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BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

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In the Matter of Application :

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of Duke Energy Ohio, Inc. for :

9

Authority to Establish a :

Standard Service Offer : Case No.

10

Pursuant to R.C. 4928.143 : 14-841-EL-SSO

11

in the Form of an Electric :

Security Plan, Accounting :

12

Modifications, and Tariffs :

Generation Service. :

13

:

14

In the Matter of Application : Case No.

of Duke Energy Ohio, Inc. : 14-842-EL-ATA

15

for Authority to Amend its :

Certified Supplier Tariff, :

P.U.C.O. No. 20. :

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Heard by:

Megan Addison

18

Christine Pirik

19

Beth Trombold

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Date:

September 18, 2014

21

Time:

Commencing at 12:35 p.m.

22

Place:

City Hall

23

801 Plum Street

24

Cincinnati, Ohio 45202

25

Before:

S. Diane Farrell, RDR, CRR

Notary Public - State of Ohio

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2 APPEARANCES:

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4 On behalf of the Applicant:

5

6 Amy B. Spiller, Esq.  
7 of  
8 Duke Energy Corporation  
9 139 East Fourth Street  
Room 1303  
Cincinnati, Ohio 45202  
Phone: (513) 419-1810

10 On behalf of the Office of Consumers Council:

11 Maureen Grady, Esq. and  
12 Kevin Moore, Esq.  
13 and  
14 Bruce J. Weston, Esq.  
15 of  
16 Office of Consumers Council  
17 10 West Broad Street  
Suite 1800  
Columbus, Ohio 43215-3485  
Phone: (614) 466-8574

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I N D E X

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WITNESS

PAGE

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PHILIP MURPHY

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LOUIS KRONER

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MORGAN BILLINGSLEY

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NAHALIEL KANFER

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MARILYN WALL

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CHELSEA GOETTGE

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LARRY FALKIN

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NATHAN ALLEY

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SARAH WITHAM

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DANNY COOPER

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NEIL WAGGONER

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JIM ROGERS

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RACHEL BELZ

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1 MS. PIRIK: The PUCO of Ohio has assigned  
2 to a public hearing at this time and place Case  
3 Number 14-841-EL-SSO and 14-842-EL-ATA, which is  
4 captioned In The Matter of the Application  
5 of Duke Energy Ohio, Inc. for Authority to  
6 Establish a Standard Service Offer Pursuant to  
7 Revised Code 4928.143 in the Form of an Electric  
8 Security Plan, Accounting Modifications and  
9 Tariffs for Generation Service and for Authority  
10 to Amend Its Certified Supplier Tariff PUCO  
11 Number 20.

12 My name is Christine Pirik. I'm the  
13 deputy legal director for the Public Utilities  
14 Commission. To my right is Commissioner Beth  
15 Trombold. And to her right is Megan Addison, a  
16 law clerk in our legal department, who will be  
17 presiding with me. At this time, Commissioner  
18 Trombold.

19 MS. TROMBOLD: Hi, everyone. My name is  
20 Beth Trombold. I'm one of the five  
21 commissioners of the PUCO that will be reviewing  
22 this case. And it feels good to be back in  
23 Cincinnati. I went to high school here, so it's  
24 nice to come here.

25 Thank you for coming. We really

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1 appreciate hearing from people about this case  
2 and your views. We do take these hearings  
3 seriously and into consideration as we review  
4 the case record. So thanks again for taking  
5 time out of your schedule to come here.

6 I guess with that, if you have any  
7 specific questions, we have some folks here from  
8 the PUCO, our staff. There's Sherrie Wiget out  
9 front. You probably saw her with the table of  
10 information. Feel free to stop by there and  
11 pick up some information about the case and what  
12 we do.

13 We also have James Lee from our public  
14 affairs office, who is out there, and my aide,  
15 Kristin Clingal is in the audience, too, that  
16 could assist you if you have any questions. So  
17 thanks again, and I'll turn it back over to  
18 Chris.

19 MS. PIRIK: Okay. Thank you. At this  
20 time, I would like to take the appearances on  
21 behalf of the parties. On behalf of Duke.

22 MS. SPILLER: Good afternoon, your Honor,  
23 Commissioner Trombold. Amy Spiller for the  
24 Applicant, Duke Energy Ohio.

25 MS. PIRIK: And I know CC is also here.

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1 MS. GRADY: On behalf of the Office of  
2 Consumers Council, Bruce J. Weston, Maureen  
3 Grady, and Kevin Moore.

4 MS. PIRIK: Are there any other attorneys  
5 here representing parties in the case? There  
6 are a number of intervenors in the case. I have  
7 a full list of those intervenors. If anyone is  
8 interested, I would be glad to share that with  
9 you after the hearing today. The parties  
10 represent various constituent groups, and they  
11 are also listed on our website.

12 Duke Energy filed this application on  
13 May 29th, 2014 requesting authority to establish  
14 a standard service offer for the period  
15 commencing June 1st, 2015.

16 The local public hearings scheduled in  
17 this matter are only one aspect of the process.  
18 To date this is our fourth local hearing. We  
19 had three local hearings in various parts of the  
20 City of Cincinnati and suburbs last week. The  
21 evidentiary hearing is also scheduled to  
22 commence on October 22nd at the commission  
23 offices in Columbus.

24 The purpose of this evening -- well, it's  
25 not this evening. That was previous. The

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1 purpose of today's public hearing is to receive  
2 comments from the public regarding Duke's  
3 application in this case. It's unfortunately  
4 not a question and answer session. But you will  
5 have the opportunity to let the commission know  
6 what you think about tonight's hearing.

7 However, there are individuals here from  
8 the company as well as staff, as we pointed out,  
9 that if you have a question after the hearing  
10 that you would like to ask them, feel free to do  
11 so.

12 Today's hearing is being transcribed, so  
13 if you intend on testifying, please speak  
14 clearly. And if you have a prepared statement,  
15 if you could give that to us after your  
16 statement, as that would help the court reporter  
17 as well.

18 When you arrived you were given the  
19 opportunity to sign up to testify. We have a  
20 number of individuals who did sign the sheets to  
21 testify. At the conclusion of their testimony,  
22 if there are others in the audience who wish to  
23 come forward and make a statement, I will  
24 provide that opportunity at that time as well.  
25 So don't feel as if you are on this list -- if

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1           you are not on this list, that you won't be able  
2           to testify. Also, if you are on this list and I  
3           call on you and you decide that you would prefer  
4           not to testify, that is fine as well.

5                     I ask you when you come forward to swear  
6           an oath to tell the truth and to state your name  
7           and address and spell it for the record so that  
8           we can have all of the appropriate information.

9                     At this time, I will begin calling  
10          witnesses. I'm going to say right up front, I  
11          have a very difficult last name in the form of  
12          Pirik, and it is quite frequently mispronounced  
13          and misspelled. So I apologize ahead of time if  
14          I say anyone's last name wrong. Feel free to  
15          correct me and be sure to get the right spelling  
16          in the record.

17                    The first is Philip Murphy. I think I  
18          got that one right. Please come forward.  
19          Please raise your right hand.

