

BEFORE THE  
PUBLIC UTILITIES COMMISSION

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CASE NOS. 12-1685-GA-AIR  
12-1682-EL-AIR

In the Matter of the Application of Duke Energy Ohio for an increase in its Electric Distribution Rates, for Tariff Approval to Change Accounting Methods, and Case Nos. 12-1685, 1686, 1687, and 1688, in the Matter of the Application of Duke Energy Ohio for an increase in its Natural Gas Distribution Rates, for Tariff Approval, for Approval of an Alternative Rate Plan for Gas Distribution Service, and for Approval to Change Accounting Methods.

The above-public hearing was held

before the Public Utilities Commission of Ohio, at the Union Township Civic Center Hall, 4350 Aicholtz Road Cincinnati, Ohio 45245, before Katie Stenman, Attorney Examiner with the Public Utilities Commission of Ohio, on Wednesday, February 20, 2013, at 6:30 p.m., before Terence M. Holmes, professional court reporter, and notary public within and for the State of Ohio.

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1 APPEARANCES:

2

3 On Behalf of the Public Utilities Commission of  
4 Ohio:

5

6 Katie Stenman  
7 Attorney Examiner  
8 180 East Broad Street  
9 Columbus, Ohio 43266-0573

8

On Behalf of Company, Duke Energy:

9

10 Rocco O. D'Ascenzo  
11 Associate General Counsel  
12 Duke Energy  
13 139 East Fourth Street/1303-Main  
14 P.O. Box 960  
15 Cincinnati, Ohio 45202

16 On Behalf of the Intervener, Office of the  
17 Ohio Consumers' Counsel:

18

(Not present)

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C O N T E N T S

3	<u>SPEAKERS:</u>	<u>PAGE</u>
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## 1 P R O C E E D I N G S

2 ATTORNEY EXAMINER: All right. Let's  
3 get started. Can everyone hear me? All right.  
4 Wonderful. The Public Utilities Commission of Ohio  
5 has assigned for public hearing at this time and place  
6 Case Nos. 12-1682, 12-1683, and 12-1684, which are  
7 captioned In the Matter of the Application of Duke  
8 Energy Ohio for an increase in its Electric  
9 Distribution Rates, for Tariff Approval, and for  
10 Approval to Change Accounting Methods, and also Case  
11 Nos. 12-1685, 12-1686, 12-1687, and 12-1688, captioned  
12 In the Matter of the Application of Duke Energy Ohio  
13 for an increase in its Natural Gas Distribution Rates  
14 for Tariff Approval, for Approval of an Alternative  
15 Rate Plan and for Gas Distribution Service, and for  
16 Approval to Change Accounting Methods.

17 My name is Katie Stenman and I'm one of  
18 the attorney examiners assigned by the Commission to  
19 hear this case. Also presiding with me tonight is  
20 Commissioner Lynn Slaby. Also, we have a few people  
21 with us from the Commission, Jill and Jack from our  
22 Public Affairs Department, Dan and Pam from our  
23 Service Monitoring and Enforcement Department. And I  
24 believe is also a representative of the Ohio  
25 Consumers' Counsel with us tonight. If you have any

1 questions regarding a utility matter that is not the  
2 subject of this case, you can feel free to get in  
3 touch with them and they'll see if they can help you  
4 out.

5                   At this time I would like to start  
6 taking appearances of the parties, starting with the  
7 company.

8                   MR. D'ASCENZO: Thank you, Your Honor.  
9 On behalf of Duke Energy Ohio, my name is Rocco  
10 D'Ascenzo, Associate General Counsel. My business  
11 address is 139 East Fourth Street, Cincinnati, Ohio.  
12 Thank you.

13                  ATTORNEY EXAMINER: Thank you. Do we  
14 have any other interveners with us tonight?

15                  All right. Moving forward. Duke filed  
16 these applications on July 9th of 2012. In the  
17 electric rate case, Duke seeks a rate increase that  
18 would generate approximately \$86,000,000 of additional  
19 revenue, or an increase of approximately 24% over  
20 current revenue. The Commission staff report was  
21 issued in January. After its review of Duke's records  
22 and the application, the staff of the Commission  
23 recommended a revenue increase of between 37,000,000  
24 and 46,000,000, or an increase of approximately 10 to  
25 12 and a half percent over current revenue. The staff

1 report is a recommendation only. The Commission is  
2 free to accept some part or parts of the staff report  
3 and reject others.

4 In the Gas Rate Case, Duke seeks a rate  
5 increase that would generate approximately 44,500,000  
6 and a half million of additional revenue, or an  
7 increase of approximately 18% over current revenue.  
8 Upon review, the staff of the Commission recommends a  
9 revenue decrease from the current revenue of between  
10 approximately 11,000,000 and 3,000,000, or a decrease  
11 from current revenue of between .88 and 3%.

12 The local public hearings scheduled in  
13 this case are only one aspect of the process in this  
14 case. An evidentiary hearing is also scheduled to  
15 commence on March 25th at the Commission offices in  
16 Columbus. Additionally, there are two local public  
17 hearings scheduled next week in the Cincinnati area,  
18 if you know anyone who did not get an opportunity to  
19 come to tonight's hearing.

20 The purpose of this evening's hearing  
21 is to receive comments from the public regarding  
22 Duke's applications in these cases. It is not a  
23 question-and-answer session, rather it is our time to  
24 hear from you. It's a time for you to tell the  
25 Commission what you think about Duke's application.

1                   Tonight's hearing is being transcribed  
2 by a court reporter. So please speak plainly and  
3 clearly so that he can accurately reflect your  
4 statement. If you have a written copy of your  
5 statement, if you would provide to him when you're  
6 done speaking.

7                   When you arrived you were offered the  
8 opportunity to sign up to testify. After I finish my  
9 introduction, I will begin calling witnesses forward  
10 in the order in which you signed up. Before you begin  
11 your testimony, I will ask you to take an oath  
12 affirming that you tell the truth. I will also ask  
13 you state your name and address for the record. Your  
14 testimony will be considered part of the record in  
15 this case and will be reviewed by the Commission  
16 before they make their final decision.

17                  Should you decide you do not want to  
18 testify when called, you can simply pass. If you did  
19 not sign up to testify, but wish to do so, you'll be  
20 given an opportunity at the conclusion of testimony by  
21 those who signed up. Also, once you finish  
22 testifying, you're free to leave, and if you're just  
23 here to observe, you're free to leave at any time.

24                  The Commission appreciates your  
25 participation in tonight's hearing, and we do have a

1 fair number of you, so please try to be courteous and  
2 limit the length of your comments to a reasonable  
3 length of time.

4 At this time I'll begin calling  
5 witnesses forward. And I do apologize, I will  
6 inevitably butcher your name. Our first witness is  
7 Gary Willey. Mr. Willey, please raise your right  
8 hand.

9 (Sworn by Attorney Examiner)

10 MR. WILLEY: I do.

11 Whereupon,

12 GARY WILLEY

13 of lawful age, a witness herein, having been duly  
14 sworn, as hereinafter certified, was examined and  
15 testified as follows:

16 ATTORNEY EXAMINER: Thank you. Please  
17 state your name and address for the record?

18 MR. WILLEY: Gary Willey, 2743 Jackson  
19 Pike, Batavia, Ohio.

20 ATTORNEY EXAMINER: Thank you.

21 MR. WILLEY: Duke wants more money and  
22 my question is: Right across the street is Holiday Inn  
23 that has Pike electric trucks which Duke owns, its  
24 subsidiary from North Carolina. They've been there  
25 for over two years, and the men are staying at the



1 Holiday Inn. They were brought up here for the ice  
2 storm, they have never left. If they want to save  
3 money, send those men back to North Carolina and get  
4 'em out of the Holiday Inn.

5 Duke said at the ice storm that they  
6 needed a rate increase because they had a loss. Well,  
7 everybody that has anything to do with business knows  
8 that is a business expense, that is a writeoff. So  
9 you write it off your taxes, but you don't go back to  
10 people and try to get more money after you write that  
11 off, and it doesn't make a bit of sense to me. I sat  
12 over there tonight. I pass by here everyday, twice,  
13 once to work and back. Those trucks -- there's over  
14 30 trucks sitting over there. There are bucket  
15 trucks, line trucks, service trucks, whole trailers  
16 and reel trailers.

17 I used to work for CG&E, so I know what  
18 I'm talking about. I sat over there just an hour ago  
19 before I came over here and I watched those trucks  
20 pull in, park, the men get out and go into the Holiday  
21 Inn. They didn't go in there to have dinner, 'cause  
22 it's not real cheap. So, my question is: If they need  
23 more money, why don't they get those trucks and those  
24 men out of Holiday Inn? That's a big expense, you're  
25 puttin' -- That -- I mean that's 30 trucks. There's

1 at least two men to a truck. So you figure 60 to 70  
2 men and they're probably doubling up, maybe 30 rooms,  
3 and Holiday Inn is not gonna give 'em, you know, a  
4 cheap rate. That's what I got to say.

5 ATTORNEY EXAMINER: Thank you.

6 MR. WILLEY: Thank you.

7 ATTORNEY EXAMINER: Matt Van Sant.

8 Please raise your right hand.

9 (Sworn by Attorney Examiner)

10 MR. VAN SANT: I do.

11 Whereupon,

12 MATT VAN SANT

13 of lawful age, a witness herein, having been duly  
14 sworn, as hereinafter certified, was examined and  
15 testified as follows:

16 ATTORNEY EXAMINER: Thank you. Please  
17 state your name and address for the record?

18 MR. VAN SANT: My name is Matt Van  
19 Sant. I work for the Chamber of Commerce in Clermont  
20 County. Our address is 4355 Ferguson Drive,  
21 Cincinnati, Ohio 45245. Commission, the Chamber of  
22 Commerce here in Clermont County was formed over 40  
23 years ago to work to create jobs in the private sector  
24 investment here in Clermont County, but we commonly  
25 refer to that as "economic development." And we get

1 up each day and work as hard as we can to cause  
2 companies to locate and operate grow successful  
3 companies here in the county. And a key part of that  
4 daily activity is for our community having the  
5 infrastructure, highways, utilities and other  
6 infrastructure that is -- meets the needs of these  
7 companies that are looking for sites in the industry  
8 part of Cincinnati here in Clermont County.

9 I want to go on the record today just  
10 to emphasize a point that's very important for our  
11 business attraction and business retention and  
12 business expansion activities. To have utility with a  
13 financial model that allows it to provide reliable  
14 energy, good quantities of energy at a competitive  
15 price, so we can achieve that mission of economic  
16 development here in Clermont County. Thank you.

