BEFORE THE OHIO POWER SITING BOARD

- - -

In the Matter of the
Application of Duke Energy :
Ohio, Inc., for a :
Certificate of Environmental: Case No. 16-0253-GA-BTX
Compatibility and Public :
Need for the C314V Central :
Corridor Pipeline Extension :
Project. :

- - -

PROCEEDINGS

before Ms. Greta See and Ms. Sarah Parrot,

Administrative Law Judges, 180 East Broad Street,

Room 11-A, Columbus, Ohio, called at 9:10 a.m. on

Thursday, April 11, 2019.

VOLUME III

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502 1 Thursday Morning Session, 2 April 11, 2019. 3 4 ALJ PARROT: Let's go back on the record. 5 This is the continuation of the hearing 6 in Case No. 16-253-GA-BTX. Good morning, everyone. 7 My name is Sarah Parrot, with me is Greta See. 8 Let's start with brief appearances, names 9 only, and on whose behalf you appear today. 10 Mr. Stevenson. 11 MR. STEVENSON: I'm Dave Stevenson, 12 appearing on behalf of the City of Reading. 13 MR. YSKAMP: James Yskamp on behalf of 14 Neighbors Opposed to Pipeline Extension. 15 MS. KINGERY: Jeanne Kingery, Brian 16 Heslin, Rocco D'Ascenzo, on behalf of Duke Energy 17 Ohio. 18 MR. BEELER: Steve Beeler, Robert 19 Eubanks, Ina Avalon, Janean Weber, on behalf of the 20 Staff of the Power Siting Board. 2.1 MR. KEANEY: Mark Keaney and Steven 22 Lesser on behalf of the City of Cincinnati and the 23 Board of County Commissioners of Hamilton County. 24 MR. MILLER: Doug Miller on behalf of 25 Sycamore Township.

MR. PACHECO: Good morning, your Honors, Bryan Pacheco and Mark Arnzen, on behalf of the City of Blue Ash and Columbia Township. Thank you.

2.1

MS. HERNSTEIN: Kara Hernstein on behalf of Jewish Hospital - Mercy Health.

ALJ PARROT: Thank you, everyone.

matters before we take our first witness this morning. One from the Bench, an oversight on my part yesterday. Mr. Yskamp had moved for admission of certain NOPE exhibits. One of those being NOPE Exhibit No. 13 which, as I review the transcript from yesterday's proceeding, was not addressed, so at this time I am admitting NOPE Exhibit 13. It was not objected to, and I just want to get that officially taken care of.

(EXHIBIT ADMITTED INTO EVIDENCE.)

ALJ PARROT: Well, let's start,

Ms. Kingery, there was one issue from yesterday,

let's deal with that.

MS. KINGERY: Thank you, your Honor. When your Honors admitted NOPE Exhibit 12, which was a -- an Investigation Report filed in Case No. 01-520-GA-BTX, we had asked that we take -- that you take administrative notice of any documents in that

docket that might be responsive to that Investigation Report. I've reviewed the Docket Card and there are a few, and if we may approach, we've printed off copies for you.

ALJ PARROT: You may.

2.1

MS. KINGERY: And in the meantime, I'll just identify the dates that they were filed.

August 1, 2003; another one from August 1, 2003;

August 22, 2003; November 28, 2003; November 22,

2004; December 7, 2005; July 26, 2006; June 18, 2007;

and January 17, 2008. And basically it was -- it related to a restoration plan that the Company provided to Staff after it accidentally had cleared some vegetation in -- that they were not allowed to clear under the terms of that certificate, and the final document was evidence of the completion of the terms of that restoration plan.

MR. KEANEY: Your Honor.

ALJ PARROT: Mr. Keaney.

MR. KEANEY: Your Honor, also, if either of these are covered, I want to make sure, there are other letters in here that relate to that issue that we would like to take administrative notice of.

ALJ PARROT: I'm sorry, Mr. Keaney. You are proposing from these documents there are

1 additional ones as well?

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MR. KEANEY: There are other additional documents in the docket that relate to this issue that I don't believe were mentioned, and I would like to include those.

ALJ PARROT: Let's go off the record.

(Discussion off the record.)

ALJ PARROT: Let's go back on the record.

At this time we are going to take administrative notice of the entire docket in Case No. 01-520-GA-BTX to simplify matters. The parties, I understand, are amenable to that approach

MS. KINGERY: Yes, your Honor.

MR. KEANEY: Yes, your Honor.

ALJ PARROT: Very good. Thank you.

Mr. Keaney had an issue as well to raise.

MR. KEANEY: Yes, your Honor. Thank you.

The City and County, as well as the Company, had agreed to the stipulation of 41 discovery responses in this matter, subject to Duke preserving all of the objections in each of those discovery responses. I have got copies of those responses and a list for all the parties, if I may be permitted to approach.

ALJ PARROT: You may.

MR. KEANEY: Your Honor, would it be

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     appropriate to read those into the record?
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                              Yes. Let's go ahead and do
                 ALJ PARROT:
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     that, Mr. Keaney.
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                 MR. KEANEY: Thank you.
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                 City/County Exhibit No. 2 is
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     AV-TNT-01-007.
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                 City/County Exhibit 3 is CITY-INT-02-009.
                 City/County Exhibit 4, AV-INT-02-007.
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                 City/County Exhibit 5, CITY-INT-05-002.
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                 City/County Exhibit 6, AV-POD-01-009
11
     Supplemental.
12
                 City/County Exhibit 7, CITY-INT-05-006.
13
                 City/County Exhibit 8, CITY-INT-01-006.
14
                 City/County Exhibit 9, CITY-INT-05-008.
                 City/County Exhibit 10, CITY-INT-01-024.
15
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                 City/County Exhibit 11, CITY-INT-05-014.
17
                 City/County Exhibit 12, CITY-INT-01-035.
18
                 City/County Exhibit 13c, CITY-POD-02-003
19
     Supplemental and Confidential.
20
                 City/County Exhibit 14, CITY-INT-01-036.
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                 City/County Exhibit 15, CITY-INT- --
2.2
     POD-05-003.
23
                 City/County Exhibit 16, CITY-INT-02-007.
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                 City/County Exhibit 17, NOPE-INT-01-006.
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                 City/County Exhibit 18, CITY-INT-02-008.
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                 City/County Exhibit 19, NOPE-INT-01-008.
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                 City/County Exhibit 20, NOPE-INT-01-013.
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                 City/County Exhibit 21, NOPE-INT-03-027.
                 City/County Exhibit 22, NOPE-INT-01-014.
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                 City/County Exhibit 23, NOPE-INT-03-029.
                 City/County Exhibit 24, NOPE-INT-01-026
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     Supplemental.
                 City/County Exhibit 25, NOPE-INT-03-031.
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                 City/County Exhibit 26, NOPE-INT-01-028.
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                 City/County Exhibit 27c, NOPE-POD-01-006
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     Supplemental and Confidential.
12
                 City/County Exhibit 28, NOPE-INT-01-033.
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                 City/County Exhibit 29c, NOPE-POD-03-014
14
     Supplemental and Confidential.
15
                 NOPE -- sorry.
16
                 City/County Exhibit 30, NOPE-INT-01-035.
17
                 City/County Exhibit 31, NOPE-RFA-01-001.
18
                 City/County Exhibit 32, NOPE-INT-01-037.
                 City/County Exhibit 33, NOPE-RFA-01-004.
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                 City/County Exhibit 34, NOPE-INT-01-038.
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                 City/County Exhibit 35, NOPE-RFA-01-006.
22
                 City/County Exhibit 36, NOPE-INT-02-022
23
     Supplemental.
24
                 City/County Exhibit 37, NOPE-RFA-01-008.
25
                 City/County Exhibit 38, STAFF-DR-02-001.
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City/County Exhibit 39, STAFF-DR-14-001.

City/County Exhibit 40, STAFF-DR-14-002.

City/County Exhibit 41, STAFF-DR-18-002.

And finally, Staff -- excuse me.

City/County Exhibit 42, STAFF-DR-20-001.

And the City and County would move for the admission of the foregoing exhibits.

2.1

(EXHIBITS MARKED FOR IDENTIFICATION.)

ALJ PARROT: Are there any objections to the admission of City/County Exhibits 2 through 42? And just for clarity of the record, I will note that Exhibits 13, 27, and 29 have the designation "c" which I presume is for "confidential"?

MR. KEANEY: Yes, your Honor.

ALJ PARROT: So there are confidential exhibits to be filed under seal. Any objections?

MS. KINGERY: Duke Energy Ohio does not object, subject to the fact that many of those responses included objections, so subject to those objections which we would still then have the right to raise on brief.

ALJ PARROT: Okay. Anything else from the other parties? All right. Hearing none, Exhibit -- City/County Exhibits 2 through 42 are admitted, subject to the rights of the parties to

Duke BTX Volume III

509 1 raise any objections noted in those discovery 2 responses. (EXHIBITS ADMITTED INTO EVIDENCE.) 3 ALJ PARROT: All right. Anything else? 4 5 Thank you, Mr. Keaney. Take a breath --6 MR. KEANEY: Thank you, your Honor. ALJ PARROT: -- after that. 7 8 Do we have a preferred witness order 9 between our two intervenor witnesses today? 10 MR. YSKAMP: I believe we agreed Dr. Guldmann. 11 12 ALJ PARROT: Dr. Guldmann is ready, 13 Mr. Yskamp? 14 MR. YSKAMP: We are calling Dr. Jean-Michel Guldmann. 15 16 ALJ PARROT: Okay. Very good. 17 (Witness sworn.) 18 ALJ PARROT: Have a seat. 19 MR. YSKAMP: Your Honor, at this time, I 20 wish to mark the written Direct Testimony of 2.1 Jean-Michel Guldmann on behalf of Neighbors Opposed 2.2 to Pipeline Extension, LLC, as NOPE Exhibit 19. ALJ PARROT: And the exhibit is marked as 23 24 NOPE Exhibit 19. Let's deal with the confidentiality 25 issue. It's my understanding that the Applicant has

agreed to waive confidentiality with respect to the testimony and the attached exhibits in its entirety, is that correct, Mr. Heslin?

MR. HESLIN: That's correct, your Honor.

ALJ PARROT: Okay. So we are marking what's labeled a Confidential Version NOPE Exhibit No. 19, but for clarity of the record, it is to be

treated as a public exhibit, correct, Mr. Yskamp?

MR. YSKAMP: That's correct.

ALJ PARROT: Okay. Very good. Go ahead and proceed.

(EXHIBIT MARKED FOR IDENTIFICATION.)

13 (Witness sworn.)

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15 JEAN-MICHEL GULDMANN

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

DIRECT EXAMINATION

19 By Mr. Yskamp:

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- Q. Dr. Guldmann, could you please state your name and business address for the record.
- A. My name is Jean-Michel Guldmann. My business address is 237 Knowlton Hall, at The Ohio State University, 275 West Woodruff Avenue, Columbus.
 - Q. And did you prepare written expert

testimony that was filed in this proceeding?

A. I did.

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- Q. If you could look at the document in front of you, labeled NOPE Exhibit 19. Dr. Guldmann, is NOPE Exhibit 19 the previously confidential version of the testimony that was filed in this case?
 - A. Yes.
- Q. Do you have any corrections to make on the testimony?
- A. Yes, I do. Page 20, the beginning of
 this third paragraph, the line starting "In any
 event, DE could replace...." At the end of that line
 there should be a dot and then the following should
 be inserted: "Historically, there are very good
 reasons for using such plants, as they provide, for"
 and then continuation of the second line.
 - Q. You might have to repeat that, Dr. Guldmann.
- A. "Historically, there are very good reasons for using such plants, as they provide, for...." That's it, and then continuation on the second line.
- Q. Thank you, Dr. Guldmann. Are there any other corrections you wish to make?
- 25 A. No.

512 1 Q. So with that correction, if you were 2 asked the same questions today, would your answers be the same? 3 Α. 4 Yes. 5 MR. YSKAMP: Thank you, Dr. Guldmann. This witness is -- I offer this witness for 6 7 cross-examination. ALJ PARROT: Mr. Stevenson? 8 9 MR. STEVENSON: I have none, your Honor. 10 Thank you. ALJ PARROT: Ms. Hernstein? 11 12 MS. HERNSTEIN: No, your Honor. 13 ALJ PARROT: Mr. Pacheco. 14 MR. PACHECO: No, your Honor. Thank you. 15 ALJ PARROT: Mr. Miller. MR. MILLER: No questions, your Honor. 16 17 ALJ PARROT: Mr. Keaney. 18 MR. KEANEY: No, your Honor. 19 ALJ PARROT: Mr. Heslin. 20 MR. HESLIN: Yes, your Honor. Thank you. 21 22 CROSS-EXAMINATION 23 By Mr. Heslin: 24 Good morning, Professor. Ο. 25 A. Good morning.

- Q. Good to see you. You have before you the NOPE exhibit which is your direct -- your filed direct testimony in front of you, correct?
 - A. Yes.
- Q. And you filed that previously in this docket?
 - A. Yes.
- Q. Okay. I would ask for you to turn to page 15 in your testimony.
- 10 A. Yes.

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- Q. And if you look at the very bottom, there is a question therein and it says "Q. What are DE's stated objectives for the C314V" as in Victor, "pipeline extension project?" Do you see that?
 - A. Yes.
- Q. Before I ask any questions, just to be clear, "DE" in your report refers to Duke Energy, correct?
 - A. Correct.
 - Q. And when you reference the "C314V project," that is synonymous with the Central Corridor Pipeline Project that is at issue in this case, correct?
- A. Correct.
- Q. Okay. And if you would turn to page 16,

and you will see that the answer in your report is -or in your testimony is Duke Energy has identified
three goals for the C314V pipeline project:

- (1) Retire the two operating P-A peaking plants, claimed by Duke Energy to have reached the end of their useful lives;
- (2) Provide a better balanced system supply from north to south; and
 - (3) Support inspection, replacement, and upgrading of aging infrastructure.

