



Public Utilities Commission

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September 2, 2020

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, Inc., to update its Uncollectible Recovery Rate Under Rider UE-GEN, Case No. 20-959-EL-UEX.*

Dear Docketing Division:

Enclosed please find the Staff's Review and Recommendation in regard to the application filed by Duke Energy Ohio, Inc., to adjust and set its electric uncollectible recovery rate under Rider UE-GEN, Case No. 20-959-EL-UEX.

David Lipthrott
Chief, Accounting and Finance Division
Public Utilities Commission of Ohio

Suzanne Williams
Accounting and Finance Division
Public Utilities Commission of Ohio

Enclosure
Cc: Parties of Record

Duke Energy Ohio, Inc.
Case No. 20-959-EL-UEx (UE-GEN)

Background

On June 25, 2020, Duke Energy Ohio, Inc. (Duke or Company) filed an application in Case No. 20-959-EL-UEx for approval to update its electric uncollectible expense rider (Rider UE-GEN) rate. The rider enables recovery of net uncollectible accounts expense related to generation service. Rider UE-GEN is applicable to all retail jurisdictional customers, including those taking generation service from competitive retail electric service (CRES) providers, except for those customer accounts designated by CRES providers as not part of the Company's Purchase of Accounts Receivable (PAR) Program. Rider UE-GEN is bypassable with regard to dual-billed customer accounts and customer accounts designated by CRES providers as not part of the PAR program, but is non-bypassable by all other retail customers, including standard service offer customers and customers designated by CRES providers as part of the PAR program.

The Company makes annual filings to Rider UE-GEN in order to true-up the rider to reflect actual uncollectible expense. The current rates of \$0.000467 per kWh for residential and \$0.17 per bill for non-residential customers were approved in Case No. 19-1278-EL-UEx in a Finding and Order dated October 23, 2019. In its June 25, 2020 application, the Company proposes to adjust Rider UE-GEN's rate to \$0.000418 per kWh for residential customers and \$0.07 per bill for non-residential customers.

Staff's Review and Recommendations

In its review, Staff examined the as-filed schedules for consistency with the Commission's Opinion and Orders in previous Rider UE-GEN cases, and to ensure proper accounting treatment was applied. The audit consisted of a review of the financial statements regarding completeness, occurrence, presentation, valuation, allocation, and accuracy. Staff conducted the audit through a combination of document review, interviews, and interrogatories. Staff requested documentation as needed to determine that the costs were substantiated or to conclude that an adjustment was warranted.

Staff finds that the Company has adequately supported the information used in the determination of the overall revenue requirement for its proposed rates, and that the calculations used to determine the rates are reasonable. Therefore, Staff recommends that the rates of \$0.000418 per kWh for residential customers and \$0.07 per bill for non-residential customers be adopted by the Commission.

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

9/2/2020 10:29:30 AM

in

Case No(s). 20-0959-EL-UEx

Summary: Staff Review and Recommendation in regard to the application filed by Duke Energy Ohio, Inc., to adjust and set its electric uncollectible recovery rate under Rider UE-GEN electronically filed by Zee Molter on behalf of PUCO Staff