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TRANSCRIPT TO THE TESTIMONY OF:

**PUCO HEARING
September 8, 2011**

In re: Duke Energy Application

**Case Nos. 11-3549-EL-SSO,
11-3550-EL-ATA AND 11-3551-EL-UNC**

**Date Taken: September 8th, 2011
Date Printed: September 22th, 2011**

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BEFORE

PUBLIC UTILITIES COMMISSION OF OHIO

- - - -

IN RE:	:
	:
CASE NUMBERS:	:
	:
11-3549-EL-SSO	:
	:
11-3550-EL-ATA	:
	:
11-3551-EL-UNC	:

- - - -

PUBLIC HEARING

taken before me, Darlene Anthony, a Registered
Professional Reporter and Notary Public in and for the
State of Ohio at the Middletown City Building, City
Council Chambers, 1 Donham Plaza, in the City of
Middletown, County of Butler, and State of Ohio, on
Thursday, the 8th day of September, 2011, beginning at
6:45 p.m.

- - - -

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1 APPEARANCES:

2
3 On Behalf of the PUCO:

4 CHRISTINE PIRIK, Attorney Examiner

5 CHERYL ROBERTO, Commissioner

6 JOHN CAMPBELL, Service Monitoring and
7 Enforcement Department

8 MATT BUTLER, Public Affairs Department
9 180 East Broad Street
Columbus, OH 43215-3793
- - -

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1 MS. PIRIK: We'll commence the official record
2 of the local hearing today for the Public Utilities
3 Commission of Ohio. My name is Christine Pirik. With me
4 is Commissioner Cheryl Roberto. I have been assigned to
5 hear this case. The case numbers in this case are
6 11-3549-EL-SS0, 11-3550-EL-ATA and 11-3551-EL-UNC in the
7 matter of the application of Duke Energy Ohio, Inc. for
8 authority to establish a standard service offer pursuant
9 to Section 4928.143 of the Ohio Revised Code in the form
10 of an electric security plan, accounting modification and
11 tariffs for generation service as well as authority to
12 amend its certified supplier tariff, PUCO number 20, and
13 for authority to amend its corporate separation plan.

14 As you came in this evening, you saw that there
15 were some individuals outside. The one gentleman with the
16 glasses, his name is John Campbell. He is with our
17 service monitoring and enforcement department. If you
18 have any service questions or issues that you'd like to
19 approach him with, he would be happy to try to answer any
20 questions you might have, as well as Matt Butler from our
21 Public Affairs Department. If you have any questions for
22 him as well, he will be around after the hearing to talk
23 with you.

24 As we stated off the record, on June 20, 2011,
25 Duke filed an application with the Commission for the

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1 Commission to consider a standard service offer in the
2 form of an electric security plan. This evening's hearing
3 is the third in a series of four local public hearings
4 that are being held in the Cincinnati Duke Energy service
5 territory for the purpose of receiving testimony from the
6 public with regard to the application that the company
7 filed on June 20th. There will also be an evidentiary
8 hearing which will be the company's opportunity to put
9 forth testimony on their application and that will occur
10 sometime later this fall.

11 Tonight we are interested in hearing your
12 comments. When you arrived you had the opportunity to
13 sign up to testify, and I have a list here of six
14 witnesses who would like to testify. If I come across
15 your name and you decide to decline or you would like to
16 wait until perhaps later in the order of witnesses, feel
17 free to let me know that. If you didn't have a chance to
18 testify, we'll ask for others at the conclusion of all the
19 witnesses that I have on the list. If you'd like to come
20 forward, I'll ask for volunteers at that time, if at that
21 point in time you would like to testify.

22 We do appreciate your participation in tonight's
23 hearing, and we hope that if you have any questions -- I
24 know there are representatives here from the company, and
25 I'm sure if you have any questions for them as well

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1 they'll be around after the hearing to answer those
2 questions.

3 I know there is -- at this point in time we take
4 appearances on behalf of the parties in the case. There
5 are a number of parties in this case. It's a very long
6 list of 20 plus parties in this case. Now all of the
7 parties, they represent various constituencies, from
8 environmental groups to small commercial groups to large
9 industrial groups to residential representatives to low
10 income representatives to marketers and competitive
11 electric providers, so typically they do not come to the
12 local hearings but usually there are a couple attorneys
13 who are here on behalf of some of the parties. I know the
14 company has their attorney here and at this point in time
15 I would ask that the company's attorney make an appearance
16 on the record to note that they are here.

17 MS. WATTS: Thank you, your Honor. On behalf of
18 Duke Energy, Ohio, Elizabeth H. Watts, Associate General
19 Counsel.

20 MS. PIRIK: Are there any other representatives/
21 attorneys on behalf of other parties in the case? Seeing
22 none, if you would like to know who the complete list of
23 parties are, you can access the Public Utilities
24 Commission's website and look for the docket card in one
25 of the case numbers that I listed. The primary case

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1 number is 11-3549, and if you look for that case you will
2 be able to find a complete listing of all the parties.

3 At this time I will call witnesses in the order
4 that they've signed up and then we'll take it from there.
5 So our first witness is Monte Miller.

