



Public Utilities Commission

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June 14, 2022

Amy B. Spiller
Duke Energy Ohio
Duke Energy Kentucky
139 E. 4th Street
Cincinnati, OH 45202

RE: *In the Matter of the Application of Duke Energy Ohio, Inc., for an Increase in Natural Gas Rates in Case No. 22-507-GA-AIR*

Dear Counsel:

On May 31, 2022, Duke Energy Ohio, Inc. (“Duke” or the Company) filed its pre-filing notice (PFN) of its intent to file an application to increase rates in Case No. 22-507-GA-AIR.

As part of the supplemental filing requirements for an application for an increase in rates, Ohio Adm.Code 4901-7-01, App. A, Ch. II (B)(9) requires the applicant utility to provide an executive summary of the management policies, practices, and organization used to meet corporate goals, as defined by the board of directors and corporate officers. The applicant utility is also required to demonstrate how pertinent elements of the management process relate to three functional areas, which are identified and requested by the Staff of the Public Utilities Commission of Ohio (Commission).¹

Within ten business days of the applicant filing its PFN, the Commission Staff are required to notify the applicant company which three functional areas have been selected by filing a letter in the case docket.

Accordingly, the Commission Staff hereby selects the following functional areas that Duke must include in the application to be filed in the above referenced case:

1. Finance and accounting: internal auditing, including an evaluation of the Company’s internal controls, processes, and procedures to comply with applicable laws and to ensure the integrity of financial and accounting information.
2. Budgeting and forecasting, including policies and procedures for how jurisdictional allocation factors are calculated, including the statistics used and an explanation for any recent changes in allocation procedures. The review should specifically address how costs associated with shared plant is allocated between Duke Energy Ohio and Duke Energy Kentucky.

¹ Pertinent elements to incorporate for each functional area should include organization chart, diagrams, and flow charts, performance indicators, standards of performance, and prepared testimony of applicant utility personnel or other expert witnesses. Ohio Adm.Code 4901-7-01, App. A, Ch. II (B)(9).

3. Plant operations and construction: A summary and review of the Company's transmission pipeline system in Ohio and estimates of the scope of work associated with material verification, maximum allowable operating pressure (MAOP) reconfirmation, and other requirements of the Pipeline and Hazardous Materials Safety Administration's "Safety of Gas Transmission Pipelines" rule, issued on 10/1/2019.

Thank you.

A handwritten signature in black ink, appearing to read 'K. Schaefer', with a long horizontal stroke extending to the right.

Krystina Schaefer
Division Chief, Grid Modernization & Retail Markets
Public Utilities Commission of Ohio

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

Case No(s). 22-0507-GA-AIR

Summary: Letter of Notification In the Matter of the Application of Duke Energy Ohio, Inc., for an Increase in Natural Gas Rates in Case No. 22-507-GA-AIR electronically filed by Ms. Krystina M Schaefer on behalf of PUCO Staff