20                    (The witness was sworn.)

21                    MS. PIRIK: Go ahead and have a seat.  
22          And you see the button right there.

23                    MR. MURPHY: I see two on the right and  
24          two on the left. Are you talking the one on the  
25          left? Testing.



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1 MS. PIRIK: That's definitely on. Could  
2 you state your name and address and spell it for  
3 the record?

4 MR. MURPHY: Yes. My name is -- surname  
5 is Murphy, M-u-r-p-h-y. First name, Philip,  
6 P-h-i-l-i-p. My residence is 704 Hand Avenue.  
7 That's like right hand, left hand. And the zip  
8 code is 45232 here in Cincinnati.

9 MS. PIRIK: Thank you, Mr. Murphy. You  
10 may proceed with your statement.

11 PHILIP MURPHY  
12 a witness herein, being first duly sworn, made the  
13 following statement:

14 MR. MURPHY: My statement will be quite  
15 brief. To the extent that there is any  
16 competitive aspect to the utilities marketplace  
17 today, I believe it is grossly inappropriate to  
18 include in customers' rates portions of capital  
19 outlays and operating expenses which are clearly  
20 a result of management's decisions.

21 Such costs should accrue purely to  
22 shareholders and never to rate payers. That's  
23 all I have to say.

24 MS. PIRIK: Thank you very much. Next up  
25 is Louis Kroner. I didn't pronounce it right, I

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1 can tell.

2 (The witness was sworn.)

3 MS. PIRIK: You may be seated.

4 LOUIS KRONER

5 a witness herein, being first duly sworn, made the  
6 following statement:

7 MR. KRONER: My name is Lou, Louis,  
8 L-o-u-i-s, Kroner, K-r-o-n-e-r, 3271 Renfro,  
9 R-e-n-f-r-o, Avenue, Cincinnati, Ohio, 45211.

10 Coal and fossil fuels have played a vital  
11 role in the development of our country. The  
12 coal industry has provided the livelihood to  
13 thousands of American families and there is no  
14 doubt that coal will continue to play a part in  
15 America's energy plans.

16 It wasn't too long ago, however, that  
17 industries came to realize there wasn't much of  
18 a future in continuing to produce typewriters or  
19 television tubes. We must face the fact that  
20 there isn't much of a future in our continued  
21 reliance on coal and fossil fuels. It's a  
22 little bit like television tubes, typewriters.

23 Ohio's move into the future must be  
24 powered by renewable energy sources. Rather  
25 than asking the PUCO to increase rates to pay

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1 for future-oriented technologies, Duke has asked  
2 to increase rates to update aging distribution  
3 plants, those plants that pollute our air and  
4 our water, endanger our health and decrease the  
5 quality of our lives.

6 I urge the commission to look to a  
7 greener future for Ohio by denying this request  
8 for outdated technology. Thank you.

9 MS. PIRIK: Thank you, Mr. Kroner.  
10 Morgan Billingsley. Raise your right hand.

11 (The witness was sworn.)

12 MS. PIRIK: State your name and spell it,  
13 and your address for the record, please.

14 MORGAN BILLINGSLEY

15 a witness herein, being first duly sworn, made the  
16 following statement:

17 MS. BILLINGSLEY: My name is Morgan  
18 M-o-r-g-a-n, Billingsley, B-i-l-l-i-n-g-s-l-e-y.  
19 I'm at 131 East 14th Street, Number 306, 45202.

20 I just wanted to come to say that as a  
21 citizen of Cincinnati I find this proposal to be  
22 kind of a slap in the face. In the last few  
23 years, the citizens of Cincinnati have come  
24 together to make it very, very clearly known  
25 that we don't want to support dirty energy. Our

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1 electric aggregation is 100 percent clean for a  
2 reason, because we have spoken on that strongly.

3 I don't think that it's fair to make --  
4 force someone to pay for something that they  
5 don't believe in. I also think that a lot of  
6 people argue against clean energy, saying that,  
7 you know, market-based approaches are going to  
8 be representative of what the consumers want.  
9 But that's not true if we're continually forced  
10 to be financially propping up these outdated and  
11 just completely wrong forms of energy.

12 I feel like Duke is a bully that is  
13 consistently trying to take our lunch money.  
14 Thank you.

15 MS. PIRIK: Thank you. Nahaliel Kanfer.  
16 I'm sorry. I told you I was really bad. Please  
17 raise your right hand.

18 (The witness was sworn.)

19 MS. PIRIK: Thank you. Please be seated.  
20 State your name, spelling it, and address for  
21 the record, please.

22 NAHALIEL KANFER

23 a witness herein, being first duly sworn, made the  
24 following statement:

25 MR. KANFER: Hi. My name is Nahaliel

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1 Kanfer, spelled N-a-h-a-l-i-e-l. Last name,  
2 K-a-n-f-e-r. I reside at 1130 Belvedere Street  
3 here in Cincinnati, zip code 45202.

4 I'm a Duke rate payer. I'm also a Duke  
5 stockholder. I got my dividend a couple of days  
6 ago, I think. So I -- I do appreciate the need  
7 to balance rate payers' interests and  
8 shareholder interests here. And I appreciate  
9 that the commission has a task.

10 I listened very carefully to the comments  
11 that come before me, and I appreciate this  
12 write-up that the commission has provided on the  
13 case. I found it -- personally, the first page,  
14 very interesting as to the history of  
15 deregulation. I know there are a lot of issues  
16 in this case. I'm not going to speak to all of  
17 them.

18 I do want to speak to this price  
19 stabilization rider, though, because I didn't  
20 think this write-up was particularly descriptive  
21 of what my understanding of the price  
22 stabilization rider consists of. And reading  
23 this first page, the history of deregulation,  
24 what that makes clear is the Ohio General  
25 Assembly -- and you can debate the collective

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1 wisdom of that body, I think, for a long time,  
2 but it has made very clear the direction of this  
3 state is toward deregulation in the wholesale  
4 power market.

5 My understanding of what Duke is  
6 requesting in this case, not only Duke but other  
7 utilities, is that -- well, to say it another  
8 way, Duke hasn't been very successful in a  
9 competitive wholesale power market. If you read  
10 the trade journals of companies that are  
11 involved with electric generation today and the  
12 electric industry overall, you are not reading  
13 about a lot of states that are taking extra  
14 steps to make coal plants more competitive.

15 You are reading about a lot of states  
16 that are wrestling with new innovative issues  
17 that are transforming the industry, things like  
18 net metering distributed generation, new  
19 transmission, integration of renewables, demand  
20 response, energy efficiencies, these  
21 transformative market trends that the rest of  
22 the country is moving towards.

23 And Ohio isn't an island. We don't  
24 operate on our own here. We don't have our own  
25 self-sufficient economy. We need to keep up

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1 with the rest of the country and that includes  
2 keeping up with job creation and it includes  
3 making sure our electric rates are competitive,  
4 because if they're not, new industries won't  
5 come here and they won't create jobs and, in  
6 fact, we'll lose population and our economy will  
7 suffer from it.