6 MR. MILLER: Monte Miller; m-o-n-t-e, m-i-l-l-
7 e-r, and 7928 Christine Avenue. That's in Cincinnati,
8 Ohio, 45241.

9 MS. PIRIK: Thank you, Mr. Miller. Will you
10 please raise your right hand?

11 - - -
12 MONTE MILLER

13 a witness of lawful age, being first duly cautioned and
14 sworn, testified on his oath as follows.

15 - - -
16 MR. MILLER: I'm here mainly to try to
17 understand more about what this is all about. I've read
18 some of the articles in the media and so forth, and I
19 guess, like you see, I have more questions than I have
20 testimony or answers. I hope that's all right. I guess
21 that's what these kinds of things are for.

22 MS. PIRIK: Well at this time we won't be able
23 to answer, I want to make sure you know, but we will
24 definitely be here after the hearing to answer questions.
25 But it's very helpful when you put all your questions on

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1 the record and any thoughts or opinions that you have.

2 MR. MILLER: So I'm in the right place.

3 MS. PIRIK: Absolutely.

4 MR. MILLER: In hindsight, I would have probably
5 waited for the end so that I wouldn't be redundant but
6 I'll give it a try anyway, and maybe there will be some
7 more questions in the end after all the other information
8 has been shared and people have talked.

9 First, I want to concentrate on three areas.
10 Number one, I'm concerned about and want to know how this
11 change in alternate supplier billing and so forth relates
12 to the law that the State of Ohio passed. I've done some
13 dabbling in this; not the law, of course, but what I
14 understand is, in fact, that other states don't have the
15 ability to go to alternate suppliers. My mother lives in
16 Missouri and Missouri doesn't have this kind of situation,
17 and others I've looked into. It's been wonderful. I've
18 been able to work with friends and others to save them
19 significant amounts of money in the competition, which is
20 what I understand was the intent of the law from the
21 legislature. And again, I'm concerned that the
22 information that I've heard does put a serious restriction
23 on that, and I don't know if that's true or not but that's
24 a question that I would ask the Commission to take a good
25 hard look at and I trust to make the right decisions on

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1 that.

2 The second area that I would like to see an
3 answer or more investigation into is the capacity. As I
4 read the articles and so forth, I understand that a lot of
5 this is due to needing capacity nine, ten years from now
6 I understand that there's a lot more data than I have
7 available to me but it leads people to that conclusion.
8 But I also know if you look on the website and so forth
9 that Duke has about 700,000 customers in this area. Then
10 there's I don't know how many other suppliers around,
11 First Energy, AEP, the list goes on and on, but divides up
12 the whole state, and I assume that there is some sort of a
13 master plan for capacity that someone is looking at for
14 nine or ten years from now, and that all of the companies
15 in Ohio somehow are coordinating -- I guess PUCO is the
16 only organization that I know of that would do that, and
17 this proposal to Duke to provide so much capital to put in
18 place so much generating capacity for nine years from now
19 is coordinated with all the other companies. I hope
20 that's being done anyway but I'd like to go on record that
21 I really think that should be done, if it's not already.

22 And I guess the last area that I wanted to get
23 on record, I guess, hadn't thought of that term before I
24 came here tonight, is comparison. I've done a lot of work
25 over the last couple years in the natural gas and the

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1 electricity area, mostly the gas but lately electricity,
2 trying to understand how the rates here compare to other
3 rates and so forth, and I guess it would be very helpful
4 to me and I think a lot of citizens if there was a way to
5 understand, just to pick an example out of the air, like
6 Duke versus First Energy or Duke versus AEP or whatever,
7 it would be great if we had a listing that says, "Here's
8 what the typical rates are." Maybe a high-low, a range,
9 because I know things fluctuate, not down to the fraction
10 of a cent or whatever but at least understand that in
11 comparison there shouldn't be that much difference, unless
12 there's some major differences in the individual suppliers
13 that are allowed to divide up and carve up the state into
14 areas of operation.

15 I got an interesting phone call a couple years
16 ago. I was talking to one of the alternate suppliers,
17 which I will leave nameless at the moment, and they
18 honestly said -- and I don't believe that they had any
19 real interest of harming anyone, but they just said to me
20 they didn't understand why the rates in southwest Ohio
21 were so much higher than electricity rates in northern
22 Ohio. And so, you know, I was an engineer for 37 years
23 before I retired, and I just don't understand that kind of
24 logic. And the only organization I know that we have that
25 will keep all of the parties honest is PUCO. So I'm

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1 hoping that that happens and will continue.

2 Do you have any questions for me at the moment?

3 MS. ROBERTO: Thank you.

4 MS. PIRIK: Thank you very much. Mr. Carl
5 Rullmann?

6 - - -

7 CARL RULLMANN

8 a witness of lawful age, being first duly cautioned and
9 sworn, testified on his oath as follows.

10 - - -

11 MR. RULLMANN: Carl Rullmann. Carl with a C,
12 r-u-l-l-m-a-n-n. I live at 8285 Ventle Drive. That's V
13 as in Victor, e-n-t-l-e in West Chester. Retired
14 businessman and an accountant. CPA. Vast experience, if
15 I may use the term, vast experience in large companies'
16 financial reporting, auditing, et cetera.

