

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE REGULATION OF
THE PURCHASED GAS ADJUSTMENT
CLAUSE CONTAINED WITHIN THE RATE
SCHEDULES OF DUKE ENERGY OHIO, INC.

CASE NO. 21-218-GA-GCR

IN THE MATTER OF THE UNCOLLECTIBLE
EXPENSE RIDER OF DUKE ENERGY OHIO,
INC.

CASE NO. 21-318-GA-UEX

IN THE MATTER OF THE PERCENTAGE OF
INCOME PAYMENT PLAN RIDER OF DUKE
ENERGY OHIO, INC.

CASE NO. 21-418-GA-PIP

ENTRY

Entered in the Journal on October 29, 2021

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

{¶ 2} R.C. 4905.302 and Ohio Adm.Code 4901:1-14-07 provide that the Commission shall conduct, or cause to be conducted, periodic audits of each gas or natural gas company under the Commission's jurisdiction. Such audits shall review each company's compliance with the gas cost recovery mechanism (GCR) as delineated in Ohio Adm.Code Chapter 4901:1-14.

{¶ 3} Ohio Adm.Code 4901:1-14-08 provides that the Commission shall hold a public hearing at least 60 days after the filing of each GCR audit report required under Ohio Adm.Code 4901:1-14-07. Ohio Adm.Code 4901:1-14-08(C) specifies the requirement for notice of a GCR hearing, which each company should cause to be published between 15 and 30 days prior to the date set for its hearing. The notice may be provided by a publication of a display ad in a newspaper (in a section other than the legal notice section), bill message, bill insert, or direct mailing to the customers.

{¶ 4} On December 21, 2005, the Commission authorized Duke to establish an uncollectible expense (UEX) rider. *In re The Cincinnati Gas & Elec. Co.*, Case No. 05-732-EL-MER, et al., Finding and Order (Dec. 21, 2005). In accordance with the Commission's previous directives, Duke's independent financial auditor is to audit the UEX rider in conjunction with Duke's GCR audit. *In re Duke Energy Ohio, Inc.*, Case No. 10-726-GA-UEX, Finding and Order (June 23, 2010).

{¶ 5} Furthermore, the Commission has authorized Duke to recover percentage of income payment plan (PIPP) arrearages associated with providing natural gas service through its PIPP rider. *In re Review of PIP Plan Riders*, Case No. 88-1115-GE-PIP, et al., Finding and Order (Dec. 2, 1993).

{¶ 6} By Entries issued March 10, 2021, the Commission initiated these proceedings; found that Duke's PIPP rider should be audited in the course of the Company's GCR and UEX audits; established the financial audit periods for the GCR mechanism and UEX and PIPP riders; set the due date by which the financial audit reports must be filed; directed that a management/performance audit of Duke's compliance with the provisions of Ohio Adm.Code Chapter 4901:1-14 be conducted; and provided instructions for Duke's selected auditor. The March 10, 2021 Entries also scheduled these matters for a public hearing to be held on January 11, 2022, and directed Duke to publish notice of the hearing pursuant to Ohio Adm.Code 4901:1-14-08(C). More specifically, the Entries established the due date for the filing of the audit reports as November 12, 2021. A draft audit report for the management/performance audit was due to Staff by October 29, 2021.

{¶ 7} By Entry issued April 21, 2021, the Commission selected Exeter Associates, Inc. (Exeter) as the management/performance auditor.

{¶ 8} Also, on April 21, 2021, Interstate Gas Supply, Inc. (IGS) filed a motion to intervene in these proceedings. IGS states that it participates in the Duke Choice program and serves residential and commercial customers throughout Duke's service territory. Accordingly, IGS claims that Duke's rates, storage assets, propane assets, and balancing

tariffs will directly impact IGS's customers and business operations and, on that basis, IGS has a real and substantial interest in these proceedings. No memorandum contra IGS's motion to intervene was filed.

{¶ 9} IGS asserts a real and substantial interest in these proceedings that may be adversely affected by the outcome of these matters. Accordingly, the attorney examiner finds that IGS's motion to intervene should be granted.

{¶ 10} On October 22, 2021, in Case No. 21-218-GA-GCR, Staff filed a motion for an extension of time to submit the draft and to file the final management/performance audit report, until December 1, 2021, and December 17, 2021, respectively, along with a request for expedited ruling. In its motion, Staff states that, while Exeter has made substantial progress toward completion of the audit report, certain issues have arisen which make meeting the due dates impractical for Exeter. Staff explains that Exeter experienced a breach of its systems on or about June 14, 2021, and, as a precautionary measure, Duke stopped sending emails to Exeter causing an approximate six-week delay in the receipt of discovery responses. Staff notes that, as of the filing of the motion, Exeter is awaiting responses from Duke on a set of discovery. In addition, Staff notes that the Federal Energy Regulatory Commission is working through the final stages of a settlement filed on July 31, 2020, in the Columbia Gas Transmission Company (TCO) rate case which may impact Duke's rates and Exeter's recommendations in this proceeding. Staff asserts that it is prudent to wait to see the impact of the TCO settlement on Duke's rates, if any. For these reasons, Staff requests an extension of the due dates for the draft and final management/performance audit reports and proposes, based on the agreement of the parties, the hearing be rescheduled to commence after February 15, 2022, preferably on February 17, 2022.