17 ATTORNEY EXAMINER: Thank you. Steve  
18 Waldman. Please raise your right hand.

19 (Sworn by Attorney Examiner)

20 MR. WALDMAN: I do.

21 Whereupon,

22 STEVE WALDMAN

23 of lawful age, a witness herein, having been duly  
24 sworn, as hereinafter certified, was examined and  
25 testified as follows:

1                   ATTORNEY EXAMINER: Thank you. Please  
2 state your name and address for the record?

3                   MR. WALDMAN: Steve Waldman, 1406  
4 Antibien Place, Amelia. Appreciate the opportunity to  
5 speak to the Commission today. And I would like to  
6 address a little -- from a little different  
7 perspective. I'm the Business Manager for a school  
8 district here in Southwest, Ohio, and I'm fully aware  
9 of the request that Duke has for gas and electric.

10                   What I'd like to share with you is,  
11 public school districts have been experiencing cuts  
12 for a number of years. The State of Ohio has provided  
13 no measurable increase in funding since 2003, and the  
14 case and point for that is the tangible personal  
15 property tax.

16                   We've also seen cuts in local property  
17 taxes. And it should be noted that the Ohio Tax  
18 Commission allowed a tax reduction on evaluation of  
19 Duke's, Duke Energy's property that cost schools in  
20 Hamilton County alone over \$11,000,000 in tax revenue.

21                   The percentage of cuts for Duke was  
22 about two and a half times what the average homeowner  
23 experienced. And for the district that I work in, it  
24 amounted to a \$177,000 reduction.

25                   We have responded by tightening our

1 belts. Our district was recognized by Duke Energy in  
2 2012 as a power partner award winner, and we've done  
3 everything we can do to conserve energy and reduce  
4 consumption. Unfortunately in January of 2012, the  
5 PUCO approved a electric security plan that created an  
6 immediate generation rider on the distribution side of  
7 our utility bills. I still question how this is even  
8 possible. I have personally filed two complaints with  
9 the PUCO over this issue.

10 Duke Energy provides the distribution  
11 service, and somehow was able to add a rider for  
12 generation that is provided by another supplier. To  
13 me it's simply a makeup benefit for losing business  
14 through other generation providers like FirstEnergy.

15 The impact to the rider has been an 18%  
16 increase for our district. In real dollars it  
17 amounted to \$136,000 in the first year, and over the  
18 life of the ESP it's in excess of \$475,000.

19 I believe if you consider the impact of  
20 the ESP and the reduced tax revenue, the affect on our  
21 district exceeds 1.1 million dollars over the life of  
22 the ESP, which is three and a half years. It's now  
23 requiring a diversion of funds in excess of \$310,000 a  
24 year.

25 These ongoing costs pressures will

1 force us to evaluate deferring or cutting things  
2 directly associated with educational means, like  
3 teachers, construction materials and support services.

4                   With all that we currently face, the  
5 new ESP, reduced tax revenue, we now face what amounts  
6 to from a electric calculator that we received, what  
7 amounts to another 4.92% increase on our electric  
8 utility service, and a yet to be determined amount on  
9 the gas side.

10                   I'd like to add that I personally had  
11 the opportunity to meet with Jim Haney, President of  
12 Duke Energy Ohio, and we also had a number of other  
13 school districts meet with him on these issues.

14                   I've also sent letters to our State  
15 Representatives, State Senators, and last Friday I had  
16 the opportunity to meet with Senator Shannon Jones to  
17 discuss these specific issues.

18                   I would ask that you seriously consider  
19 the challenges that we already face by denying any  
20 increase to Duke Energy, and I would also ask that you  
21 consider the impact to the existing Electric Security  
22 Plan because simply we have nowhere else to turn.  
23 Thank you for your consideration.

24                   ATTORNEY EXAMINER: Thank you. Jonah  
25 Rader. Someone with a last name of Rada, R-a-d-a?

1 MR. RADER: R-a-d-e-r. James?

2 ATTORNEY EXAMINER: Potentially.

3 MR. RADER: For lack of information, I  
4 prefer to pass.

5 ATTORNEY EXAMINER: Okay. Paul  
6 Duchemin.

7 MR. DUCHEMIN: Duchemin.

8 ATTORNEY EXAMINER: Duchemin. Please  
9 raise your right hand.

10 (Sworn by Attorney Examiner)

11 MR. DUCHEMIN: Yes.

12 Whereupon,

13 PAUL DUCHEMIN

14 of lawful age, a witness herein, having been duly  
15 sworn, as hereinafter certified, was examined and  
16 testified as follows:

17 ATTORNEY EXAMINER: Please state your  
18 name and address for the record?

19 MR. DUCHEMIN: Paul Duchemin, 1500  
20 Cedar Ridge Lane, Batavia, Ohio 45103.

21 ATTORNEY EXAMINER: Thank you.

22 MR. DUCHEMIN: Comment was about what  
23 the gentleman just also talked about. If you can  
24 choose your supplier for your electric, which people  
25 can do, but then seems like we're penalized with Duke,

1 but they add a generation rider to that. My comment  
2 is: How can they continue to say it's -- Number 1 it's  
3 a generation rider when they are not generating the  
4 electric, and they -- and it's a variable rate,  
5 because it can change from month-to-month, and I just  
6 would like to maybe possibly if you can look into why  
7 they can do that.

8 In 2011 there was nothing on the rider.  
9 You could have a supplier. You didn't see any rider  
10 on your electric bill in 2012. I did and it was  
11 considerable. I used quite a bit electric at the  
12 residence and it cost me over \$120.00 extra just for  
13 the rider. So I just would like for you to possibly  
14 look into those riders and see if it's necessary. We  
15 already pay quite a bit for our electric as it is.  
16 Appreciate it. Thank you.

17 ATTORNEY EXAMINER: Thank you. Theresa  
18 Herron.

19 MS. HERRON: I'll pass.

20 ATTORNEY EXAMINER: Thank you. Joe  
21 Rennekamp. Please raise your right hand.

22 (Sworn by Attorney Examiner)

23 JOE RENNEKAMP: I do.

24 Whereupon,

25 JOE RENNEKAMP



1 of lawful age, a witness herein, having been duly  
2 sworn, as hereinafter certified, was examined and  
3 testified as follows:

4 ATTORNEY EXAMINER: Thank you. Please  
5 state your name and address for the record?

6 JOE RENNEKAMP: Joe Rennekamp, 4624  
7 Eddy Drive, Summer Side area in Union Township. I'm  
8 looking at this electric rate increase thing here and  
9 I would like to never see a facility's relocation  
10 rider, 'cause we're doing then is we're paying for  
11 Cincinnati's streetcar relocation. We don't even live  
12 in the city limits. Just because we have a Cincinnati  
13 mailing address, we should not be responsible for  
14 their projects.

15 As the first person spoke with all the  
16 Pike energy trucks down at the Holiday Inn, I've seen  
17 that back parking lot full, and I live in the area and  
18 pass there several times a day, also.

19 And it seems like Duke is not  
20 interested in cutting their cost. They just go ahead  
21 and spend and spend and spend and think they can pass  
22 everything onto the consumer, they should not be  
23 allowed.

24 As for the gas, with the manufacturing  
25 plant that they want to disassemble, when you build

1 something like that, you build in the cost of  
2 eventually having to take 'em down. It seems like  
3 they just, you know, that they should already be  
4 factored it in.

5                   These additional charges, now they  
6 keep, they keep raising, raising and raising. A lot  
7 of us then willing taking measures to conserve -- use  
8 of energy, high efficiency furnaces, water heaters,  
9 CFL balls, that short of thing. When we cut our  
10 expenses that way, try to conserve, and then when  
11 Duke's revenues drop, they come out and they want  
12 another rate increase to make up the difference. If  
13 we're being encouraged to conserve, you know, where is  
14 the benefit? Duke just keeps wanting to raise rates  
15 and recover. About all I got to say. Thank you.

16                   ATTORNEY EXAMINER: Thank you. Calvin  
17 Pauley. Please raise your right hand?

18                   (Sworn by Attorney Examiner)

19                   MR. PAULEY: I do.

20 Whereupon,

21                   CALVIN PAULEY

22 of lawful age, a witness herein, having been duly  
23 sworn, as hereinafter certified, was examined and  
24 testified as follows:

25                   ATTORNEY EXAMINER: Please state your

1 name and address?

2 MR. PAULEY: Calvin Pauley, 6921 Paxton  
3 Road in Miami Township. And since the Smart Meters  
4 have been installed in most of our area, Duke's Energy  
5 profits have surely risen. Has everybody's bill gone  
6 up basically? You got the Smart Meters? Yeah.

7 Also, at the same time, Duke Energy  
8 does have a lot of money to give a way to different  
9 things like schools, which is a good thing, that's a  
10 good thing, don't get me wrong, but they have a lot of  
11 money to do that and schools get very good equipment.

12 There are a lot of people in the area  
13 who don't have to pay electric bills and that's a good  
14 thing, also, I mean that's okay with me, but I'm on a  
15 fixed income and there are a lot of people who now are  
16 getting laid off for various reasons, so -- care, as  
17 well, and so what I'm saying is, why does Duke need a  
18 rate increase? Also I'm saying that I can't afford  
19 another increase. So that's what I have to say.

20 ATTORNEY EXAMINER: Jeff Ashba.  
21 Please raise your right hand.

22 (Sworn by Attorney Examiner)

23 MR. ASHBA: I do.

24 Whereupon,

25 JEFF ASHBA

1 of lawful age, a witness herein, having been duly  
2 sworn, as hereinafter certified, was examined and  
3 testified as follows:

4                   ATTORNEY EXAMINER: Thank you. Please  
5 state your name and address?

6                   MR. ASHBA: Jeff Ashba, 442 Bear Creek  
7 Road, Felicity, Ohio. I'm here actually on behalf of  
8 my wife Sandra who as many people may know out here as  
9 Village Administrator for the Village of Moscow. And  
10 Duke, the plant has been a neighbor to Moscow quite  
11 some time, at least from the time my wife has been  
12 there are very good neighbors, more so than.

13                   In the recent tornado when they  
14 provided equipment and manpower, not only to do what's  
15 expected in terms of restoring utilities, but also to  
16 give some generous assistance to the village in  
17 helping to put it back together as well as the whole  
18 area surrounding that.

19                   Furthermore, a number of Duke employees  
20 over extended period of time donated their time and  
21 resources to aide the number of people in the village  
22 of Moscow and surrounding are in helping to recover  
23 from that tornado, so we're very appreciative of that.

24                   Having said that, there is also one  
25 other thing we want to make sure and keep in the

1   forefront of everyones' thinking.   The Moscow area is  
2   home to a number of low and fixed-income folks and we  
3   want to make sure that's given adequate consideration  
4   whenever rate increase is talked about.   That's all.

5                   ATTORNEY EXAMINER:   Thank you.   Belinda  
6   Ward.   Please raise your right hand.

7                   (Sworn by Attorney Examiner)

8                   MS. WARD:   I do.

9   Whereupon,

10                   BELINDA WARD

11   of lawful age, a witness herein, having been duly  
12   sworn, as hereinafter certified, was examined and  
13   testified as follows:

14                   ATTORNEY EXAMINER:   Thank you.   Please  
15   state your name and address for the record?

16                   MS. WARD:   Belinda Ward, 4303 Marbe  
17   Lane, Batavia, Ohio, 45103.   I don't have a lot of  
18   statistics like, you know, some of these people do,  
19   but I just want to, you know, kind of speak from the  
20   heart and say, the only statistics that I do have, and  
21   of course I got this from the internet, we know the  
22   internet does not lie, but given Duke Energy profit  
23   margin that I got of Yahoo, September, this is  
24   quarterly, in September the profit margin was 8.84%.  
25   December 31st, 31st it went up to 74.23%.