Do you see that?

12 A. I do.

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- Q. And then just to be clear once again,
 when you reference P-A in the first reason, that
 refers to propane-air?
- 16 A. Yes.
 - Q. So that would be retire the two operating propane-air peaking plants; is that correct?
- 19 A. That's correct.
 - Q. And as you understand it, these are the three primary issues that the Central Corridor Project is designed to address?
 - A. Yes, I do.
- Q. Okay. So let's take these one at a time.

 I would ask you to turn to your testimony page 19,

and in the middle of the page of your testimony, the question is, Has Duke adequately shown the need to retire the propane-air plants? Do you see that?

A. I do.

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- Q. Okay. And you answer -- your immediate answer is no, correct?
 - A. Correct.
- Q. Okay. And if you follow your testimony, the answer and your conclusions regarding this question follow on to page 20 and they continue on to page 21, around the middle of that page, correct?
 - A. Correct.
- Q. Up until the next question which is about another issue. Do you agree?
 - A. I agree.
- Q. Okay. And in addition to your answer
 "no" at the beginning of that answer, at the end -and I would ask you to turn to the last paragraph in
 this answer on page 21 of your testimony, you
 conclude, in summary, there is no need in retiring -no current need in retiring the propane-air plants,
 correct?
 - A. Correct.
- Q. Okay. And that's your conclusion regarding that question, correct?

A. Correct.

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- Q. Okay. Now, you don't have any direct experience in the operation of propane-air peaking plants, correct?
- A. I have not been involved in operating propane-air plants.
- Q. And would it be fair to say that you don't have any experience with subterranean propane caverns?
- A. I do not have experience with subterranean caverns.
- Q. And so if we took a look at your extensive curriculum vitae that is attached to your testimony consisting of approximately 30 pages, we wouldn't see any reference to any experience regarding subterranean propane caverns, correct?
- A. Not regarding subterranean caverns, but I would add I have experience with underground mining and underground structures in coalmines.
- Q. And that was part of your formal training for your Master's Degree from Ecole des Mines in France?
 - A. That's correct.
- Q. And you received that degree in 1970; is that correct?

- A. That's correct.
- Q. And you don't have any other formal training in -- in geology since 1970, correct?
 - A. Correct.

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- Q. Okay. And you are not a geologist?
- A. I am not a geologist.
 - Q. Okay. So your opinion regarding the propane-air plants is completely derived from your review of the various reports and data responses in this case; is that correct?
- A. It is based on my review of all the documents available as well as my general knowledge about the role of peaking systems in distribution companies.
- Q. You aren't bringing any specialized expertise in the area of subterranean propane caverns to form your opinion.
 - A. No.
- Q. Okay. You've never personally inspected the propane-air plants, correct?
 - A. Correct.
- Q. You've never personally inspected the subterranean propane caverns, have you?
- A. I haven't.
- Q. And based upon the references in your

report, you haven't conferred with any experts in geology in preparing this report, correct?

A. I haven't.

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- Q. In fact, you have not conferred with any individual with a specialty or expertise with subterranean propane caverns in rendering this particular report, correct?
 - A. Correct.
- Q. Okay. So let's go back to your testimony. I ask you to turn again to page 19. Now, after your answer to the -- the question, you lay out some information about the propane plants. Do you see that?
- A. Yes, I do.
- Q. And you reference in that first paragraph, Footnote 76, the Lummus Report. Do you see that?
- 18 A. Yes. Yes, I do, yeah.
- Q. And you reference this Lummus Report
 several times throughout your testimony. Would you
 agree?
- 22 A. I agree.
- Q. Do you know how many times you reference the Lummus Report in your testimony?
- A. I haven't counted, but I know I have

referenced it a lot of times, both in terms of analysis of their demand peak send out forecast as well, as with regard to their expansion scenario analysis, as well as regarding the P-A plants.

- Q. So you extensively reference the Lummus Report.
 - A. I have.

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- Q. Would you be surprised to know that you've referenced it, at least in the footnotes, approximately 38 times by my count?
 - A. I'm not surprised.
- Q. And you attached it to your testimony as well, correct?
 - A. I did.
 - Q. Okay. Now, I would ask you to go to the exhibit in your testimony JMG-7 which is the Lummus Report.
 - A. Okay.
- Q. And for the record, JMG-7 is a copy of
 the Gas System Master Plan Study, 2015 to 2035,
 prepared for Duke Energy Corporation by Lummus
 Consultants International. And, Professor, I would
 ask you to turn to numerical page 1, and when you get
 there, it will say "Executive Summary."
- 25 A. Yes.

Q. And under Introduction, it states that "Lummus Consultants International, Incorporated, (Lummus Consultants) was retained by Duke Energy Corporation (Duke Energy) to perform a detailed analysis of Duke Energy's existing Ohio and Kentucky transmission and high pressure distribution systems to determine supply reliability, forecast future needs and provide recommendations for a 20-year capital improvement plan (CIP)." Do you see that?

A. Yes, I do.

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- Q. And then at the beginning of the second paragraph, it says "Lummus Consultants, through its legacy companies, including Stone & Webster Management Consultants, Incorporated, and Shaw Consultants International Incorporated, has a history of over 100 years of providing engineering, construction, and consulting services related to the energy industry." Do you see that?
 - A. I do.
- Q. Do you have any reason to doubt the expertise of the Lummus Consultants?
 - A. No.
- Q. And by the nature of this report and its analysis, they provided a pretty extensive report and recommendations to Duke Energy, correct?

- A. They did.
- Q. Okay. Now, I would ask you to look at
 Roman Numeral iii which is part of the Table of
 Contents.
 - A. Yes.
 - Q. And if you look in the Table of Contents, under Chapter 6, it indicates that there is a chapter that covers U.S. Peak Supply Facilities. Do you see that?
- 10 A. I do.

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- Q. And then under Chapter 7, it states "Duke Energy's Peak Supply Facilities." Do you see that?
 - A. I do.
- Q. So this report specifically addressed the propane-air peaking facilities that we're talking about, correct?
- 17 A. Yes.
- 18 Q. In this Chapter 7, would you agree?
- 19 A. Yes.
- Q. And if you look at 7.2 and 7.3, they
 break out the East Works propane facilities and the
 Erlanger propane facilities. Do you see that?
- 23 A. I do.
- Q. Okay. So let's go to that Chapter 7,

 Duke Energy's peak supply facilities, in the Lummus

Report, JMG-7 exhibit to your testimony. Are you there?

- A. I'm there.
- Q. And so 7.1, they indicate "Overall Peak Supply Facilities." Do you see that?
 - A. I do.

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- Q. And it states, to augment natural gas supplies in support of system operations, Duke Energy has operated three propane-air facilities over the past six heating sessions -- seasons. These facilities are: 1, East Works in Cincinnati, Ohio; 2, Erlanger, Kentucky; and 3, Dicks Creek, Ohio, correct?
- A. Correct.
 - Q. And you understand that Dicks Creek, Ohio is no longer in service, correct?
 - A. I do understand that.
- 18 Q. There was a leak and they had to retire 19 that facility, correct?
 - A. That's correct.
 - Q. And then right under that it states "The three propane air plants are essentially identical in equipment type and size." Do you see that?
- 24 A. I do.
- Q. Would you agree that most propane-air

- peaking facilities utilize aboveground storage?
- A. Yes. In fact, Duke is unique in having these underground caverns as storage system.
- Q. You are not aware of any other LDCs that utilize subterranean propane caverns as their storage facilities for propane-air peaking plants.
 - A. I am not aware.
- Q. Do you have any reason to doubt any of the statements we just covered in that section, 7.1?
 - A. No.
 - Q. No dispute?
- 12 A. No.

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- Q. Turn to page 91 of this report. And I would ask you to look to the bottom of the page to Chapter 9.2, Propane Plant Recommendations. And I would ask for you to read the first sentence there.
- A. "Lummus Consultants recommends that Duke Energy should evaluate the phasing out, closing, and decommissioning of both propane air facilities currently operated by Duke Energy (at East Works and at Erlanger)."
- Q. And so, that's the recommendation from Lummus Consultants, correct?
- A. Yes. The recommendation is that Duke
 Energy evaluate these issues.

Q. Okay. And then it goes on to say "This recommendation includes evaluation of the decommissioning of the underground mined-cavern propane storage facilities as well as the above-ground propane air blending facilities." Do you see that?

A. I do.

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- Q. And then "Lummus Consultants has arrived at this conclusion based on the following reasons, arranged in order of the perceived importance" and then it goes on to the next page, page 92 of JMG-7. Do you see that?
 - A. I do.
- Q. And then it lays out multiple bullet points to support their recommendation that Duke Energy evaluate the decommissioning of the propane plants, correct?
 - A. Correct.
- Q. In the first bullet it states "The underground storage caverns, both of which lie close to the Ohio River, have been encroached upon by several types of establishments, creating risks that did not exist when the caverns were constructed.

 River barge traffic, housing developments, nearby road construction, and river bridges carrying large

numbers of vehicles, have all increased during the past 60 years since the cavern construction. These risk exposures are of more concern now due to the increased congestion." Do you see that?

A. I see that.

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- Q. Do you have any reason to disagree with that?
- A. I don't have any information that would lead me to disagree with that.
- Q. And in the second bullet, "Lummus Consultants believes that the caverns continue to be used due in part to the grandfathered nature of their construction, operation, and regulation.

 Construction of these caverns today, under current conditions and regulations, would not be as likely to receive approval from Federal, State, or local" agency -- "regulatory agencies, the Corps of Engineers, local fire departments, et cetera." Do you see that?
 - A. I see that.
- Q. Do you have any reason to disagree or dispute that statement?
- A. I have no information to dispute that statement.
- Q. And I'll skip to the fourth bullet. It

says "The rock-mined storage caverns - now well over 60 years old, are not a standard means of storage for propane. The modern means of storing propane utilizes above-ground (or ground-covered) steel tanks." Now, that is consistent with your earlier testimony, correct?

A. Yes.

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- Q. So you would agree with that statement.
- A. Yes.
- "The storage caverns are showing signs that they are near the end of their useful life. These East Gas Works storage cavern has recently exhibited a very slight casing leak for the first time. We understand that the Todhunter Cavern, which serviced Dick's Creek and was owned and operated by Enterprise, is no longer operational because of a storage integrity issue." Do you see that?
 - A. I do.
 - Q. And you have no reason to dispute that.
 - A. No.
- Q. Okay. And then the next bullet. "Unlike natural gas, which is lighter than air and will quickly dissipate in the event of a leak, propane is heavier than air, and if leaked will seek low-lying

areas where it can amass and become a more serious safety hazard." Do you see that?

A. I do.

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- Q. Do you have any reason to disagree with that statement?
 - A. No.
- Q. Okay. Let's turn back to your testimony and specifically the Question and Answer that we started this with on page 19. "Has Duke adequately shown the need to retire the PA plants?" And your answer with the conclusion that there is no current need to retire the propane-air plants goes through 21, and so I would ask you to show me, in your answer to this question, a reference that the Lummus Report specifically addressed the propane-air peaking plants or the propane caverns.
- A. I am not sure I understand your question. Could you rephrase?
- Q. Sure. Anywhere in your answer do you reference the recommendation by Lummus Consultants that Duke Energy evaluate the decommissioning of the propane plant?
- A. I made several references to the Lummus

 Report, but I'm not sure that I formally stated that

 they had recommended the decommissioning of the

plants. My reference to the Lummus Report, page 20, is with regard to the cost data I show in the small table at the bottom of page 20.

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- Q. Correct. And besides that, that's the only reference in your answer to the Lummus Report.
- A. No. On page 19, I also refer to the Lummus Report that provided peak output data for -- for the two plants. In fact, I provided two footnotes to -- to the Lummus Report, so.

Yeah, I indicated, page 19, in the first paragraph, that the description of these facilities are available in the Lummus Report, and then I mentioned the peak output as provided by the Lummus Report. And the third reference to the Lummus Report was on the cost data at the bottom of page 20.

- Q. Would it be fair to say there is no reference to the -- the specific recommendation by Lummus Consultants regarding the propane-air facilities and the propane caverns?
- A. With reference to their recommendation of the decommissioning; is that what you are asking?
 - Q. Correct.
 - A. Yes. I didn't state it explicitly.
- Q. A reader of this would not know, by your answer, that the very report that you reference

almost 40 times in your report and no less than three times in the answer, that those specialized experts had recommended that Duke Energy seriously consider the decommissioning of the propane plants.

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MR. KEANEY: I am going to object to the extent this calls for the witness to speculate what a reader might know. He can only testify as to his personal knowledge. He can't testify about what someone else might interpret a document to mean.

MR. YSKAMP: I have an objection as well.

It just misstates the record. It didn't say

"seriously consider." It said "evaluate" in the

Lummus Report.

ALJ PARROT: Maybe try to rephrase it, Mr. Heslin.

MR. HESLIN: I can do that. I just -- am I going to have to have both -- is everyone objecting or is one person handling this witness? I am fine either way, I just want to know if this is going to be open objection forum.

MR. KEANEY: Both the City and County and NOPE are sponsoring this witness. I would also like to mention that counsel for the Company have switched witnesses at the same time.

MR. HESLIN: Not the same witness.

MR. KEANEY: I don't believe that to be true but I could be incorrect.

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MR. HESLIN: You are mistaken. You are mistaken.

ALJ PARROT: That does raise a question I had. Dr. Guldmann, on whose behalf are you testifying on today? It's not clear from your testimony. I've heard from counsel now on the subject, but I would like to hear from you.

THE WITNESS: I am testifying on behalf of NOPE, the City of Cincinnati, and the County of Hamilton.

ALJ PARROT: Thank you. It's not clear from the cover page of your testimony that that's the case, so thank you for clarifying.

THE WITNESS: I thought I had put it, your Honor, at the very beginning. The second page.

ALJ PARROT: I think you reference that on the second page, but not on the cover, which is why I was asking for clarification.

