

BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of	)	
Duke Energy Ohio for Authority to	)	Case No. 14-841-EL-SSO
Establish a Standard Service Offer	)	
Pursuant to Section 4928.143,	)	
Revised Code, in the Form of	)	
An Electric Security Plan,	)	
Accounting Modifications and Tariffs	)	
for Generation Service	)	

In the Matter of the Application of	)	
Duke Energy for Authority to Amend	)	Case No. 14-842-EL-ATA
its Certified Supplier Tariff, P.U.C.O.	)	
No. 20	)	

PREFILED TESTIMONY

OF

PETER K. BAKER  
SERVICE MONITORING AND ENFORCEMENT DEPARTMENT  
RELIABILITY AND SERVICE ANALYSIS DIVISION

STAFF EXHIBIT\_\_\_\_

1 1. Q. Please state your name and business address.

2 A. My name is Peter Baker. My address is 180 E. Broad Street, Columbus, Ohio  
3 43215-3793.

4

5 2. Q. By whom are you employed?

6 A. I am employed by the Public Utilities Commission of Ohio.

7

8 3. Q. What is your present position with the Public Utilities Commission of Ohio  
9 and what are your duties?

10 A. I am a section chief in the Reliability and Service Analysis Division of the  
11 Service Monitoring and Enforcement Department. My section analyzes  
12 reliability and service quality performance, and enforces reliability, service  
13 quality, and consumer protection rules for electric, gas, and water utilities.  
14 This includes analyzing and assessing the electric reliability and maintenance  
15 performance of electric distribution utilities.

16

17 4. Q. Would you briefly state your educational background and work history?

18 A. I have bachelors degrees in Psychology (1967) and Philosophy (1971) from the  
19 University of Oklahoma, and a 1987 bachelors degree in Business  
20 Administration (with major in Accounting) from Franklin University. From  
21 1972 to 1986, I was employed by Dowell Division of Dow Chemical Company  
22 (an oil field service operation later called Dowell Schlumberger) where I

1           functioned as clerk/dispatcher and administrative assistant. In 1987, I joined  
2           the PUCO, where I worked as an analyst and coordinator in the Performance  
3           Analysis Division of the Utilities Department. In December of 1994, I was  
4           promoted to Administrator in the Consumer Services Department (now called  
5           the Service Monitoring and Enforcement Department), and assigned to the  
6           Compliance Division (now the Facilities and Operations Field Division). In  
7           that organization, I enforced electric, gas, and telephone service quality,  
8           customer service, and consumer protection rules. In 1997, I was transferred to  
9           the Service Quality and Analysis Division (now called the Reliability and  
10          Service Analysis Division), and in 2000, I was promoted to my current position  
11          and duties.

12  
13   5.   Q.   What is the purpose of your testimony in this case?

14       A.   The purpose of my testimony is to recommend whether the Commission  
15       should find that the reliability expectations of Duke Energy Ohio (Duke or the  
16       Company) are aligned with those of its customers.

17  
18   6.   Q.   Please describe your working knowledge of what ORC Section 4928.143  
19       (B)(2)(h) requires.

20       A.   As I understand it, this statute requires that before approving an electric  
21       utility's distribution infrastructure incentive (such as the DCI Rider) or  
22       modernization incentive (such as the Smart Grid Rider) as part of its Electric

1 Security Plan, the Commission must examine the reliability of the utility's  
2 distribution system to ensure that customers' and the utility's reliability  
3 expectations are aligned.  
4

5 7. Q. How does the Staff perform such an examination?

6 A. Administrative Code Rule 4901:1-10-10-(B)(2) requires each electric utility in  
7 the state to file with the commission an application to establish company-  
8 specific minimum reliability performance standards. As part of that  
9 application, electric utilities are to include supporting justification for the  
10 proposed methodology and each resulting performance standard. The  
11 performance standards should reflect historical system performance, system  
12 design, technological advancements, service area geography, customer  
13 perception surveys, and other relevant factors. Staff's review mainly involves  
14 two steps. The first step is to work with the company and other interested  
15 parties in establishing Commission-approved reliability standards that  
16 incorporate a consideration of historical performance, customer survey results,  
17 and input from customer groups. Once the performance standards are set, the  
18 second step is to monitor the utility's performance against its reliability  
19 standards to ensure that the standards are met. If the electric utility meets its  
20 standards, Staff considers the utility's reliability expectations to be in  
21 alignment with those of its customers. This methodology is appropriate

1 because the establishment of standards includes a consideration of reliability  
2 survey results and participation of consumer groups.

3  
4 8. Q. Please discuss Duke's performance against its reliability standards over the  
5 past three years.

6 A. Duke met both of its reliability performance standards during each of the years  
7 2011, 2012, and 2013.

8  
9 9. Q. Please describe how reliability survey results are involved in the process of  
10 establishing Duke's reliability standards.

11 A. On September 17, 2014, the Commission adopted new reliability standards for  
12 Duke in Case No. 13-1539-EL-ESS. In that case, Duke filed both its  
13 reliability-standards application as well as its latest reliability survey results on  
14 June 28, 2013. As a result, Duke's reliability survey results were available for  
15 consideration by Staff and interested parties as part of the standard setting  
16 process.

17  
18 10. Q. Please describe how consumer groups were involved in the current standard-  
19 setting process.

20 A. The Ohio Consumers' Counsel (OCC) intervened in the case, filed comments  
21 (and reply comments) on Duke's proposed new standards, and also participated  
22 in negotiations with Staff and the Company.

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11. Q. Based on your analysis, do you believe that Duke’s reliability expectations are in alignment with those of its customers?

A. Yes, I do. Based on the fact that Duke has met its reliability performance standards during each of the past three years, the fact that Duke’s latest reliability survey results were available for consideration in Duke’s most recent reliability-standards case, and the fact that OCC participated in that case, Staff recommends that the Commission find that Duke’s reliability expectations are in alignment with those of its customers.

12. Q. Does this conclude your testimony?

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

## CERTIFICATE OF SERVICE

This is to certify that the foregoing Testimony of Peter K. Baker has been served upon all of the parties of record in Case No. 14-841-EL-SSO by electronic and/or U.S. mail, postage pre-paid mail this 2nd day of October, 2014.

/s/Steven L. Beeler

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