8 And so it's one thing to increase rates  
9 temporarily to keep Ohio competitive with other  
10 states in the race to build new technology and  
11 get new concepts moving. It's another thing to  
12 increase rates to do the opposite, to keep old  
13 coal plants on line. That makes very little  
14 sense to me.

15 You know, my understanding of the two  
16 coal plants that Duke is asking for support for  
17 in this case were built decades ago. And the  
18 reality is that in today's energy economy, there  
19 are things that are cheaper than operating very  
20 old coal plants. That's why they're not  
21 competitive. That's why Duke is asking for  
22 additional financial support.

23 And so why would we ignore the market  
24 signals? The market is speaking. And the Ohio  
25 General Assembly has indicated they want the

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1 market to speak on this issue. Why would we fly  
2 in the face of that and spend a great deal of  
3 money supporting uneconomic generation?

4 So that's basically my comment. The only  
5 other thing I thought of saying was, you know,  
6 that bailouts aren't always bad public policy, I  
7 don't think. You know, when George Bush bailed  
8 out GM -- and that was a policy continued by  
9 President Obama -- I think there were really  
10 good reasons to do that. It saved some jobs.  
11 It prevented a catastrophic economic situation,  
12 not only in Michigan but here in Ohio. But just  
13 remember that that was authorized by Congress in  
14 legislation. No, you know, unelected bureaucrat  
15 or administrative tribunal made that decision on  
16 their own.

17 It seems to me that to reverse the clear  
18 policy that had been set by Ohio's legislature  
19 here, it should require an act of the  
20 legislature and not just some electric security  
21 plan which receives comparatively little  
22 transparency and public interest despite people  
23 who are here today. So those are my comments.  
24 Thanks a lot.

25 MS. PIRIK: Thank you. Sean. Please



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1 raise your right hand.

2 (The witness was sworn.)

3 MS. PIRIK: Please be seated and spell  
4 your name and address for the record, please.

5 SEAN KONIJNENBIJK

6 a witness herein, being first duly sworn, made the  
7 following statement:

8 MR. KONIJNENBIJK: My name is Sean  
9 Kohnijnenbijk. It's S-e-n -- or S-e-a-n,  
10 K-o-n-i-j-n-e-n-b-i-j-k, Konijnenbijk. That's a  
11 mouthful, I know. I live at 1224 Scott  
12 Boulevard, Covington, Kentucky. So I am not  
13 living in Ohio but since Covington and Newport  
14 are, of course, serviced by Duke Energy, I feel  
15 that this matter concerns me as well.

16 I just want to keep it brief in this  
17 case. First of all, I try to really get  
18 informed about this subject. And I feel that a  
19 lot of the regulation and the deregulation and  
20 regulation again is pretty obscure and very  
21 convoluted and it's really hard to make a -- you  
22 know, make up your mind about it. It's really  
23 hard to really see what is at stake here. I  
24 think it's needlessly confusing, and just this  
25 is bad for us as a consumer because we don't --

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1 sometimes don't even know what's going on here.

2 So if we are renewing the path that the  
3 Public Utilities Commission and the energy  
4 companies have taken, if we are going to just  
5 continue that, I think it's going to be more and  
6 more complicated. And I think that is only one  
7 of the reasons why the proposal should not be --  
8 should not be acknowledged in this case.

9 Also, what I do read in between the lines  
10 is that there are costs there that are shoved  
11 onto customers that I feel are basically the  
12 result that -- by the energy companies, so that  
13 doesn't seem right to me.

14 So like I said, I do feel that the Public  
15 Utilities Commission should not consider this  
16 proposal viable and because it will prove as a  
17 stimulus for the energy companies and for the  
18 commission to really make a change. Thank you.

19 MS. PIRIK: Thank you. Marilyn Wall.

20 Please raise your right hand.

21 (The witness was sworn.)

22 THE WITNESS: My name is Marilyn Wall.

23 MS. PIRIK: You need to push the button.

24 I'm sorry. She can't hear you. You have to

25 hold it down.

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1 THE WITNESS: Okay. Sorry.

2 MS. PIRIK: As long as the red light is  
3 on, you are good.

4 MARILYN WALL

5 a witness herein, being first duly sworn, made the  
6 following statement:

7 MS. WALL: It's Marilyn Wall,  
8 M-a-r-i-l-y-n, W-a-l-l. My address is 816 Van  
9 Ness Drive, Cincinnati, 45246. The proposal we  
10 have today for Duke Energy to recover costs from  
11 the consumers for coal-fired power plants should  
12 be denied.

13 The -- Duke Energy needs to get off coal  
14 as soon as possible. It is unhealthy, increases  
15 morbidities and mortality and the whole coal  
16 industry in Ohio has been one of coal-fired  
17 power plants against consumers' health and the  
18 consumers' right to breathe clean air and have a  
19 safe and healthy environment.

20 This rider unfairly makes Duke Energy  
21 whole from operational loss from coal power --  
22 coal-fired power plants for the foreseeable  
23 future and it's unfair to consumers in Ohio.

24 They need -- the coal -- Duke Energy  
25 needs to shift to renewable energy and

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1 efficiency. And just by way of full disclosure,  
2 I'm also a power generator. I have solar panels  
3 on my house. I generate electricity. I sell  
4 electricity. If I can do this economically, so  
5 can Duke.

6 MS. TROMBOLD: Thank you. Chelsea  
7 Goettge.

8 (The witness was sworn.)

9 MS. PIRIK: Please state your name and  
10 address and spell it for the record.

11 CHELSEA GOETTGE

12 a witness herein, being first duly sworn, made the  
13 following statement:

14 MS. GOETTGE: My name is in Chelsea  
15 Goettge, C-h-e-l-s-e-a, G-o-e-t-t-g-e. And I  
16 live at 3479 Blue Rock Road, 45239.

17 I think that we're living in a time where  
18 competition needs leads to innovation. And in a  
19 free market that can be a good thing or a bad  
20 thing. We see a lot of people being left behind  
21 and struggling with economic inequality. I  
22 think it would exacerbate the problem to allow  
23 the companies with the most resources to pawn  
24 their financial responsibility for investments  
25 off to the people who have the least expendable

1 income.

2 We know that there are a select few that  
3 will not feel the impact of this bailout, but  
4 the majority will. I'm here to plead with you  
5 to uphold your end of government responsibility  
6 to represent the people, not the powers that be,  
7 to represent the people, not the industry.

8 We're at a precipice where we can excel  
9 into a future of green technology, into a place  
10 where we are creating more efficient energy that  
11 is cheaper, more accessible, or we can continue  
12 to pump pollutants into the poorest communities  
13 where people are suffering from the worst  
14 health epidemics in our country.

15 The Ohio coal valley is despicable, and  
16 if you haven't been, you should go. It will  
17 break your heart. I come from that place and I  
18 am here beseeching you to please take a stand  
19 for the people that you represent and deny the  
20 people with the money their extra little  
21 vacation this year.

22 Let us excel and sail, please, as a  
23 state. It's not going to kill competition to  
24 deny them this bailout. It's going to help our  
25 solar industry thrive. It's going to bring jobs

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1 to build the wind farms on our great lake.