THE WITNESS: You are right, it's on page 2, yes.

23 ALJ PARROT: Thank you.

With that, we should have one counsel that's handling this witness, and I believe that's

Mr. Yskamp.

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2 MR. KEANEY: Understand, your Honor.

ALJ PARROT: He's objected. I have asked you to clarify or restate your question, so let's do that.

MR. HESLIN: Thank you, your Honor.

- Q. (By Mr. Heslin) In your answer on pages
 19 to 21 to the question that we've been discussing,
 there is no reference in that part of your testimony
 to the fact that Lummus Consultants recommended that
 Duke Energy evaluate the decommissioning of the
 propane-air plants and the propane caverns, correct?
 - A. Correct.
- Q. And that is in the face of the fact that they specifically address that issue in the report, correct?
- A. Correct.
- Q. And that is despite the fact that you reference the Lummus Report in approximately 38 footnotes in your report, correct?
 - A. Correct.
- MR. YSKAMP: Objection. This has been asked and answered three times now.
- MR. HESLIN: That was the restatement of the question.

ALJ PARROT: Right. Overruled.

- Q. (By Mr. Heslin) So to clarify, you have no specialized experience in propane caverns, correct?
 - A. Correct.

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- Q. You did not confer with any experts on propane cavern integrity, correct?
 - A. Correct.
- Q. Your entire conclusion is based upon the references indicated in your report, correct?
 - A. Correct.
- Q. And the -- one of the reports that you have referenced has recommendations that appear to be contradictory to your testimony, correct?
- A. I'm not sure that it's contradictory because the recommendation of Lummus is that Duke evaluate, and "evaluate" is not like saying Duke Energy should decommission the plants, should ever do decommissioning of the plants; so there is a process of evaluation of analysis that has to be involved.
- Q. Later, in the Lummus Report, they lay out multiple alternatives or potential projects that Duke Energy should entertain to address the decommissioning of the propane plants, correct?
- A. Correct.

- Q. So -- and your testimony, for several pages, lays out those alternatives, correct?
 - A. Yes.

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- Q. And all those alternatives have in mind the retirement of the propane-air plants, correct?
- A. The Lummus Report, in its analysis of various expansion scenarios, assumes that the propane-air plants are taken out.
- Q. Okay. So they not only recommended the evaluation, but they went through very detailed analyses about potential projects that Duke Energy could explore that included the decommissioning of the propane-air plants?
- A. Yes, that was their option. They didn't have to do that, but they did that.

MR. HESLIN: Your Honor --

- Q. Okay. Professor, that's -- that's the question and answer regarding the propane-air plants, correct, in your report?
- A. Are you asking me whether I have additional comment regarding propane-air plants?
- Q. Let me ask it -- let me ask it better. That wasn't very precise.
- Pages 19 through 21 are where you address
 the question whether Duke adequately has shown the

need to retire the propane-air plants, correct?

A. Yes.

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- Q. And if you could turn to page 21, in the middle of the page is a question, "Is the C314V Project necessary to support inspection, replacement, and upgrading of aging infrastructure?" Do you see that?
 - A. I do.
- Q. And then you have an answer that goes through the middle of the page and then another section starts. Do you see that?
 - A. Yes, I do.
- Q. So this is the part of your testimony where -- where you address that other factor, I believe it was the third factor of whether the Central Corridor Project is necessary to support inspection, replacement, and upgrading aging infrastructure, correct?
 - A. Correct.
- Q. And your answer is "The C314V Project is not necessary to achieve this goal." Do you see that?
 - A. I do.
- Q. And then you explain some of the projects on other lines that Duke Energy is planning to

perform to either upgrade or replace those lines, correct?

A. Yes.

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- Q. And you provide this description that Duke Energy intends to replace sections of Line A over the next 20 years, correct?
 - A. Yes.
- Q. And sections of Line EE were scheduled to be replaced in 2018 and 2021, that is before the scheduled start of C314V, correct?
 - A. Yes.
- Q. And then Line V is scheduled for replacement in 2022 and 2023. Do you see that?
 - A. I do.
- Q. Now, your next statement, and I want to break it up, it states "While C314 could provide,

 1) alternative feeds to the south end of Line A via
 Line V," and then "2) an alternative feed to Line V
 when segments are disconnected, and/or 3) an
 alternate feed to Line V and the north section of
 Line EE when disconnected...." Those phrases, would
 it be fair to say that you're stating that Central
 Corridor could provide alternate feeds when upgrading
 or replacement projects were performed on those
 lines?

Α. I stated that the project could provide alternative feed, but I'm also adding that within the discovery, DE admitted that the Lines AA, EE, and V could be upgraded and/or replaced -- replaced without operating C314V. The precise statement in the discovery was maintained, but I understood it in a broader sense that maintenance also involves replacement of parts and elements in a system. Q. Okay. MR. HESLIN: May we approach, your Honor? ALJ PARROT: You may. MR. HESLIN: We would ask to mark the exhibit which is a request for admission, NOPE-RFA-01-001 as Duke Energy Ohio Exhibit 16. ALJ PARROT: Mr. Heslin, I believe this may have been marked as City/County Exhibit 31 and admitted into the record already. MR. HESLIN: It was, and I can reference it as that. ALJ PARROT: Let's do that. MR. HESLIN: 31, your Honor? ALJ PARROT: Yes. City/County Exhibit 31.

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front of you City/County Exhibit No. 31. Now, I want

(By Mr. Heslin) Professor, you have in

to take you back to your testimony. You say Duke Energy admits, and then reference 84 in the footnote references NOPE-RFA-01-001, correct?

A. Correct.

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- Q. Okay. And that is the request for admission that is designated as City/County Exhibit No. 31; is that correct? Yes?
 - A. Correct, yes.
- Q. And in your testimony you state Duke Energy admits that Lines A, EE, and V can be upgraded and/or replaced without operating C314V, correct?
 - A. Correct.
- Q. And that includes the reference to City/County Exhibit No. 31, right?
 - A. Uh-huh, yes.
- Q. And you based your entire opinion that Duke Energy had admitted that it could upgrade or replace these lines on City/County No. 31, correct?
 - A. Correct.
 - Q. And can you read that request for me?
- A. Sure. "Admit that you can perform maintenance on existing lines in the central corridor without building the proposed pipeline."
- Q. Can you show me where it references upgrading of pipelines?

- A. I think I have already stated that point. It doesn't include the word "upgraded." I indicated that my understanding of maintenance involves also possible replacement and upgrading.
- Q. The question in your testimony references inspection, replacement, and upgrading explicitly, correct?
 - A. Yes.

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- Q. And then in the first sentence -- second sentence, it states "Duke Energy intends, as it should, to conduct regular maintenance and upgrades on its existing lines," correct?
 - A. Correct.
- Q. And then you talk about replacements, correct?
- A. Yes.
- Q. So in your answer -- in your testimony, maintenance, upgrades, and replacement are explicitly stated separately.
- A. They may be stated separately, but in my mind, "maintenance" is a general term that would involve, first of all, inspection necessarily and then it may involve replacing parts, whatever their size, when necessary. So essentially my view is that the term "maintenance" involves -- may involve small

capital investments, replacing parts.

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- Q. So it's your testimony you inferred from the admission to RFA, NOPE-RFA-01-001, that it included upgrade and replacement, correct?
- A. Yes. Because in any case there would be no need for the project, for instance, to conduct inspection, and clearly maintenance would involve some work on the lines and that may need a closure of some portions of the line, temporarily, to conduct whatever maintenance and replacement is necessary.
- Q. So, therefore, is it your testimony in your answer on page 21, we could just replace the words "upgrade" and "replace" with "maintenance" throughout? Because you deal with them separately in your testimony.
- A. I think you could. Clearly maintenance has to involve some action on the equipment, beyond pure inspection and detection of the problems.
- Q. Now, the NOPE RFA was drafted by NOPE, correct?
 - A. I have no reason to doubt that.
- Q. So they decided on the wording of this RFA, correct?
- A. They decided, yeah.
 - Q. Okay. And they could have included

"upgrade and replacement" in that RFA, could they, right?

- A. They could, and I would infer that they understood the term "maintenance" in a more general term than what you seem to imply.
- Q. And just to be clear, your entire conclusion regarding this issue is based entirely on your interpretation of RFA-01-001, correct?
- A. It is, as there is no other information really in the Amended Application or other documents detailing the possible upgrade, replacement, and their intake flow implications, so this was the only basis and essentially I relied on Duke's admission of that point.
- Q. Okay. Professor, let's talk about the north-south balance, and I will refer you back to page 19 of your testimony. If you will look towards the top of the page, the question is "Will the C314V project achieve Duke Energy's stated goal of improving north to south flow across the system?" Do you see that?
 - A. I do.
- 23 Q. And your answer is "No."
- 24 A. Yes.

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Q. Okay. And it specifically asks about

whether it will improve north to south; is that correct?

A. Yes.

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- Q. Okay. And when discussing this north-south balance, would you agree that bringing more supply at increased pressure from the north, would help improve the balance between -- the north-south balance on the Duke Energy Ohio/Duke Energy Kentucky integrated system?
- A. Of course it would improve the balance. My point is that the project does improve it in a very marginal way and, therefore, it is my opinion that it doesn't achieve a real goal of significantly lessening the dependence of the whole system on the supply from Foster.
- Q. In your testimony you state that the proposed 20-inch pipeline is expected to reduce reliance from 55 percent to 45 percent, correct?
- A. This is in one of the scenarios when the flow from the north through C314V is maximized. In the other scenario, when Foster is maximized, the balance is much less favorable. So essentially the improvements that would be brought in by the project would be reducing the dependence on Foster from 55 to 60 percent -- 60 percent is a value provided by Duke

over the last few years from the date of the Application -- to a number between maybe 45 and 50 percent.

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- Q. So a differential of 60 percent to around 45, 50 percent, is what you are saying?
 - A. That's what I am saying.
- Q. And you would characterize that as a minor improvement?
- A. I characterize it as a minor improvement because it doesn't solve the -- the dependency of the system on the supply from Columbia Gulf Transmission through Foster. Would -- would that supply be interrupted, that would still lead to serious consequences as outlined by Duke in its application.
- Q. The differential, whether it's 55 to 45 or 60 to 50, that would incorporate the concept that the propane-air facilities would be abandoned, correct?
- A. All the scenarios proposed by Duke in its Application, as well as all the scenarios presented in the Lummus Report or assumed, assume that the P-A plants are not contributing.
- Q. Okay. So I'm just referring to your testimony right now on page 19 where you state the proposed 20-inch pipeline is expected to reduce

reliance from 55 percent to 45 percent. Do you see that?

A. Yes, I do.

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- Q. That improvement also includes the fact that the Central Corridor Pipeline will replace the propane-air facilities as well, correct?
 - A. That's correct.
- Q. Okay. So that differential is in addition to the replacement of the propane-air plant.
- A. Yes. It doesn't account for the propane-air plants.
- Q. Okay. In the -- at the end of your answer you talk about other options that Lummus developed, and I believe later in your report you state your preference for those options, correct?
 - A. Absolutely.
- Q. Okay. And that's because in -- based on your review of the Lummus Report, it appears -- some of these scenarios appear to address this north-south balance more so than the Central Corridor Project, correct?
 - A. Absolutely.
- Q. Now, would you agree with me that the initial design for the Central Corridor Project that included a 30-inch pipeline would have had a greater

impact on the north-south balance?

- A. Sure, it would have brought in more gas.

 Due to the higher capacity.
- Q. Well, from a system planner or hydraulic perspective, bringing in more gas from supply in the north would improve the north-south balance, correct?
 - A. It would.
- Q. And Duke Energy downsized the pipeline in response to concerns from the community regarding safety, correct?
 - A. That's correct.
- 12 Q. You have no reason to doubt that's the reason.
 - A. No.

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- Q. And from an operational perspective, that does lead to a decrease in the impact of the pipeline on the north-south balance, correct?
 - A. Yes, it does.
- Q. Let's turn to these alternatives that you prefer out of the Lummus Report and in -- let me ask you to turn to page 22. And on page 22 there is a question, "Please describe the expansion scenarios presented in the Lummus Report." Do you see that?
 - A. Yes.
- Q. And you provide an answer from 22, 23,

- 24, to the next question on 25. Do you see that?
- 2 A. Yes, I do.

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- Q. And then the question is, "How does Lummus evaluate these scenarios?"
 - A. Yes.
 - Q. Do you see that?
- A. Yes.
 - Q. And your answer is from 25 to 26 and then the question is, "Did Duke obtain other route evaluations?" And then you reference the Route Evaluation Report that is designated in Footnote 111 of your direct testimony; is that correct?
 - A. Yes, that's correct.
 - Q. Okay. So would it be fair to say pages 22 to 27 are just facts or repackaging of what's contained in the Lummus Report in the Route Evaluation Report?
 - A. Yes. It is a restating of critical review of what was included in the Lummus Report.
- Q. Until the later questions, there is no analysis in 22 to 27, correct?
- A. No. It's only an analysis of the data provided in the Lummus Report.
- Q. It's a presentation of the data.
- 25 A. Yes.

- Q. Okay. So then on page 27 is when the questions come up about the variance. The question on page 27 is "If network expansion is ultimately necessary, what are the better alternatives to the proceeds C314V line?" Do you see that?
- A. Yes.

- Q. And your answer is "The line W-1 (or its minor variant W-2) proposed by Lummus presents the best option by far, both in terms of population exposure and ability to provide a good north-south flow balance as described below." Do you see that?
 - A. Yes, I do.
- Q. Okay. So -- and then you provide your analysis to support that answer, correct?
 - A. Yes.
- Q. And to be clear, you performed a population analysis as part of this -- your assessment, correct?
- A. Yes. I performed a population and land-use analysis.
- Q. As far as the north-south, the
 hydraulics, the system aspects, you relied entirely
 on the Lummus Report, correct?
- A. Yes, I had to, as I had no means to perform such analysis, not having access to your

Synergi model.

