

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Duke)
Energy Ohio, Inc., to Adjust Rider AU for) Case No. 19-664-GA-RDR
2018 Gas Grid Modernization Costs.)

**JOINT MOTION OF DUKE ENERGY OHIO, INC. AND STAFF OF THE PUBLIC
UTILITIES COMMISSION TO ADMIT CERTAIN DOCUMENTS
INTO THE RECORD AND SUBMIT THE CASE FOR DECISION ON THE MERITS**

Comes now Duke Energy Ohio, Inc. (Duke Energy Ohio or Company) and Staff of the Public Utilities Commission of Ohio (Staff) and respectfully request that the Public Utilities Commission of Ohio (Commission) admit documents into the record of this case and issue a decision on the merits.

This case involves the Company's application for approval to adjust its advanced utility rider (Rider AU) to allow for recovery of 2018 costs for the initial deployment of its grid modernization and related review of the Plant In Service Audit ordered by the Commission to determine the accuracy, prudence, and used and useful nature of the Company's Rider AU capital assets. Given that the Company and Staff have successfully resolved the issues in this proceeding, and, no party has intervened in the proceeding, the Company and Staff respectfully request that the matter be submitted for decision, without need for an evidentiary hearing.

The parties request that the following previously filed documents be admitted into the record for purposes of issuing a decision:

Joint Exhibit 1: Stipulation and Recommendation, filed on
December 9, 2020.

Duke Energy Ohio Exhibit 1: Application of Duke Energy Ohio, filed on June 25, 2019.

Duke Energy Ohio Exhibit 2: Direct Testimony of Sarah E. Lawler, filed on June 25, 2019.

Duke Energy Ohio Exhibit 3: Supplemental Testimony In Support of Stipulation of Sarah E. Lawler, filed on February 1, 2021.

Staff Exhibit 1: Case No. 19-664-GA-RDR, Audit of the Plant In-Service and Used and Useful (Rider AU) for Duke Energy Ohio, Inc., filed on July 6, 2020.

The Company and Staff submit that there are no outstanding issues in this case and that it is ripe for decision without the need for a hearing.

Duke Energy Ohio submits the following memorandum in support of its motion.

Respectfully submitted,

DUKE ENERGY OHIO, INC.

/s/ Larisa M. Vaysman

Rocco O. D'Ascenzo (0077651)

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/s/ Jodi. J. Bair, signed per authority 1/28/2021 by
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Commission of Ohio

MEMORANDUM IN SUPPORT

In this Application, the Company requested approval to adjust its advanced utility rider (Rider AU) to allow for recovery of 2018 costs for the initial deployment of its grid modernization and related systems. Rider AU was originally approved in Case No. 07-589-GA-AIR, *et al.*, (Gas Distribution Rate Case). The Stipulation entered by Staff and the Company in this case will, if approved, permit the Company to discontinue Rider AU and provide the Company with an alternate means of recovery for existing Rider AU assets. There are no intervenors in this case.

The Company filed its Application on June 25, 2019, along with the Direct Testimony of Sarah E. Lawler on that same date. Company witness Lawler testified regarding the Company's expenditures and revenue requirement for grid modernization deployment for 2018, with supporting schedules for the Company's request, consistent with stipulations agreed to in prior cost recovery cases. On December 4, 2019, the Commission issued an Entry (Entry), ordering that an RFP be issued for a third-party audit and the Rider AU collections be suspended in the meantime.¹ The RFP defined the scope of the audit as to "determine the accuracy, prudence, and used and useful nature of the Company's Rider AU capital assets."² The Commission explained that it would "address the issue of Duke's recovery of its remaining AMI investment" after the completion of the audit and a review of the findings. Staff filed the report prepared by the selected auditor on July 6, 2020.

¹ Entry, p. 5. Duke Energy Ohio filed an application for rehearing challenging the suspension, which remains pending before the Commission.

² Entry, RFP, p. 2.

On December 9, 2020, Duke Energy Ohio and Staff entered into a Stipulation and Recommendation (Stipulation). In the Stipulation, the Company and Staff agreed that:³

- The Company would make four of the five revenue requirement adjustments recommended in the Audit Report to the Rider AU plant in service, specifically Adjustments #1, #2, #4, and #5.
- The remaining net plant in service in Rider AU, \$18,490,894, would be placed in one or more dedicated accounts and treated as dying assets, consistent with the treatment of similar dying accounts authorized in Case No. 17-32-EL-AIR and Case No. 08-709-EL-AIR.
- The Company would maintain the associated deferred post-in-service carrying costs of \$2,700,712 in a FERC 182 regulatory asset account.
- The Company would obtain recovery of the total amount, \$21,191,606, in its next natural gas base rate case, with an accelerated recovery period of ten years.
- The Company would refund any excess accumulated deferred income taxes associated with Rider AU to customers in accordance with the final order in Case No. 18-1830-GA-UNC, when such order is issued.
- The Company would, within 45 days of the Order approving the Stipulation, file a Motion to Withdraw its Application in Case No. 19-1873-GE-AAM, as long as no applications for rehearing have been filed in this case, and would not file another pension deferral application until the Company's next filed natural gas base rate case.

³ The following is merely a summary of the Stipulation and is not intended to supersede or replace the Stipulation.

- The Company would, within 45 days of the Order approving the Stipulation, move to withdraw its most recent Rider AU filing in Case No. 20-1117-GA-RDR and discontinue Rider AU, as long as no applications for rehearing have been filed in this case.

On February 1, 2021, Company witness Lawler filed supplemental testimony in support of the Stipulation.

As no outstanding issues remain in this case and no other entities have intervened, Duke Energy Ohio and Staff submit that an evidentiary hearing is unnecessary and would be an inefficient use of resources. Accordingly, the Company and Staff jointly request that the Commission admit the aforementioned documents and submit that this case is ripe for decision on the record without a formal evidentiary hearing.

Respectfully submitted,

DUKE ENERGY OHIO, INC.

/s/ Larisa M. Vaysman

Rocco O. D'Ascenzo (0077651)

Deputy General Counsel

Larisa M. Vaysman (0090290)

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Counsel for Duke Energy Ohio, Inc.

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/s/ Jodi. J. Bair, signed per authority 1/28/2021 by
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**Counsel for Staff of the Public Utilities
Commission of Ohio**

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Commission of Ohio Docketing Information System on

2/1/2021 4:55:52 PM

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Case No(s). 19-0664-GA-RDR

Summary: Motion Joint Motion of Duke Energy Ohio, Inc. electronically filed by Mrs. Debbie L. Gates on behalf of Duke Energy Ohio Inc. and Vaysman, Larisa and D'Ascenzo, Rocco O. Mr.