{¶ 11} Under the circumstances, the attorney examiner finds the motion to extend the due date for the submission of the draft and final management/performance audit reports to be reasonable. Accordingly, the draft and final management/performance audit reports shall be due on December 1, 2021, and December 17, 2021, respectively, and, as a result, the

hearing rescheduled to commence on February 17, 2022. In all other respects, the procedural schedule and associated directives shall remain as established in the Entries issued March 10, 2021.

{¶ 12} The hearing in these matters shall be rescheduled to commence on February 17, 2022, at 10:00 a.m., via remote access technology as follows:

- (a) The hearing will be conducted through Webex, which will enable the parties and interested persons to participate by telephone and/or video on the internet. Access information for the hearing will be provided to the parties at their electronic mail address of record.
- (b) Interested persons that wish to provide testimony must register with the Commission before 12:00 p.m., on February 15, 2022, at <https://puco.ohio.gov/wps/portal/gov/puco/events/case-no-21-218-ga-gcr-evh> or by calling the Commission at 1-800-686-7826. Interested individuals will be required to provide their full name, home address, telephone number, and electronic mail address, if available; state that they wish to register for the public hearing in Case No. 21-218-GA-GCR, et al.; specify whether they plan to join the Webex event by internet or by telephone; and indicate whether they intend to offer testimony. Individuals that plan to attend the Webex event through internet access must have a computer or smart device with a microphone and speakers, an electronic mail address, and reliable internet service. Interested individuals who wish to attend the public hearing remotely and not offer testimony can do so by registering and indicating they do not intend to provide testimony or by calling 1-408- 418-9388 and entering access code 2330 373 2656. Any person interested in observing the hearing as a nonparty can access the hearing using the link <https://bit.ly/21-218-EVH> and entering the password PUCO, or by calling 1-408-418-9388, and

entering access code/event number 2330 373 2656. The purpose of the evidentiary hearing is for Duke, Staff, and intervenors to provide evidence regarding the audits.

- (c) On the day of the hearing, individuals who have registered to testify will be asked to speak beginning shortly after 10:00 a.m., so all those who have registered to testify should be prepared to speak at that time. For individuals who are speaking by telephone, the Commission's staff will contact those individuals by telephone when it is time for their testimony and connect them to the hearing. If access or other issues are experienced during the hearing, individuals should immediately use the chat function within Webex or contact the Commission's legal department at 1-614-466-6843 for assistance.
- (d) If individuals wish to supplement their testimony with an exhibit for the Commission's consideration, a copy of the document, along with a reference to the case numbers, must be provided to the Commission by February 24, 2022, by electronic mail to ContactThePUCO@puco.ohio.gov or by mail to Public Utilities Commission of Ohio, 180 East Broad Street, Columbus, Ohio 43215.
- (e) Public comments can be provided in writing on the Commission's web site at <https://puco.ohio.gov/wps/portal/gov/puco/helpcenter/contactus>, by electronic mail to ContactThePUCO@puco.ohio.gov, or by mail to Public Utilities Commission of Ohio, 180 East Broad Street, Columbus, Ohio 43215. Written comments should reference the case numbers for these matters.

{¶ 13} It is, therefore,

{¶ 14} ORDERED, That the motion to intervene filed by IGS be granted. It is, further,

{¶ 15} ORDERED, That the due date for the draft and final management/performance audit reports be extended to December 1, 2021, and December 17, 2021, respectively. It is, further,

{¶ 16} ORDERED, That the hearing in these matters be rescheduled to commence on February 17, 2022, at 10:00 a.m., via remote access technology. It is, further,

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

THE PUBLIC UTILITIES COMMISSION OF OHIO

/s/ Greta See

By: Greta See
Attorney Examiner

MJA/hac

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

Case No(s). 21-0218-GA-GCR, 21-0318-GA-UEX, 21-0418-GA-PIP

Summary: Attorney Examiner Entry ordering that the motion to intervene filed by IGS be granted; that the due date for the draft and final management/performance audit reports be extended to December 1, 2021, and December 17, 2021, respectively; and, that the hearing in these matters be rescheduled to commence on February 17, 2022, at 10:00 a.m., via remote access technology electronically filed by Heather A. Chilcote on behalf of Greta See, Attorney Examiner, Public Utilities Commission