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- Q. Okay. And I believe in JMG-6 is where you have some exhibits that are related to your assessment of scenario W-1, and for all intents and purposes, the variant W-2, correct?
- A. Yes. The W-2 is really an extension of W-1 with a small lateral to the Miami Fort Power Plant; so that could provide the option of serving this power plant.
- Q. Okay. So I refer your attention to Exhibit JMG-6 of your filed testimony and Figure 2 in particular.
 - A. Yes.
- Q. It's a map of -- an overlay map of the Proposed W-1 that is contained in the Lummus Report that you designate as your preferred option, correct?
 - A. Correct.
- Q. And that's based on the population analysis and also the assessment by Lummus that it would have the greatest impact on north to south, correct?
- A. Yes. It's based on both Lummus' analysis of the flow balance and my analysis of the population and land-use exposure of this pipeline as compared to C314V.

- Q. Okay. And just to kind of walk through that variant or this alternative, it starts off on Harrison Avenue; is that still in Hamilton County?
- A. I'm pretty sure it is in Hamilton County, yes.
- Q. It runs down, and there is a point with an I-275, once again we are still on Figure 2, to Brower Road.
 - A. Uh-huh, yes.

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- Q. And then it goes under the river, presumably into Kentucky, and then essentially the southern half of the pipeline is in Kentucky until it presumably connects with the system, the rest of the system at Anderson Ferry, correct?
- A. That's correct. I followed the outline as presented in the Lummus Report to -- to approximately draw the line.
- Q. This alternative, do you have any opinion whether the Ohio Power Siting Board has siting authority over a pipeline that half of it, approximately 6 or 7 miles, is in Kentucky?
- A. I really do not know the details of regulation in this regard. My assumption would be that there would be possibly a need for the corresponding authority in Kentucky to -- to approve

that line. I would also add that as I said before, I followed the outline of Lummus, but a close alternative could be having the line on the right side of the river and maintain it wholly within Ohio and resolving this problem without much of a difference so.

- Q. But you have conducted zero analysis on the viability of that line remaining on the eastern bank of the river?
 - A. I have not.
- Q. Okay. And you did not perform any jurisdictional analysis regarding this potential alternative, correct?
 - A. No.

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- Q. Looking at this figure, it looks like it would pick up gas off of interstate provider at Harrison Ave., and then, as we said, cross over in Kentucky. Would it be fair to say, because of the interstate nature of these proposed facilities, this would be a FERC-jurisdictional pipeline?
- A. It could be. I am not sure about that because this is -- would be a small pipeline around 16 to 18 miles and it would be part of an integrated system. So it may be that FERC would have to -- to be an intervenor or an approver of the project, but I

am not absolutely sure.

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- Q. You didn't perform any FERC-specific analysis as to the nature of these facilities, correct?
- A. No, I didn't. I assumed that, as this alternative was included in the Lummus Report, it was certainly a possibility that Duke would consider; and certainly Duke considering this alternative, would have accounted for the possibility of involving other regulatory bodies. So my focus has been exclusively here on looking at the population and land-use exposure to this option.
- Q. And so, you don't know if Duke Energy
 Ohio could obtain authority to build facilities in
 Kentucky, correct?
- A. I assume that Duke Energy Ohio could obtain -- could apply for such an extension in Kentucky from Kentucky authorities. Obviously the whole Duke system, Duke Energy system is an integrated system which is made of two parts, one in Ohio, one in Kentucky, but it's one system. The gas flows do not know such jurisdictional boundaries. So the only reason why you have two different jurisdictions is simply because you have two companies, Duke Energy Ohio and Duke Energy Kentucky.

And so, therefore, they report to different regulatory bodies. But it's really one system.

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- Q. Were you aware that DEO and DEK charge FERC-jurisdictional rates to each other because of their interstate nature of the facilities?
- A. I was not aware of it, but I'm not surprised about it.
- Q. Beyond the population study, you didn't perform any other analysis regarding viability of this proposed alternative.
- A. No, I didn't, because as I said, I took it that this project was included in the Lummus Report, and I assumed that Lummus would not present an option that would be completely unviable.
- 15 Therefore, I presumed it was viable.
 - Q. So your assumption.
 - A. It was my assumption based on my understanding of the report.
 - Q. Now, the other alternative that your testimony explores is the potential looping of Line A, correct?
 - A. Yes.
- Q. And I refer your attention to page 27,
 back to that question where you talk about the W-1,
 W-2 variant. The last sentence there, and I'll read

just the last part of it, "while another example would be looping/upgrading lines WW and A, although those are not my preferred options as explained below." Do you see that?

A. I do.

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Q. Okay. Now, Duke Energy has stated that the current right-of-way and the easement width is not sufficient to provide a looping of that line. You understand that, correct?

A. I read that.

Q. Okay. And let's make sure we are all clear on what looping is. A looping facility would be the laying of another pipeline, presumably a higher-pressure, higher-capacity pipeline, right next to Line A and -- correct?

A. Yes.

- Q. And is it your testimony, if indeed the easement width is not sufficient for that looping, that Duke Energy should go about the process of expanding an additional easement width or right-of-way to allow for the looping of Line A?
- A. Duke should certainly consider that option and investigate the possibilities of expanding the right-of-way.
 - Q. Have you ever walked or tracked the

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Line A route?
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- A. Well, I -- I have been shown a map of Line A during the deposition.
- Q. So my -- and I just want to be clear, are your clients, NOPE, advocating the looping of Line A through the broadening of the right-of-way or easement?
- 8 MR. YSKAMP: Objection. He is asking the 9 witness to speculate about what my clients are 10 advocating.
- A. I don't know --
- 12 ALJ PARROT: Dr. Guldmann.
- MR. YSKAMP: Dr. Guldmann, don't answer
- 14 | until --
- 15 ALJ PARROT: Were you finished,
- 16 Mr. Yskamp?
- MR. YSKAMP: Yeah.
- 18 ALJ PARROT: Response?
- MR. HESLIN: This testimony is provided
- 20 on behalf of NOPE, the City of Cincinnati, and the
- 21 | County. They -- he states the Line A looping project
- 22 as an alternative to the Central Corridor Project.
- 23 I'm asking him if his clients are in agreement with
- 24 his proposal that Line A be looped in order to serve
- 25 | some of the issues that the Central Corridor Project

addresses.

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ALJ PARROT: And, Dr. Guldmann, to the extent you are able to, please answer the question.

THE WITNESS: Yes, I will.

I have been asked, when I was engaged on this work, to review the material and to provide my opinion as to regarding the project and possible alternatives. I have not directly interacted with NOPE and so I don't know whether NOPE is in favor of looping Line A and expanding the right-of-way. This is my personal view.

And I would add, as I started to say before, that based on the map you provided me with the outline of Line A on the background of Google Earth picture, I certainly on that map couldn't see any buildings and other structures in any significant concentration along the line, in contrast to all the buildings that could be seen on the map for the Preferred and Alternative Route. That would suggest to me that expanding the right-of-way might not be a major issue.

Q. (By Mr. Heslin) And would your answer be -- regarding whether your clients are advocating it, it would be the same for the City and the County?

A. Yes.

Q. Okay. You just testified you were engaged to handle this work, review materials, and you provided your opinion regarding the project and possible alternatives. You did not go back to your clients to seek agreement, correct?

A. No.

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Q. Do you have any idea whether your clients agree with anything in your report?

MR. KEANEY: Objection, your Honor. He is asking now about my client. If I may be heard? If he wants to confine it to NOPE, then I will stay out of it.

MR. HESLIN: I'll confine it to NOPE.

ALJ PARROT: Okay.

MR. YSKAMP: Yeah. He has already answered he hasn't even spoken with them so he has already answered this question.

MR. HESLIN: It's a broader question, your Honor.

ALJ PARROT: Overruled.

Go ahead, Dr. Guldmann.

A. As I said, I have not interacted with either NOPE, nor the City, nor the County. I have reviewed all the material that was made available to me by Mr. Yskamp as well as Mr. Keaney and Mr. Lang,

but all my testimony is based on the analysis of this material.

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MR. KEANEY: And, your Honor, if I may, if I could direct the witness, any communication that you've had where counsel has been present for either NOPE or the City or County, don't answer. Don't provide any of that information.

MR. HESLIN: And to be clear, I am not asking for it.

ALJ PARROT: General questions as you've asked so far, Mr. Heslin, fine. But yes,
Dr. Guldmann, they are not asking you to divulge the details of conversations with your attorneys.

MR. HESLIN: And I am moving on, your Honor.

Q. (By Mr. Heslin) Just for the record, you referenced a map from your deposition and we don't have it in front of us now, but that was a map that included designations for the Preferred and Alternate Route as well as Line A; is that correct?

A. That's correct.

Q. And is it your opinion that Central Corridor, from a hydraulic perspective, serves virtually an identical role as a looping of Line A would?

- A. It could, yeah.
- Q. The starting point and the endpoint for those lines are very close, correct?
- A. Very close. The Line A ends at Norwood and the Alternate Route also -- the other one ends at Fairfax. So all these points are fairly close on Line V.
- Q. Let me ask you to turn to page 2 of your testimony, and that's Roman Numeral I, Market Demand Analysis.
- 11 A. Okay.

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- Q. And would it be fair to say that from pages 2 through -- through the top of 8 is your market assessment? Market demand analysis?
- A. Market demand analysis runs from page 2 to page 12.
- Q. Okay. Let me actually have you go to page 8, which I just referenced, and that's where you -- I'll wait for you to get there. Sorry.
 - A. Yeah, I'm fine.
- Q. You referenced the designation in the Amended Application regarding Duke Energy supplying, in their current system at the time of that Application, a 43,000 Mcf per hour peak-hourly flow. Do you see that?

A. I do.

- Q. Okay. And you also note in your testimony that for modeling purposes in the Cinergy modeling that are referenced in the Amended Application, the Mcf for the peak-hourly flow that was inputted was 45,500, correct?
 - A. That's correct.
- Q. And as part of the conclusions in your market demand analysis, you take issue with Duke Energy using the 45,500 peak-hourly flow in their modeling; is that correct?
 - A. That's correct.
- Q. I would ask you to turn to page 11 of your testimony. In the middle paragraph there, and this is -- I'll represent based on the citations that -- a lot of this is based on the Lummus Report. You indicate that Lummus reports a peak-day flow in January 2014 of 956,726 Mcf per day. Do you see that?
- 20 A. Yes.
- Q. And just to be clear, that was the actual daily flow, correct?
- A. In fact, it is not. This is -- the value of 956,726 is the smooth value as computed by Lummus.

 The actual flow on January 6, 2014, was the

926,000-plus something. But they used a model, statistical model, and estimated that value at 956 which was about 3.2 percent above the actual value.

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- Q. Okay. So when -- on page 11 of your testimony, when you indicate that they reported it was the actual peak-day flow; is that inaccurate?
- A. It is somewhat inaccurate. It is really smooth instead of actual. It should be smooth. It is a statistical term.
 - Q. What do you mean by "smooth"?
- Α. It is a little bit difficult to explain but I will try my best. If you look at the Lummus Report, I think it's Figure 28. I don't remember the page. In any case, Lummus took the hundred coldest days over the period of 2009 and 2014. Took the peak actual flows on these hundred days, divided by the total number of customers so had an average daily flow per customer, and then plotted these values versus the number of degree days on that day. And they estimated a line that went through the clouds of plotted points and they used that line to estimate the value for 70 Heating Degree Days and that's how they obtained the 956,000-plus value. But in the report they clearly state that the actual value on that day was 926-plus. That's on the same page or

- 1 | similar in the report.
- Q. And later in your testimony, in the same paragraph, I am not moving from it.
 - A. Okay.

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- Q. You say that Lummus reports, in Table 13, the firm peak-hour gas flow at 1 percent exceedance --
 - A. Yes.
- 9 Q. -- was estimated to be 45,578 Mcf per 10 hour in 2014. Do you see that?
- 11 A. Yes, I do.
 - Q. And you indicate this corresponds to the 1 percent firm daily peak of 951,194 Mcf per day using a peak factor of 1.15. And that's how you -- Lummus arrived at 45,578, correct?
 - A. Right. To clarify, because this is a little bit, even in my mind, complicated. Table 11 presents a Duke Energy forecast of peak daily flows. And if you look at the last column of that table, for instance in 2014, you get a value of 951,000. I think that's the number I mentioned.
- Q. Right. And I am not -- I am not asking
 for how they got there. You can -- you can cover
 this with --
- MR. YSKAMP: Your Honor, I think he is

just clarifying his answer.

A. I am trying to clarify something.

MR. HESLIN: I believe the question

4 | was --

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MR. YSKAMP: We've let witnesses clarify
the entire time. I would like him to be able to
clarify his answer.

ALJ PARROT: Go ahead and finish, Dr. Guldmann.

A. Okay. Of the 951,000-plus in Table 13 and in column, 1 percent exceedance in 2014 was a forecast by Duke Energy, a daily forecast, using its own models. Then Duke -- no -- essentially Lummus then created Table 13 which converted the daily peak forecast to the hourly peak forecast, first by dividing the 951,000 by 24 to have an average hour flow, and then multiply by the peaking factor of 1.15.

So the peak-hour number that you reference, 45,578, is derived simply by a arithmetical/numerical operation from the number in Table 11 which are, themselves, forecast by Duke, not by Lummus, using their own model.

So I wanted to clarify that because, in my view, the whole question is whether Duke's model

in establishing forecast is improper.

- Q. So Lummus went through everything you just said and then they arrived at the number, 45,578 Mcf per hour, correct?
 - A. Yes.