17 I just want to say in general terms to the
18 Board, this plan represents very significant dollars to us
19 as customers of Duke, formerly CInergy, formerly
20 Cincinnati Gas and Electric. Monte has done the rate work
21 that I've seen that shows increases since Duke took over
22 just giving you some background that you may not have
23 although it's available to you. I would urge that you use
24 a lot of audit techniques to determine from their books,
25 more than just financial books but operational auditing,

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1 trend analysis, benchmarking, to determine the
2 justification for this. So, it introduces new complexity
3 to this whole area of aggregation or alternate suppliers
4 that's going to hurt everybody as they learn, so I would
5 urge you to take a real close look at this one. Thank
6 you.

7 MS. PIRIK: Thank you. Tom Brickey?

8 MR. BRICKEY: My name is Tom Brickey,
9 b-r-i-c-k-e-y. I live here in Middletown at 539 Cedarwood
10 Court.

11 MS. PIRIK: I'm sorry, Mr. Brickey, could you
12 please raise your right hand so I can administer the oath?

13 - - -

14 TOM BRICKEY

15 a witness of lawful age, being first duly cautioned and
16 sworn, testified on his oath as follows.

17 - - -

18 MS. PIRIK: Go ahead.

19 MR. BRICKEY: I don't know if you consider what
20 I'm going to say or ask as testimony, per se, but I have
21 some questions. I found out about this meeting late and
22 also the proposal from Duke. I would ask that this be
23 looked at very, very closely. I'm coming from the
24 standpoint of a homeowner and I can tell you, the only
25 thing that I have seen happen since Duke took over as the

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1 supplier of my electricity is my electric bills go up and
2 up and up. And if you look at the average homeowner's
3 electric bill, there's rider after rider on there, which
4 is nothing more than a soft cover word for additional
5 charge or surcharge. And from what I understand, now
6 they're coming back and asking literally for your blessing
7 to enact a rate increase of it says approximately
8 eight percent. Well that's a pretty significant rate
9 increase.

10 As a homeowner, I kind of feel like I'm being
11 held hostage. I mean, what recourse do I have? In the
12 marketplace, there's competition. You have choices. You
13 can go here, you can go there. Well where can we go?
14 Duke is the supplier for this area. When Duke came in
15 here initially, the local office was closed. People were
16 laid off, jobs were cut, all these cost-cutting measures,
17 I suppose. Then along comes Hurricane Ike and a few
18 months later then Duke is wanting to recover the cost of
19 the services they had to provide during that period of
20 time. You know, whatever happened to the concept of cost
21 of goods sold? It's like they seem to want more and more
22 and more. Well where does the consumer go? Where does
23 the homeowner go? I don't know. I don't feel there's any
24 recourse for us here. And from what I'm reading in this
25 document that I was handed when I came in, they're

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1 requesting the ability to enact an eight percent increase
2 and then additional increases are requested through May,
3 2021. Okay. Where does it end? I mean, what are these
4 increases going to be?

5 Again, as a citizen and homeowner I would just
6 ask that you really, really look at this closely and ask
7 some hard questions. Why is this necessary? Truly, why
8 is this necessary? Because I don't know that it is or
9 isn't. I know costs go up but, you know, eight percent,
10 that's significant, and there's additional increases
11 they're already telling us are going to be requested along
12 the way. Whether they call them riders or whatever they
13 choose to call them, you know, it's going to be additional
14 costs that we have to pay. And what are we getting for
15 that? I don't know that we're getting anything in
16 addition to what we have right now. Again, I'm not an
17 authority here, but I'm just trying to raise some issues
18 for you all to give strong consideration to given the
19 decision that you have to make because I think that it all
20 needs to be taken into consideration.

21 And I'll wrap up here, I don't want to be
22 redundant, but please keep in mind, also, what recourse
23 does the average customer have? I mean, you know, I can't
24 say, "No, I don't want you anymore. I want DP&L to
25 service me." Well DP&L doesn't service this area, Duke

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1 Energy does, so that's why I feel like to some degree
2 we're being held hostage here, and you've got a very, very
3 important decision to make.

4 So, I'm going to wrap up here and there are
5 other people I'm sure want to get up here and make their
6 point, but please take this seriously and take into
7 account those of us that are going to be paying those
8 electric bills, be it the homeowner or businesses or, you
9 know, whomever. That's a significant increase and they're
10 already telling us there will be additional increases, and
11 again, where do we go? We're kind of a captive audience
12 and I feel like it's a hostage situation.

13 Thank you very much for taking my points into
14 consideration.

15 MS. PIRIK: Thank you. Frank Miller?

16 MR. MILLER: My name is Frank Miller, m-i-l-l-
17 e-r, 422 Walnut Lane, Mason, Ohio.

18 MS. PIRIK: Please raise your right hand.

19 - - -

20 FRANK MILLER

21 of lawful age, being first duly cautioned and sworn,
22 testified on his oath as follows.

23 - - -

24 MS. PIRIK: You may proceed.

25 MR. MILLER: Well like the previous speaker, I m

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1 also a homeowner. I live in a subdivision of condominiums
2 that's occupied mostly by senior citizens. I tried to
3 muster a group to come up here tonight and attend this
4 hearing and by and large it was, "There's nothing we can
5 do. They've got us over a barrel." So I'm up here kind
6 of representing these people. I hope I can bring
7 something back to them that is useful.

