

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE APPLICATION
OF DUKE ENERGY OHIO, INC. FOR
IMPLEMENTATION OF THE TAX CUTS
AND JOBS ACT OF 2017.

CASE No. 18-1830-GA-UNC

IN THE MATTER OF THE APPLICATION
OF DUKE ENERGY OHIO, INC., FOR
APPROVAL OF TARIFF AMENDMENTS.

CASE No. 18-1831-GA-ATA

ENTRY

Entered in the Journal on June 25, 2019

{¶ 1} Duke Energy Ohio, Inc. (Duke) is a natural gas company as defined by R.C. 4905.03 and a public utility as defined in R.C. 4905.02, and, as such, is subject to the jurisdiction of this Commission.

{¶ 2} R.C. 4909.18 provides, in relevant part, that where an application is not for an increase in any rate, but is for a new service, the application shall fully describe the new service and the Commission may permit the filing of the schedule proposed in the application and fix the time when such schedule shall take effect.

{¶ 3} The Tax Cuts and Jobs Act of 2017 (TCJA), signed into law on December 22, 2017, provides for a number of changes in the federal tax system. Most notably, the federal corporate income tax rate is reduced from 35 percent to 21 percent, effective January 1, 2018.

{¶ 4} On January 10, 2018, the Commission opened an investigation in order to study the impacts of the TCJA on the Commission's jurisdictional rate-regulated utilities and determine the appropriate course of action to pass benefits on to ratepayers. *In the Matter of the Commission's Investigation of the Financial Impact of the Tax Cuts and Jobs Act of 2017 on Regulated Ohio Utility Companies*, Case No. 18-47-AU-COI.

{¶ 5} On December 21, 2018, Duke filed an application to adopt a new tariff regarding Rider Gas TJCA (Rider GTCJA). Duke requests tariff amendment approval under R.C. 4909.18 to flow through all of the remaining benefits of the TCJA for natural gas operations. In its application, Duke proposes crediting its natural gas customers with the full benefits of the TCJA and resolve all TCJA related issues. Rider GTCJA is designed to provide Duke's natural gas distribution customers reduction in the federal income tax (FIT) and excess accumulated deferred income taxes (EDITs) related to natural gas service as a credit to base distribution rates. The annualized credit amount for Rider GTCJA shall be allocated to each rate class based on the percentage of base distribution rates and the credit rate to be applied to each customer will be reflected as percentage of the customer's base distribution charges.

{¶ 6} On February 15, 2019, the Ohio Consumers' Counsel (OCC) filed a motion to intervene and memorandum in support. No memoranda contra the motion to intervene was filed. The Commission finds that the motion to intervene filed by OCC complies with the requirements set forth in R.C. 4903.221 and Ohio Adm.Code 4901-1-11, and should, therefore, be granted.

{¶ 7} On April 17, 2019, Staff filed its review and recommendation.

{¶ 8} On May 10, 2019, Duke filed its comments on Staff's review and recommendation. Additionally, on May 13, 2019, OCC filed its comments on Staff's review and recommendation.

{¶ 9} The attorney examiner finds that this matter should be set for hearing on August 7, 2019, at 10:00 a.m., at the offices of the Commission, 180 East Broad Street, 11th Floor, Hearing Room 11-D, Columbus, Ohio 43215-3793. All parties should register at the lobby desk and then proceed to the 11th floor in order to participate in the hearing.

{¶ 10} Any party intending to present direct, expert testimony should comply with Ohio Adm.Code 4901-1-29(A)(1)(h), which requires that all such testimony to be offered in this type of proceeding should be filed and served upon all parties no later than seven days before the commencement of the hearing.

{¶ 11} It is, therefore,

{¶ 12} ORDERED, That OCC's motion to intervene be granted. It is, further,

{¶ 13} ORDERED, That a hearing be scheduled as indicated in Paragraph 9. It is, further,

{¶ 14} ORDERED, That any party intending to present direct, expert testimony comply with Paragraph 10. It is, further,

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

THE PUBLIC UTILITIES COMMISSION OF OHIO

s/Stacie Cathcart

By: Stacie E. Cathcart
Attorney Examiner

JRJ/sc

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Case No(s). 18-1830-GA-UNC, 18-1831-GA-ATA

Summary: Attorney Examiner Entry granting OCC's motion to intervene, scheduling hearing as indicated in Paragraph 9, and directing any party intending to present direct, expert testimony to comply with Paragraph 10 - electronically filed by Sandra Coffey on behalf of Stacie Cathcart, Attorney Examiner, Public Utilities Commission of Ohio