regional transmission expansion plan (RTEP) credit to reflect a Stipulation approved by the Commission in Case No. 11-2641-EL-RDR. Duke credits customers the first \$121 million RTEP costs billed by PJM.

In its revised application, Duke proposed to adjust Rider BTR to reflect projected costs for October 2018 through September 2019; reflect any over or under recovery of costs that occurred from June 1, 2017 through July 31, 2018; and include forecasted over or under recovery for August and September of 2018.

**Staff Review**

In its review Staff examined the as-filed schedules for consistency with the Commission's Opinion and Orders in previous BTR cases and conducted this audit through a combination of document review, interviews, and interrogatories. For the audit period June of 2017 through May of 2018, Staff requested documentation as needed to determine that the costs were substantiated and jurisdictional or to conclude that an adjustment was warranted. Staff completed its review of the costs and credits included in the application and finds that they are appropriate. Staff will audit June of 2018 through May of 2019 in the next annual audit.

**Conclusion**

Staff recommends to the Commission that Duke's revised application filed on August 31, 2018 be approved for rates effective on a bills rendered basis beginning on September 28, 2018.