

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of)	Case No. 21-887-EL-AIR
Duke Energy Ohio, Inc., for an)	
Increase in Electric Distribution Rates.)	Case No. 21-888-EL-ATA
)	
In the Matter of the Application of)	Case No. 21-889-EL-AAM
Duke Energy Ohio, Inc., for Tariff)	
Approval.)	
)	
In the Matter of the Application of)	
Duke Energy Ohio, Inc., for Approval)	
To Change Accounting Methods.)	

**THE CITIZENS' UTILITY BOARD OF OHIO'S
COMMENTS AND OBJECTIONS TO THE STAFF REPORT**

In the above captioned proceeding, Duke Energy Ohio, Inc. (Duke or the Company) has applied to the Public Utilities Commission of Ohio (PUCO or the Commission) for an increase in rates and for approval of tariff modifications, and for approval to changes in certain accounting methods. On May 19, 2022, Staff of the PUCO filed a written report of its analysis of the Company's applications. Pursuant to Ohio Revised Code §4909.19, Ohio Adm. Code §4901-1-28(B), and the May 20, 2022 Entry in this proceeding, Citizens' Utility Board of Ohio (CUB Ohio) hereby submits its Objection to the Staff's written report. Please note, however, that CUB Ohio's omission of any comment or objection to any particular proposal or recommended course of action presented in the Staff's report should not be construed as indicating CUB Ohio's affirmative support for such proposal or recommendation.

INTRODUCTION

CUB Ohio is a consumer organization working on behalf of residential and small business utility customers. We are a nonprofit, nonpartisan organization with membership across the state of Ohio. Our

mission is to educate consumers to reduce their utility bills today, as well as to work toward a long-term energy future that is affordable, reliable, and clean. Thus, we believe that the cheapest and cleanest unit of power is the one we save – the one we don't have to use. Energy efficiency is essential for residential consumers to see lower bills, long-term savings, and a healthier environment.

COMMENTS & OBJECTIONS

1. CUB Ohio objects to the Staff's support of increased fixed charges while unreasonably failing to address the need for energy and customer cost savings that can arise from energy efficiency programs.

In its report, Staff supports an increase in the residential customer charge to \$7.32 per month, and an increase to the residential low-income customer charge to \$2.44 - each representing a 22% increase. Staff Report at 29-35. While we appreciate the Staff's reluctance to support Duke's proposed doubling of each fixed charge, CUB Ohio objects to these increases at a time when all prices are increasing and the ability for many customers to utilize increase-mitigating efficiency programs is lacking.

Increased fixed charges, alone, reduce the incentive to conserve energy as customers see little impact of those volumetric reductions on their monthly bills. Adding more fixed charges and reducing energy efficiency programs goes against both the letter and spirit of the Commission's charge to initiate programs that will promote and encourage conservation of energy and a reduction in the growth rate of energy consumption, promote economic efficiencies, and take into account long-run incremental costs. Thus, we see it as unreasonable for both the Company and the Staff to promote an increase in fixed charges without any discussion of energy efficiency programs and its resultant energy and cost savings.

We note that the application and the Staff report support elimination of the Energy Efficiency Rider, as that is a relic of the pre HB6 programs that were in place for over a decade, and do not dispute the sunset of that rider. However, after a year and a half of no energy efficiency programs due to HB6, customers (especially low and moderate income customers) have been seeing energy and money wasted.

The last decade of utility-run electric energy efficiency programs in Ohio (from 2009-2019) was proof-positive that saving energy saves consumers money. Ohio saw a cumulative savings of 67.8 million MWh of electricity and an energy cost savings of \$7.03 billion for Ohio's residents and consumers.¹ Duke has long utilized energy efficiency and Demand Side Management programs as a tool to ensure cost savings, energy savings, and reliability assurance. Yet, both the Application of the Company and the Staff in its report are silent on energy efficiency or how the potential use of utility energy efficiency programs can assist customers mitigate the impact of the increased rates proposed in this proceeding.

Recently the commission held a month-long series of workshops on energy efficiency in Ohio. The workshops made clear to all that energy efficiency is important to Ohioans - it is important to their pocketbooks, it is important to their health and welfare, it is important to their state's economic prosperity, and it is important to the sustainability of their environment. Even the most staunch opponents of utility efficiency programs agreed that, at the very least, low and moderate income residential customer programs could and should be offered. Therefore, CUB Ohio recommends that Staff consider ways to insure that the cost savings for low income customers, in the form of targeted efficiency programs are included with any support of an increase in fixed charges for low income customers. Further, more investigation and incorporation of energy waste reduction and energy efficiency programs for the other rate classes should be included to assist customers in lessening the impact of their increased bills.