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- Q. And then you state in your testimony,
 "This would be less than the actual peak-hour flow
 experienced on January 6, 2014, and would suggest
 that the existing 2014 system is able to satisfy a
 target of 45,500 Mcfh, as used in the Amended
 Application." Do you see that?
 - A. Yes.
- Q. So in 2014 the system was required to handle a peak-hourly flow that exceeded 45,578 Mcf per hour.
- A. I'm not sure I understand what you are saying because I'm not sure I understand the word "required." Or what -- the 45 -- okay. Let me clarify. The 45,500 -- let me see, 45,578, that is a target peak flow that was estimated by Lummus and Duke. I didn't say that Duke was required to satisfy this flow. And, in fact, in Table 12 where you have actual flows in 2014, there are about 10 flows in 2014, all these flows are below 43,000 Mcfh.
 - Q. And I am just referencing your own

- testimony, Professor, where you say this would be less than the actual peak-hour flow experienced on January 6, 2014.
- A. Well, then I'll correct myself on that one because Table 12 indicates the actual flow which is lesser. So the actual flow on January 6, 2014, was around 42,500 Mcfh.
- Q. So your testimony today is that your statement in your direct filed testimony, "This would be less than the actual peak-hour flow experienced on January 6, 2014," is wrong.
- A. Yes, it is, because the actual flow is 42,500, around that number.
- MR. HESLIN: May I approach, your Honor?

 ALJ PARROT: You may.
 - Q. Professor, you have in front of you a copy of the deposition transcript from this Monday.
 - A. Sure.
 - Q. Do you see that?
 - A. Yes, I do.
- Q. And you recall on Monday that you provided sworn testimony in front of a court reporter, correct?
- 24 A. Yes.

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Q. And would you agree that this is a

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     transcript of your sworn testimony?
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 2.
            Α.
                 Yes.
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            Q.
                 And I would refer you to page 132.
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            Α.
                 Okay.
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            Q.
                 Line 12. And I will read for you:
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                 "Question: So it's your testimony that
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     that 45,578 is less than the actual peak hour flow
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     experienced on that date January 6, 2014, correct?
 9
                 "Answer: Correct.
                 "Question: So the system has handled a
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11
     peak hour flow of around 45,000, correct?
12
                 "Answer: That's what the data says.
13
                 "Question: And that was based on the
14
     weather conditions in January 2014?
15
                 "Answer: I assume so. It has to be."
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                 And did I read that correctly?
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            Α.
                 Yes, you read that correctly.
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                 MR. YSKAMP: Objection, your Honor. I am
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     not sure I have the whole deposition transcript.
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     looks like this is just a portion of the deposition.
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                 MR. HESLIN: I think that's because there
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     was a confidential, you might just have to look in a
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     different part. I think you have the whole thing.
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     It's on page 132.
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MR. YSKAMP: Right. But I think -- I

don't know -- I think we need the whole thing to see if he answered this question somewhere else or clarified or something.

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MR. KEANEY: City and County would join that motion -- objection, excuse me.

- (By Mr. Heslin) Professor, when I just Q. read that testimony, you followed along with me, didn't you?
- 9 Yes, I followed most of it. Page 31, 10 line 11.
- 11 MR. HESLIN: Your Honor, there may be a 12 copy issue here. Should we --

13 ALJ PARROT: Let's go off the record. (Discussion off the record.)

ALJ PARROT: Let's go back on the record.

Go ahead, Mr. Heslin.

- (By Mr. Heslin) Professor, just a couple Q. more questions. If you could refer to page 12 of your testimony. And there's a question towards the bottom that says "Please describe Duke Energy's gas supply infrastructure." Do you see that?
 - Yes, I do. Α.
- Okay. And then you provide those facts Q. and then on page 13 it says "Please describe Duke Energy's network system." And then you provide

additional facts that are based upon, it looks like, the Exeter Report. Do you see that?

A. Yes.

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- Q. And that continues on through page 15 to the question "What are the major characteristics of the C314V pipeline extension project?" Do you see that?
 - A. I do.
- Q. And you answered that through the bottom of 15, and then the question "What are Duke Energy's stated objectives for the C314V pipeline extension project?" Do you see that?
 - A. Yes.
- Q. And that continues onto page 16 and the question is asked "How did Duke Energy select the Central Corridor Project?" The next question is "What scenarios did Duke Energy test using the Synergi model?" And then onto 17, the question "What other Synergi data does Duke Energy provide in the Amended Application?" Do you see that?
 - A. I do.
- Q. Would you agree with me at least this section, between 12 and 17, is all facts that you were providing?
- 25 A. Yes.

567 1 Q. There's no analysis in those pages, 2 correct? 3 Α. No. Okay. I've just got a couple more 4 Ο. 5 questions about aged or old facilities. From a 6 system-planning perspective, Professor, does the 7 natural gas utility have to wait until its facilities fail before it can build new infrastructure? 8 9 No, it certainly shouldn't. 10 Does Duke Energy Ohio have to wait for Q. 11 one of these caverns to fail before it can build new 12 infrastructure? 13 Α. No, it shouldn't. It should constantly 14 evaluate alternatives, options, and possibly act on 15 them. 16 MR. HESLIN: No further questions, your 17 Honor. 18 ALJ PARROT: Thank you. Mr. Beeler? 19 MR. BEELER: Just a few, your Honor. 20 21 CROSS-EXAMINATION 22 By Mr. Beeler: 23 Q. Good morning. 24 A. Good morning. 25 Q. I'm Steve Beeler, and I represent the

Staff of the Ohio Power Siting Board.

A. Okay.

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- Q. Just turning to page 2 of your testimony. In there, in the question, have you testified before the PUCO, you say yes, in a case in 1979. How about the Ohio Power Siting Board? Have you ever testified in front of them?
 - A. No, I haven't testified to the OPSB.
- Q. Have you ever provided any consulting work for a State Commission on siting matters?
- 11 A. No. I provided consultation to the
 12 Centerior Corporation many years ago, just power
 13 transmission line.
 - Q. Okay.
 - A. But I didn't testify.
- Q. Have you ever done any consulting in preparation of a siting Staff Report?
 - A. No.
 - Q. Have you ever been an employee of a State Commission or a State Siting Board?
- 21 A. No.
- Q. No? You state in your testimony you have done some work for -- some California work recently.
- A. I am consulting on a project.
- Q. Can you describe that project?

- A. Sure. It's a climate-change-related project. It's funded by the California Energy Commission. It's a team of university researchers who are trying to assess the vulnerability of the northern California gas system to climate-change impacts, primarily sea level rise and wildfires.
- Q. Okay. Do you know -- in the process in California, do you know if there is a Staff Report that's required by statute in that case?
- A. I don't know about the legal aspect, but this is clearly an issue which is of interest to the California Energy Commission.
- Q. Okay. On that same page, page 2, you describe what documents you reviewed in preparation for your testimony. Did you ever visit the Preferred or Alternate Routes?
 - A. No, I did not visit them.
- Q. You may have covered this with Mr. Heslin, but did you ever visit any of the Lummus alternatives?
 - A. No.

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- Q. Did you talk with anyone from Duke in any -- in your investigation in preparation of your testimony?
- A. No. I only relied on the available

- reports and all the elements in the discovery process.
- Q. Okay. On page 20 of your testimony, I guess in the third paragraph down, this is the -- kind of the line where you edited your testimony to add some language, you state in there "In any event, DE could replace these plants by new P-A plants with modern technology." Do you see that?
 - A. Yes.

- Q. That modern technology, when you state that, did you perform any safety studies on -- in relation to modern technology?
 - A. No.
- Q. And this is just for my own clarification, but the -- so you added, today, language right after "modern technology," correct?
 - A. Yes.
- Q. Did you -- did you -- I listened in to your deposition. Did you make that addition in your deposition as well?
- A. No, I was not asked to -- to amend the testimony at the time of the deposition.
- 23 Q. Okay.
- A. I -- yeah. I noticed it was a line that had been wrongly crossed in track change, and I

noticed it after the testimony had been filed, so it was too late to correct it.

- Q. Okay. So you made that change before your deposition. I was just trying to see if you made it since your deposition. You made it --
- A. No. I had noticed this missing line before the deposition.
 - Q. Okay.

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MR. HESLIN: Just to be clear, we didn't change it at the deposition, so it is not in that transcript, that change. I don't know if it's relevant, but I believe that he figured it out beforehand, but we didn't get it on the record.

THE WITNESS: Yeah.

- Q. Okay. Thank you. Kind of a general question, could there be any areas of Cincinnati that benefit from this Central Corridor Pipeline?
- A. I'm not sure what you mean by "benefit." Could you clarify that?
- Q. Sure. If this -- if this Alternate

 Route, as proposed and recommended by the Staff, were

 built, do you know of any possible benefits for -
 for the City of Cincinnati and the Cincinnati -
 Greater Cincinnati area?
- A. Well, you know, the basic benefit of that

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     route, whether it's the Preferred or Alternative
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     Route, is to bring more gas into the system, to
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     improve, as I said, marginally the north-south flow
     balance. I haven't gone into detail in terms of the
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     impacts of the two routes. I have summarized them
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     primarily by looking at the, you know, the number of
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     residents and land use that would be crossed by the
     two lines, and it's one of the exhibits because I
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     wanted to compare that with, you know, similar
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     numbers for the W-1 scenario.
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                              Thank you. No further
                 MR. BEELER:
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     questions, your Honor.
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                 ALJ PARROT: Any redirect? Would you
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     like a moment?
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                 MR. YSKAMP: I would, yes.
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                 ALJ PARROT: Okay. Let's take a short
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    break. We're off the record.
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                 (Recess taken.)
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                 ALJ PARROT: All right. Let's go back on
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     the record. Mr. Yskamp, before we finish, do you
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     have a copy now of the complete deposition of this
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     witness? Did you receive that?
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                 MS. KINGERY: It's still on its way over.
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                 MR. YSKAMP: I don't think we are going
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     to need it.
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1 ALJ PARROT: Okay. All right. Go ahead 2 then.

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REDIRECT EXAMINATION

5 By Mr. Yskamp:

- Q. Dr. Guldmann, could you reference page 11 in your testimony.
 - A. Yes.
- Q. Okay. The second full paragraph on page 11, you answered some questions related to that paragraph earlier. Do you remember that?
- A. Yes.
- Q. Can you just tell us what -- what is the point you were trying to get across with this section of your report?
 - A. Well, as I concluded at the end of this report, what the data in Table 13 show is that the forecast by Duke/Lummus of the 1 percent exceedance around 45,500 merely remains constant from 2014 to 2035. It's a very small increment of 283 Mcfh of 0.06 percent. So I couldn't see any growth in -- in this table.
- Q. Is there a table in the Lummus Report that shows that -- that forecast? That growth forecast?

- A. Well, that was page --
- Q. Scratch that. Sorry.

So the next paragraph, maybe this will help, you state that "While the load shape data suggests a decline of 31 percent in the peak January flow from 2014 to 2035, the peak-day and peak-hour projections suggest a close-to-constant level." So that load shape data, if you could turn to page 19 of your Lummus Report attachment.

- A. Yes.
- Q. And look -- I direct you to Figure 10.

 Is this the load shape data you were referring to?
 - A. Yes.

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- Q. So in your analysis, were you -- were you trying to make a point about what the actual peak-day flow was?
- A. Well, in -- in Figure 10, page 19 of the Lummus Report, you have the load shape over the year. In blue, it's the 2014 baseline. And below in different dashed lines and colors, these are different forecasts up to the year 2035. If you look at the first number 01 on the horizontal axis, you can see that's January, you can see the difference between the two, and that's what I -- that's the number 31 percent that I referred to.

Based on the Lummus Report, the implication is that the flow in January would decline by 31 percent from the baseline in 2014. And this is, based on my understanding, the -- the existing -- the base case, the existing market. So the existing market would decline in terms of peak by 31 percent. What I said before is in Table 13, the estimated peak flow around 45,500 Mcfh by Duke/Lummus remains constant. So, in some way, these are very contradictory figures.

- Q. So, Dr. Guldmann, if you could turn back to page 11 of your testimony.
 - A. Yes.

- Q. So in your testimony, as has been pointed out today, the second sentence you state "Lummus reports that the actual peak-day flow in January 2014 was 956,726 Mcfd." And you stated today that that number is actually not the actual peak flow; is that correct?
- A. That's correct.
- Q. When did you realize that?
- A. The last two days. I kind of reread that section. And if you go to page 47 --
 - O. 47 of what document?
- 25 A. Let me see -- yeah 47, the first

paragraph, page 47 of the Lummus Report, the fifth line, observed flow on that day was 926,842 Mcf. So this was the observed. The 956 was the estimate by Lummus based on the graph on Figure 28, page 46. On January 6, 2014, the temperature was minus 5 degree Fahrenheit, or with a base of 65 degrees that would be 70 Heating Degree Days. So you can see 70 at the bottom. And what they did was to pick up the number on the line but that number was about 3.3 percent higher than the actual flow on that day.

- Q. If you could turn to page 48.
- A. Yes.

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- Q. Table 12. Does this table show the actual flows?
 - A. Yes. This shows the actual flow. So on January 6, 2014, the actual flow was 42,358 and it was the largest of these 10 flows observed in mostly January and February 2014.
 - Q. So in your deposition when you said the actual flow was higher than that, were you mistaken?
 - A. Yes, I was.
- MR. YSKAMP: May I approach the witness, your Honor?
- 24 ALJ PARROT: You may.
- Q. I would like to show you City/County

Exhibit 33. Dr. Guldmann, you testified earlier, in relation to your testimony on supporting or replacing aging infrastructure, you relied on a Request for Admission, right?

A. Yes.

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Q. Can you read the Request for Admission in front of you?

A. Yes.

"Admit that Lines A, EE, and V can be upgraded and/or replaced without the proposed line.

"Response: Admitted."

- Q. Is it possible that this is what you meant to footnote in your report?
- A. I strongly believe that's what it meant and I think I made a mistake when I --

MR. HESLIN: Objection, your Honor.

There is nothing on the record to indicate that he has ever seen this document before this morning. Not in his report, not in his deposition, and not in his testimony before this hearing.

MR. YSKAMP: That's not exactly true. He said he looked at all the discovery documents in this case. That's one of them.