1                   Now, I don't know, like I said if this  
2 is true or not, but I took -- where I work, I took a  
3 pay decrease, we all had to about four years ago at  
4 10%. Now, we know the economy has taken a nose-dive,  
5 people on social security were not getting increases  
6 and I think maybe they got a small one this year. I'm  
7 just angry that Duke wants -- I'm sitting back there  
8 just astonished at the percentages that I'm seeing,  
9 the money that they're asking, while, you know, what,  
10 why can't they tighten their belts like the rest of  
11 the people, you know. It's -- going down the tubes,  
12 you know and we -- we want more money, we want more  
13 money, and you know we're at their mercy, we got to  
14 have electric. But I just want to say it's not right  
15 and I think it should be allowed. Okay. Thank you.

16                   ATTORNEY EXAMINER: Thank you. Frank  
17 Miller. Please raise your right hand.

18                   (Sworn by Attorney Examiner)

19                   MR. MILLER: I do.

20                   Whereupon,

21                   FRANK MILLER

22 of lawful age, a witness herein, having been duly  
23 sworn, as hereinafter certified, was examined and  
24 testified as follows:

25                   ATTORNEY EXAMINER: Thank you. Please

1 state your name and address for the record?

2 MR. MILLER: Frank Miller, 422 Walnut  
3 Lane, Mason, Ohio. I'm still recovering from the  
4 intimidation that was put upon us to get our Smart  
5 Meters installed. We resisted for about six months,  
6 but they finally made us cave in.

7 A lot of the stuff that was gonna talk  
8 about has already been mentioned. You know I speak  
9 for a lot of seniors. Seniors are on a fixed income  
10 for the most part. A lot of fixed -- a lot of their  
11 fixed costs, seniors on a fixed, and the electricity  
12 rate keeps going up, food keeps going up, packages  
13 keep getting smaller, but the price stays the same.  
14 The affect -- the increase in the food price to eat is  
15 out of sight. Seniors spend a high portion of their  
16 income on these kind of things, and to see more, you  
17 know more of these things like electricity go up is,  
18 is kind of painful.

19 Duke has raised their rates at least  
20 eight times since February 2006. Most of these have  
21 probably been, what they call "cost of living raises."  
22 I'm sure some of them were very specific purposes such  
23 as cleaning up after the storm damages.

24 What I want to know is: These increases  
25 that come for specific purposes, when do they end?

1 You know, this is like a school levy that never stops,  
2 you just never see any end. It would be nice. You  
3 know it would be good PF if Duke would come across and  
4 say, ah, this increase that we put in three years ago,  
5 you know, we've collected all we need, all is done  
6 for, and so we're going to give you a rate decrease.  
7 That would be really nice. I would like to see that.

8                   And then there's Cincinnati's  
9 streetcar. The streetcar project, which I hope  
10 doesn't affect any Duke customers outside of the City  
11 of Cincinnati. And I sure hope that is written into  
12 it if you choose to grant them anything to support  
13 that Mallory's Folly. I do not want to pay for a  
14 streetcar. I'm a Duke customer, of course, but I  
15 don't want to pay for a Cincinnati streetcar. I'm  
16 hardly ever down in Cincinnati anyway. So that's my  
17 two cents on the streetcar thing.

18                   Then there was a mention of that rider  
19 that came in in the beginning of 2012. You know we  
20 contracted Dominion to get the lower rate on  
21 generation, and Duke sat there with their rate about  
22 25% higher, and finally they figured out, if they  
23 sucked 10% out of that and stuck it on the top part of  
24 the bill where it would be effected and called it a  
25 generation rider, they could make their rate very



1 close to the same as the competitors that they have.  
2 I thought that was a pretty sneaking thing myself  
3 because we can't do anything about that. So, you  
4 know, I also questioned that rider and how it managed  
5 to get in there to easily, and all of a sudden it was  
6 just there.

7                   Let's see. Has been already said.  
8 Just more about seniors and how they spend a high  
9 portion of their income on things like electricity and  
10 food and school taxes. I could do it in the same  
11 category as school taxes and just keep going up and up  
12 and up and there isn't any break for seniors. If they  
13 would say, well, we give the seniors, senior citizens  
14 a break, you know, I might think a little more kindly  
15 of them. Right now I do not think very kindly of Duke  
16 Energy for what they have, what they have hoisted on  
17 me last couple of years, me and my wife.

18                   You know, this, also I had to laugh.  
19 They sued the City of Cincinnati recently, so they  
20 wouldn't have to participate. What are they? You  
21 know, this the most disingenuous attempt to make  
22 believe that they're not -- They're really against  
23 relocating the utilities in the City of Cincinnati.  
24 They're gonna do it in a second, you know, Mallory  
25 says jump, go right through the hoop and say okay

1 we'll do it. Now, I think that's a waste of money in  
2 the first place, probably not nearly as much as those  
3 truck across the street, but it's still, I think it's  
4 just trying to fool customers to think they're,  
5 they're not in favor of relocating those utilities  
6 downtown, I think they are quite in favor of it.

7                   Well, I'll just close and say -- Oh,  
8 yeah, one more thing. This, you know, putting this  
9 tax, whatever they want to call it, I'll call it a  
10 "tax." If this thing passes through and it goes on  
11 the utility bill, it sets a terrible precedents. If  
12 you look at your telephone bill, see all those little  
13 dollar here and 50 cents there, this is the kind --  
14 you know the telephone company collects taxes for  
15 governments. I don't want Duke to be collecting my  
16 money. I don't want Duke to be come a tax collector.  
17 That essentially what this going to be if this rider,  
18 if this gets approved and it becomes part of our  
19 electric bill, it'll set a terrible precedent, and  
20 politicians will be out there, say, ah, we can do it  
21 on Duke's bill now. We can charge our little tiny  
22 little taxes a dollar a month on Duke's bill. That's  
23 very bad precedent to set. You know, I guess I'll  
24 stop. That's it. Makes my statement. Thank you.

25                   ATTORNEY EXAMINER: Thank you. Jim

1 Lewis.

2 UNIDENTIFIED PERSON: Is something that  
3 can be done about the microphone?

4 (Off the record)

5 ATTORNEY EXAMINER: Please raise your  
6 right hand?

7 (Sworn by Attorney Examiner)

8 MR. LEWIS: I do.

9 Whereupon,

10 JIM LEWIS

11 of lawful age, a witness herein, having been duly  
12 sworn, as hereinafter certified, was examined and  
13 testified as follows:

14 ATTORNEY EXAMINER: Please state your  
15 name and address for the record?

16 MR. LEWIS: Jim Lewis, 879 Hawthorne  
17 Drive, here in Union Township. I've got a few things  
18 I'd like to bring up to the PUCO. To start with, if  
19 Duke is really in that much need of more money, they  
20 would be managing their money better. They waste  
21 un-totaled dollars sending out postcards trying to get  
22 us to buy -- to have free curly fry, these curly fried  
23 light bulbs that really don't work very well, and  
24 they're coming out of Duke's pocket somewhere, and I'm  
25 sure we rate payers are paying for these things, so

1 they're not free. I don't want 'em in my house.  
2 They're closing down coal plants because they give off  
3 mercury, yet these bulbs have mercury in 'em, so when  
4 you break 'em in your house you have a hazmat  
5 situation.

6                   Why are -- if they're hurting for  
7 money, why are we sending these things out and why are  
8 they paying all this postage, both for the postcards  
9 and ask us to get 'em for free and then sending the  
10 bulbs out, and they pay postage on that? Then they  
11 send out boat loads of 'em.

12                   Now, second -- Another way they're  
13 wasting money. I was over here at the 12th Elementary  
14 School for the primary election last March, March of  
15 2012, and they had a line crew out there working on  
16 the lines in front of the elementary. They had at  
17 least four people there. They took 20 minutes to  
18 break down. Took an hour and a half lunch, come back,  
19 another 20 minutes to set up. They did maybe 15  
20 minutes worth of work, and then broke down again. So,  
21 you know, they -- they could have finished their work  
22 and gone to the next job in the time it took 'em to  
23 break down the first time. I mean they wasted at  
24 least 40 minutes plus, you know, however long it took  
25 'em to get -- and they took, 'course their Duke trucks

1 to go wherever they went to lunch.

2                   And, you know, sorry, they mentioned  
3 the trucks over here continually from Pike that are at  
4 the Holiday Inn, and there's always 20, 30 trucks over  
5 there, and I go to meetings there at least once a  
6 month and there they are, and these men come in in the  
7 evening and they spend the night there, at the Holiday  
8 Inn.

9                   And I think -- it's not necessarily  
10 Duke's fault, but as far as renewables are concerned,  
11 I think that's more for a legislature and maybe it's  
12 you, but why are we wasting money forcing Duke to have  
13 renewable energy when it's not, and it's not  
14 cost-effective. Why are we insisting that they have  
15 this, is not cost-effective when we have coal plants  
16 that are very cost-effective? We have natural gas  
17 down -- This plant they're closing down here at the  
18 Beesley natural gas plant which is a lot of energy is  
19 being done, a lot of energy is being generated by  
20 coal, from coal to gas now. Why are they shutting  
21 that plant down and raising our rates?

22                   I agree with these people. Duke should  
23 not be paying and charging the rate payers to do the  
24 streetcar and move lines down there for Mallory's  
25 Folly streetcar. If Cincinnati wants to pay for it --

1 And I think that should go for any municipality or  
2 township that wants something moved for an idiotic  
3 reason like that; that that should come out of their  
4 budget, not out of the rate payers. I mean if they  
5 want to move it and they want to do it, fine. I don't  
6 live in Cincinnati and I had no vote on it, but I  
7 shouldn't be charged to move their utility lines in  
8 Cincinnati.

9                   And finally, the Smart Meters, my  
10 information on the Smart Meters are, these aren't  
11 necessarily safe. They interfere with pacemakers. If  
12 people are being forced to have these things that  
13 don't want them that may actually harm them. We've  
14 got no recourse, but we have to, if we want to keep  
15 electric -- Now, this wasn't Duke Energy, it was  
16 another energy company, but about two weeks ago, they  
17 shut a lady's power down up in northern, northwestern,  
18 Ohio here. They just pulled out her -- The Sheriff  
19 come out and forced -- not to protect the lady's,  
20 whose property it was, but to protect the utility  
21 people to but the Smart Meter in, which she refused  
22 because she has a pacemaker, and understood it would  
23 interfere with her pacemaker, they pulled it out and  
24 left her without power in cold weather. Like people  
25 who are deadbeats don't pay their bills, we can't cut

1   them off, but you can cut 'em off for a Smart Meter.  
2   Doesn't sound right to me. That's all I have.