2 That's all I have to say. Thank you.

3 MS. PIRIK: Thank you. Larry Falkin.

4 Please raise your right hand.

5 (The witness was sworn.)

6 MS. PIRIK: Thank you. Please be seated  
7 and state your name and address and spelling it  
8 for the record. And of course, you have to push  
9 the button on the microphone.

10 LARRY FALKIN

11 a witness herein, being first duly sworn, made the  
12 following statement:

13 MR. FALKIN: Good afternoon. Larry  
14 Falkin, F-a-l-k-i-n, 5038 Gray Road, Cincinnati,  
15 45232.

16 Good afternoon, members of the PUCO and  
17 welcome to Cincinnati. My -- my day job is with  
18 the City of Cincinnati as director of the city's  
19 office of environment and sustainability. I am  
20 here today testifying as an individual, not as a  
21 representative of the city.

22 As I understand it, the city is an  
23 intervener in this case, is opposed to Duke's  
24 application. But the city's input in this  
25 process will be conveyed to the commission

1 through the city's attorney. My comments are  
2 strictly my own.

3 I am here today to speak in opposition to  
4 the price stabilization rider. As many of the  
5 other speakers before me have said, the purpose  
6 of this rider is to take old, inefficient coal  
7 powered plants that really are ready for  
8 retirement, that really should be retired at  
9 this point in time and prop them up and allow  
10 them to continue operating for an extended  
11 period of time.

12 It's worth noting that these plants are  
13 both more expensive than modern plants and more  
14 target intensive, release more pollutants and  
15 more carbon per unit of electricity than other  
16 forms of generation that are available out  
17 there.

18 There are some aspects of that that  
19 haven't been talked about previously in this  
20 hearing. One is that EPA, the U.S. EPA,  
21 currently has a set of proposed rules that are  
22 referred to as the Clean Power Plan. And what  
23 the Clean Power Plan will do, if adopted as  
24 proposed, is put the state on a carbon budget.  
25 The state will need to reduce carbon emissions

1 from its electricity generation portfolio by  
2 30 percent over a period of time.

3 Now, the State of Ohio will want to look  
4 and see what the most efficient and effective  
5 way is to reduce the carbon emissions from our  
6 generation portfolio. It is the oldest, least  
7 efficient, most carbon intensive plants that we  
8 will be most interested in retiring in order to  
9 satisfy our obligation in the Clean Power Plan.

10 If we were to lock in the operation of  
11 these inefficient plants for the next 15 years,  
12 then we would have to do harder, more extensive  
13 things in order to reduce our carbon emissions.  
14 And so locking in the continued operation of  
15 this plan puts us crossways with the expected  
16 federal regulations that are coming on power  
17 plant emissions.

18 In a similar way, the federal government  
19 has recently imposed other regulations on old  
20 coal-fired power plants. There are mercury  
21 rules and particulate rules and other rules that  
22 are coming out that require technology retrofits  
23 on some of these obsolete plants.

24 For many coal plants, the owners of the  
25 plants are deciding that the investment that it



1 takes to modernize a 50-, 60-year coal plant  
2 just isn't worth it, it's time to retire it.  
3 And that's the decision that ought to be made  
4 for these plants as well.

5 If you guarantee Duke a return on  
6 investment for every dollar they're required to  
7 invest in these plants, then they will go ahead  
8 and make the upgrades to these plants that are  
9 simply not economically justified. You know,  
10 they can upgrade to meet the mercury rule, they  
11 can upgrade to meet the other rules, but they're  
12 doing it on the backs of the citizens in a way  
13 that makes no economic sense.

14 Duke, I believe, is arguing that we need  
15 this generation capacity in order to meet peak  
16 demand, that last winter when we had an unusual  
17 winter peak, there were just not enough power  
18 plants that were available to mobilize on short  
19 notice to meet those peaks and that we ought to  
20 leave this plant in the portfolio in order to  
21 meet that winter peak demand.

22 The argument doesn't really make sense.  
23 These facilities are 50, 60 years old. By the  
24 end of a 15-year arrangement, they'd be 65, 75  
25 years old. These are not the reliable plants

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1           that we want to count on in a crunch. If we  
2           really need reliable generation capacity, then  
3           let's incentivize modern state-of-the-art clean  
4           and reliable facilities to meet that peak  
5           demand. Let's not keep something that is barely  
6           hobbling along as the power plant that we're  
7           going to rely upon when we most need it to  
8           perform.

9                     Thank you for the opportunity to speak  
10          today.

11                    MS. TROMBOLD: Thank you. Nathan Alley.

12                    (The witness was sworn.)

13                    MS. PIRIK: Please be seated and state  
14          your name and address and spell it for the  
15          record.

16                               NATHAN ALLEY

17   a witness herein, being first duly sworn, made the  
18   following statement:

19                    MR. ALLEY: Good afternoon. My name is  
20          Nathan Alley, N-a-t-h-a-n, A-l-l-e-y, and I live  
21          at 3311 Alicemont Avenue here in Cincinnati.  
22          The zip code is 45209.

23                    I first want to actually appreciate  
24          something Duke did recently. I have some family  
25          that live in the New Richmond area. And the

1 fact that Duke is going to be closing the  
2 Beckjord plant earlier than they had originally  
3 planned is something that really warms my heart.  
4 So I want to make that appreciation right off  
5 the bat.

6 That being said, I would certainly  
7 appreciate it if you denied their application  
8 today based in large part on the testimony you  
9 have already heard from Ms. Wall and Mr. Falkin  
10 and the others who have really laid forth a  
11 pretty competent slate of arguments against  
12 their application.

13 I would just like to add two notes, one  
14 personal and one more general. I grew up in  
15 this area, but I've spent almost 20 years away.  
16 My wife and I recently have moved back after  
17 spending almost a decade in California. And  
18 imagine how pleased we were to move to  
19 Cincinnati and have the option of getting all of  
20 our electricity from renewable energy sources.  
21 We had to pay a little more for that on our  
22 monthly bill but it was something we were very  
23 excited to do. It's something we didn't have  
24 the option of doing, in of all places, Santa  
25 Barbara, California.

1                   Now, it seems to me that this plan, which  
2                   as others have described, would essentially  
3                   force me to prop up the coal-fired power plants  
4                   in Duke's portfolio would really run counter to  
5                   that whole option. It might even obviate the  
6                   benefits that I think that I'm getting for  
7                   paying into the program. So please consider it  
8                   from that aspect.

9                   On a more general level, you know, we've  
10                  heard a lot about cost competition, renewables.  
11                  You know, one of the main arguments that is  
12                  often levied against renewable energy is that it  
13                  isn't cost competitive with fossil fuels. Well,  
14                  you know, this is a blatant example of the  
15                  potential subsidies which are really causing the  
16                  gap, the subsidies that cloak the fossil fuel  
17                  power generation industry.

18                 And you have an opportunity today to  
19                 begin to right that balance and to take away  
20                 some of those subsidies, some of those handouts  
21                 and allow the renewable energy to become more  
22                 cost effective and serve its customers better.

23                 So thank you for your time and good luck  
24                 with your decision.

25                 MS. TROMBOLD: Thank you. Then the

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1 next witness is Sarah -- that's all I have on  
2 the list -- from Houston, Texas.