ALJ PARROT: Let's go ahead and ask that question with respect to this specific response.

MR. YSKAMP: Sure.

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- Q. (By Mr. Yskamp) Dr. Guldmann, do you recall if you have ever seen that document before?
- 4 Α. Look, I am pretty sure I saw this 5 document because when I wrote the point that I -- I 6 made in the testimony, I did use these terms. And 7 when I was presented by Duke the other RFA which was 8 the 001, there was only the word "maintenance" but I don't believe that I would -- and I was surprised. I 9 10 thought that, well, I made a mistake because I didn't 11 remember. I received all these NOPE. I remember I 12 received the whole series of NOPE RFA 001, et cetera. 13 So that is most likely what I used when I wrote my 14 statement in the testimony.
- MR. YSKAMP: Okay. Thank you,
- 16 Dr. Guldmann. That's all I have for redirect.
- 17 ALJ PARROT: Mr. Stevenson?
- 18 MR. STEVENSON: I have no questions.
- 19 ALJ PARROT: Mr. Fox?
- MR. FOX: Nothing, your Honor.
- 21 ALU PARROT: Mr. Pacheco.
- MR. PACHECO: No, thank you, your Honor.
- 23 ALJ PARROT: Mr. Miller.
- MR. MILLER: No questions, your Honor.
- 25 | ALJ PARROT: Skipping Mr. Keaney, now

that I understand this is a witness for one of
your -- two of your clients.

Mr. Heslin?

MR. HESLIN: Just briefly, your Honor.

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RECROSS-EXAMINATION

7 By Mr. Heslin:

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- Q. The NOPE exhibit that is your Direct
 Testimony, that was filed in this case, correct, as
 your testimony?
- A. My testimony that I have in front, yeah, that was what was filed.
 - Q. And you recall being deposed on Monday, correct?
- 15 A. Correct.
- Q. And we covered a lot of the issues that we discussed today, correct?
- 18 A. Yes.
- Q. Okay. Including the issues that were raised on redirect, correct?
- 21 A. Yes.
- Q. Specific to page 11 of your testimony
 where, as of today, you're claiming there are
 inaccuracies in your testimony, correct?
- A. Well, there is an inaccuracy in terms of

my statement that the actual flow was a given number and it's another number.

- Q. And your testimony is that you realized that mistake in the last two days, correct?
 - A. Yes.

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- Q. You did not --
- A. After my deposition.
- Q. Okay. Do you recall when you first were sworn in, your attorney asked if you had any corrections to make to your testimony? Do you remember that this morning?
 - A. Yes.
- Q. Okay. And your answer was no. Do you remember that?
 - A. Well, I mentioned the missing line.
 - Q. Oh, my mistake. Besides the missing line, were there any other corrections you made in your testimony?
 - A. Yeah. I didn't remember that one. That point came back now.
- Q. You remembered in the last two days, but you didn't remember it when you were directly asked by your counsel if you had any corrections to your testimony; is that correct?
- A. Well, yes, because my understanding of

the correction was primarily the missing sentence.

- Q. And the mistake on page 11 with the reference to the 956,726 Mcf per day as the actual peak-day flow is a mistake in you reporting what is in the Lummus Report, correct?
- A. Right. This number, as I said, is the smooth estimate of the peak flow.
 - Q. Understood.
 - A. Not the actual one.
 - Q. Understood. That's your mistake.
- 11 A. Yes.

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- Q. And you didn't realize it when you filed your testimony, during your deposition, and so my question to you is: Isn't it possible that you have other inaccuracies in this report?
 - MR. YSKAMP: Objection, speculation.
- 17 A. I don't believe so.
- 18 MR. YSKAMP: Okay. Never mind.
- 19 ALJ PARROT: Overruled. The answer
- 20 stands.
- Q. And then if I refer you to City and
 County Exhibit 33, the RFA that you reference on
 redirect.
- 24 A. Yes.
- 25 Q. And you characterize that in redirect as

a mistake, that when we were covering RFA-001 that that was a mistake?

MR. YSKAMP: Objection. I don't think he said it was a mistake. He might have said it may have been, but I don't think he definitively said it was.

A. I believe that when I --

MR. YSKAMP: Dr. Guldmann, when there is an objection, please don't answer.

ALJ PARROT: Hold on a minute.

MR. HESLIN: I would refer to, on the

12 | record, 568/25 to 569/1.

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13 ALJ PARROT: Overruled. Go ahead,
14 Dr. Guldmann.

A. When I wrote my statement regarding the maintenance, replacing, upgrade of lines, I truly

17 believed that I -- that I read the NOPE-RFA-01-004.

18 I had them probably all together, and when I was in a

19 hurry of writing out the footnotes, I probably just

20 looked at the first number in that packet of Request

21 for Admission and that was my mistake. Because I

22 don't believe that if I had read purely

23 "maintenance," I would have expanded the way I had,

24 but that's all that I can say.

Q. But earlier when we were looking at

RFA-01-001, we went back and forth where you were trying to characterize "maintenance" as including replacement and upgrade, correct, Professor Guldmann?

- A. Yes, because that's -- you are referring to the deposition or today?
 - Q. I am referring to today.
 - A. Yeah.
- Q. When we had the question and answer about the meaning of "maintenance," and you testified that you believed that "maintenance" included upgrade and replacement. Do you remember that?
- A. I do. And I still do believe, in general, that the term "maintenance" is a general term that would include replacements and upgrades.

MR. HESLIN: Nothing further.

ALJ PARROT: Mr. Beeler?

MR. BEELER: No questions. Thank you.

ALJ PARROT: All right. Mr. Yskamp,

would you move for the admission of NOPE Exhibit 19?

MR. YSKAMP: Yes, your Honor. We would

21 move for the admission of NOPE Exhibit 19 at this

22 time.

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ALJ PARROT: Are there any objections?

All right. Hearing none, NOPE Exhibit 19

25 | is admitted into the record.

Duke BTX Volume III

584 1 (EXHIBIT ADMITTED INTO EVIDENCE.) 2 ALJ PARROT: Thank you very much, 3 Dr. Guldmann. 4 EXAMINER SEE: Mr. Keaney, your next 5 witness. 6 MR. KEANEY: Your Honors, the City and 7 County call Mr. Howard Miller to the stand. Your 8 Honor, do you need a copy of Mr. Miller's testimony? 9 (Witness sworn.) 10 ALJ SEE: Thank you. 11 12 HOWARD MILLER 13 being first duly sworn, as prescribed by law, was 14 examined and testified as follows: 15 DIRECT EXAMINATION 16 By Mr. Keaney: 17 Q. Can you please state your name and 18 business address for the record. 19 My name is Howard Miller. My business 20 address is City Hall, 801 Plum Street, Suite 130, 2.1 Cincinnati, Ohio 45202. MR. KEANEY: And, your Honor, I would ask 2.2 23 Mr. Howard's testimony be marked as City/County 24 Exhibit No. 43. 25 ALJ SEE: So marked.

585 (EXHIBIT MARKED FOR IDENTIFICATION.) 1 2 (By Mr. Keaney) Mr. Miller, do you have Q. 3 before you what has been marked for identification as City/County Exhibit 43? 4 5 Α. Yes. 6 Ο. And can you identify City/County Exhibit 43? 7 8 Α. Yes. 9 Ο. Can you tell me what it is? 10 Α. Yes. It's my testimony. 11 And it would be the prefiled testimony Q. 12 that you filed in connection with this case? 13 Α. Yes. 14 Okay. Do you have any additions or Ο. 15 corrections to make to your testimony? 16 I don't believe so. Α. 17 Q. If I asked the questions that appear in 18 City/County Exhibit 43, would your answers be the 19 same? 20 Yes. Α. 2.1 MR. KEANEY: The City/County move for the 22 admission of City/County Exhibit 43, subject to cross-examination. 23

No questions, your Honor.

ALJ SEE: Mr. Yskamp?

MR. YSKAMP:

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586 ALJ SEE: Mr. Stevenson? 1 2 MR. STEVENSON: Thank you, your Honor. 3 4 CROSS-EXAMINATION 5 By Mr. Stevenson: 6 Mr. Miller, would you turn to your page 4 Q. 7 of your testimony, please. 8 Α. Yes, I'm there. 9 Ο. Do you have it? 10 Α. Yes. On line 7, the question was asked "What 11 Ο. 12 are the Staff Conditions"? 13 Α. Yes. 14 And you indicated Staff indicated a total Ο. of 38 conditions? 15 16 Α. Yes. 17 Is the intent of your testimony with 18 respect to these conditions to express a preference whether the Preferred Route or the Alternate Route 19 20 should be chosen in this matter? 2.1 Α. If I understand your question correctly, 22 no. 23 All right. And it relates to the other Q. 24 matters that are contained in all of the conditions? 25 Α. My testimony is specific to the Staff

Conditions.

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Q. I'll ask the question again. Is your testimony related to a preference as to the Alternate or the Preferred Route?

A. No.

MR. STEVENSON: All right. With that understanding, I don't have any further questions.

ALJ SEE: Mr. Fox.

MR. FOX: No questions, your Honor.

ALJ SEE: Mr. Pacheco.

MR. PACHECO: No, your Honor. Thank you.

ALJ SEE: Mr. Miller.

MR. MILLER: Nothing, your Honor.

ALJ SEE: Mr. D'Ascenzo.

MR. D'ASCENZO: Yes, your Honor. Thank

you.

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18 CROSS-EXAMINATION

19 By Mr. D'Ascenzo:

Q. Good morning, Mr. Miller.

A. Hi.

Q. My name is Rocco D'Ascenzo. I am counsel for Duke Energy Ohio. We haven't met before. Thank you for appearing today. Just a few questions for you. You are testifying on behalf of both the City

- of Cincinnati and Hamilton County Board of Commissioners, correct?
 - A. Yes.
 - Q. Okay. But you are employed by the City of Cincinnati.
 - A. Yes.

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- Q. And you are employed as an Environmental Safety Specialist; is that correct?
 - A. That's my formal title.
 - Q. Thank you.

Is it fair to say the purpose of your testimony is to describe the Company's Application and to support the Ohio Power Siting Board's conditions in the Amended Staff Report?

- A. Can you please rephrase that? Maybe break it into more than one question.
 - Q. Absolutely, sure.

So is it fair to say that the purpose of your testimony is basically in two parts? One, you describe the Company's Application; is that correct?

- A. My testimony was to focus -- the task was to focus on the Staff recommendations as outlined in their Amended Staff Report.
 - Q. Okay. Thank you.

 And in your testimony, you make five

1 additional recommendations, correct?

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- Q. And that's -- those five recommendations are the only recommendations you are making, correct?
 - A. Under this testimony, yes.
- Q. And so the purpose of your testimony, just to be clear, is not to contest the need for this project, correct?

MR. KEANEY: Objection. Misstates his testimony. This question has been asked and answered twice.

MR. D'ASCENZO: I haven't asked that question, your Honor.

MR. KEANEY: He's asked the purpose of his testimony, at least two times before that.

ALJ SEE: The objection is overruled.

- A. Can you please restate the question? I forgot it.
 - O. Sure.

The purpose of your testimony is not to contest the need for this project, correct?

- A. It is not to contest, correct.
- Q. Thank you.

And you are not an attorney, correct?

25 A. That's correct.

Q. Would you agree Duke Energy Ohio is currently providing natural gas service through the City of Cincinnati?

A. Yes.

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- Q. And would you also agree that Duke Energy Ohio is currently providing natural gas service through Hamilton County?
 - A. Yes.
- Q. Do you know how many miles of pipes Duke Energy Ohio has within the City of Cincinnati?

MR. KEANEY: Objection. This is well outside the scope of his testimony. Mr. Miller has clarified, on more than one occasion, that his testimony and the purpose is solely confined to the Staff Conditions. He is not here on behalf of the City or County to discuss these issues that Mr. D'Ascenzo is raising.

ALJ SEE: Any response, Mr. D'Ascenzo?

MR. D'ASCENZO: I will withdraw the question, your Honor.

- Q. (By Mr. D'Ascenzo) Let's talk specifically about your recommendations.
- A. Okay.
- Q. And, again, there are five of them, so let's look at I believe they start on page 4 of your

testimony. Do you have your testimony in front of you?

- A. Yes, and I am on page 4.
- Q. Thank you. And we'll just talk about them in order.

So the first recommendation is that the Staff Conditions include additional language that holds Duke Energy accountable for more conservative safety and property owner-friendly construction, operations, and maintenance specifications. Is that an accurate summary of your first recommendation?

- A. That's it verbatim.
- Q. Thank you.

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And let's talk about your second one real quick, and that is that -- that the Staff Conditions be more inclusive with the City, County, and other affected jurisdictions and associated local agencies in terms of project implementation, notifications, and other communications; is that a fair summary?

MR. KEANEY: Can I just ask, where you are referencing in his testimony?

MR. D'ASCENZO: Sure. Page 5, lines 7 through 9.

MR. KEANEY: Thank you.

A. Again, that's my second point verbatim.

Q. Thank you.

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And the third recommendation is that the Staff Condition -- and I am looking for a reference. Page 5, lines 15 through 17, is specific to Staff Condition No. 10, to specify a more deliberate plan for Duke Energy to decommission its propane peaking facilities, and include increased City and County and resident transparency in the planning and implementation; is that correct?

- A. Yes, verbatim.
- Q. And number -- your fourth recommendation is that the "Staff Conditions specify a deliberate plan of action for Duke Energy to inspect, service, and replace, as needed, the Line A upgrades and include increased City, County, and resident transparency in the planning and implementation." Is that accurate?
 - A. Yes.
- Q. And the final recommendation is that the "Commission direct Duke Energy to confer and collaborate early and often with local governments as part of its planning process for those additional upgrades and enhancements"; is that accurate?
 - A. Yes.
 - Q. Okay. Now, let's talk specifically about

your first recommendation regarding safety. You suggest that Class 4 construction should be required for the entirety of the pipeline; is that correct?