3                   ATTORNEY EXAMINER: Thank you. Dave  
4   Gooch. Dave Gooch.

5                   MR. GOOCH: Good evening.

6                   ATTORNEY EXAMINER: Could you raise  
7   your right hand?

8                   (Sworn by Attorney Examiner)

9                   MR. GOOCH: I do.

10   Whereupon,

11                   DAVE GOOCH

12   of lawful age, a witness herein, having been duly  
13   sworn, as hereinafter certified, was examined and  
14   testified as follows:

15                   ATTORNEY EXAMINER: Thank you. Please  
16   state your name and address?

17                   MR. GOOCH: I'm Dave Gooch. I'm the  
18   President of Park National Bank, and our address is  
19   4550 Eastgate Boulevard here in Cincinnati. And as a  
20   local business president, certainly rely on Duke  
21   Energy for our critical needs for service to our  
22   company. Also, many of our customers, small business  
23   customers, rely upon their services; critical part of  
24   their success.

25                   We think about the success of Union

1 Township just right here and the businesses that have  
2 recently announced they're locating to this area,  
3 whether it's Jungle Jims or Children's Hospital, TQL,  
4 Huhtamaki in Clermont County, Batavia and here  
5 recently, Duke Energy was very instrumental in  
6 bringing those businesses to our area. So we're  
7 talking about more, more money for, you know, the  
8 residents of Clermont County. Think about the  
9 economic impact Duke Energy has had on our community.

10                   As far as other things that Duke has  
11 done, I had a chance to see firsthand, obviously when  
12 the tornado hit about a year ago in Moscow there was a  
13 huge cleanup effort that was underway and Duke Energy  
14 lead the efforts down here. Many volunteers were  
15 apart of that. I know Duke Energy partnered with the  
16 Cincinnati Zoo to help replant trees in that community  
17 and was instrumental, again, in helping rebuild that  
18 town.

19                   Also had an opportunity to serve  
20 personally with Warren Walker. Under Warren's  
21 leadership, he was able to raise over 1.6 million  
22 dollars for United Way. Those dollars will go to help  
23 many residents here in Clermont County and provide  
24 very valuable services that will help many throughout  
25 the community.



1                   So, again, I guess this day and age  
2 government cutbacks and corporate downsizing, to have  
3 a successful community we need strong, healthy  
4 businesses, and certainly very much appreciate  
5 everything Duke has done for Clermont County. Thank  
6 you.

7                   ATTORNEY EXAMINER: Thank you. Kirk  
8 Wilson. Please raise your right hand?

9                   (Sworn by Attorney Examiner)

10                  MR. WILSON: Yes.

11 Whereupon,

12                   KIRK WILSON

13 of lawful age, a witness herein, having been duly  
14 sworn, as hereinafter certified, was examined and  
15 testified as follows:

16                  ATTORNEY EXAMINER: Thank you. Please  
17 state your name and address?

18                  MR. WILSON: Kirk Wilson, 4611  
19 Muirridge Court, Batavia. What he was just saying  
20 about Duke Energy, it's fine that they do things like  
21 that, but their main job is to deliver electric and  
22 gas to their customers, okay.

23                   And for the amount of times they keep  
24 asking for rate increases, and then take this money  
25 and then use it for other things other than what it

1 should be for. I mean they're saying it's supposed to  
2 be for improvements and everything. Well, the  
3 electric grid is being improved, but they're getting a  
4 huge grant from the Federal Government for that, for  
5 the, to create the Smart grid system.

6 Okay. When it comes to reading meters,  
7 they said for reading meters. Well, we're going to a  
8 smart grid, reading meters is simple as looking on a  
9 computer now, there's no more reader meters.

10 So, their -- One thing is that their  
11 costs are going down, okay. Technology is reducing  
12 their costs. They can close these plants mainly  
13 because they're not needed. Energy efficiency and  
14 everything is reducing the cost to them. Their main  
15 problem I think that they're having here is, is that  
16 on the other side there's competition. The  
17 competition comes fair price, okay. That's what's  
18 called a "Free Market," and these are companies that  
19 are mainly been monopolies all their existence and  
20 they don't like the free market. So where they lose  
21 on one side, they're gonna come over to the other side  
22 and still get controlled by a government entity and  
23 ask for increases that they consider fair.

24 A utility or a corporation, their  
25 accounts can make their numbers like however you want

1 to look at it. I mean companies write off things as a  
2 loss, you know. They sit there and say, well, this  
3 year we're gonna make 15% more, well, they made 10,  
4 well, they may consider that a loss, you know. So, I  
5 mean, they basically -- You know, it's all accounting  
6 tricks, and, you know, they're talking about, you  
7 know, on these other increases and that they want to  
8 put through like on processing bills, my bill is  
9 emailed. They're no longer using a stamp for that,  
10 and I'm sure as time goes on technology reduce those  
11 costs.

12                               And, also, you know, the thing is, is  
13 that if we're gonna be able to keep growing as a  
14 nation, we've got to keep our energy supplies abundant  
15 and reasonably priced, 'cause if they're not, and  
16 people can't afford it, and people keep losing more  
17 money and can't get anywhere in life, we become poor  
18 as a nation. And 1% of the population cannot hold up  
19 the other 99% for too long. That's what we're doing  
20 now, we're borrowing -- our country is borrowing money  
21 to keep itself viable, and, you know -- and the thing  
22 is, is that the power in this country is with the  
23 consumer. And sooner or later when the consumer just  
24 can't take it anymore, and this is -- when Duke Energy  
25 -- it has to do with your daily life. It has to do

1 with powering, you know, your home and that and  
2 getting heat and everything like that. You haven't a  
3 choice. Okay. It's like gas, you haven't a choice,  
4 okay.

5                   So, the only way I think as for a free  
6 and fair market and that's where government comes in  
7 when it's control like that. You have to make sure  
8 it's fair. They will ask for a ridiculous increase,  
9 okay, and everybody knows he's not gonna, they're not  
10 gonna get it. They're going to get an increase. I  
11 think that's already a given. I think that's already  
12 been signed off of secretly behind closed doors,  
13 'cause this is more of a formality, but at least we  
14 got a public hearing, you know. They've already  
15 signed off on that, so.

16                   You know and the thing is, is that to  
17 get a fair price and everything, you know, the whole  
18 thing should be free market, but it should be  
19 guaranteed for competition, 'cause without -- There is  
20 no free market without competition. Somebody has to  
21 want our money and they're gonna give us a good  
22 product at a fair price for it. That seems to be  
23 working somewhat fairly well on the other side. Duke  
24 Energy wants to make up for that because they're  
25 losing money due to competition.

1                   And, you know, my closing thing on this  
2 here is, is that, anymore with the way government has  
3 been, we -- the people and that have been locked out.  
4 Corporations and government have been working together  
5 to enrich themselves.

6                   The Public Utilities Commission of Ohio  
7 should read The Public Utilities Commission a  
8 subsidiary of Duke Energy.

9                   ATTORNEY EXAMINER: William R. Butts.  
10 Please raise your right hand?

11                   (Sworn by Attorney Examiner)

12                   MR. BUTTS: I do.

13 Whereupon,

14                   WILLIAM R. BUTTS  
15 of lawful age, a witness herein, having been duly  
16 sworn, as hereinafter certified, was examined and  
17 testified as follows:

18                   ATTORNEY EXAMINER: Thank you. Please  
19 state your name and address?

20                   MR. BUTTS: Thank you for allowing us  
21 to come over here and have a word. What I'm really  
22 concerned about is Duke's management. They have --  
23 Their management has been paying this huge salaries,  
24 not only to the ones that's in there now, but the ones  
25 that they just let go because of some shady deals that

1 they've been having when they merged. The mergers  
2 apparently are not working too well, because they  
3 cannot control their costs, and they cannot hold their  
4 customers either.

5 I hear there's over 52 companies that's  
6 trying to take part of their business by supplying  
7 electric. I don't know anything about gas, 'cause I  
8 don't use it, but apparently they're so inefficient in  
9 controlling their costs that these other companies can  
10 come in at lower cost. These other companies couldn't  
11 come in and just take it away, could they?

12 So I think what they're asking for is trying to make  
13 up for some of this.

14 And these rate increases at 24% is just  
15 ridiculous and especially in this day and time, which  
16 I heard some of the fellows saying that efficiencies  
17 are on their side, should be on their side, but I  
18 don't think they are. So I would like to ask The Ohio  
19 Public Utilities Commission to stand up and try to  
20 protect the rate papers. Thank you.

21 ATTORNEY EXAMINER: Thank you. Daniel  
22 Gibson. Please raise your right hand.

23 (Sworn by Attorney Examiner)

24 MR. GIBSON: I do.

25 Whereupon,

1 DANIEL GIBSON

2 of lawful age, a witness herein, having been duly  
3 sworn, as hereinafter certified, was examined and  
4 testified as follows:

5 ATTORNEY EXAMINER: Thank you. Please  
6 state your name and address?

7 MR. GIBSON: Daniel Gibson, 4296 Gary  
8 Lane, Batavia, Ohio. The reason I wanted to come up  
9 here, I, like a lot of them, I don't have a whole  
10 bunch of statistics. What I do have is just what I  
11 can see from all my Duke Energy bills, and that's a  
12 fact that when you look at it and break it down, I pay  
13 three times the amount in riders and everything, and I  
14 do actual electric for my actual electric usage.

15 I was going through it. They've got a  
16 rider on there. To recoup the cost of auction  
17 suppliers, and that's telling me that they're going  
18 out -- They don't have -- They can't make the power,  
19 so they have to go out and buy it from somebody else,  
20 and then charging us because they can't manage their  
21 money, they can't make good deals, you know.

22 I've worked in businesses, I've worked  
23 on, you know, business on my own. I worked small  
24 engines for years. When you offer something like  
25 that, you tell the person what it's gonna cost them to

1 fix their small engine, you fix it for that cost. You  
2 don't go, "Well, I didn't have the part, so I had to  
3 go to the lawnmower repair shop and buy the part, and  
4 it was more than I thought it was, so, you know, I'm  
5 gonna charge you." No. You -- If you set a price and  
6 say I'm gonna fix it, fix your lawnmower for \$20.00  
7 bucks, that's what they pay, whether it cost me 30 or  
8 40 to do it. That's what Duke is not doing.

9                   Every time you turn around, you know,  
10 they wanted -- they wanted to add and they added  
11 riders to charges after Katrina come through here and  
12 blew down a bunch of power lines, because it done  
13 damage. They didn't want to have to pay for it.  
14 That's part of the riders, riders already get for the  
15 charges. Charges for delivery of electricity, it's a  
16 wire. What delivery charge except to turn on a  
17 switch? The only thing you get out of that is their  
18 trucks, their crews to fix these lines. We already  
19 paid for it, we shouldn't have to pay for it again,  
20 you know.