3 (The witness was sworn.)

4 MS. PIRIK: Please state your name,  
5 spelling, and address for the record, please.

6 SARAH WITHAM

7 a witness herein, being first duly sworn, made the  
8 following statement:

9 MS. WITHAM: My name is Sarah Witham,  
10 S-a-r-a-h, W-i-t-h-a-m. I live at 240 Westridge  
11 Street in Houston, Texas, 77054.

12 So I'm obviously not a citizen of Ohio  
13 here, but I am a visitor for the next month.  
14 And coming across this situation I felt it my  
15 duty to kind of speak out as I am a firm  
16 believer that injustice anywhere is injustice  
17 everywhere.

18 So I come from the energy capital of the  
19 world, obviously, Houston, Texas, and there is  
20 tons of competitive options to receive your  
21 power from. I personally go through a total  
22 renewable energy source. I pay approximately  
23 7.5 cents per kilowatt hour. It's a very  
24 competitive price for totally renewable energy.  
25 So it's definitely not something that could

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1           happen here in Ohio.

2                   What I basically see here is that you  
3           have a corporation trying to take away a  
4           citizen's right to choose and in this day and  
5           age I feel like we see far too much choice being  
6           taken away from a person. So I hope that you  
7           ladies decide to deny this plan by Duke. Thank  
8           you.

9                   MS. PIRIK: Thank you. Danny Cooper.

10                   (The witness was sworn.)

11                   MS. PIRIK: Thank you. Please be seated  
12           and state your name and address and spell it for  
13           the record.

14                   THE WITNESS: Is this too loud?

15                   MS. PIRIK: Fine.

16                               DANNY COOPER

17   a witness herein, being first duly sworn, made the  
18   following statement:

19                   MR. COOPER: Okay. Danny Cooper.

20           D-a-n-n-y, that's my official name. You can  
21           thank my parents for that. Cooper, C-o-o-p-e-r.  
22           Address, 10867 Thornview Drive In Sharonville,  
23           Ohio, north of Cincinnati, 45241.

24                   Good afternoon. I'm opposed to this --  
25           this rider. Duke Energy has filed this

1           electronic security plan requesting the price  
2           stabilization rider to hedge benefits of the  
3           costs associated with Duke Energy's contractual  
4           obligation to the Ohio Valley Electric  
5           Corporation, OVEC.

6                     Duke proposes to sell its portion of  
7           energy and associated services into the  
8           competitive market to maintain integrity of the  
9           fully competitive option process. This rider is  
10          a new charge to benefit certain power plants.  
11          Ohio law states that utilities charge customers  
12          for power plans to be competitively determined  
13          by a electricity market and not guaranteed by  
14          PUCO, a government regulator.

15                    The Kyger Creek power plant, and now  
16          abandoned in Cheshire, Ohio, is part of the OVEC  
17          and uses dirty coal-generated electricity and  
18          then produces nasty water and filthy air that  
19          violates the clean -- the federal Clean Air and  
20          Water Act laws.

21                    Since the Kyger Creek power plant does  
22          not meet these federal laws, like any company,  
23          it must be shut down, certainly till the owner  
24          improves it at its own costs and not by the  
25          customers, so it can operate within the law or

1 be decommissioned. Again, also paid by the  
2 company and not by the customers.

3 Any power plant facility or even citizens  
4 like us must operate within the law. Power  
5 plants must be able to sell its energy in an  
6 open market with no rider that benefits only  
7 certain power plants. Anything else is what I  
8 call power plants welfare. It is a bailout for  
9 dirty power plants that violate our laws.

10 I was an Air Force program manager for 20  
11 years, public servant like PUCO is, planning,  
12 developing, budgeting, fielding, decommissioning  
13 military systems and bases from before birth  
14 till after death. Those life cycle costs  
15 included operating, decommissioning, and  
16 environmental remediation costs, were budgeted  
17 to ensure those systems did not violate federal  
18 laws.

19 The same standards apply to Duke Energy  
20 to operate within our laws. The ESP also  
21 requests a distribution storm rider to balance  
22 storm recovery costs already incorporated in the  
23 customer's distribution rates. The ESP states  
24 that the rider's also for actual costs  
25 associated with unforeseen weather events.



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1           Please provide customers like us a list of the  
2           actual weather events, dates, locations, repairs  
3           and bills over a thousand dollars.

4                     Thank you very much for your time.

5                     MS. PIRIK: Thank you. Neil Waggoner.

6                     (The witness was sworn.)

7                     MS. PIRIK: Thank you. You have to push  
8           the button.

9                     THE WITNESS: Fine.

10                    MS. PIRIK: Thank you.

11                               NEIL WAGGONER

12   a witness herein, being first duly sworn, made the  
13   following statement:

14                    MR. WAGGONER: Oh, okay. Sorry. I  
15           missed that part of it. All right. My name is  
16           Neil Waggoner. That is N-e-i-l,  
17           W-a-g-g-o-n-e-r, 957 Hunter Avenue, Columbus,  
18           Ohio, 43201.

19                    So now before I get started, I want to  
20           just say it's my fourth public hearing that I  
21           have attended for this case and I really want to  
22           give a thank you to everyone in the room here  
23           that came to participate today. I love to see  
24           this participation. And I think it really  
25           emphasizes here the opposition there is to

1 Duke's rider.

2 And I want to also thank the commission  
3 for the opportunity to offer public comments on  
4 this case before you where Duke Energy seeks to  
5 create a nonbypassable rider on a  
6 consumer's electric bill to purchase energy from  
7 two coal plants with the option of further  
8 requests for similar arrangements in the future,  
9 a power purchase agreement that will create a  
10 guaranteed rate despite market conditions.

11 This request, essentially a bailout,  
12 comes despite the fact that as per Ohio policy  
13 for the past 15 years, Ohio's utilities have  
14 been ordered to separate their generation and  
15 transmission entities.

16 I am here today to represent the opinion  
17 of the 1700 individual Sierra Club members and  
18 supporters -- and petitions are here -- whom  
19 have already filled out petitions and letters  
20 opposing the efforts of Ohio's three largest  
21 utilities. And this is not just the case with  
22 Duke. This is the case with AEP and First  
23 Energy to bail out a number of Ohio's old dirty  
24 coal plants.

25 Now, Sierra Club will be filing a formal

1 comment responding to Duke's filing. But today  
2 I really just want to emphasize what we are  
3 hearing from our members and supporters  
4 regarding these three cases. Each of these 1700  
5 members and supporters are urging the commission  
6 to deny the request by Duke Energy as well as  
7 the request by AEP and First Energy. You will  
8 be able to, and I encourage you to, read these  
9 comments yourself when they are filed at the  
10 commission under the public comments section.

11 Ohioans are upset by what Duke and AEP  
12 and First Energy are attempting with these  
13 cases, the nonsupported attempts to bail out old  
14 coal plants that are not competitive with  
15 today's marketplace for electricity. I find  
16 particularly egregious that these requests come  
17 at the same time that Ohio utilities  
18 collectively and successfully lobbied to gut  
19 Ohio's clean energy and energy efficiency  
20 standards, standards that are saving consumers  
21 money, creating jobs, and generating hundreds of  
22 millions of dollars of new investment in Ohio.