- A. Two parts. First, the Class 4 -- I will be brief. Yes.
- Q. And you would agree with me that Duke Energy Ohio is already designing the entire pipeline to meet Class 4 construction standards, correct?
 - A. Yes.

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- Q. And on line 5, let's talk about that second part that you briefly mentioned.
- A. What page?
- Q. Page 5, line 4, still talking about your first recommendation.
- 15 A. I'm there.
- Q. Okay. You state that the Application calls for residential daily work times of 8:00 a.m. to 4:00 p.m. and that should be the work times specified as a condition, correct?
- 20 A. Yes.
- Q. Now, you reference, specifically in a footnote, the Company's Amended Application on page 7-6; is that correct?
- A. Are you talking about Footnote No. 2 at the bottom of my page 5?

Q. I am.

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- A. Then, yes, that's correct.
- Q. And as that -- those work hours are stated on Amended Application page 7-6, is that exactly what you were referring to?
 - A. I believe so.
- Q. And would you agree with me that -- that section of the Amended Application on page 7-6, states, in residential and institutional areas, activities will generally be restricted to daylight -- daytime construction, roughly between the hours of 8:00 a.m. and 4:00 p.m., Monday through Friday. Any weekend work will be planned to avoid interfering with the hours of any nearby houses of worship.

MR. KEANEY: Your Honor, if I can object. If he is referencing a document, it's only appropriate for the witness to have that document in his hands. There is no way for him to confirm what Mr. D'Ascenzo is saying without that document.

MR. D'ASCENZO: Sure. I believe our Amended Application is still in front up there. Do we know what number that is? I think it was 4. Just a moment.

Your Honor, may I approach, please?

ALJ SEE: Yes.

MR. KEANEY: May I approach as well to read what he is reading? Unless you have another copy.

MR. D'ASCENZO: If we have another copy.

We do.

ALJ SEE: And what is the date of the Amended Application you are providing?

MS. KINGERY: This is the March 2017 version, your Honor.

MR. D'ASCENZO: Previously admitted as Duke Energy Ohio Exhibit No. 5.

- A. What you just read was page 7-6, Section (b), the third bullet, and that's correct.
 - Q. And is that what you are referring to?
- A. Yes.

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Q. Would you generally describe that the more daylight hours that the Company has to work during the day, the fewer days that would be required for the Company to work in a particular area?

MR. KEANEY: Your Honor, I am going to object to the extent it calls for him to speculate about Duke's planners and system operators and how much time they need to perform an upgrade. There could be a lot of different factors involved in that question and, again, Mr. Miller is here solely to

testify on behalf of the City and County with respect to the Staff Conditions, not what Duke's system planners or any of their upgrading and maintenance workers can do during a particular day.

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ALJ SEE: Mr. D'Ascenzo, any response?

MR. D'ASCENZO: I am just asking a

general question, if he believes that if there are

more daylight working hours available to the Company,

that it would take -- that we can work fewer total

days.

ALJ SEE: The objection is overruled.

You can answer the question, Mr. Miller.

A. There are a lot of variables that go into construction work besides daylight hours. I assume you could be working during the winter, when daylight hours are decreased significantly. It's probably not going to be a summer job. It's a highly speculative question. Again, I don't even know the construction contractor you've hired, how many crews they will be having on-site, what the skill level of the crews are, what sorts of obstacles they may face. I don't have a definitive answer for you.

Q. Fair enough.

Would you agree that it's reasonable for municipalities to have flexibility to allow different

working hours if the municipalities determines it results in less disruption within their -- within their borders?

MR. KEANEY: I'm sorry, can I have that question reread again? I'm sorry.

(Record read.)

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MR. KEANEY: Again, I am just going to object to the extent it requires him to speculate about a hypothetical.

ALJ SEE: The objection is overruled.

You can answer the question, Mr. Miller.

- A. To the extent I am not authorized to speak for any other jurisdiction, my answer would be it is reasonable, with the qualification that disruption would also mean that it is safer.
- Q. Let's talk about your second recommendation. Referring specifically to page 5, lines 7 through 14 of your testimony. Are you there?
 - A. Yes. Sorry.
 - Q. Thank you.

On page -- or, I'm sorry, on line 11 you suggest that Duke Energy be required -- well, let me withdraw that. Let me restate that.

In those -- in lines 7 through 14, you describe Staff Conditions about providing Staff with

plans and drawings prior to a pre-construction conference; is that correct?

A. Yes.

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- Q. And you also describe that Duke should provide Staff with plans and permits prior to construction. Those are other conditions of the Amended Staff Report, correct?
 - A. Yes.
- Q. And you suggest that Duke should also be required to provide that same information to the County, the City, and other communities that request it, correct?
 - A. Yes.
- Q. Now, do you know whether -- let me withdraw that and rephrase it.

Assuming this project is approved and construction needs to occur within the City of Cincinnati, Duke Energy Ohio would have to get construction permits from the City, correct?

- A. To the best of my knowledge, yes.
- Q. And do you know if the same would be true for other municipalities?
 - A. I cannot answer for them.
- Q. Fair enough.
- 25 And on line 14 of your testimony, you

suggest that the County and City representatives should attend pre-construction meetings; is that correct?

- A. Partially. It should be -- should be allowed to attend, should be given the opportunity is what I am trying to say there.
- Q. So given the opportunity to attend pre-construction meetings.
 - A. Yes.

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Q. Thank you for that clarification.

Now, as part of this case, you note in your testimony that the City and the County are opposing this project, correct?

- A. Yes.
- Q. Now, if the project is ultimately certificated by the Ohio Power Siting Board, do you know whether the City and Hamilton County are willing to work with Duke Energy Ohio in those pre-construction meetings to ensure the project is built in accordance with the certificate?

MR. KEANEY: Objection, your Honor. He is testifying here as, as is his title, an Environmental Safety Specialist. He is not in any department in which would make those kinds of decisions and so that is not an appropriate question

1 for this witness.

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MR. D'ASCENZO: Your Honor, he is making
that recommendation. I am just exploring his
recommendation.

ALJ SEE: And the objection is overruled. If the witness can answer the question to the best of his ability.

THE WITNESS: Can you restate the question just so it's fresh in my mind?

MR. D'ASCENZO: Could you please reread the question. Thank you.

(Record read.)

- A. To the best of my knowledge, I would say, yes, but I need to qualify that. At a high level, City decisions may have to be passed by resolution through City Council. I believe at an administrative level, the answer would be yes. But I cannot speak for City Council.
- Q. And what about Hamilton County, are you able to speak for them?
- A. I cannot speak for the County Commissioners.
- Q. And because you do not represent any other municipality in this proceeding, is it fair to say you can't speak for them either?

601 1 Α. Correct. 2 MR. D'ASCENZO: No further questions, 3 your Honor. ALJ SEE: Mr. Beeler. 4 5 MR. BEELER: No questions, your Honor. Thank you. 6 ALJ SEE: Any redirect, Mr. Keaney? 7 8 MR. KEANEY: Yeah, but very briefly. 9 ALJ SEE: Are you ready to proceed now? 10 MR. KEANEY: If we could have 5 minutes 11 that would be great. 12 ALJ SEE: You've got 5 minutes. We are 13 off the record. (Discussion off the record.) 14 15 ALJ SEE: Let's go back on the record. 16 Mr. Keaney? Redirect? 17 MR. KEANEY: Just one question, your 18 Honor. 19 20 REDIRECT EXAMINATION 21 By Mr. Keaney: 22 Mr. Miller, if you can turn to page 2 of Q. 23 your testimony, and I am going to be looking at 24 line 14 beginning with the word "While." Please let

me know when you are there.

A. I'm there.

Q. Your testimony reads "While the City and County generally are opposed to the project, my testimony supports Staff's conditions set forth in the Amended Staff Report of Investigation filed on March 5, 2019, and recommends strengthening the Project with additional conditions." Did I read that correctly?

A. Yes.

Q. And that would be your testimony today as well?

12 A. Yes.

MR. KEANEY: No more questions, your

14 Honor.

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15 ALJ SEE: Any redirect? I'm sorry.

Recross on redirect, Mr. Yskamp?

MR. YSKAMP: No, your Honor.

ALJ SEE: Mr. Stevenson.

MR. STEVENSON: No, your Honor.

ALJ SEE: Mr. Fox.

MR. FOX: No, your Honor.

ALJ SEE: Mr. Pacheco.

MR. PACHECO: No, thank you, your Honor.

ALJ SEE: Mr. Miller.

MR. MILLER: No, your Honor.

603 1 ALJ SEE: Ms. Hernstein. 2 MS. HERNSTEIN: No, your Honor. 3 ALJ SEE: Mr. D'Ascenzo. 4 MR. D'ASCENZO: No, your Honor. 5 ALJ SEE: Mr. Beeler. 6 MR. BEELER: No questions. Thank you. 7 ALJ SEE: Mr. Keaney, you already moved 8 for the admission of City/County Exhibit 43? 9 MR. KEANEY: Yes, your Honor. 10 ALJ SEE: Are there any objections to the 11 admission of City/County Exhibit 43? 12 Hearing none, City/County Exhibit 43 is 13 admitted into the record 14 (EXHIBIT ADMITTED INTO EVIDENCE.) 15 ALJ SEE: Thank you, Mr. Miller. 16 ALJ PARROT: All right. I think at this 17 point, let's go ahead, there are other intervenor 18 witnesses who, it is my understanding, parties have 19 amongst themselves agreed maybe to stipulate to 20 admission of that testimony, so let's go ahead and 2.1 mark and deal with the admission of that at this 2.2 time. 23 Mr. Stevenson, do you want to start? 24 MR. STEVENSON: Sure. Your Honor, I 25 would ask that Patrick Ross's testimony be marked

Reading Exhibit No. 2 and all exhibits would be included in that as well.

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ALJ PARROT: So marked.

(EXHIBIT MARKED FOR IDENTIFICATION.)

MR. STEVENSON: On Tuesday, I discussed, with counsel, plans that related to Mr. Ross's testimony. I would ask for a stipulation as to those as well.

MR. HESLIN: So stipulated and no objection.

ALJ PARROT: So that's a separate exhibit, then, that you would like to mark?

MR. STEVENSON: It would be. It would be Reading Exhibit No. 3.

ALJ PARROT: Okay. Let's go ahead and mark that as well.

(EXHIBIT MARKED FOR IDENTIFICATION.)

MR. STEVENSON: Reading Exhibit 4 --

ALJ PARROT: Hold on just a moment. You said Exhibit 3 is --

MR. STEVENSON: Exhibit 3 is a more detailed plan that relates to a sewer project that's going in on West Street in the City of Reading that deals with the CSO 513 project and it was referred to in Mr. Ross's testimony and we did not get these

exhibits until well after -- actually, we got them
Monday, right before I left.

ALJ SEE: Mr. Stevenson, before you -let's go back to Reading Exhibit 2 which is the
testimony of Patrick George Ross.

MR. STEVENSON: Yes.

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ALJ SEE: I note in the record that it -the testimony was originally filed by the appropriate
due date, and then it hit the Commission's docket -I'm sorry, the Board's docket yesterday. You need to
clarify.

MR. STEVENSON: I will be happy to clarify that. I received notice from the -- your Honors that part of the testimony that was originally filed on Monday, April 1, I believe, somehow did not make the docket, and the entirety of Mr. Ross's testimony, together with the exhibits, were scanned in by Board Staff yesterday.

ALJ PARROT: And so, that's what you are marking as Reading Exhibit 2 --

MR. STEVENSON: Exactly.

22 ALJ PARROT: -- is the testimony along
23 with all of the exhibits --

MR. STEVENSON: Correct.

ALJ PARROT: -- you intended to attach.

Thank you.

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MR. STEVENSON: I have one more document that has been referred to in testimony, and I talked to Duke Energy. It relates to the Constructability Review that was done on the western route that has been referred to by several witnesses. I would ask that be marked Exhibit No. 4. And specifically it is a document that was obtained through City/County production of documents 01-005. It was a confidential attachment. I've included pages 34 of 87 and 49 of 87 with respect to that. 34 is simply a title page. 49 is the description of what's going on in downtown Reading with respect to the Alternate Route.

15 ALJ PARROT: Do you have copies so we 16 can --

MR. STEVENSON: I certainly do.

18 ALJ PARROT: -- kind of follow along?

19 And I am not sure that we are.

ALJ SEE: Do you also have a copy of what you wanted marked as Reading Exhibit 3?

MR. STEVENSON: I'm sorry, what?

ALJ SEE: Reading Exhibit 3.

MR. STEVENSON: Oh, I'm sorry.

ALJ PARROT: Okay. Reading Exhibits 3

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     and 4 have been marked as well.
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                 (EXHIBIT MARKED FOR IDENTIFICATION.)
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                 ALJ PARROT: Just so it's clear for the
     record, Reading Exhibit 4 is marked as a confidential
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     discovery response. Is that still the case?
                 MR. HESLIN: Your Honor, we are willing
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     to release this page -- these two pages that have
     been marked as Exhibit 4.
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                 MR. STEVENSON: Thank you.
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                 ALJ PARROT: Reading Exhibit 4 is a
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    public document then.
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                 MR. HESLIN: Thank you, your Honor.
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                 ALJ PARROT: Any other exhibits from the
14
     City of Reading?
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                 MR. STEVENSON: No, your Honor.
16
                 ALJ PARROT: With that, are there any
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     objections to the admission of Reading Exhibits 2, 3,
18
     or 4?
19
                 All right. Hearing none, those exhibits
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     are admitted into the record.
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                 (EXHIBITS ADMITTED INTO EVIDENCE.)
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                 ALJ PARROT: Mr. Miller, are you ready?
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                 MR. MILLER: Yes, your Honor. I would
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No. 1 and move it into evidence. It is the Prefiled

move that a Sycamore Township exhibit be marked as

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Direct Testimony of Greg Bickford on behalf of
Sycamore Township, Hamilton County, Ohio. May I
approach?

ALJ PARROT: You may. All right.