21                   The market goes up, you know, capacity  
22 goes up, they may not be able to fill it out. They  
23 put on another rider and telling us, well, we're gonna  
24 charge you because we can't manage our money, we can't  
25 make good deals. Now they're gonna come through and



1 say we want a rate hike. I mean, come on. If you  
2 can't spend your money wisely, don't expect us to pay  
3 for your mistakes. Thank you.

4 ATTORNEY EXAMINER: Thank you. David  
5 Bishop. Please raise your right hand?

6 (Sworn by Attorney Examiner)

7 MR. BISHOP: Yes, I do.

8 Whereupon,

9 DAVID BISHOP

10 of lawful age, a witness herein, having been duly  
11 sworn, as hereinafter certified, was examined and  
12 testified as follows:

13 ATTORNEY EXAMINER: Thank you. Please  
14 state your name and address for the record?

15 MR. BISHOP: David Bishop, I live at  
16 876 Serrey Trail, Cincinnati, Ohio, it's in Union  
17 Township. I don't want to rehash what everybody else  
18 said, but I do see all those trucks there over at the  
19 Holiday Inn everyday, a lot of them, at the Holiday  
20 Inn. So usually the guys aren't working or they sent  
21 the guys home or else and they're just parking their  
22 trucks there, I don't know, but, again, it doesn't  
23 sound very efficient to me.

24 The business of collecting \$132,000,000  
25 over three years for gas consumers, when the actual

1 bill to fix these two properties is 60 some million  
2 dollars or 70, whatever they say here, \$65,000,000.  
3 That's more than twice what it takes to fix those two  
4 properties. Does that mean that money is gonna go  
5 away after that 65,000,000 is paid?

6                   And another thing, I agree with the  
7 other gentleman. I was in business professionally as  
8 a mechanical engineer and I know for a fact when  
9 companies take businesses over and when things are  
10 done, that the cost of the cleanup is included  
11 up-front. If they wasted money, that's not our  
12 problem. We shouldn't be paying for it.

13                   So, you know what, it's a big deal to  
14 me, because I know when we had this storm a few years  
15 back when we had the hurricane winds that came through  
16 and took all the trees and limbs down and all that  
17 stuff, yeah, it was a lot of money. They said they --  
18 I think they said they needed \$30,000,000, but the  
19 amount of money they collected has never -- As far as  
20 I know that charge has never come off our bill.  
21 They're still collecting that money. And it wouldn't  
22 have taken that long to get it, because \$30,000,000 is  
23 six hundred and some thousand customers. How long  
24 does it take you to get \$30,000,000? Nowhere near  
25 three years, and that's what they said they were gonna

1 collect it for.

2                   As far as the streetcar project, I know  
3 it says gonna talk about it later. The streetcar  
4 project should not go anywhere, Number 1, and I would  
5 -- If I were Duke I wouldn't jump into moving  
6 anything, because all the estimates for all the stuff  
7 that was coming in for the streetcar is about double  
8 what the city estimated. So I don't know where they  
9 think they're gonna get the money to build the  
10 streetcar system. Besides the fact that we live on  
11 this side of I-275, not on the other side, and I go  
12 downtown as little as possible.

13                   And as far as the money and needing a  
14 rate increase, I agree with the other gentleman, it's  
15 just plain bad management. That's all there is to it.  
16 Thank you.

17                   ATTORNEY EXAMINER: Thank you. Faye  
18 Miller. Please raise your right hand.

19                   (Sworn by Attorney Examiner)

20                   MS. MILLER: I do.

21 Whereupon,

22                   FAYE E. MILLER

23 of lawful age, a witness herein, having been duly  
24 sworn, as hereinafter certified, was examined and  
25 testified as follows:

1                   ATTORNEY EXAMINER:   Thank you.

2                   MS. MILLER:   My name is Faye Miller, I  
3   live at 5287 Brushy Fork Road, Batavia, Ohio, out in  
4   Stonelake Township.   It's a rural township.   I'm a  
5   retired homemaker.   My husband is retired.   We're on a  
6   fixed income.   We do not ever get another  
7   cost-of-living increase on our income.   So, my budget  
8   has been adjusting over the last several years when  
9   Duke took over from Cincinnati Gas & Electric, because  
10   of all the additional riders and all the other little  
11   gismos that seem to appear on my bill.   It's becoming  
12   harder and harder to do that.

13                   I need electricity.   I have no choice,  
14   but Duke.   I have a small farm.   I have an electric  
15   fence running.   We use pumps in the pond to keep the  
16   pond water aerated in the summer, besides our normal  
17   utilities.   So I am in need of electricity.   But our  
18   electricity service, I believe has gone down hill  
19   since Duke took over from Cincinnati Gas & Electric.  
20   My electric flickers quite often, messes up my bread  
21   machine.   I have to throw my bread out or bake it in  
22   the oven, which angers me.

23                   I called one day to find out what's  
24   going on and when they were gonna repair some of this  
25   old equipment that they promised to do when they took

1 over from Cincinnati Gas & Electric, and I was told it  
2 was probably because squirrels were running across the  
3 line.

4                   Now, I live out in the country, and  
5 trust me, I don't see squirrels running across our  
6 electric lines out there, okay, so I didn't quite buy  
7 that idea, but I appreciate the opportunity to come  
8 and explain to you that as a senior citizen on a fixed  
9 income I cannot afford a 24% rate increase. I do not  
10 believe that Duke deserves a rate increase. I believe  
11 with the statements that were made previously that  
12 they need to manage a little better.

13                   I've spoken with Mr. Walker who's the  
14 representative for my area. I've been told that we  
15 can expect longer power outages when they do occur in  
16 our area, because they don't have the equipment to  
17 service, but yet I do see the trucks sitting at  
18 Holiday Inn all the time.

19                   Those are subcontractors. Those are  
20 not owned by Duke Energy, those are subcontracted  
21 people. It's just my belief that Duke Energy has  
22 become so large, taking in so many states, that they  
23 ignore the little people.

24                   So I thank you for giving me the  
25 opportunity. I ask you to not give them a rate

1 increase at all. Thank you very much.

2 ATTORNEY EXAMINER: James Miller.

3 Please raise your right hand.

4 (Sworn by Attorney Examiner)

5 MS. MILLER: I do.

6 Whereupon,

7 JAMES MILLER

8 of lawful age, a witness herein, having been duly  
9 sworn, as hereinafter certified, was examined and  
10 testified as follows:

11 ATTORNEY EXAMINER: Thank you. Please  
12 state your name and address?

13 MR. MILLER: My name is James Miller, I  
14 live at 5287 Brush Fork Road, Batavia, Ohio. I think  
15 everyone has pretty well said most what we're all  
16 feeling, but I would like to ask about the 24% hike  
17 rate increase, where Duke would have got that figure  
18 from, did they just pull that out of the sky? And I'd  
19 also like to ask, where the PUCO come up with 12%? I  
20 don't think the company could be operating at this  
21 time if they really needed a 24%, and I feel that if  
22 they can't be honest enough with us to actually tell  
23 us what they really need to operate, they should not  
24 get anything. And I would ask that the PUCO would  
25 share with the public a copy of the audit done on the

1 company, or however procedure they use to determine  
2 the rate increase and not just -- Had they asked for a  
3 50%, would they have received the 25% increase, or how  
4 do you arrive at that particular number? And I think  
5 that's something that the public consumers deserve.  
6 Some type of a affidavit as to how do you reach your  
7 opinion on what they really need.

8 And I echo the fact of the streetcar.  
9 I don't think gives consumers. If the company wants  
10 to venture into the streetcar, venture, it'd be  
11 something they have to do on their own not on our  
12 backs. So, I think that's all I have to say. Thank  
13 you.

14 ATTORNEY EXAMINER: Thank you. Looks  
15 like I have a Ronald -- Do I have a Ronald --

16 MR. SCHNEIDER: Schneider, did you say?

17 ATTORNEY EXAMINER: It is your turn to  
18 testify, come on up. Please raise your right hand.

19 (Sworn by Attorney Examiner)

20 MR. SCHNEIDER: Yes.

21 Whereupon,

22 RONALD SCHNEIDER

23 of lawful age, a witness herein, having been duly  
24 sworn, as hereinafter certified, was examined and  
25 testified as follows:

1                   ATTORNEY EXAMINER: Thank you. Please  
2 state your name and address?

3                   MR. SCHNEIDER: Ronald Schneider, 4064  
4 McClean Drive, Cincinnati, Ohio. I noticed everybody  
5 has been talking about the electric charges and all of  
6 this, and from the Consumer's Fact Sheet, there is a  
7 paragraph in there that says, "Duke is proposing to --  
8 a new way to charge Cincinnati customers for the cost  
9 to relocate and replace the utility line associated  
10 with the City proposed streetcar. Well, that's all  
11 well and good.

12                   The amount and the responsibility is  
13 supposed to be determined sooner, but my rub is, if  
14 this is approved and my, the way it was later stated  
15 here is that if that's approved, that can be used by  
16 any other government agency for any other, any other,  
17 ah -- What I was gonna say? Hair-brain idea, and they  
18 can be charged to their utility, which this is  
19 supposed to be a free country, and the people are  
20 supposed to have the freedom, and the people in the  
21 area should bear the responsibility of paying for it  
22 if they voted for it. That's all I have to say.

23                   ATTORNEY EXAMINER: Thank you. Rick  
24 Haynes.

25                   (Sworn by Attorney Examiner)



1 MR. HAYNES: I do.

2 Whereupon,

3 RICK HAYNES

4 of lawful age, a witness herein, having been duly  
5 sworn, as hereinafter certified, was examined and  
6 testified as follows:

7 ATTORNEY EXAMINER: Thank you. Please  
8 state your name and address for the record?

9 MR. HAYNES: It is Rick Haynes. I live  
10 at 7105 Northwich Drive in Cincinnati. One of the  
11 first things I'd like to ask for is full disclosure.  
12 I'd like to see something from Duke in terms of  
13 telling us what they do, how they make it, where they  
14 make it, and what their bottom line is. I don't think  
15 any of us have ever seen anything. I think it's  
16 important for us to know if they are losing money,  
17 then they need to report that they're losing money and  
18 what they need to do to resolve the problems in terms  
19 of losing money, not continually asking for rate  
20 increases or riders and so on.

21 When Duke bought the Cincinnati Gas &  
22 Electric, at the time Cincinnati Gas & Electric was  
23 always reported that our rates were probably some of  
24 the lowest in the country. I think Duke saw an  
25 opportunity when they bought Cincinnati Gas & Electric

1 to increase those rates to equal those around the  
2 country, and by doing so they thought they can make  
3 more money, which they are doing from us. On the  
4 backs of us they're trying to make more money because  
5 they're losing money in North Carolina, they're losing  
6 money in Florida. They're in so many lawsuits in  
7 those areas of the country that their costs are  
8 exorbitant in terms of their legal fees and they keep  
9 losing some of the lawsuits that they have. So I  
10 think it's important that they give us some disclosure  
11 in terms of where their money is going.