23 Duke, AEP, and First Energy's request to  
24 raise rates to bail out the obsolete coal plants  
25 is bad for consumers' wallets, bad for the Ohio

1 business community and, of course, bad for  
2 Ohio's environment and future as we work to  
3 reduce dangerous emissions from carbon, soot,  
4 smog, and mercury.

5 On behalf of the almost 1700 Sierra Club  
6 members and supporters who have already made  
7 their opposition known and the thousand more  
8 across Ohio prepared to do the same, I urge the  
9 commission to reject Duke's filing as well as  
10 the filings of AEP and First Energy. Thank you.

11 MS. PIRIK: Thank you. Jim Rogers.

12 THE WITNESS: Good afternoon.

13 MS. PIRIK: Please raise your right hand.

14 (The witness was sworn.)

15 MS. PIRIK: Thank you. Please have a  
16 seat and state your name and address for the  
17 record.

18 THE WITNESS: Yes.

19 MS. TROMBOLD: You have to push the  
20 button on the microphone.

21 THE WITNESS: Oh.

22 MS. TROMBOLD: And you have to hold it.

23 THE WITNESS: Oh, oh, right.

24 MS. PIRIK: No. You have to hold the  
25 button, unfortunately. There you go. So long

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1 as you just keep your finger down on the button.

2 And you'll see the red -- there's a red --

3 THE WITNESS: I see the red.

4 MS. TROMBOLD: You can sit back a little  
5 bit.

6 THE WITNESS: I need to keep my finger on  
7 the whole time?

8 MS. PIRIK: Yeah.

9 THE WITNESS: That's good to know.

10 MS. PIRIK: You need to push the button.

11 JIM ROGERS

12 a witness herein, being first duly sworn, made the  
13 following statement:

14 MR. ROGERS: Okay. Got you. I'm a  
15 little bit clumsy.

16 Jim Rogers. I live at 2507 Hansford  
17 Place, number 2, Cincinnati, Ohio, 45214. And I  
18 have written comments. Who should I give those  
19 to?

20 MS. PIRIK: You can give those to me.  
21 You can just lay them over there in the corner  
22 of the bench.

23 MR. ROGERS: Okay. Thank you. I'm a  
24 little hard of hearing. I apologize for that.

25 MS. PIRIK: That's fine.

1                   MR. ROGERS: I'm Jim Rogers and I testify  
2                   today as a Duke power residential customer and a  
3                   person of faith working with several faith-based  
4                   organizations concerning energy usage, the state  
5                   of Ohio's -- I'm sorry, the state of the human  
6                   habitat and the rest of God's creation. These  
7                   include the Cincinnati Catholic Archdiocese Task  
8                   Force on Climate Change and Ohio Interfaith  
9                   Power and Light.

10                  Working with these groups, I have done a  
11                  variety of a study and I wish to share some of  
12                  my discoveries with you. I refer to the human  
13                  habitat rather than the environment. By habitat  
14                  I mean the availability of safe air, food,  
15                  water, and shelter to adequately meet humanity's  
16                  needs. The reason I avoid the term  
17                  "environment" is because there are those who  
18                  feel that humans deserve focus more than the  
19                  environment.

20                  And in my study I found out that focusing  
21                  on humans may indeed be the appropriate way  
22                  because humans depend on the environment more  
23                  than the other way around. For example, we  
24                  could not have existed had God not provided  
25                  plants ahead of us to grow in sufficient number

1 to supply us oxygen and begin the food chain.  
2 If we eliminate plants or most of the plants,  
3 we're cooked. So I think a "Save the Human"  
4 campaign is well in order.

5 I ask the commission today to look beyond  
6 the financial concerns of Duke power or their  
7 customers to consider how this case will affect  
8 the health and well-being of Ohio's citizens. A  
9 favorable decision on Duke's power position will  
10 simply incentivize burning more coal, a fossil  
11 fuel, which is simply not in the public  
12 interest. And here's why.

13 My study tells me that our world habitat  
14 is headed towards collapse, with fossil fuels  
15 leading the way. I'm not an Al Gore front man.  
16 I spent time doing my research and have been  
17 helped by the colleagues in my volunteer  
18 organizations. And I believe that if anybody  
19 did the same research, they would come up with  
20 the same conclusion.

21 Some of these signs of collapse are  
22 temperatures -- rising temperatures, shifting  
23 seasons, rising seas displacing islanders, and  
24 more. We're losing about 30 million acres of  
25 cultivatable land each year. That's just one of

1           the number of frightening statistics that are  
2           out there.

3                     Now, some may think this is hogwash, all  
4           a hoax, but there are three major trends  
5           affecting our world of which you are probably  
6           not aware, and I was not aware until I did my  
7           research. These trends are population  
8           explosion, consuming and waste explosion, and  
9           reckless use of resources.

10                    Take population. We know it's been  
11           increasing, but we may not be aware of the whole  
12           extent. Modern humans have existed for about  
13           30,000 years and only by 1927 did we reach  
14           2 billion in number. But less than a century  
15           later that figure more than tripled to more than  
16           7 billion in 2011. So it's gone like this.

17                    This has produced, interestingly, a  
18           number of countries with populations that cannot  
19           be adequately managed or served. We in the U.S.  
20           worry about the influx of immigrants and what it  
21           is doing to our infrastructure. Ironically, our  
22           situation is a cakewalk compared to what most  
23           other countries contend with.

24                    Most other countries have higher  
25           population densities and fewer natural



1 resources. Let's take Pakistan, our sometimes  
2 ally in the war on terrorism. It has a  
3 population density of 236 people per square mile  
4 compared to our 35. If we had the density that  
5 Pakistan has, we'd have 2.2 billion people  
6 living in the United States.

7 Pakistan is described as being stripped  
8 of vegetation and having a median income of \$485  
9 a month. Nigeria is another example. It's the  
10 size of Texas but has five times Texas'  
11 population. Between 2000 and 2005 it lost  
12 55 percent of its primary forest.

13 Next trend, consuming and waste. With  
14 this huge population growth, you expect  
15 consuming per person to go down because there  
16 are a lot more people competing for finite  
17 resources. In fact, in a number of areas  
18 consuming has outstripped population growth by a  
19 large margin.

20 For example, from 1960 to 2010, meat  
21 consumption grew 560 percent, twice the rate of  
22 population growth; nuclear power 1980 to 2006  
23 grew 318 percent, almost six times population.  
24 And it goes on and on.

25 Driving this growth, among other things,

1 is waste, and a desire to live on a grand scale,  
2 which is held throughout the world. From 1950  
3 to 2000 the size of the new U.S. single family  
4 home grew from 1000 square feet to 2200 square  
5 feet. Yet at the same time, the average number  
6 of occupants actually decreased from 3.37 to  
7 2.62.

8 Up to half of the food that is bought in  
9 Europe and the U.S. is thrown away. From 2002  
10 to 2012 worldwide municipal waste per person  
11 grew an estimated 87 percent. That's another  
12 trend that is going whoosh.