2. The Staff's report unreasonably denies the Company's proposed CDI Rider without finding solutions to assist with Community EV development to help customers.

While CUB Ohio, at this time, does not opine on whether the the Company's proposed Community Driven Electric Investment Rider (CDI) is worthy of Commission approval, we do see the proposal as a creative way of working with municipalities and customers to remove barriers to many technology upgrades that could save customers money. Therefore, we would encourage the Company,

¹https://www.mwalliance.org/sites/default/files/meea-research/2009-2019_ohio_energy_and_bill_savings_august_2020.pdf?current=/taxonomy/term/11

Staff, and interested stakeholders (especially representatives of municipalities) to discuss the benefits and detriments of the proposed CDI Rider and the CDI program on a municipality's citizens and its governmental budget. This, we believe can and should occur through the evidentiary process to come. However, Staff's outright and peremptory denial poses an unreasonable chilling effect on that stakeholder inquiry. What is more, in its denial, Staff provides no evidence or explanation of support for its "belie[f] that some type of payment or financing plan could be made available by the Company for communities to achieve a similar outcome." Staff Report at 40.

What is evident is that Ohio is in need of community/municipality level expansion of electric vehicle charging options and infrastructure as well as municipality focused energy efficiency programs that reduce the strain on the grid and on their local taxes. Therefore, we encourage the Staff to work with municipalities and other stakeholders to develop a proposal that removes, and not add additional, barriers to energy and cost saving projects.

We agree with the Staff, however, that the customers need to be at the center of the CDI investments, and the impacts to customers wallets are at par with the impacts to a community's budget, and that customer notice and opportunity to be heard at the community level be guaranteed as the Company's application and its objections to the Staff report imply.

3. Duke's Time of Use Proposal (TD-CPP), with Staff recommendations will benefit customers, and support the proposed changes

CUB Ohio is supportive of properly developed residential time-of-use (TOU) rates as one of the best ways to allow customers to take control of their bills. Therefore, while CUB Ohio is still reviewing the details of the proposed TD-CPP program and its impact on customers, we support the concept around its updated offering of a new residential dynamic TOU rate.

That said, we support the Staff's proposal to align TD-CPP costs for residential customers with its fixed charge for RS rate customers. New TD-CPP rate customers would include those with smart

meters and not the legacy meters of those under the current TD regime. The utilization of smart meters, among other benefits, is to enable more and better use of time of use rates. Therefore we agree with the Staff that the Company's request for the higher cost is unwarranted.

TOU rates only work when they provide the proposer price signals that incent moving personal load to the non-peak times. This is especially the case for those residential households who are looking to invest in electric vehicles now and over the coming years, and time-variant rates incent electric vehicle owners to charge at optimal times for the electric grid.

SUMMARY OF MAJOR ISSUES

As can be gleaned from the objections and comments raised above, CUB Ohio sees major issues in this case centered on the increase in fixed charges for residential and residential-low income customers, the lack of energy efficiency options to mitigate rate increases, and providing customers the ability to harness technology through community-scale projects and TOU rate structures.

June 21, 2022

Respectfully Submitted,

/s/Trent Dougherty

Trent Dougherty (0079817)

Counsel of Record

Hubay|Dougherty

1391 Grandview Ave. #12460

Columbus, Ohio 43212

(614) 330-6752 - Telephone

Counsel for the Citizens' Utility Board of Ohio

CERTIFICATE OF SERVICE

I hereby certify that a copy of this filing, filed with the Commission on June 21, 2022, will be electronically served via the Public Utility Commission of Ohio's e-filing system on all parties referenced in the service list of the docket.

/s/ Trent Dougherty
Trent Dougherty

**This foregoing document was electronically filed with the Public Utilities
Commission of Ohio Docketing Information System on**

6/21/2022 4:16:04 PM

in

Case No(s). 21-0887-EL-AIR, 21-0888-EL-ATA, 21-0889-EL-AAM

Summary: Objection THE CITIZENS' UTILITY BOARD OF OHIO'S COMMENTS
AND OBJECTIONS TO THE STAFF REPORT electronically filed by Mr. Trent A.
Dougherty on behalf of Citizens' Utility Board of Ohio