12                   Everybody is talking about the  
13 streetcar. We all know we don't want to pay for that.  
14 None of us want it. I think by the fact that there's  
15 so many people here, I don't -- This is the first PUCO  
16 meeting I've ever come to, but I doubt if you'll see a  
17 crowd this size at any of your meetings. I think to  
18 ask for 24% and 18% increase, rate increase for  
19 anything is absorbent. I think we've all heard about  
20 the increases we've had over health care and Obama  
21 Care problems we've had. This even exceeds what those  
22 increases have been, and I don't think that's right  
23 for us to bear, you know, put the weight on our back  
24 to bear their load. I think that's a real concern of  
25 everybody.

1                   There's a lot of people on fixed  
2 income. I don't think they need to bear anymore than  
3 what they're bearing. They're not getting a 24%  
4 increase from the government in their Social Security  
5 check. Matter of fact I think they're only gonna get  
6 1% increase. This time it's been cut back, so I don't  
7 think they can bear 24% increase.

8                   I just don't think it's right for a  
9 company to come in, utilize their money in such a poor  
10 way in terms of their management, then turn around to  
11 us and ask for such an absorbent rate increase, it's  
12 too high.

13                   I think the infrastructure is poorly  
14 managed and poorly maintained, which creates some of  
15 their problems. So, they're always having to, you  
16 know, make up for those problems.

17                   Let me just look at one little thing  
18 here. Bottom line, just like everybody else here, I  
19 think there's probably only one or two people of those  
20 in support of Duke. Bottom line is, I don't think  
21 they deserve any increase. I think they're asking for  
22 such a large increase in hopes of getting maybe what  
23 they need. I think they're asking for 24% or 18%,  
24 if they get that 12% or 9% that you see that, think is  
25 reasonable, I think they're fine with that, but I can

1 tell you, even at that rate, none of us are fine at  
2 that rate, I think it's too much. Thank you.

3 ATTORNEY EXAMINER: Ray Johnson.

4 (Sworn by Attorney Examiner)

5 MR. JOHNSON: I do.

6 Whereupon,

7 RAY JOHNSON

8 of lawful age, a witness herein, having been duly  
9 sworn, as hereinafter certified, was examined and  
10 testified as follows:

11 ATTORNEY EXAMINER: Please state your  
12 name and address for the record?

13 MR. JOHNSON: Ray Johnson. I'm at  
14 Forest Hill School District, 7550 Forest Road,  
15 Cincinnati, Ohio 45255. As I say, I'm Ray Johnson,  
16 Director of Business Operations for the Forest Hill  
17 School District, and also with the permission of their  
18 superintendent, Paul Imhoff and also representing  
19 Mariemont City School District.

20 I'm here today to ask Public Utilities  
21 Commission for its help. It's my understanding that  
22 Duke Ohio has requested a rate increase on its  
23 distribution rates, and we adequately oppose any  
24 increase.

25 Schools have been experiencing funding

1 cuts for decades, federal funding cuts, state funding  
2 cuts, local property tax cuts. We've responded by  
3 tightening our belts. Our district has frozen staff.  
4 We reduced staff, frozen wages, reduced programs, as  
5 well as implemented significant energy conservation  
6 measures. We've looked to control and cut cost  
7 everywhere possible where it doesn't impact education.

8                   One area where Forest Hills is able to  
9 secure some savings is through buying third party  
10 energy supplies. Be it natural gas or electric  
11 purchases, these lower costs to help minimize the  
12 impact of the other income reductions we've  
13 experienced, and we've been able to go to our local  
14 taxpayers less often.

15                   Unfortunately the benefits we  
16 anticipated experiencing through these efforts have  
17 been all but eliminated through the recent charges  
18 we've received from Duke Energy. Increases at 20% in  
19 2012 and they shifted loads from their large-low  
20 customers to their medium size customers.

21                   I'm not an energy expert, so it's taken  
22 us a while to identify what's causing some of their  
23 problems, but through the efforts of a number of  
24 school districts we can identify where a problem has  
25 various demand charges that are included in the

1 distribution portion of our electric bills.

2                   A portion of financial pain our  
3 district is experiencing is caused by the ratchet  
4 charges that are imbedded in the Duke Ohio  
5 distribution rates. These ratchet charges punish our  
6 district and every other school district for hitting a  
7 peak demand in May or September for the next 11  
8 months. I don't believe a ratchet Duke Ohio including  
9 the distribution is designed to punish the public  
10 schools, but it's exactly what's happening. We  
11 estimate the ratchet charges are causing our district  
12 alone about \$200,000 a year.

13                   I'm not here asking for some dramatic  
14 change. We're willing to pay for our energy and  
15 demand used. However, I believe it's fair and  
16 reasonable to be charged for only what we consume.  
17 The ratchet charges apply to our buildings when we  
18 reduce consumption in peak months. We even shut the  
19 electric down in our buildings during the summer  
20 before we're paying higher demand charges. It's not  
21 right, they should not be permitted to continue.

22                   In a recent meeting with Duke  
23 hierarchy, in response to public school districts, the  
24 dilemma that we're facing right now wasn't their  
25 fault. They're only charging what the PUCO allows

1 them to charge.

2                   Therefore I'm asking PUCO to reject any  
3 increase in distribution charges and to order Duke to  
4 change its distribution rates. The public schools are  
5 exempt from the 85% ratchet charge imbedded in the  
6 distribution rates when the billing demand is  
7 calculated. Will not have much of an impact on Duke  
8 Ohio for the rest of the customers, but have a  
9 beneficial impact to a lot of kids. Thank you.

10                   ATTORNEY EXAMINER: Thank you.  
11 Brewster Rhoads. Please raise your right hand.

12                   (Sworn by Attorney Examiner)

13                   MR. RHOADS: Yes.

14 Whereupon,

15                   BREWSTER RHOADS  
16 of lawful age, a witness herein, having been duly  
17 sworn, as hereinafter certified, was examined and  
18 testified as follows:

19                   ATTORNEY EXAMINER: Thank you. Please  
20 state your name and address?

21                   MR. RHOADS: Yes. My name is Brewster  
22 Rhoads, I live at 1421 Salem Woods Lane in Mt.  
23 Washington, and I've been here many a time, especially  
24 during the 80's representing citizen, lobby  
25 organizations that have been fighting utility rate

1 increases throughout this region, including Duke, CG&E  
2 at the time, and usually I speak out to raise  
3 questions about rate hicks that go through the roof.

4 I know that the 24% figure has been  
5 thrown out tonight very often. My understanding is  
6 that this is an increase of 24% they're proposing in  
7 the distribution section of the bill, of the bill  
8 specifically for the electricity and a little lower  
9 for the gas. That makes -- That's about only 24% or  
10 25% of the total bill, correct?

11 MR. SLABY: Correct.

12 MR. RHOADS: So, you already have  
13 appropriately reviewed the merits of the case, propose  
14 that that be reduced even further, right, from their  
15 request of 24% increase or what amounts to a quarter  
16 of the bill?

17 ATTORNEY EXAMINER: There is a staff  
18 report.

19 MR. RHOADS: Right. The staff report  
20 has recommended that. So the good news is, that what  
21 you have already done has dramatically brought back  
22 into line their proposed rate increase in the  
23 distribution cost for gas and electric to the point  
24 that it basically tracks, as I understand, the CPI for  
25 the last four years, is the last rate increase for



1 distribution. So the CPI is 1.4 to 1.7 on the --  
2 during the last four years. With your recommendation  
3 it would actually be a lower increase than the CPI  
4 over the last four years compounded.

5                   So, frankly I think you guys have a  
6 done a good job in going over this with a fine-tooth  
7 comb, and I just want to help everybody here  
8 understand. At least my understanding is, we're not  
9 talking about a 24% increasing your bill, we're  
10 talking about a proposed increase that with your help  
11 is more within, actually less than the actual CPI over  
12 the last four years. So hats off to your work.

13                   But I did want to urge you as you  
14 consider this rate hike and others that you have  
15 proposed in front of you over the years by, of  
16 utilities. I think it's extremely important that PUCO  
17 carefully examine what utilities do for the proven  
18 communities in which they operate. It matters whether  
19 they give back or just take back our hard-earned  
20 dollars every month. And you need to keep the heat to  
21 the fire of Duke and every other utility throughout  
22 the state.

23                   Now, frankly, I am here today. This is  
24 the first time I have ever stood publicly to say that  
25 a utility company, I believe, has been doing a good

1 job on a variety of fronts, and they need to be  
2 recognized for doing so, compared especially to other  
3 utilities throughout the state, which I've been  
4 involved with and you all have, obviously. So I've  
5 had a chance to see Duke up-front and very close in  
6 the last five years to see what in fact they've  
7 actually been doing to improve the quality of life  
8 throughout this region, and there are a couple things  
9 I just want to bring to your attention, 'cause you may  
10 not be aware of it. But their senior leadership has  
11 played key roles in important local proprietors around  
12 this area, including the development of the Green  
13 Cincinnati Plan five years ago, and then most recently  
14 in the last six months with the City of Cincinnati.  
15 Their senior staff and folks at key levels have been  
16 involved in the creation of a main partnership for  
17 greater Cincinnati. The Millcreek Restoration  
18 Project, now Groundwork Cincinnati, the Millcreek  
19 Watershed Council of Communities and Foundation for  
20 Ohio River education at the annual kids outdoor  
21 venture Expo, and they're by here at Coney Island.  
22 Duke volunteers and staff play key roles with the  
23 players for the Planet E-Waste Recycling Program with  
24 the Cincinnati Reds, which is the largest three day  
25 E-Waste Recycling Program in the entire country

1 collecting 200,000 pounds, six tractor-trailer trucks  
2 of computers and other electronic waste, and they help  
3 to make that happen. They should be recognized for  
4 that. And they've also been major supporters of the  
5 U.S. Green Building Council Chapter here in Cincinnati  
6 and the Greater Cincinnati Energy Alliance working to  
7 make buildings, commercial, industrial and residential  
8 more energy efficient.

9                   And finally, I just think that, you  
10 know, if they didn't give back in such a meaningful  
11 way and productive way, I'd be the first to criticize  
12 them and have over the years, but when they do what's  
13 right in terms of giving back to the community, I  
14 think it's the responsibility of myself and everybody  
15 else to give them credit for that and urge you to  
16 consider that as you consider what you have been  
17 further reduced and made more modest and probably more  
18 palatable rate proposal for Duke Energy. So, thank  
19 you very much. Appreciate it.

20                   ATTORNEY EXAMINER: Thank you. Mark  
21 Keitel. Please raise your right hand.

22                   (Sworn by Attorney Examiner)

23                   MR. KEITEL: I do.

24 Whereupon,

25                   MARK KEITEL

1 of lawful age, a witness herein, having been duly  
2 sworn, as hereinafter certified, was examined and  
3 testified as follows:

4 ATTORNEY EXAMINER: Thank you. Please  
5 state your name and address for the record?

6 MR. KEITEL: My name is Mark Keitel,  
7 K-e-i-t-e-l. I live at 6220 Hickory Ridge Drive,  
8 Loveland, Ohio 45140. I'd like to follow on the  
9 gentleman's comment before, but I appreciate  
10 everything Duke does for the community, I'm just not  
11 willing to pay 'em anymore money to do it.