13 And then the others are reckless  
14 exploitation of resources. The way we -- the  
15 way we exploit our resources typically entails  
16 damage, often extreme, to either the resource  
17 itself or other resources or our health.

18 Consider the passenger pigeon. Now, I  
19 thought that must be a bird associated with  
20 aviation, given its name. It was actually a  
21 popular eating bird and once 5 billion in number  
22 in North America. We killed so many of them  
23 that they were extinct by the early 20th century  
24 and the last one died in the Cincinnati Zoo.

25 A different example of negligent use, our

1 heavier reliance on commercial fertilizers.  
2 Fertilizer use grew 1200 percent between 1950 and  
3 the present. This certainly has boosted our  
4 agriculture output, but it comes at a price.  
5 The fertilizers bleed into our streams and  
6 rivers, causing algae blooms that decrease the  
7 amount of available oxygen for marine life. So  
8 we now have a number of dead zones around the  
9 world in our lakes and in our ocean. There are  
10 two in Lake Erie where the walleye catch has  
11 dropped from about 5 million to 1 million a  
12 year. There are many more examples of this  
13 which I don't have time to get into.

14 So here's what we have. We have a lot  
15 more people consuming a lot more and devastating  
16 our resources through negligent use. This is a  
17 recipe for disaster.

18 Consider this. Each year we lose enough  
19 forest to cover Panama. Between 1990 and 2005  
20 Honduras lost 37 percent of its forest; Nigeria,  
21 36; Philippines, 32; and so on. I talked to a  
22 friend who recently returned from Guatemala and  
23 she said, it's a pity, I was so glad to get back  
24 to the United States because I could hear birds  
25 chirp.

1                   So let's get to fossil fuels. How do  
2                   they fit in? They are the leading cause of  
3                   global warming, 57 percent; the leading cause of  
4                   air pollution; and leading cause of acid rain.  
5                   In effect, fossil fuels are the Mr. Big of  
6                   practices destroying our habitat.

7                   With regard to Ohio they help make us the  
8                   second most air-polluted state in the nation and  
9                   the Cincinnati-Middletown-Wilmington area the  
10                  tenth most polluted area in the country. Our  
11                  local area has 216,000 cases of asthma.

12                 The effect on climate change is the most  
13                 serious one because fossil fuels inject the  
14                 most heat trapping gas of any source into our  
15                 atmosphere. God designed our atmosphere to  
16                 supply us air to breathe and sufficient warmth  
17                 to live. He provided warmth through a very  
18                 strong percentage of heat-trapping gases that  
19                 catch heat that is reflected off the earth's  
20                 surface.

21                 CO2 is the leading heat trapping gas that  
22                 we have injected into the atmosphere.  
23                 Historically the percentage of CO2 was 275 parts  
24                 per million. That gives you a sense of what a  
25                 finite small percentage of heat trapping gases

1           that we need.

2                       Since the beginning of the Industrial  
3           Revolution that figure has increased because of  
4           human activities, and the figure is now 400  
5           parts per million and we're adding 2 parts per  
6           million each year.

7                       There is general scientific agreement  
8           that this is propelling us towards the most  
9           apocalyptic impacts of climate change. And  
10          there is scientific agreement that we must get  
11          that percentage back to 350 parts per million.

12                      Thus, we must cut back on fossil fuels  
13          immediately, and of any country, America should  
14          lead the way because we have contributed  
15          29 percent of human-induced greenhouse gases now  
16          in the atmosphere.

17                      This is doable. We have a wealth of  
18          untapped renewable energies, such as wind and  
19          solar, to meet our energy needs many times over.  
20          And I can provide some statistics.

21                      Now, there are probably people in the  
22          room who doubt this projection, who doubt we  
23          need to cut back on fossil fuels, who doubt that  
24          we have a scenario full of calamities for our  
25          children and grandchildren if we fail to cut

1 back on fossil fuel use. For those doubters,  
2 let me just point out that there is general  
3 scientific agreement around the world about  
4 this.

5 Scientific academies such as our National  
6 Academy of Science, the Intergovernmental Panel  
7 on Climate Change, NASA, even the reinsurance  
8 industry, which insures other insurance  
9 companies, and the world's major religions,  
10 they're all in agreement.

11 This has to be addressed. The Vatican,  
12 by the way, is advised by its own Pontifical  
13 Academy of Sciences and is powered by solar  
14 panels.

15 I would ask you to look beyond the  
16 interests of Duke Power and its customers to  
17 consider Ohio in the large.

18 From a faith perspective, I would now  
19 like to ask you to look farther and examine our  
20 potential impact on the rest of the world.  
21 People of faith, people of Christian faith,  
22 which is my background, are obligated to follow  
23 the Golden Rule to do unto others what we would  
24 have done to us. We are also governed by  
25 1 Corinthians 12, chapter 12, verses 13 through

1           26, which say that we're all part of the body of  
2           Christ. We're all supposed to unite with one  
3           another. We're all supposed to care for one  
4           another. We're supposed to look out for the  
5           little guy.

6                       So if you follow the faith perspective,  
7           we are to see ourselves as linked to the peoples  
8           of the world like brothers and sisters and look  
9           after them. And they should reciprocate.  
10          Unfortunately, scriptural guidance is observed  
11          more by omission than actual practice. But  
12          nothing prevents us from starting this practice  
13          now and infusing our businesses with altruism.

14                      Our scripture also tells us we are  
15          obligated to be good stewards of God's creation,  
16          accountable to God for our use of His land and  
17          resources. There's no less an authority than  
18          Billy Graham that supports this view. When we  
19          see the pollution in the world, the eradication  
20          of our forest, elimination of our species, other  
21          injuries done to our planet, how will we account  
22          to our Creator?

23                      Please understand that I say all this  
24          without condemning Duke Power, the fossil fuel  
25          industries, or this commission. Not only does

1 the Bible counsel against judging others, but I  
2 come here as a penitent. I have used or  
3 depended on fossil fuels all my life. And I  
4 thank the fossil fuel industry for always  
5 meeting my energy needs. But in the process I  
6 have also contributed to global warming. I  
7 apologize to our Creator, and I'm doing the best  
8 now to change how I live, buying a hybrid car,  
9 avoiding unnecessary trips, and so on.

10 I invite this commission and Duke Energy  
11 to take similar action and join a worldwide  
12 movement to save the planet, aka our habitat,  
13 through sensible energy use among other  
14 initiatives. As a member of Cincinnati's Green  
15 Umbrella, I know Duke understands the challenges  
16 of our times, and I applaud them for seeking  
17 ways to promote renewable energy and help  
18 consumers become more efficient.

19 The condition of the world, however,  
20 requires that we all do a lot more. There's not  
21 one silver bullet to the problems we face. We  
22 must work together to develop the best creative  
23 and lasting solutions.

24 I urge Duke Energy to transition from  
25 fossil fuels to renewable energy as soon as



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1 possible. But I also encourage them to unleash  
2 the great talents of their staff to work with  
3 the community to blaze a trail towards the  
4 solutions we need.

