



Public Utilities Commission

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September 1, 2022

Docketing Division
Public Utilities Commission of Ohio
180 East Broad Street
Columbus, OH 43215

RE: *In the Matter of the Application of Duke Energy Ohio, Inc., to Adjust and Set its Electric Uncollectible Recovery Rate Under Rider UE-GEN, Case No. 22-605-EL-UEX.*

Dear Docketing Division:

Enclosed please find the Staff Review and Recommendation in regard to the application filed by Duke Energy Ohio, Inc., to adjust and set its electric uncollectible recovery rate under Rider UE-GEN, Case No. 22-605-EL-UEX.

Natalia Messenger
Accounting and Finance Division
Public Utilities Commission of Ohio

Enclosure
Cc: Parties of Record

Duke Energy Ohio, Inc.
Case No. 22-605-EL-UEx (UE-GEN)

Background

On June 30, 2022, Duke Energy Ohio, Inc. (Duke or Company) filed an application (Application) in Case No. 22-605-EL-UEx for approval to update its electric uncollectible expense rider (Rider UE-GEN) rate. The rider enables recovery of net uncollectible accounts expense related to the provision of electric distribution service, as well as all percentage of income payment plan (PIPP) installment payments that are not recovered through the universal service fund rider (USF).

The Company makes annual filings to Rider UE-GEN in order to true-up the rider to reflect actual uncollectible expense. On January 12, 2022, the Commission approved the current rates of \$0.000351 per kWh for residential customers and \$0.11 per bill for non-residential customers.

In its Application, the Company projects the total incremental unrecovered balance as of March 31, 2023, to be \$3,830,267 for residential customers and \$259,322 for non-residential customers. The Company proposes to adjust Rider UE-GEN's rate to \$0.000529 per kWh for residential customers and \$0.29 per bill for non-residential customers.

Staff Review

Staff has completed its review of the Company's Rider UE-GEN. Staff examined the as-filed schedules for consistency with the Commission's Opinion and Orders in previous Rider UE-GEN cases, and to ensure proper accounting treatment was applied. The audit consisted of a review of the financial statements regarding completeness, occurrence, presentation, valuation, allocation, and accuracy. Staff conducted the audit through a combination of document review, interviews, and interrogatories. Staff requested documentation as needed to determine that the costs were substantiated or to conclude that an adjustment was warranted.

During Staff's review, the Company indicated an error in the provided schedules, where Electric Retail Revenue for February 2022 was inadvertently recorded as \$92,338,472. The Company confirmed that this value should have been \$92,388,472.¹ This results in an adjustment of \$50,000, which reduces the total unrecovered balance for residential customers by \$31.00 to a total of \$3,830,236 and non-residential customers by \$2.00 to a total of \$259,319.76. This adjustment does not affect rider rates.

Staff Recommendation

Staff finds that the Company has adequately supported the information used in the determination of its proposed rates. With the above adjustment, Staff recommends that the Commission approve the proposed rates of \$0.000529 per kWh for residential customers and \$0.29 per bill for non-residential customers.

¹ See Staff DR 3.

**This foregoing document was electronically filed with the Public Utilities
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Case No(s). 22-0605-EL-UEx

Summary: Staff Review and Recommendation in regard to the application filed by Duke Energy Ohio, Inc., to adjust and set its electric uncollectible recovery rate under Rider UE-GEN electronically filed by Zee Molter on behalf of PUCO Staff