12 On your website I see here the  
13 recorder, it was requested that we bring our statement  
14 and give it to the recorder, is that, is that what you  
15 like?

16 ATTORNEY EXAMINER: Once you're done  
17 making a statement you can give it to reporter.

18 MR. KEITEL: 'Cause this is not gonna  
19 be verbatim, it's just points. First thing, I like to  
20 limit my comments to requirements that Duke proposed  
21 in the -- in their request to PUCO for the rate  
22 increases. So, I have three bullet points for each of  
23 those requests. Duke was requesting to increase their  
24 distribution rates to the tone of 24.02%. The  
25 Distribute Rate is defined as covering cost of

1 delivery electricity to your home. The electric lines  
2 that run through neighborhoods, reading electric  
3 meters, processing bills, and taking customer service  
4 calls. My response to that is: Duke just installed,  
5 as we've heard, the Smart Meters without my permission  
6 on my home and most of the rest of Miami Township,  
7 which is where I live, probably Union Township which  
8 is here and potentially throughout Clermont County. I  
9 don't know how many, how far they've gotten.

10 This was suppose to reduce those costs  
11 that I just mentioned. And in terms of me reading  
12 reducing customer calls and power outage management.  
13 Those savings should be passed along to the consumer,  
14 not incur a rate increase.

15 Duke has also requested in their  
16 request with the PUCO a facilities relocation  
17 transportation rider to recover that relocation  
18 expenses associated with mass transportation projects.  
19 Also understand that if that is agreed to by PUCO  
20 Commissioners here, it has ramifications statewide for  
21 other utility companies to do the same thing, and I'm  
22 sure they're well aware of that, as they've already  
23 said, that they're not recommending that rider to be  
24 passed, which I applaud you for.

25 Duke seeks approval for changing their

1 accounting methods to track storm costs. I'd ask that  
2 the Commission with respect to the electric rate hike,  
3 based on that cost reduction by Duke's own admission  
4 of their Smart meter implementation and that there are  
5 no projects that require Clermont County, Miami  
6 Township residents -- Oh. I think I copied that and  
7 pasted it and didn't have to. This is in reference to  
8 their accounting methods to track the storm cost.  
9 Where those costs should not be passed onto consumers.  
10 They should be not considered extraordinary. And I'll  
11 refer you to the lawsuit held by the PUCO equivalent  
12 in the State of Indiana when Duke tried to recover its  
13 losses in the 2009 ice storm.

14                   The State Consumer Counselor said, and  
15 I'll quote this and then cite it here as a reference.  
16 "The State Consumer Counselor argued that the 2009 ice  
17 storm was not an extraordinary event that required  
18 during special relief to Duke. The energy company  
19 should be expected to weather such storms in the  
20 ordinary course of business." And I would hope that  
21 our Commission would refer to their decision and see  
22 if they agree with that, 'cause I hope they would.

23                   On the gas portion of the rate increase  
24 request. They want to have new charges to support  
25 economic development. Natural gas vehicle use,

1 recover cost for infrastructure replacement relating  
2 to mass transit project, and a voluntary program  
3 designed to encourage natural gas, fire,  
4 electric generation, and new reconnection charge for  
5 customers who voluntarily have their service  
6 disconnected for a period of a time.

7                   I disagree with a lot of those for  
8 these reasons and I'll go backwards. If you  
9 disconnect your gas service for a period of time, both  
10 Tampico and FPL, the gas providers and electric  
11 providers in Florida, have a lot of vacationers and  
12 they do disconnect and they don't charge you to  
13 reconnect for -- if you're on vacation, and then you  
14 go home for six months or however long it is. They  
15 don't charge you to reconnect. So I would hope that  
16 we would feel the same way in the State of Ohio.

17                   I've already addressed the replacement  
18 relating to mass transit projects, so I won't go  
19 through that again. And a voluntary program -- No,  
20 I'll stop there. That's fine.

21                   If Duke chooses to pursue that natural  
22 gas vehicle use, that's great, that's fine, but they  
23 should do it out of the profits that they make, much  
24 like other companies have their profits and for things  
25 that they want to do as their pet projects. They

1 should use their profits and do it and not charge me  
2 to do that. While I agree with using natural gas as a  
3 vehicle supplier, if I choose to pay for it, I'd like  
4 to do that.

5                   And I have a website here from the  
6 Department of Energy that is the last thing I would  
7 like to say, is gas usage has decreased according to  
8 this Department of Energy. With local services poised  
9 to produce local gas, those charges should go down,  
10 not up, requiring great increase. And they've cited  
11 their reference as from 2004 to 2009 gas usage has  
12 declined from 30 million BTU's to 25 million BTU's,  
13 and that was prorated per capita. That way the graph  
14 that they have drawn and I have cited that resource,  
15 has the slope which determines how much population has  
16 kept up with the usage.

17                   So, all-in-all, the last thing I would  
18 like the Commissioners to do is to deny the rate  
19 increase for the electric rates as Duke has proposed  
20 and limit it to less than 10%, and do not approve  
21 Duke's request for its mass transit rider, nor the  
22 accounting charge to account for storm. And as to the  
23 gas rate increase, I can agree with the assessment of  
24 the Board of Commissioners to the 2% increase with  
25 neither the mass transit rider approved nor the



1 charges for economic development, nor charges for  
2 development of natural gas vehicles. Thank you very  
3 much.

4 ATTORNEY EXAMINER: Thank you. Kris  
5 Flaska. Please raise your right hand?

6 (Sworn by Attorney Examiner)

7 MR. FLASKA: Yes.

8 Whereupon,

9 KRIS FLASKA  
10 of lawful age, a witness herein, having been duly  
11 sworn, as hereinafter certified, was examined and  
12 testified as follows:

13 ATTORNEY EXAMINER: Thank you. Please  
14 state your name and address for the record?

15 MR. FLASKA: My name is Kris Flaska,  
16 5840 Charter Oak, Cincinnati, Ohio. Just briefly, I  
17 think what I've heard in the room tonight is, most  
18 people don't trust Duke, don't trust the Commission, I  
19 mean that's what I hear from a lot of people and I  
20 understand it.

21 And now I really just have -- My  
22 concerns is a question, and I don't know if you'll  
23 answer questions, but I moved up here from Texas. The  
24 rates here are much higher than in Texas, but they're  
25 also much higher than Indiana, Kentucky and West

1 Virginia. So, I guess I'm asking the board, why is  
2 that, why do we pay more than Indiana?

3 ATTORNEY EXAMINER: This isn't a  
4 question and answer session.

5 MR. FLASKA: All right. That's all I  
6 got. I would recommend a decrease in rates.

7 ATTORNEY EXAMINER: Thank you. That  
8 concludes the list of people that have signed up to  
9 testify tonight. Do I have anyone who would like to  
10 give testimony who did not sign up? All right. We go  
11 to this gentleman first. Do you want to come on up?  
12 Raise your right hand.

13 (Sworn by Attorney Examiner)

14 MR. SHOEMAKER: Yes.

15 Whereupon,

16 JAMES SHOEMAKER  
17 of lawful age, a witness herein, having been duly  
18 sworn, as hereinafter certified, was examined and  
19 testified as follows:

20 ATTORNEY EXAMINER: Please state your  
21 name and address for the record?

22 MR. SHOEMAKER: My name is James  
23 Shoemaker. I live 15448 Crawford Day Road, Mount  
24 Orab, Ohio.

25 ATTORNEY EXAMINER: Go ahead.

1                   MR. SHOEMAKER:   Okay.   With Duke and  
2 all these companies that they're hiring to do these  
3 tree work and stuff like that, most of 'em has got  
4 Mexicans working on the lines who can't speak English,  
5 and they're from North Carolina.   Why ain't they  
6 bringing people around here that's laid off and out of  
7 work tree trimmers from, like Dave's Tree Trimming  
8 and other tree trimming places around here that is  
9 paying taxes and the people that they're bringing in  
10 are not paying the taxes for us?   And they bought out  
11 Splenda.   They went for five years without paying  
12 taxes.   When they start paying taxes, they changed  
13 their name to ABC Tree Trimming and got another  
14 government grant to go another five years without  
15 paying taxes.   Now, they've changed their name again.  
16 So they're gonna have 15 years with no taxes and they  
17 got all the Mexicans working that can't understand  
18 English.   One person in each group of 'em will speak  
19 English.   And if you want to ask 'em to cut something  
20 or to tell 'em not to cut something, if that guy ain't  
21 there, you're out of luck.   So, that's all I've got to  
22 say about it.   And nobody can give me any answers, why  
23 they're hiring local people here in Cincinnati, Ohio  
24 to do the work.

25                   ATTORNEY EXAMINER:   Thank you.

1 Somebody over here. Please raise your right hand.

2 (Sworn by Attorney Examiner)

3 MR. CROSTY: I do.

4 Whereupon,

5 JOHN CROSTY

6 of lawful age, a witness herein, having been duly

7 sworn, as hereinafter certified, was examined and

8 testified as follows:

9 ATTORNEY EXAMINER: Thank you. Please  
10 state your name and address?

11 MR. CROSTY: John Crosty, 4950  
12 Beechwood Road, 45244. I want to pick up on that  
13 comment about the tree trimming. I've had the  
14 opportunity to observe Duke contractors doing that  
15 work on this side of town and in Western Hills, and  
16 Duke has a project management problem with a lot of  
17 their contractors. In fact, they're trimming limbs  
18 that'll never reach the power lines, and in most cases  
19 you'll be pointing out a tree that's leaning against a  
20 power line or a vegetation that's growing along the  
21 power line or already covering a power line, they  
22 won't touch it because they don't want to get  
23 electrocuted, so it sits there unattended.

24 But the Smart Meters, which I really  
25 support, but it's ridiculous, almost every sending

1 unit has a power cord three times longer than it's  
2 needed to, so it's rolled up on the pole and it's  
3 stapled to the pole, and they got enough wire in  
4 Hamilton County to do all of Clermont County, if they  
5 just cut the power cords the right length.

6                   Try to call downtown and get a real  
7 person, you can't do it. You get into a cue which  
8 gives you an option for more cues, which gives you an  
9 option for more cues, then if you're lucky enough to  
10 get a real-live person, they don't know what you're  
11 talking about. I called down there about the  
12 vegetation, the girl didn't know what I was talking  
13 about. She said, "Well, I'll have the guy who's the  
14 liaison with the contractor for the tree trimmers get  
15 back to you." He never did. That's a project  
16 management problem they got.