5 In God's eyes, we are all brothers and  
6 sisters. The light within me respects and  
7 honors the light within you. Anyone taking yoga  
8 knows that's the namaste day expression. I  
9 stand ready to work with you, and you are my  
10 kinfolk, to build a future that is pleasing to  
11 our Creator.

12 I apologize for taking so much time, but  
13 I deeply appreciate your consideration.

14 MS. PIRIK: Thank you. And if you want  
15 to just lay that on the corner, we'll be sure to  
16 grab it, for the record. Thank you.

17 Rachel Belz.

18 (The witness was sworn.)

19 MS. PIRIK: Please spell your name and  
20 address for the record.

21

22 RACHEL BELZ

23 a witness herein, being first duly sworn, made the  
24 following statement:

25 MS. BELZ: Okay. My name is Rachel Belz.

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1 R-a-c-h-a-e-l, B-e-l-z. I'm testifying in my  
2 professional capacity, so my work address is  
3 2330 Victory Parkway, Suite 401, Cincinnati,  
4 Ohio, 45206.

5 I'm the executive director of the group  
6 Ohio Citizen Action. Last week I testified  
7 personally as a Duke customer, as I live in  
8 Greenhills, Ohio. I'm here to represent Ohio  
9 Citizen Action and our 80,000 members throughout  
10 the state.

11 Ohio Citizen Action is both a consumer  
12 and an environmental organization. I believe we  
13 are the only consumer and environmental  
14 organization in the state. That's how we were  
15 founded almost 40 years ago.

16 And we take the -- both sides of those  
17 roles very seriously. We have a long history at  
18 Ohio Citizen Action of working on deregulation,  
19 hybrid regulation, re-regulation issues in Ohio.

20 When the utility industry fought in the  
21 late '90s to have deregulation, most of the  
22 other organizations we often allied with were  
23 very opposed to it. We were not for it either.  
24 However, we realized that the train was pretty  
25 much leaving the station and it was probably

1 going to be happening, and so instead of just  
2 giving up, we decided to figure out a way to  
3 help at least the consumers get something out of  
4 deregulation.

5 That's where the community choice came  
6 from. We were the only ones who lobbied for  
7 community choice, which became municipal  
8 aggregation, with two of my dearest friends  
9 actually from 15 years ago. It's an issue that  
10 is incredibly close to all of our hearts. It  
11 gives the consumers a chance to shop around, to  
12 have an opportunity to form a buying group in  
13 your community.

14 And, you know, in Cincinnati, I was one  
15 of the people, along with Kate Melges from  
16 Greenpeace, who stumped to get in 2011  
17 Cincinnati to form a buying group through the  
18 voters and then to use the opportunity to  
19 support and represent renewable energy through  
20 renewable energy credits. So I'm very proud of  
21 that.

22 As an organization, we are deeply  
23 troubled by this rider, this particular price  
24 stabilization rider, as it's called, or as we  
25 refer to it, as a bailout. Most of the reason

1           that we are opposed to it is because of the  
2           environmental and consumer problems it presents  
3           for the people in the state that we represent;  
4           some of them are members and others who are not  
5           members.

6                     We run a professional day-to-day  
7           year-round field and phone canvass staff,  
8           meaning we're talking with Ohioans, some who are  
9           members and some who aren't, some who don't even  
10          agree with us. We talk to them about the  
11          issues. This is one of the issues we've been  
12          talking with them about for the past six weeks  
13          or so. And both in Duke territories, we have a  
14          staff in Cincinnati and up in the Cleveland  
15          area -- I'll save my criticisms. I have a  
16          couple of comments on that.

17                    But we are very opposed to the  
18          application to keep Kyger Creek and Clifty Creek  
19          open and on the backs of the consumers in  
20          particular.

21                    Through my job but also through -- for  
22          personal reasons I've had an opportunity to  
23          visit both of these plants. I've seen how old  
24          they are, and I know they were put online in  
25          1955. And they both have problems with air

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1 releases. They both have problems with water  
2 and coal ash release as any plant or old  
3 business or old car would if you didn't maintain  
4 it as you probably should have.

5 I think it's interesting that in 1999  
6 and 2001 when the legislature passed  
7 deregulation, consumers were asked to bail out  
8 at that time -- or not to bail out, but to pay  
9 billions of dollars to allow the utility  
10 industry to deregulate. We were very opposed to  
11 that. But again, that's why we figured out  
12 there was a community choice option. We modeled  
13 after people in Massachusetts who had done it.

14 Then through the 2000s when there was  
15 basically what you might call a hybrid  
16 regulation, where there was some regulation for  
17 certain utilities and then there was the  
18 spinoffs and all of this sort of thing, so we  
19 heard quite a bit from our members really  
20 confused. People were confused about the  
21 concept of, you know, the personal choice; not  
22 so much the aggregation when they're part of a  
23 bigger group but when they have to go out and  
24 shop on their own.

25 Over the course of just probably a year

1 or two, though, people realized it was really no  
2 different than shopping -- in part because of  
3 PUCO, it was no different than shopping around  
4 for a new cell phone plan, for instance, and  
5 more and more people have shopped around and  
6 have figured out that they don't want to be part  
7 of Duke or First Energy or AEP.

8 So the fact that this is a nonbypassable  
9 rider also is very problematic because I think  
10 that asking people who have, you know, just --  
11 just recently really figured out how competitive  
12 it can be, how much they can save for  
13 themselves, their businesses, their churches,  
14 whatnot, that we're now asking them -- or we're  
15 now -- you know, Duke is asking them; we're not  
16 asking them. Duke is asking them to instead  
17 kind of go back to the old way and even though  
18 we saved over a billion dollars in just five  
19 years as consumers through deregulation and  
20 having all of these choices.

21 So, you know, in whole, we do not agree.  
22 We would really like you to deny Duke's request  
23 for these -- to keep these aging coal plants  
24 going. And when we submit our formal comments,  
25 we will include the comments that we've

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1 collected from our members as well. Thank you.

2 MS. PIRIK: Thank you. That concludes  
3 the list of names for individuals that have  
4 signed up to testify. Is there anybody in the  
5 audience that has changed their mind and would  
6 like to make a statement on the record?

7 Okay. Well, I think then, Commissioner,  
8 you have anything you would like to say?

9 MS. TROMBOLD: No. Thanks again for  
10 coming. And we appreciate all the comments that  
11 were spoken here today and we will definitely  
12 take all of that into consideration. So  
13 appreciate your time.

14 MS. PIRIK: Thank you. We'll submit this  
15 record to the commission. Thank you.

16

17 - - -

18 PROCEEDINGS CONCLUDED AT 1:40 P.M.

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1 C E R T I F I C A T E

2 I, S. Diane Farrell, RDR, CRR, the  
3 undersigned, a court reporter for the State of Ohio, do  
4 hereby certify that at the time and place stated herein,  
5 I recorded in stenotypy and thereafter had transcribed  
6 into typewriting under my supervision the foregoing  
7 pages, and that the foregoing is a true, complete and  
8 accurate report of my said stenotype notes.

9

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13 \_\_\_\_\_  
S. Diane Farrell, RDR, CRR

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