8 This proposal that Duke has given you, where can
9 we find that? Where can I find that proposal? And after
10 I find it and after you do whatever you might do when
11 you're finished with this case, how can I find out how
12 effective you have been in making changes that the general
13 public has weighed in on? Can I get an answer to that or
14 do I have to wait until afterwards?

15 MS. PIRIK: No, I can answer that.

16 MR. MILLER: I just need to know where I can
17 find this proposal. Is it this thick (indicating) or this
18 thick?

19 MS. PIRIK: It's pretty thick. Do you have
20 access to the Internet?

21 MR. MILLER: Yes.

22 MS. PIRIK: The PUCO website is on the bottom of
23 the fax sheet or somewhere. Mr. Butler, who's at the
24 front desk, or Mr. Campbell can make sure that they point
25 you in that direction. And then you go to the

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1 Commission's website and you look for the docketing
2 information system, and then you put in the case number
3 for this case and that way you can access it
4 electronically and you can follow the case from there.

5 When the Commission issues their opinion, it
6 will be on that docket card, and we can explain that to
7 you more afterwards, if anybody else has other questions

8 Did you want to say something?

9 MS. ROBERTO: I was going to get you one of
10 those gold pieces of paper.

11 MR. MILLER: I have one.

12 MS. ROBERTO: The case number is on there.

13 MS. PIRIK: I think it is, but afterwards we
14 will look at it and make sure you have the case reference
15 as well as the PUCO website.

16 MR. MILLER: I tried to get this information
17 from Duke and I have to say they were very unfriendly,
18 very consumer unfriendly, so I did not get any information
19 from those people. They wouldn't give me a last name. I
20 could never get back to the person I was talking to, so
21 that's really annoying. I think I'm finished.

22 MS. PIRIK: Thank you. Gisele Motthiesen? Did
23 I get it right?

24 MS. MOTTHIESEN: All my concerns really have
25 been stated, so I don't need to add to that.

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1 MS. PIRIK: Well thank you for coming. Charlie
2 Wiedenmann?

3 (Mr. Wiedenmann approaches podium.)

4 MS. PIRIK: Would you state your full name and
5 address for the record?

6 MR. WIEDENMANN: My name is Dr. Charles
7 Wiedenmann, w-i-e-d-e-n as in Nancy, M as in Mary, a-n-n
8 No one ever spells it right.

9 MS. PIRIK: Or pronounces it right.

10 MR. WIEDENMANN: I live at 4171 Weather Oaks
11 Lane, Fairfield Township, Ohio, 45011.

12 MS. PIRIK: Would you please raise your right
13 hand?

14 - - -

15 CHARLIE WIEDENMANN

16 a witness of lawful age, being first duly cautioned and
17 sworn, testified on his oath as follows.

18 - - -

19 MS. PIRIK: Thank you.

20 MR. WIEDENMANN: I hope I don't stumble or get
21 nervous but I can't even read my own writing. I am here
22 tonight because I'm concerned about long-term energy
23 security. I read the newspaper cover and saw the
24 television coverage of the Cincinnati hearings and I'm
25 concerned that only one side of this whole thing is being

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1 portrayed. This is a copy of what appeared in our local
2 paper in terms of Duke Energy and it was all one sided,
3 (handing newspaper). I don't know many people that come
4 out and speak in favor of the electric company or the IRS.

5 Let's talk about the concept of choice. I
6 switched from Duke's regulated rates. I switched to Duke
7 Energy Retail. Thank you very much for allowing that.
8 Last month I saved \$37.85 by switching, so I appreciate
9 that. I appreciate the work that the PUCO has done in the
10 past in allowing that to happen, and I know that a lot of
11 people have switched. My concern is that Duke Energy --
12 the regulated rates were set in the law prior to this
13 recession. The gentleman who spoke first said it was like
14 2008 and goes through 2011, and we've all seen what's
15 happened in the economy since then. In any recession
16 consumers, businesses, and slower spending allows there to
17 be more supply and more inventory and, thus, for the
18 energy suppliers out there who want an open market, can
19 buy it cheap and sell it for a profit.

20 Duke Energy's regulated rate was set and
21 couldn't be lowered. I commend them for allowing us to go
22 to Duke Energy Retail and I'm benefiting from that, but
23 you know, each and every day I get dozens of glossy
24 fliers. These are not energy fliers (indicating) but I
25 get them in the mail, just like you, every day. Keeps the

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1 post office afloat. But I've noticed that in the last
2 couple of years with Duke's rate fixed at what they
3 thought the environmental conditions would be, the
4 economic conditions, as I keep getting these fliers, all
5 the glossy fliers compare themselves to Duke's regulated
6 rate as the benchmark. They don't compare apples to
7 apples, they compare it to the regulated rates that are on
8 file.

