BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Annual Application of

Duke Energy Ohio, Inc., : Case No. 12-3028-GA-RDR

for an Adjustment to Rider AMRP Rates.

In the Matter of the

Application of Duke : Case No. 12-3029-GA-ATA Energy Ohio, Inc., for : Tariff Approval Tariff Approval.

PROCEEDINGS

before Kerry Sheets, Hearing Examiner, at the Public Utilities Commission of Ohio, 180 East Broad Street, Room 11-D, Columbus, Ohio, called at 10:00 a.m. on Thursday, April 11, 2013.

ARMSTRONG & OKEY, INC. 222 East Town Street, 2nd Floor Columbus, Ohio 43215 (614) 224-9481 - (800) 223-9481 Fax - (614) 224-5724

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      APPEARANCES:
 2
             Frost, Brown, Todd, LLC
             By Ms. Rebecca L. Hussey
             One Columbus, Suite 2300
 3
             10 West Broad Street
             Columbus, Ohio 43215
 4
 5
                  On behalf of the Company.
 6
             Bruce J. Weston, Consumers' Counsel
             Office of the Ohio Consumers' Counsel
 7
             By Mr. Michael J. Schuler
             Mr. Joseph P. Serio
 8
             Mr. Larry S. Sauer
             Assistant Consumers' Counsel
 9
             10 West Broad Street, Suite 1800
             Columbus, Ohio 43215
10
                  On behalf of the Residential Customers of
11
                  Duke Energy Ohio.
12
             Mike DeWine, Ohio Attorney General
             By Mr. Steven L. Beeler
13
             Assistant Attorney General
             Public Utilities
14
             180 East Broad Street, 6th Floor
             Columbus, Ohio 43215
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                  On behalf of the Staff.
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Thursday Morning Session,

April 11, 2013.

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EXAMINER SHEETS: Public Utilities

Commission of Ohio has scheduled for hearing at this time and place Case No. 12-3028-GA-RDR and Case No. 12-2039-GA ATA, being in the matter of the Annual Application of Duke Energy Ohio for an Adjustment of Rider AMRP Rates and to recover costs incurred in 2012. And for the 12-3029 case being in the matter of the Application of Duke Energy for Tariff Approval.

My name is Kerry Sheets, I'm an Attorney Examiner for the Commission and I've been assigned to hear these cases.

May I now have the appearances of the parties, please, starting with the company.

MS. HUSSEY: Thank you, your Honor. On behalf of Duke Energy Ohio, Rebecca L. Hussey, Frost, Brown, Todd, LLC, 10 West Broad Street, Suite 2300, Columbus, Ohio, 43215.

EXAMINER SHEETS: Thank you.

Staff?

MR. BEELER: Thank you, your Honor. On behalf of the staff of Public Utilities Commission of

Ohio, Ohio Attorney General Mike DeWine, Steven
Beeler, Assistant Attorney General, 180 East Broad
Street, Columbus, Ohio.

EXAMINER SHEETS: Thank you.

OCC?

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MR. SCHULER: Your Honor, on behalf of the residential customers of Duke Energy Ohio and the Office of the Ohio Consumers' Counsel, Bruce J. Weston, Michael J. Schuler, Assistant Consumers' Counsel and Joseph P. Serio, business address 10 West Broad Street, Suite 1800, Columbus, Ohio, 43215.

EXAMINER SHEETS: Very good.

Do we have any preliminary matters to take care of today?

(No response.)

EXAMINER SHEETS: Do we have any exhibits to mark? We can do that. I would ask that you speak up.

MS. HUSSEY: Certainly. Your Honor, the company, staff, and OCC have entered into a stipulation resolving the outstanding issues in this matter. I believe on the bench you'll find the stipulation in this matter which I'd like to mark as Joint Exhibit 1 which was filed on April 9, 2013, as well as Joint Exhibit 2 which is Attachment 1 to the

stipulation which was inadvertently left out of the stipulation earlier that day.

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And then the company would also like to mark as Duke Energy Ohio Exhibit 1 the application for an adjustment to rider AMRP gas rates and tariff approval -- and for tariff approval filed with the Commission on February 27, 2013; Duke Energy Ohio Exhibit 2 which is the testimony of Gary J. Hebbeler filed on February 27, 2013; and Duke Energy Ohio Exhibit 3 the testimony of Peggy A. Laub which was also filed on February 27, 2013.

EXAMINER SHEETS: Are we marking the prefiling notice? Did we have that in --

MS. HUSSEY: Certainly. If we could mark this as Duke Energy Ohio Exhibit 4.

May I approach?

EXAMINER SHEETS: Yes.

MS. HUSSEY: I'd like to move for admission of these exhibits.

EXAMINER SHEETS: And that will be number, for the exhibit for the prefiling?

MS. HUSSEY: It will be Duke Energy Ohio
Exhibit 4.

(EXHIBITS MARKED FOR IDENTIFICATION.)

EXAMINER SHEETS: Staff have any exhibits

to mark?

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MR. BEELER: Yes, your Honor. The staff would like to mark as Staff Exhibit 1 the prefiled testimony of Jeffrey DeVore filed on April 9, 2013, and Staff Exhibit 2 the comments and recommendations submitted on behalf of the staff of Public Utilities Commission of Ohio filed in this docket on March 25, 2013.

EXAMINER SHEETS: Thank you.

(EXHIBITS MARKED FOR IDENTIFICATION.)

EXAMINER SHEETS: OCC.

MR. SCHULER: Yes, your Honor. We have OCC Exhibit 1, the direct testimony of Steven B. Hines filed on April 8, 2013, and as OCC Exhibit 2, the comments on the application of Duke Energy Ohio that were filed on March 25, 2013.

EXAMINER SHEETS: Thank you.