17                   Try to pay your bill by phone, you're  
18 sent to a third-party payer. You can't pay directly  
19 to Duke. Duke doesn't really have a revenue problem,  
20 they've got a spending problem. They don't know how  
21 -- They don't know how to manage their contractors.  
22 And by the way, if you do call down there, you get  
23 recording, this may be recorded for training and  
24 quality purposes, nobody is listening to it, 'cause  
25 you get down there, five minutes later you get the

1 same thing, nobody knows what you're talking about.  
2 So, I think they really -- They forgot about customer  
3 services, they forgot what project management is. And  
4 as far as the streetcar, the only people that I know  
5 and I've talked to a lot of people and I listened to a  
6 lot of people. As far as that, there's only a few  
7 people who run in favor, Mark Mallory and a few other  
8 people on City Council. So my suggestion to PUCO is  
9 tell Duke to roll up their extension cord.

10 And regard to the -- the one with the,  
11 yes. The gentleman over here mentioned a very good  
12 thing, the ratchet billing. Ratchet billing is 50  
13 year old technology, if it even qualifies as  
14 technology today. Certainly that's not rocket  
15 science. I would suggest to PUCO that they actually  
16 look into modernizing that billing process. I mean  
17 with the technology today and the computers today,  
18 it's not rocket science to know when a company will  
19 need old generation power to meet their demands of  
20 their public. You don't have to penalize somebody for  
21 seven months or five months or 11 months because they  
22 used too much electric on one month. Thank you.

23 ATTORNEY EXAMINER: Thank you. Do I  
24 have anyone else who wants to give testimony? Okay.  
25 Right here, and then you're next. Please raise your

1 right hand.

2 (Sworn by Attorney Examiner)

3 MS. FITZPATRICK: I do.

4 Whereupon,

5 KATHY FITZPATRICK

6 of lawful age, a witness herein, having been duly

7 sworn, as hereinafter certified, was examined and

8 testified as follows:

9 ATTORNEY EXAMINER: Thank you. Please  
10 state your name and address for the record?

11 MS. FITZPATRICK: Kathy Fitzpatrick,  
12 858 Shayler Road, Cincinnati, Union Township, Ohio.

13 In regards to the 24% rate increase. I've been  
14 sitting here listening to what everyone has been  
15 saying, and my husband hasn't had a pay raise in five  
16 years and have had several layoffs in that five years.  
17 His raise has been frozen. I work in the health field  
18 and we're frightened that we're gonna lose our job due  
19 to Obama Care. Another note on this 24%. Not only  
20 are we going to feel it in our utility bills, but when  
21 we go to Jungle Jims, Kroger's, O'Charley's, they're  
22 gonna have to make up that money somehow. Go get our  
23 clothing. Anything that we're gonna buy, consumables,  
24 they're gonna have to recover the rate that they're --  
25 the increased rate they're paying. So we're only --

1 We're gonna be double-dipped is my feeling on this.  
2 We're not gonna just be hit with our electric bill at  
3 24%. We're also going to be hit with paying it,  
4 making it up for the things we have to buy. And  
5 people that are on a fixed income, limited income,  
6 they're gonna be suffering even worse. We think the  
7 foreclosure rate is bad now. We have a small farm,  
8 too, and we run heat lamps for our chickens and our  
9 electric bill does go up much more in the winter time.  
10 I understand what that lady was saying, and we cut  
11 costs as much as we can.

12 I have a sister who is on a fixed  
13 income and she had a very nice little nest egg saved  
14 up and she was stricken with a catastrophic illness  
15 and it completely depleted her savings that she had  
16 worked hard for. And if it wasn't for my husband and  
17 I living with her, she would never be able to keep  
18 that little farm going. And she -- We're gonna see  
19 her suffering a lot more. So I just wanted to say,  
20 not only do we need to think about what Duke is trying  
21 to do to us, but we're gonna be double-dipped and  
22 paying it in other ways, too. Thank you.

23 ATTORNEY EXAMINER: Thank you. Please  
24 raise your right hand.

25 (Sworn by Attorney Examiner)



1 MR. RIGGS: I do.

2 Whereupon,

3 RON RIGGS

4 of lawful age, a witness herein, having been duly  
5 sworn, as hereinafter certified, was examined and  
6 testified as follows:

7 ATTORNEY EXAMINER: Thank you. Please  
8 state your name and address for the record?

9 MR. RIGGS: My name is Ron Riggs, 1104  
10 Ridge Point Drive, Batavia, 45103. I'd like to make a  
11 comment or two from a little different prospective  
12 than what I've heard here tonight.

13 Several years ago, and I mentioned  
14 buying some stock and so on, and I don't mean to  
15 insinuate that I'm wealthy. I drive a school bus, and  
16 I'm one of those persons that the gentleman alluded to  
17 about his wages being frozen for the past three years.  
18 So I know what he's talking about, but I'd like to  
19 make a comment on a little different prospective.

20 Several years ago I bought a 100 shares  
21 of CG&E stock. The reason I bought that measly 100  
22 shares of stock is it was immediately paying a 14 and  
23 a half percent return. Now, Duke -- I know many of  
24 you here would like to have 14 and a half percent on  
25 your money. Well, it was great, done me okay. And

1 then Duke comes along and buys out CG&E, and then the  
2 word was from my advisor, my financial advisor, buy  
3 Duke, they're here to make money. So what does that  
4 tell you? You know, I'm doing all right at 14%. Duke  
5 is here to make money, they're gonna do you better  
6 than that. Well, the last three or four years most of  
7 you know how the stock market has been. It's doing  
8 been really well, it's all right now, it's doing  
9 great. Three or four years ago, not too good,  
10 everything was way down. Duke wasn't down. I started  
11 buying a little bit of Duke every month. Put a little  
12 aside for Duke Energy. It's done well. Where's all  
13 that money coming from to pay the dividends and pay  
14 the stockholders? More so new in the world of the  
15 haves and the have nots, and there's much of us here  
16 tonight are getting lower end of the have nots, and  
17 these people at the top is making money and they're  
18 doing great, very well. And so I pose -- There's  
19 probably people out there say, well, that guy is  
20 cutting his nose off despite his face. He's, you  
21 know, he's made money on Duke Energy and CG&E, but,  
22 hey, like the guy said from Mississippi, I don't use  
23 it. I'm not making enough return to pay my gas and  
24 electric bill, that's for sure.

25 So, I thank you for the opportunity to

1 express that point of view, and I hope that we don't  
2 go through with this. And the streetcar and all  
3 that's been mentioned, I don't know how all that is  
4 connected, but if there's representatives here from  
5 Clermont County and Union Township, I want you to  
6 know, and I know that there's a lot of people in this  
7 group here tonight that came out here to Clermont  
8 County to get away from a lot of that corruption in  
9 Hamilton County and the City of Cincinnati so we  
10 wouldn't have to help build stadiums and streetcars  
11 and all of that. And for you people that represent us  
12 here in Union Township, I hope you'll consider the  
13 people here and fight a good fight against this  
14 increase. Thank you for the opportunity.

15 ATTORNEY EXAMINER: Anyone else?  
16 Anyone else like to give testimony? Come on up.  
17 You already gave testimony? Anyone else who hasn't  
18 given testimony? Come on up. Please raise your right  
19 hand?

20 (Sworn by Attorney Examiner)

21 MR. MCGRAW: Yes.

22 Whereupon,

23 JOHN MCGRAW

24 of lawful age, a witness herein, having been duly  
25 sworn, as hereinafter certified, was examined and

1 testified as follows:

2 ATTORNEY EXAMINER: Thank you. Please  
3 state your name and address?

4 MR. MCGRAW: My name is John McGraw.  
5 My address is 4604 Blaineview Batavia, Ohio. I guess  
6 in summary, and I'm hoping I can summarize what  
7 everybody here is trying to say is, well, first of  
8 all, you guys work for us, and we don't have anyone to  
9 set up a big corporate deal like Duke goes to big  
10 corporations and they set their own rates with those  
11 corporations. So they're not here to testify against  
12 us because they've already got their deal and they're  
13 already set. Otherwise they would be protesting these  
14 rate increases, also.

15 So, unfortunately we don't have anyone  
16 to do that, and these people don't have anyone to do  
17 that, and we expect you to protect our best interest.  
18 And I think when you look at this deal all the way  
19 across, there's not enough information to justify  
20 these rate increases.

21 And for these people and even myself to  
22 read a staff report, you'd have to be a scientist to  
23 understand it. It's not very easy language to read,  
24 and people just don't have time to sit down and  
25 dissect a staff report, and that's what we depend on

1 you to do, is to protect our interest.

2                   And I get the opportunity to walk a lot  
3 around Union Township. There's a lot of vacant homes  
4 in this area, and I'm sure it's true of a lot of  
5 areas. People can't afford to pay for the house  
6 anymore. And there's a lot of people who are on the  
7 verge of coming to that same end, as well, because  
8 their mortgage and their expenses are too high. So  
9 any kind of rate increase, whether it be taxes or  
10 higher utility bills can put some people over the edge  
11 and they may lose their homes.

12                   And I think it's important to be fair.  
13 We all need energy, and we have to pay our fair share,  
14 but the rate should not be so high that people can't  
15 afford to keep the house. So I think it's important  
16 that you please protect our best interest and not just  
17 make this a dog and pony show where you have to have  
18 or be required to have hearings, but take this to  
19 heart.

20                   And I think a staff report should be  
21 plain English for people to read and understand. So I  
22 think that has to be put out to the public so  
23 everybody can read it and understand it. So,  
24 hopefully you'll protect our interest, and I  
25 appreciate you allowing us the time to speak tonight.

1 Thank you.

2 ATTORNEY EXAMINER: Thank you. Anyone  
3 else? All right. Seeing no one else. I want to  
4 thank everyone for coming out tonight. This will  
5 conclude this evening's public hearing, and the  
6 transcript of this hearing will be submitted to the  
7 Commission for their consideration.

8 If you have any questions, please stick  
9 around and give representative some information, and  
10 I'll go if you care to answer any questions and we can  
11 give you some information about filing any additional  
12 comments in this case. Again I thank everyone. Have  
13 a nice evening.

14 - - -  
15 (At 9:00 p.m., the public hearing adjourned)  
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## 1 C E R T I F I C A T E

2 STATE OF OHIO :  
: SS:  
3 COUNTY OF CLERMONT:

4  
5 I, Terence M. Holmes, a duly qualified  
6 and commissioned notary public within and for the  
7 State of Ohio, do hereby certify that at the time and  
8 place stated herein, and in the presence of the  
9 persons named, I recorded in stenotypy and tape  
10 recorded the proceedings of the within-captioned  
11 matter, and that the foregoing pages constitute a  
12 true, correct and complete transcript of the said  
13 proceedings.

14 I further certify that I am not  
15 counsel, attorney, relative or employee of any of the  
16 parties hereto, or their counsel, nor am I financially  
17 re in any way interested in the within action.

18 IN WITNESS WHEREOF, I have hereunto set  
19 my hand at Cincinnati, Ohio, the 1st day of March,  
20 2013.

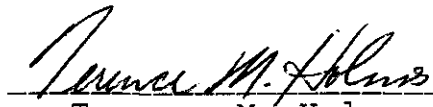
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22

23

24 My Commission Expires:  
July 28, 2017

25

  
\_\_\_\_\_  
Terence M. Holmes  
Notary Public -State of Ohio