9 These suppliers had the advantage, in my
10 opinion, of purchasing the power in the open markets when
11 supplies were up and prices were low and we were in a
12 recessionary economy. Not one of the glossy fliers I
13 received from all the energy suppliers compared their
14 rates to Duke Energy Retail or the other suppliers. It
15 was always the Duke Energy regulated rate, which we all
16 know is higher. Not one of the glossy fliers indicated
17 how long these companies had been in business or if they
18 would continue to be in business when the economy turns
19 around, energy supplies dwindle and their profits go down.
20 Not one of the glossy fliers indicated what these
21 companies were doing for economic development in our
22 communities, if anything. Not one of these fliers offered
23 me a free energy audit, like I received two from Duke
24 Energy where they sent an expert out who told me how I
25 could save energy, and performed two of those, and my

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1 consumption is down. Not one of these glossy fliers
2 indicated how many employees these suppliers had in our
3 area. Not one indicated how many employees they had. Not
4 one indicated they have a foundation that would give
5 millions of dollars to better our communities like Duke
6 Energy has. Not one of the glossy fliers indicated that
7 they would institute a heat share program like I see on my
8 bill where I can help the less fortunate. Not one
9 indicated if they paid any taxes to our schools and our
10 communities.

11 Every squiggly little CFC light bulb that I have
12 in my house came from coupons or giveaways from Duke
13 Energy and it's printed on your bill how to get them. Not
14 one of the glassy flier suppliers offered me anything to
15 lower consumption. Not one of the glassy fliers talked
16 about long-term energy security.

17 Some personal observations. My 20 year neighbor
18 is a lifelong Duke employee. Over the years he has
19 supported every Boy Scout, school, church and community
20 fund raiser that my six children badgered him about. He
21 is a vital member of our community, spends money in our
22 community, supports our community and our schools. Duke
23 is not just about energy, their employees are viable
24 supporters and supportive members of our community in
25 their service region.

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1 I am a retired Ohio school superintendent. To
2 establish my credentials, I will simply tell you that I
3 spent 30 years as an educator, 22 years as a
4 superintendent. I was the Ohio School Superintendent of
5 the year picked by my 700 peers. I was president of the
6 State's Centennial Association, picked by my peers. I
7 received their highest award, picked by my peers. I
8 received the second highest award from Ohio University;
9 it's a medal of merit for distinguished leadership in
10 education. To establish my humility, now that I'm
11 retired, all the plaques, I put them in a box out in the
12 garage, but as a retired superintendent, when I was
13 working, each and every day of my life, all 7,000 days I
14 spent as a school superintendent and all 4,000 of those
15 days that I had kids and employees under my leadership,
16 had my number one worry and it was not education. That
17 was number two. Number one was their safety and their
18 security.

19 Duke Energy was and still is a good corporate
20 citizen. Whenever there was an event or a utility event,
21 weather event, where we needed to know what was going on
22 and we needed help, Duke Energy was with me hand in hand
23 to assure safety and security. They are a corporate
24 friend and a corporate citizen that we've always been able
25 to count on. In addition, Duke has always volunteered and

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1 donated their time and equipment truck -- you know how
2 much it cost to rent a bucket truck? I hope I'm not
3 getting anybody in trouble but Duke has always helped this
4 community with various pieces of equipment and volunteer
5 time to help us do things that we couldn't afford to do.
6 Their employees donate their time; the company donates to
7 the community; they are a viable, local corporate partner.

8 As an educator I know that regardless of how
9 much we do as schools; how much the PUCO does; and how
10 much Duke does, and they do it on their bill about choice,
11 some customers aren't that sophisticated. Some consumers
12 aren't they sophisticated. I'm concerned whether the
13 lesser educated, the poor, the elderly and the least
14 sophisticated consumers will learn the whole game of
15 deregulation and when to switch, where to switch and how
16 to switch. That's why I like many of the facets of the
17 Duke Energy proposal that's before you. For those people,
18 for a lot of those people, they can get rate stability,
19 profit sharing. I like the idea of the energy auction and
20 the other savings that are in the information that I have
21 read about the Duke Energy proposal. I think it will
22 benefit those people that either do not want to or
23 cannot -- do not know how to play the switch game.

24 I'm not here tonight to pick on deregulation or
25 glossy flier suppliers, but the one thing I do know is

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1 that if deregulation in the long run is not a success,
2 then thank goodness we are going to have Duke Energy to
3 return to. This may also happen when the cost of energy
4 goes up; the recession passes, there is more demand and
5 less supply. When the easy high profits aren't there,
6 will all these companies be in business that people
7 switched to? We know that Duke Energy will be there. You
8 need to support the Duke Energy proposal for all the
9 reasons that I have previously mentioned but there's some
10 other considerations. We also need a strong and
11 profitable Duke Energy to continue to employ thousands of
12 people in their service region over multiple states. We
13 need them to continue to pay former superintendents, high
14 taxes to our schools and community, and they do pay their
15 fair share and that helps us. All businesses that pay
16 that, I know there's tax breaks and that, but we
17 appreciate what they do and it makes us have to go back to
18 the public taxpayers, the people on fixed income -- I'm on
19 Social Security, I'm on a pension, and I don't like to pay
20 more taxes, and I like it when Duke Energy and other
21 companies are paying higher taxes. A strong Duke Energy
22 will continue to be a local, and that's important to me,
23 viable service provider who is vested in our community.

