

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Duke)
Energy Ohio, Inc. for Authority to Adjust) Case No. 19-1750-EL-UNC
PowerForward Rider.)

In the Matter of the Application of Duke)
Energy Ohio, Inc. for Approval of Certain) Case No. 19-1751-GE-AAM
Accounting Methods.)

REPLY COMMENTS OF THE OHIO HOSPITAL ASSOCIATION

In its initial comments filed April 15, 2020, the Ohio Hospital Association (“OHA”) explained that it generally supports Duke Energy Ohio’s (“Duke”) attempt to upgrade and modernize its distribution infrastructure. Having a reliable electric utility system is critical for hospitals, which must provide continuous, around-the-clock healthcare services to the public. However, OHA must balance its need for safety and reliability with the associated costs. While increases in electric distribution rates always are a concern for Ohio’s hospitals, this concern is exacerbated by the current coronavirus pandemic, its effect on the economy and its impact on healthcare providers’ financial resources. In their fight against the pandemic, hospitals are projecting severe revenue losses and, at the same time, experiencing increased expenses, to an extent that will test the financial wherewithal of many. In this economic environment, it is imperative that any investments approved in Duke’s application are necessary to meet customers’ immediate reliability needs, provide system-wide benefits, and enhance the customer experience.¹

¹The Commission approved Rider PF to recover the costs of those programs, modifications, and offerings related to the continued evolution of the distribution grid and an enhanced customer experience. See *In Re Duke Energy Ohio, Inc.*, Case No. 17-0032-EL-AIR, Opinion and Order (December 19, 2018).

A review of the initial comments submitted in this proceeding shows that Staff and other commenters share OHA's goals and concerns. In particular, OHA is supportive of three of Staff's recommendations related to (1) Land Mobile Radio ("LMR") Communications Systems, (2) Smart Cities Infrastructure Acceleration Program, and (3) the Electric Vehicle ("EV") Pilot.

OHA agrees that LMR costs should not be passed through to customers in Rider PF. Rider PF was authorized under R.C. 4928.143(B)(2)(h), which is designed to recover "distribution infrastructure and modernization incentives." Duke's upgrade of its mobile communications devices is not a distribution infrastructure expense, and does not enhance the customer experience. Moreover, the upgrade was planned before Rider PF was created and, presumably, was to be recovered through base rates. OHA agrees that it is proper for Duke to seek recovery of LMR expenses in its next base rate proceeding.

Duke's Smart Cities Infrastructure Acceleration Program seeks to replace wood street lighting poles with multi-use poles that can support smart city technologies. Two hundred poles would be made available to yet-to-be-determined cities on a first-come, first-served basis. The smart city technologies to be placed on the poles, and the revenues the cities would derive from them, are unknown. OHA does not believe that Duke has demonstrated a system-wide benefit of the program, or that the program's costs could not be recovered from current tariff provisions, smart city revenues, or a combination of the two. The program cost should not be recovered through Rider PF.

OHA is supportive of the development of electric vehicle charging services in Ohio, in the firm belief that they enhance the customer experience, and promote the public interest and state policy. See R.C. 4928.02(D) and (N). OHA's members include 220 hospitals, 20 of which are Duke's customers. Residents in Duke's service territory visit OHA-member hospitals over

3.2 million times per year for health care services on a combined in-patient and out-patient basis. This huge, and diverse, volume of traffic makes hospitals uniquely situated to participate in the Commercial Level II pilot program. Moreover, the direct incentives proposed by Staff would ease the financial burdens on hospitals to provide this benefit to the general public.

Wherefore, OHA is generally supportive of Duke's application, but with the modifications proposed by Staff.

Respectfully submitted on behalf of
THE OHIO HOSPITAL ASSOCIATION



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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing Comments was served upon the parties of record listed below this 15th day of May 2020 via electronic mail.



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This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

5/15/2020 4:19:53 PM

in

Case No(s). 19-1750-EL-UNC, 19-1751-GE-AAM

Summary: Reply Comments of the Ohio Hospital Association electronically filed by Teresa Orahood on behalf of Dane Stinson