

BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Duke	:	
Energy Ohio, Inc. For an Increases in	:	Case No. 12-1682-EL-AIR
Electric Rates	:	
	:	
In the Matter of the Application of Duke	:	
Energy Ohio, Inc. for Tariff Approval.	:	Case No. 12-1683-EL-ATA
	:	
In the Matter of the Application of Duke	:	
Energy, Ohio, Inc. for Approval To	:	Case No. 12-1684-EL-AAM
Change Accounting Methods.	:	

.  
**Prefiled Testimony  
of  
Mary Alice Sutton  
Rates Division  
Utilities Department**

Staff Exhibit \_\_

March 19, 2013

- 1 1. Q. Please state your name and business address.  
2  
3 A. My name is Mary Alice Sutton. My business address is 180  
4 East Broad Street, Columbus, Ohio 43215.  
5
- 6 2. Q. By who are you employed?  
7  
8 A. I am employed by the Public Utilities Commission of Ohio  
9 (PUCO).  
10
- 11 3. Q. What is your current position with the Public Utilities  
12 Commission of Ohio?  
13  
14 A. My current position is Utility Specialist 1 in the Rates Division  
15 of the Utilities Department.  
16
- 17 4. Q. Would you briefly state your educational background?  
18  
19 A. I earned a Bachelor of Science in Accounting from Franklin University  
20 Columbus, Ohio in August 2004. I also have an associate degree in  
21 Accounting from Columbus State Community College that I earned in June  
22 1997. In addition, I have attended various seminars and rate case training  
23 programs sponsored by this Commission.  
24
- 25 5. Q. Have you testified before the Public Utilities Commission of  
26 Ohio?  
27  
28 A. Yes, I testified in Ohio American Water Case No. 09-391-WS-  
29 AIR.  
30  
31
- 32 6. Q. What's the purpose of your testimony?  
33  
34 A. The purpose of my testimony is to respond to the objections to the Staff  
35 Report of Investigation filed on January 04, 2013. I will respond to Duke  
36 Energy Ohio (Company) and the Office of Consumers' Counsel (OCC)  
37 objections to the treatment of the Envision Center.  
38
- 39 7. Q. Do you agree with Company Objection 3, Plant in Service – Envision  
40 Center relating to Staff's adjustment of the Envision Center?  
41  
42 A. No, Staff does not agree with the Company's objection.

1 The Staff does not find that the exclusion of the Envision Center, a 'shared  
2 facility,' was arbitrarily and unreasonably done. First, the Envision Center  
3 is a demonstration facility used for promotional purposes. The facility is  
4 used for supporting the image of Duke Energy, Inc. and exploring the  
5 "potential of emerging technologies." (see Staff Data Request 097-002).

6  
7 Second, Staff believes that a "full scale theatrical set" (see Staff Data  
8 Request 097-002) is unnecessary in providing electric utility service to  
9 Duke-Ohio ratepayers.

10  
11 Finally, during our plant audit, Staff met with the manager and he stated  
12 that the Company was going to locate the center in North Carolina but  
13 chose Kentucky due to the proximity to the airport and the cost effective  
14 lease rates compared to North Carolina. The manager made it clear that  
15 the proximity to the airport was critical to facilitate visitors from around  
16 the country, including manufacturers, researchers, business executives  
17 and others involved in the development of products and services that  
18 may be associated with this type of technology.

19  
20 8. Q. Office of the Consumers' Counsel Objection 3 states that the Company date  
21 certain balance of General Plant – Account 390, Structures and  
22 Improvements includes \$1,592,180 in investment for the Envision Center.  
23 Do you agree?

24  
25 A. No, Staff does not agree. Staff believes that all costs associated with the  
26 Envision Center have been properly removed.

27  
28 9. Q. Please provide an explanation of Staff's reasoning.

29  
30 A. Associated costs for the Envision Center were found in project Z3025  
31 totaling \$1,592,180 (see OCC-INT-11-155, response b). In September  
32 2011, the Company transferred \$1,590,407 from General Plant – Account  
33 390, Structures and Improvements to Common Plant – Account 190,  
34 Structures and Improvements. The difference of \$1,773 is attributable to  
35 retirement charges that incurred in September 2008 prior to the transfer that  
36 happened in September 2011. Also found in Common Plant – Account 190,  
37 Structures and Improvements, Staff found additional costs of \$135,673 that  
38 were associated with the Envision Center. Total amount Staff removed  
39 from Common Plant – Account 190, Structures and Improvements  
40 relating to the Envision Center were \$1,726,080 found on Schedule B-2.2  
41 of the Staff Report.

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10. Q. Does this conclude your testimony?

A. Yes. However, I reserve the right to submit supplemental testimony as described herein, as new information subsequently becomes available or in response to positions taken by other parties.

## PROOF OF SERVICE

I hereby certify that a true copy of the foregoing Testimony of Mary Alice Sutton, submitted on behalf of the Staff of the Public Utilities Commission of Ohio, was served via electronic mail, upon the parties listed below, this 19<sup>th</sup> day of March, 2013.

/s/Thomas G. Lindgren  
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**Case No(s). 12-1682-EL-AIR, 12-1683-EL-ATA, 12-1684-EL-AAM**

Summary: Testimony electronically filed by Mrs. Tonnetta Y Scott on behalf of PUCO