24 A strong and profitable -- I know sometimes
25 people don't like to talk about their profits and how much

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1 they should make, but if they are strong and if they are
2 profitable, the company who has been here for 100 years
3 will be here another 100 years. By having a strong and
4 profitable regulated company to protect us, when demand
5 changes and there are less suppliers in the game, a strong
6 and profitable Duke Energy will have the money to make the
7 infrastructure and the investments that will increase
8 supply to meet the demands of the future necessary to
9 provide long term energy stability to my grandchildren.
10 Only a profitable Duke Energy will have the resources to
11 continue their investment in green power generation,
12 solar, hydro and windmills. Only a profitable Duke Energy
13 will have the resources to continue to remediate the
14 deficiencies associated with 70-year-old coal fired
15 plants, and I'll tell you 70 years ago when they built
16 most of those, there was less emphasis on our environment
17 and less knowledge about that, and there's a lot of money
18 that needs to be spent repairing them and a strong and
19 profitable Duke Energy can do that. Only a profitable
20 Duke Energy will have the resources to build billion
21 dollar plants that we need to meet future energy needs.

22 Finally, the plan, from what I've read of it -
23 I don't have the expertise that you do to understand all
24 of it. If you look it up on the Internet, I don't
25 understand all of it, but I like the high points that I've

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1 read about. It increases capacity, riders are adjusted
2 annually -- and I read all those things on my bill, too.
3 The whole second page, an FCC rider and ACC rider and all
4 those types of things, but it will be adjusted annually.
5 Provides profit sharing for customers. I think that's an
6 important component. Provides for economic development.
7 When I look at all the suppliers in that question, how
8 much economic development -- what I read in the paper, I
9 don't know if there's an article in there but it was just
10 the other day about a meeting that Duke Energy had in
11 Trenton talking about economic development in our county,
12 Butler County. It also helps mitigate customer rate
13 volatility. They're talking in there about rate
14 stability; I think that is very important. And also,
15 retail prices will be determined by competitive auction.
16 I think that is important.

17 In closing, the stated mission of the PUCO is to
18 assure all residential and business customers, consumers,
19 access to adequate, safe and reliable service at fair
20 prices while facilitating an environment that provides
21 competitiveness. Duke's proposal meets your mission. I
22 know that you're going to tweak it, nothing anybody
23 proposes in the world today -- everybody looks at it, and
24 I know you're going to make it better but I encourage you
25 to approve it. Thank you.

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1 MS. PIRIK: Thank you. Do you want this
2 newspaper article marked as an exhibit?

3 MR. WIEDENMANN: No, I just had it. That's why
4 I came, because I read that. Saw the media coverage.

5 MS. PIRIK: Well thank you. I have come to the
6 end of the sign-in sheet. Is there anyone who is present
7 who would like to testify at this point in time?

8 MS. ROBERTO: Thank you again for coming this
9 evening, and we do apologize for the challenge in getting
10 in, and when we do close the record, we will be staying
11 around to talk and answer questions.

12 MR. MONTE MILLER: Your Honor, I just have a few
13 things about some of the things that were said, if you
14 don't mind me adding.

15 MS. PIRIK: I do not have a problem with that.
16 You mentioned it during your testimony and so feel free to
17 come up and conclude your testimony.

18 MR. MONTE MILLER: Am I still under oath?

19 MS. PIRIK: You're still under.

20 MR. MONTE MILLER: Again, I'm going to stick
21 with the three categories that I talked about in the
22 beginning; the law, competition, and the previous
23 gentleman had a reverse statement on that but that's why
24 we live in the United States, but I really think the
25 competition is important. And I think he used an example

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1 of \$35 a month or something like that that he saved. I've
2 not gone out and advertised or anything like that, I just
3 had friends from church, friends in my neighborhood,
4 friends in my community, and they'll come to me and say,
5 "Hey, I hear that there's other ways of doing this." And
6 I agree with him, it's very difficult for the average
7 citizen with all they have on their plate to see these
8 kinds of things or be aware of the opportunities. And the
9 gentleman there helping his local community and so forth
10 and helping his friends, I think that's the only way that
11 this has been spreading. And if I believe what I read in
12 the papers, up to 25 percent of the Duke customers now are
13 using alternate energy suppliers, and I've seen that in
14 the paper. I can't prove that so I'm not offering it as
15 evidence here, but let's just say it's approximately that.
16 And it's been spreading very slowly, very slowly, because
17 I think it is difficult for people to get a handle on.
18 But just to give you a range, and I've only helped maybe
19 30 or 40 families over the last year or two because I
20 don't go out and force it or promote it, but I've seen
21 savings all the way from -- his was \$35 which would add up
22 to about \$400 a year, okay? I've seen savings from, I'd
23 say, \$600 a year to well into 1200, 1300 a year, and of
24 course it depends on the usage and you've got a lot of
25 other things, but it's not an insignificant amount to

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1 people who are having trouble making ends meet.

2 So I certainly want to add to the other
3 gentleman's point and some of the others about this is
4 really something -- and it also could be a double whammy
5 because the consumer and the homeowner, user, customer, is
6 going to be paying for higher goods from Walmart, from all
7 of the other stores that have to run their lights, run
8 their refrigerators and all that kind of stuff.

