

# THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE REVIEW OF DUKE  
ENERGY OHIO, INC.'S DISTRIBUTION  
CAPITAL INVESTMENT RIDER.

CASE NO. 21-573 -EL-RDR

## ENTRY

Entered in the Journal on July 14, 2021

### I. SUMMARY

{¶ 1} The Commission selects Rehmann Consulting to conduct the audit services to of Duke Energy Ohio, Inc.'s distribution capital investment rider costs for the period of July 1, 2020, through June 30, 2021.

### II. DISCUSSION

{¶ 2} Duke Energy Ohio, Inc. (Duke) is an electric distribution utility (EDU) as defined in R.C. 4928.01(A)(6) and a public utility as defined in R.C. 4905.02, respectively. As such, Duke is subject to the jurisdiction of this Commission.

{¶ 3} R.C. 4928.141 provides that an electric distribution utility (EDU) shall provide consumers within its certified territory a standard service offer (SSO) of all competitive retail electric services necessary to maintain essential electric services to customers, including a firm supply of electric generation services. The SSO may be either a market rate offer in accordance with R.C. 4928.142 or an electric security plan (ESP) in accordance with R.C. 4928.143.

{¶ 4} On May 29, 2014, Duke filed its third ESP application (ESP III). On April 2, 2015, the Commission issued an Opinion and Order modifying and approving Duke's ESP III application for the period of June 1, 2015, through May 31, 2018. *In re the Application of Duke Energy Ohio for Authority to Establish a Std. Serv. Offer in the Form of an Electric Security Plan*, Case No. 14-841-EL-SSO, et al. (ESP III Case), Opinion and Order (April 2, 2015). As part of the approved ESP III, the Commission authorized the establishment of the distribution capital investment (DCI) rider to allow for the recovery of capital costs for

distribution infrastructure investments. The rider is to be reviewed annually for accounting accuracy, prudence, and compliance with the Commission's Order. Further, the Commission found that a compliance audit of the DCI rider is to be completed annually to ensure conformance with the Opinion and Order.

{¶ 5} By Entry issued on May 30, 2018, in the *ESP III Case*, the Commission granted Duke's request to extend the ESP, including Rider DCI, until a new application for an ESP was approved. In doing so, the Commission initially extended the 2018 \$35 million revenue cap collection period for Rider DCI until August 1, 2018. In a Second Entry on Rehearing issued July 25, 2018, the Commission granted Duke's application for rehearing, in part, and set a monthly \$5 million cap for Rider DCI until a new ESP was approved. Thereafter, on December 19, 2018, the Commission issued an Opinion and Order modifying and approving an amended stipulation establishing ESP IV that extended Rider DCI through May 31, 2025, subject to certain conditions. *In re Duke Energy Ohio, Inc., Case No. 17-1263-EL-SSO, et al., Opinion and Order at ¶ 113-116 (Dec. 19, 2018)*. Additionally, for the year 2019, the Commission set a revenue cap not to exceed \$42.1 million. However, pursuant to the Commission's directives in the Opinion and Order, this amount may be increased to \$46.8 million if, in 2018, Duke achieves both reliability standards. *Id.* at ¶ 113.

{¶ 6} On June 2, 2021, the Commission issued an Entry directing Staff to issue a request for proposal (RFP) for audit services to assist with the annual audit of Duke's DCI rider costs for the period of July 1, 2020, through June 30, 2021. The Commission directed prospective bidders to submit proposals to Staff by July 2, 2021.

{¶ 7} The proposals received in response to the RFP have been evaluated and, after consideration of the same, the commission selects Rehmann Consulting (Rehmann) to perform the audit services outlined in the RFP. The Commission finds that Rehmann has the necessary experience to complete the required work.

{¶ 8} Duke shall enter into a contract with Rehmann by July 28, 2021, for the purpose of providing payment for Rehmann's services. The contract shall incorporate the

terms and conditions of the RFP, Rehmann's proposal, and relevant Commission entries in this case.

{¶ 9} The Commission shall select and solely direct the work of Rehmann. The Commission's Staff will review and approve payment of invoices submitted by Rehmann.

{¶ 10} Rehmann shall perform its audit and investigation as an independent contractor. Any conclusions, results, or recommendations formulated by Rehmann may be examined by any participant to this proceeding. Further, it shall be understood that the Commission and/or its Staff shall not be liable for any acts committed by Rehmann or its agents in the preparation and presentation of the report.

{¶ 11} Rehmann will execute its duties pursuant to the Commission's statutory authority to investigate and acquire records, contracts, reports, and other documentation under R.C. 4903.02, 4903.03, 4905.06, 4905.15, and 4905.16. Rehmann is subject to the Commission's statutory duty under R.C. 4901.16, which provides:

Except in his report to the public utilities commission or when called on to testify in any court or proceeding of the public utilities commission, no employee or agent referred to in Section 4905.13 of the Revised Code shall divulge any information acquired by him in respect to the transaction, property, or business of any public utility, while acting or claiming to act as such employee or agent. Whoever violates this section shall be disqualified from acting as agent, or acting in any other capacity under the appointment or employment of the commission.

{¶ 12} Once disclosure is permitted by R.C. 4901.16, the following process applies to the release of any document or information marked as confidential. Three days prior notice of intent to disclose shall be provided to the party claiming confidentiality. Three days after such notice, Staff or Rehmann may disclose or otherwise make use of such documents or information for any lawful purpose, unless the Commission receives a request for a

protective order pertaining to such documents or information within the three-day notice period. The three-day notice period will be computed according to Ohio Adm.Code 4901-1-07.

{¶ 13} Upon request of Rehmann or of Staff, Duke shall provide any and all documents or information requested. Duke may conspicuously mark such documents or information “confidential” if Duke believes the document should be deemed as such. In no event, however, shall the Company refuse or delay in providing such documents or information.

### III. ORDER

{¶ 14} It is, therefore,

{¶ 15} ORDERED, That Rehmann be selected to assist the Commission and Staff with the audit of Duke’s distribution capital investment rider costs for the period of July 1, 2020, through June 30, 2021. It is, further,

{¶ 16} ORDERED, That Duke and Rehmann shall observe the requirements set forth herein. It is, further,

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

COMMISSIONERS:

*Approving:*

Jenifer French, Chair  
M. Beth Trombold  
Lawrence K. Friedeman  
Daniel R. Conway  
Dennis P. Deters

NJW/hac

**This foregoing document was electronically filed with the Public Utilities**

**Commission of Ohio Docketing Information System on**

**7/14/2021 2:48:53 PM**

**in**

**Case No(s). 21-0573-EL-RDR**

Summary: Entry selecting Rehmann Consulting to conduct the audit services to of Duke Energy Ohio, Inc.'s distribution capital investment rider costs for the period of July 1, 2020, through June 30, 2021 electronically filed by Heather A Chilcote on behalf of Public Utilities Commission of Ohio