(EXHIBITS MARKED FOR IDENTIFICATION.)

EXAMINER SHEETS: Do we have any

witnesses to call?

MR. BEELER: Yes, your Honor. On behalf of the staff of the Public Utilities Commission of Ohio, staff calls Jeffrey DeVore.

(Witness sworn.)

EXAMINER SHEETS: Please be seated.

JEFFREY R. DeVORE

being first duly sworn, as prescribed by law, was examined and testified as follows.

DIRECT EXAMINATION

By Mr. Beeler:

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- Q. Good morning.
- A. Morning.
- Q. Please state your name and position for the record.
- A. My name is Jeffrey R. DeVore. I am an Administrator 2 in the Accounting and Electricity Division of the Utilities Department here at the Commission.

MR. BEELER: I'm going to pass out what has been marked as Staff Exhibit -- previously marked as Staff Exhibit 1, the prefiled testimony of Jeffrey DeVore.

- Q. Mr. DeVore do you have in front of you what's been marked as Staff Exhibit 1?
 - A. I do.
 - O. What is it?
 - A. It is my prefiled testimony in this case.
- Q. Was it prepared by you or under your direction?
- A. It was prepared by me.

Do you have any changes, corrections, or 1 0. 2 modifications to this prefiled testimony? 3 No, I do not. Α. 4 If I were to ask you the questions 5 contained in this document today, would your 6 responses be the same? 7 Α. They would be the same. 8 And would those responses be true, Q. accurate, and reasonable to the best of your 9 10 knowledge and belief? Yes, they would. 11 Α. 12 MR. BEELER: Your Honor, I would respectfully move for admission of Staff Exhibit 1, 13 and Mr. DeVore would be eligible for 14 cross-examination. 15 16 EXAMINER SHEETS: Any questions for this 17 witness? 18 (No response.) EXAMINER SHEETS: You're excused. 19 2.0 MR. BEELER: At this time also, your 2.1 Honor, I would move for the admission of Staff 22 Exhibit 2 as well, which are the comments and 23 recommendations. 24 EXAMINER SHEETS: I'll admit that into

25

evidence.

10 1 (EXHIBITS ADMITTED INTO EVIDENCE.) 2 EXAMINER SHEETS: Any other witnesses? 3 MR. SCHULER: Yes, your Honor. OCC would 4 like to call Steve Hines to the stand. 5 (Witness sworn.) EXAMINER SHEETS: Please be seated. 6 7 STEVEN B. HINES 8 9 being first duly sworn, as prescribed by law, was examined and testified as follows. 10 DIRECT EXAMINATION 11 12 By Mr. Schuler: 13 Morning, Mr. Hines. Would you please state your full name and business address for the 14 record? 15 16 A. My name is Steven B. Hines. My business 17 address is 10 West Broad Street, Suite 1800, 18 Columbus, Ohio, 43015. 19 Are you the same Steve Hines whose direct 20 testimony which is marked as Exhibit 1, OCC Exhibit 1 that was filed in these cases? 2.1 22 A. Yes, I am. 23 Q. On whose behalf do you appear? 24 I appear on behalf of the Office of Ohio 25 Consumers' Counsel and Duke Energy of Ohio's

residential customers.

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Q. Do you have a copy of OCC Exhibit 1 with you on the stand?

A. I do.

MR. SCHULER: At this time, your Honor, I'd like to pass out copies. May I approach, your Honor?

EXAMINER SHEETS: Yes.

- Q. Mr. Hines, what do you recognize OCC Exhibit 1 to be?
- A. It's the direct testimony -- my direct testimony that I filed in this case.
- Q. Did you prepare the testimony or have it prepared at your direction?
 - A. I prepared it myself.
- Q. Do you have any changes or corrections to your direct testimony?
 - A. No, I don't have any changes.
- Q. If I asked you the same questions today found in your direct testimony in OCC Exhibit 1, would your answers be the same?
 - A. They would be.

MR. SCHULER: Your Honor, at this time

OCC moves for admission of OCC Exhibit 1 and tenders

the witness for cross-examination.

12 1 EXAMINER SHEETS: Very good. 2 Any questions for this witness? 3 MR. BEELER: No, your Honor. EXAMINER SHEETS: You're excused. 4 OCC Exhibit 1 will be admitted into 5 evidence. 6 7 (EXHIBIT ADMITTED INTO EVIDENCE.) 8 EXAMINER SHEETS: Any other witnesses? 9 (No response.) HEARING OFFICER CRAWFORD: If there's 10 nothing more to take care of today, consider this 11 12 matter as submitted on record and I thank you all for 13 coming. 14 MR. BEELER: Thank you. EXAMINER SHEETS: Consider all exhibits 15 16 admitted into evidence at this time. 17 (EXHIBITS ADMITTED INTO EVIDENCE.) 18 (Hearing adjourned at 10:11 a.m.) 19 2.0 21 22 23 24 25

CERTIFICATE

I do hereby certify that the foregoing is a true and correct transcript of the proceedings taken by me in this matter on Thursday, April 11, 2013, and carefully compared with my original stenographic notes.

Julieanna Hennebert, Registered Professional Reporter and RMR and Notary Public in and for the State of Ohio.

My commission expires February 19, 2018.

(72039jul)

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Armstrong & Okey, Inc., Columbus, Ohio (614) 224-9481

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Commission of Ohio Docketing Information System on

4/25/2013 10:45:23 AM

in

Case No(s). 12-3028-GA-RDR, 12-3029-GA-ATA

Summary: Transcript in the matter of Duke Energy Ohio, Inc. hearing held on 04/11/13 electronically filed by Mrs. Jennifer Duffer on behalf of Armstrong & Okey, Inc. and Hennebert, Julieanna Mrs.