9 Regarding the capacity, again, I'm urging people
10 to really take a good hard look at this master plan that I
11 assume is in place for the whole state, but I was an
12 engineer before I retired, 37 years, and I do pride myself
13 in trying to have some logic and making sense out of
14 things, and I know that refrigerators and air conditioners
15 and even radios and televisions, they all run a lot more
16 efficiently these days, and I realize the population is
17 increasing, but when you put all the factors that are
18 coming together, and the economy and so forth, it seems to
19 me that the rate of capacity increasing would not be
20 nearly as steep a trend on that curve. It would be a lot
21 less than it has been in past decades. Of course, energy
22 saving devices and other things, and I do -- the other
23 thing I wanted to do in comparison is I, too, applaud Duke
24 for a lot of the things they do, and I'm sure that's
25 something that I would expect out of a very trustworthy,

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1 conscience, community-minded company. No question about
2 it. And I'm also with that gentleman in the sense that I
3 expect that those kinds of things are built into the
4 rates, whether it's Duke or First Energy or AEP or
5 whoever, and I do think others here tonight who are
6 proposing caution against the Duke side would realize that
7 is true so I do applaud Duke for that. But there's a few
8 points on the comparison side.

9 The efficiency or the cost of Duke operations --
10 and again, I don't know what those are, I don't have
11 access to the books, I don't want access to the books, but
12 someone needs to make sure that the Dukes of the world or
13 First Energies of the world, the AEPs, etc. all are at
14 least being good caretakers, you know, of that cost,
15 because of the impacts we've already talked about.

16 Some people mentioned service. I wasn't going
17 to bring it up but since there's a lot of push here with
18 the services extraordinary, I was one of the unfortunate
19 people who was out of service from Hurricane Ike which was
20 mentioned earlier tonight for eight days. Now, granted it
21 happens and there's been people in other emergencies who
22 have been out longer than that, but I do know from going
23 around and talking to crews that came in from the
24 southwest United States and other parts of the country, it
25 took all of them put together, and again this is hearsay.

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1 I will identify it as that, I can't prove it, I have an
2 inkling that they can't all be wrong, but to the crews
3 that I talked to as I went around, all over the city,
4 there was tons of them, they all mentioned that
5 preventative maintenance had not been done on a lot of
6 items that were crippled by the storm, and a lot of things
7 would not have failed or probably would not have failed on
8 the structural engineering. I know you can't ever judge
9 that exactly but their opinion coming in from the outside
10 with a fresh pair of eyes was that there was a lot of
11 money not spent in operations on preventative maintenance
12 and that caused the outage to even be worse than it would
13 have been if that had been spent. That kind of money goes
14 against the bottom line. Again, I'm not making an
15 accusation, I'm just saying that's the kind of thing that
16 people who look at the books, you have access to seeing.

17 The non-emergency response. I just recently, I
18 shared it with one of the Duke people here today, I just
19 had last year a need to switch out my service. A simple
20 thing for a customer to do. Mine was 40 some years old,
21 it was frayed. I was told that it was a danger and I
22 needed to have it replaced. Without going into all of the
23 very minute details, what I found was that the non-
24 emergency service response time by Duke was quoted at
25 three to five days. It turned out to be five or six

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1 weeks, and I had to do multiple calls, and finally I had
2 less people than ever to talk to in responding to it. So
3 my personal example of that is different, and of the
4 multiple bids I had to do the work, a company that came
5 out, licensed electrician who does this every day for a
6 living, told me that that's exactly what they've seen
7 change in the last few years is the service has actually
8 backed off.

9 The gentleman mentioned taxes; not just taxes,
10 property taxes and things like that. What happened to the
11 tens of millions of dollars in property taxes last year, I
12 think it was within the last two years, that Duke was
13 relieved of, whatever the right word is. Paid less than
14 they were going to pay, and all the schools had to
15 scramble for budget moneys. The cities had to scramble to
16 make up budget moneys and all that. Did we see the rates
17 come down because of that? I don't know, I don't have
18 access, but the tracking that I've done, my layman
19 tracking from people's bills and spreadsheets, I haven't
20 seen that kind of a decrease.

21 Green power was also mentioned, and again, I
22 don't know Duke's details but what I've read so far, and
23 again, anybody can write an article in a paper or talk on
24 t.v. or the media so I don't know if this is true or not,
25 but I've been told in the past and recently that most of

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1 Duke's generation capacity is in coal-fired plants and
2 their plans are for coal-fired plants, although I don't
3 know if anyone wants to speak to that before the meeting
4 breaks up. Certainly, I've been told in the media that
5 they are more -- almost 100 percent generated versus the
6 other suppliers in Ohio who have some green generated
7 capability.

8 In comparison, the eight percent that was
9 continually mentioned, it's mentioned in the flier, I
10 think based on the data I've worked up, for my people that
11 I've worked with in their bills, if there's these
12 surcharge riders put on the generation of alternate
13 supplier competitive energy, I think that the number is
14 going to be several times that increase. It won't just be
15 eight percent, it will be well above that.

16 And the last point, riders; I mean, it's been
17 addressed a couple times here. The complexity of trying
18 to read what your actual cost is because of all that stuff
19 and the way the bills are presented -- and this is not
20 just Duke, I'm sure it's everyone. I mentioned my mother
21 earlier in Missouri. I've been trying to work hers since
22 she retired and I'm finding it hard to even get a detailed
23 breakdown of her usage there. So, I mean, information on
24 the Duke bill is far greater than that but then when
25 you're trying to figure out what does it mean in terms of

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1 the bottom line cost, it's very misleading. The
2 information is put out that we're providing so many cents
3 a kilowatt hour or whatever. Well, if you actually
4 take -- I'm kind of simple and engineering-minded -- if
5 you just take the distribution cost at the top of the
6 detailed explanation and the generation cost on the
7 bottom, you divide that by how many kilowatts you use, to
8 me that should be how much your kilowatt cost per hour.
9 That's what you're paying out of your pocket. Doesn't
10 matter if, well, the rate is this, then there's all of
11 these huge riders put on it, they might as well be just
12 raising the rates.

13 So sorry, I've got a lot of pent up frustration
14 and a little bit of passion for this because it just seems
15 to me that we need to have the right oversight, and again,
16 I may be well off base on these things, but after looking
17 at this thing for two or three years now, I just feel like
18 there needs to be really close supervision and comparisons
19 and the right kind of master planning, and I really am
20 concerned that this will severely restrict the law's
21 intent, the Ohio State law intent, which I think is great
22 versus a lot of the other states that don't have it.
23 Thank you very much.

24 MS. PIRIK: Thank you, Mr. Miller. That being
25 said, we don't have any further witnesses, so we will

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1 adjourn for this evening. Would you like to respond also?

2 MR. FRANK MILLER: Yes, please. Frank Miller.

3 Just a short comment. Look hard at the increase that Duke
4 is requesting, the eight percent. The proportion of the
5 population that is turning into seniors, living on a fixed
6 income is getting larger and larger every year. Energy
7 and food are higher proportions of their income, and the
8 Social Security doesn't go up because, in their great
9 wisdom, our Congress strips out food and energy from the
10 Social Security calculation. They don't count it. So, if
11 that portion of your income goes up 15 or 20 percent, you
12 don't recover that at all. Seniors don't recover that at
13 all. It's just costs. So if there were a way to
14 proportion the increase according to the age of the people
15 that use it, you know, different sectors of the
16 population, that would be very nice, but I would just
17 request that you look hard at those things.

18 Another thing, the six dollars that we're going
19 to be paying for this smart meter that they're going to be
20 installing, they got a federal grant to do this and
21 they're going to charge us for it. They're going to
22 charge us for these meters like AT&T used to charge us for
23 telephones before you could buy your own telephone and use
24 it. I called Dayton Power and Light and asked them about
25 their -- I was on your site that says that Dayton Power

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1 and Light opted out of the smart meter program. They
2 didn't opt out, they did not get a federal grant and they
3 couldn't afford to install them. That's why they're not
4 getting them in the DP&L area. As soon as they get that
5 money from the federal government, they will install the
6 smart meters and also probably charge their customers,
7 even though they're saving all this footwork that people
8 have to do to read meters. I don't understand that. If
9 they're saving all this money, if they're putting in all
10 these smart meters and saving all this people power, the
11 cost of meter readers, where is that brought down to the
12 consumer? Why do they have to charge us for the meter if
13 it's so economical, if it's economical for them? Just a
14 question I think you ought to consider when you look at
15 the proposal. That's about all.

16 I'm a senior, I live on a fixed income, and a
17 10 percent increase in my energy bill is pretty damn
18 significant. Thank you.

19 MS. PIRIK: Thank you very much. There is one
20 more local hearing scheduled for tomorrow at 12:30 in
21 downtown Cincinnati, so there is another opportunity for
22 local testimony, but at this time, having no other
23 witnesses, we will adjourn for this evening, and thank you
24 all for coming.

25 (Meeting adjourned at 7:35 p.m.)

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1 STATE OF OHIO :
 : ss C E R T I F I C A T E
2 COUNTY OF MONTGOMERY :

3 I, DARLENE ANTHONY, RPR and Notary Public in and
4 for the State of Ohio at large, duly commissioned and
5 qualified;

6 DO HEREBY CERTIFY that the above witnesses
7 were sworn to testify to the truth, the whole
8 truth and nothing but the truth; that said
9 testimony was recorded by me in Stenotype and
10 thereafter reduced to typewriting; and was
11 taken at the time and place hereinabove set
12 forth.

13 I FURTHER CERTIFY that I am not a relative
14 or attorney of either party, nor in any manner
15 interested in the event of this action.

16 IN WITNESS WHEREOF I have hereunto set my
17 hand and affixed my seal of office on the 15th
18 day of September, 2011.

19
20
21 _____
 DARLENE ANTHONY, RPR
 Notary Public, State of Ohio
 My Commission Expires 5/10/16
22 - - - -

1 STATE OF OHIO :
2 : ss C E R T I F I C A T E
3 COUNTY OF MONTGOMERY :

4 I, DARLENE ANTHONY, RPR and Notary Public in and
5 for the State of Ohio at large, duly commissioned and
6 qualified;

7 DO HEREBY CERTIFY that the above witnesses
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9 truth and nothing but the truth; that said
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11 thereafter reduced to typewriting; and was
12 taken at the time and place hereinabove set
13 forth.

14 I FURTHER CERTIFY that I am not a relative
15 or attorney of either party, nor in any manner
16 interested in the event of this action.

17 IN WITNESS WHEREOF I have hereunto set my
18 hand and affixed my seal of office on the 15th
19 day of September, 2011.

20 Darlene Anthony
21 DARLENE ANTHONY, RPR
22 Notary Public, State of Ohio
23 My Commission Expires 5/10/16
24 - - -
25