Mr. Bickford's testimony has been marked Sycamore

6 Township Exhibit 1.

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(EXHIBIT MARKED FOR IDENTIFICATION.)

ALJ PARROT: Are there any objections to its admission?

All right. Hearing none, Sycamore

Township Exhibit 1 is also admitted into the record.

(EXHIBIT ADMITTED INTO EVIDENCE.)

ALJ PARROT: Mr. Pacheco.

MR. PACHECO: Your Honor, thank you. On behalf of Blue Ash/Columbia Township, we would like to submit the Prefiled Direct Testimony of Gordon Matthew Perry on behalf of the City of Blue Ash as Blue Ash and Columbia Township Exhibit 6.

ALJ PARROT: So marked.

(EXHIBIT MARKED FOR IDENTIFICATION.)

MR. PACHECO: And when the court is

ready, I will approach and provide.

ALJ PARROT: Go ahead.

MR. PACHECO: Thank you.

ALJ PARROT: Okay. Are there any

609 1 objections to the Blue Ash/Columbia Township 2. Exhibit 6? Hearing none, it is admitted into the 3 record at this time. 4 5 (EXHIBIT ADMITTED INTO EVIDENCE.) 6 MR. PACHECO: Thank you, your Honor. 7 ALJ PARROT: Ms. Hernstein. 8 MS. HERNSTEIN: Yes, your Honor. I move 9 to admit the Direct Testimony of Sam Cordray on behalf of The Jewish Hospital - Mercy Health, marked 10 11 as Jewish Hospital Exhibit 1. 12 ALJ PARROT: So marked. 13 (EXHIBIT MARKED FOR IDENTIFICATION.) 14 MS. HERNSTEIN: And permission to 15 approach, your Honor? 16 ALJ PARROT: You may. 17 Are there any objections to the admission 18 of Jewish Hospital Exhibit 1? 19 Hearing none, it is admitted. 20 (EXHIBIT ADMITTED INTO EVIDENCE.) 2.1 ALJ PARROT: Any counsel present that are 22 authorized to act on behalf of the Village of 23 Evendale in this proceeding? 24 (No response.) 25 ALJ PARROT: Okay.

610 1 ALJ SEE: Mr. Beeler, your next witness. MR. BEELER: Thank you, your Honor. 2 3 Staff would call Andrew Conway. 4 May I approach, if I have a witness? 5 There he is. 6 ALJ SEE: Step forward, Mr. Conway. 7 (Witness sworn.) 8 ALJ SEE: Thank you. Have a seat. 9 MR. BEELER: May I approach, your Honor? 10 ALJ SEE: Yes. (EXHIBIT MARKED FOR IDENTIFICATION.) 11 12 ALJ SEE: The witness has been sworn. Go 13 ahead, Mr. Beeler. 14 15 ANDREW CONWAY 16 being first duly sworn, as prescribed by law, was 17 examined and testified as follows: 18 DIRECT EXAMINATION 19 By Mr. Beeler: 20 Q. Please state your full name for the 21 record. 22 Α. Andrew Conway. 23 Q. Who do you work for and what is your 24 position? 25 Α. I work for the Public Utilities

- Commission of Ohio, and I am an engineering specialist in the Siting and Efficiency and Renewables Division.
 - Q. Do you have -- do you have in front of you what has been marked as Staff Exhibit 9?
 - A. Yes.

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- Q. What is it?
 - A. It's my prefiled testimony.
- 9 Q. Was it prepared by you or under your 10 direction?
- 11 A. Yes, it was.
- Q. Do you have any changes to that testimony?
- A. Yes. To question No. 10 on page 3,
 line 14, after the word "impacted," I would delete
 the word "the." It was a typo.
- Q. Okay. Is that all your changes?
- 18 A. Yes.
- Q. With that change, is this document true and accurate to the best of your knowledge?
- 21 A. Yes, it is.
- Q. If I asked you these same questions today, would your answers be the same?
- 24 A. Yes.
- MR. BEELER: Your Honors, at this time, I

612 would move for the admission of Staff Exhibit 9, 1 2 subject to cross-examination. 3 ALJ SEE: Mr. Heslin? 4 MR. HESLIN: No cross, your Honor. Thank 5 you. 6 ALJ SEE: Mr. Keaney? 7 MR. KEANEY: Your Honor, the City and County does have cross for this witness, but we've 8 9 agreed to let NOPE begin. 10 ALJ SEE: Mr. Yskamp? 11 MR. YSKAMP: Thank you, your Honor. 12 13 CROSS-EXAMINATION 14 By Mr. Yskamp: 15 Q. Good afternoon, Mr. Conway. 16 Α. Hi. 17 Q. Can you hear me okay? 18 Yes, I can. Α. 19 All right. So you prepared the portion Ο. 20 of the Application on need; is that correct? 2.1 Α. Yes, that's correct. 22 Q. Could you turn to page 4 of your 23 testimony. 24 MR. BEELER: Object, just to the 25 clarification I think you said "Application." I

think you meant "Staff Report."

MR. YSKAMP: Oh, yes. You are correct.

- Q. So you did not prepare the Application, right?
- A. No, I didn't prepare the Application. I prepared the Staff Report.
 - Q. Yeah.

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8 MR. YSKAMP: Thank you for that 9 correction.

- Q. Could you please turn to page 4 of your testimony.
- 12 A. Yes.
- Q. So on line 1 and under your section on

 "BALANCING the system from north to south," starting

 at line 1 on page 4, you state "A loss of supply from

 the Foster Station on high demand day would result in

 widespread service outages." Did I read that

 correctly?
- 19 A. Yes, you did read it.
- Q. Staff recommended the alternative -21 Alternate Route, correct?
 - A. Yes, we did.
- Q. And that route would change the balance of Foster from 55 to 50 percent; is that true?
- 25 A. I believe that is correct.

- Q. So loss of supply from Foster on a high demand day, even with the proposed pipeline in operation, would still result in widespread outages, correct?
- A. Yes. The Foster Station is a critical station. And, yes, it would -- there would be widespread outages.
- Q. Have you -- have you read the public comments in this case?
 - A. Several of them, yes.
- 11 Q. Several of them?

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- 12 A. I mean, yes, I have. Not all of the public comments.
 - Q. Did you attend the public hearings?
- 15 A. No, I did not.
- Q. Are you aware of the impact that just the proposal of this pipeline is already having on the communities around the pipeline?
- A. Could you clarify what you mean by "impact"?
 - Q. So is it your understanding that people who testified at the public hearing are distressed at the thought of having this pipeline in their community?
- 25 A. There is a -- I think that's kind of

outside the scope of my testimony. I think that is suited for our Staff member that wrote the public interaction section.

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- Q. So can you answer the question?
- A. Could you repeat the question, please?
- Q. Is it your understanding that people who testified at the public hearing are distressed at the thought of having this pipeline run through their community?

MR. BEELER: I guess I would object here. The witness stated that, you know, he -- there is another Staff witness that can speak directly to this point.

MR. YSKAMP: I would really like to know his understanding. He says this project is needed. And I am going -- my next question will explore the follow-up to that question.

ALJ SEE: And the objection is overruled. The witness can answer the question.

A. Yes, I understand there is negative -there's concerns about the pipeline. And I think
those are kind of the public sentiment that was
addressed in the Staff Report, and I think that's
better suited for the Staff Report -- Staff member
that wrote the public interaction section.

Q. Well, do you feel that a 5-percent change in balance, justifies this pipeline in the face of those public concerns?

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- A. The pipeline has a better balance -- or improves the balance of supply. And that is beneficial to the Duke system. And there are other benefits of the pipeline as well, such as allowing the propane peakers to be replaced, retired, and allowing for the Central Corridor to upgrade and repair and make improvements within them. So, in total, there are -- it's -- the pipeline is needed.
- Q. If balance was the only need stated by Duke, would you feel this pipeline would meet Duke's balancing needs?
- MR. BEELER: Objection. Calls for speculation.

ALJ SEE: Sustained.

- Q. (By Mr. Yskamp) Okay. I would like to talk about the need to retire the propane-air plants. So could you please turn to page 26 of the Staff Report. So the second full paragraph states "These system conditions." Do you follow me?
 - A. Yes, I see the second paragraph.
- Q. And did you write this section of the report or contribute to it?

A. Yes, I did.

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- Q. So I want to ask you about the second sentence that states in that paragraph that states "Specifically, in Case No. 15-218-GA-GCR, the Commission ordered a management/performance audit be performed on the Applicant's gas procurement practices and policies for the audit period of September 2012 through August 2015. In the management and performance audit report, the auditor observed that the Applicant's Dicks Creek Plant propane facility is no longer operational and that the potential exists for the Applicant's Eastern Avenue and Erlanger Plant propane facilities to also become unavailable." Did I read that correctly?
 - A. Yes, you did.
- Q. Is your -- is your basis for your opinion that the propane-air plants need to be retired based on the follow-up to that auditor's recommendation?
 - A. No. It's more than that.
 - Q. How -- how do you define the word "need"?
- A. Our Revised Code and our Administrative

 Code has definitions of "need" and a framework for

 all of the requirements that an applicant needs -
 would -- would supply to us in an application so that

 we can do a thorough analysis; so those are outlined

in that section of the Staff Report.

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- Q. So Duke -- Duke -- the two propane-air plants that Duke Energy currently operates, would you agree with me that they have provided safe and reliable natural gas through today?
- A. Yes, they've -- they've -- they've worked -- the -- Duke has utilized them for over the past few years, from 9 to 13 days, but there are threats to those, risks to those facilities, and they are aged, and they are at the end of their useful life, so they -- they have provided useful service to date, but the -- also there has been increased capital costs and maintenance that has been performed to keep them operational.
- Q. So because Duke needs to put costs into them and maintain them, do you feel like they need to retire them?
- A. That's not the only reason I recommend them retired.
 - O. What else? What other reason?
- A. The propane peakers are -- supply a large -- supply 5 to 10 percent of the load during the critical high demand days, so they are critical pieces of equipment that are used by Duke.
- I inspected the Duke East Gas Works site

and saw several risks to the -- that facility.

Namely, they have specialized -- I saw that it was outdated. A lot of the equipment was outdated. And during the course of my investigation, I found out they needed specialized equipment or replacement parts that was not readily available, so they had no backup for these.

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Another risk that I observed was that they needed to be placed in service quickly. So if there was a problem with the facility, the Duke operators have a short time frame, approximately 30 minutes, to identify the problem and repair it, or else the system would be that -- that facility would be out of place and Duke would be 5 percent short or 10 percent short meeting its demand.

There have been leaks from the storage cavern piping that have been repaired over the years. And the storage caverns culminate in a vertical pipe that has a cap and that cap has multiple welds which feed different pipes, and so if any of those -- if there was a -- if that cap or those welds failed, the cavern would be lost and then the propane facility would be lost.

- Q. Has that -- I'm sorry.
- A. I am still answering.

MR. BEELER: Object. He is still answering.

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A. Those were some of the risks that I saw.

There was also an old transformer on site which has PCBs which are hazardous materials, so it's a very old transformer. If that transformer is lost, the facility loses capability. If that -- if that hazardous -- if that PCB leaks, then you have an environmental contamination problem.

Those are some of the risks that I observed personally at that East Works facility which led me to believe it was -- confirmed what Duke had said that it is at its end of its useful life.

The Commission report from that M and P
Report said that that had also led -- that the
Commission ordered that it would need a -- has
already addressed this issue or considered this issue
that the pre -- that there needs to be some sort of
backup or replacement for these. So that was kind of
all the -- some of the reasons that I -- that I
believe the propane peakers need to be retired.

- Q. Okay. So I heard you say a lot of -- a lot of risks as you described them. So this cap that you described, is it leaking?
 - A. I didn't observe a leak.

- Q. Are the caverns leaking?
- 2 A. They have leaked in the past.
 - Q. Are they leaking?
 - A. No.

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- Q. And wasn't it a pipe that leaked?
- 6 A. Yes, I believe it was a pipe.
- Q. And you say that there's a lot of
 specialized equipment. I would like to direct your
 attention to what has been admitted as NOPE
 Exhibit 19. I don't think you have it up there. And
 if you could turn, if you could find attachment, it's
 Exhibit JMG-7 to this report. It's kind of in the
 middle.
- MR. BEELER: The Lummus Report, right?
- 15 Q. It's titled "Gas System Master Plan."
- 16 Let me know when you find it, please?
- 17 A. I've found it.
- 18 Q. Have you seen this document before?
- 19 A. Yes.
- Q. Just give me one moment unless you can
 tell me where it discusses the propane-air plants off
 the top of your head. So if you could turn to page
 it looks like 74. Now 6.1.3, at the bottom,
 describes the number of U.S. propane-air facilities.
- 25 Do you see that?

A. Yes, I do.

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- Q. And if you could turn the page, it looks like there's a total of 56 propane-air facilities?

 According to the bottom of the chart?
 - A. Yes. This document says total 56.
- Q. Is it your opinion that none of these propane-air facilities can get new critical parts?
- A. I don't know about all of these other facilities, but I spoke with -- another Staff member of our -- at our Agency or Commission and he says that the industry trend is for these to be retired, and he indicated that the Vectren facilities retired in 2011 and 2012, and so the industry trend is to retire these, and these are an older technology.
 - Q. The trend is not the same as need, is it?
- A. I am not sure what you're -- I am not understanding the question.
- Q. Just because an industry trend is happening, doesn't mean that a certain company needs to follow that trend.
- A. As I stated earlier, I looked at the facility and -- and I mentioned some of the risks to the facility. And that M and P Report and I believe this Gas Master Plan also recommended these be retired. So it -- the trend is -- kind of fits with

the proposal before us.

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that recommendation.

ALJ SEE: Could you both --

Q. Didn't the Gas Master Plan recommend that --

ALJ SEE: Excuse me, Mr. Yskamp. Could you both speak up. You trail off at the end. Thank you.

Q. Didn't the Gas Master Plan recommend that Duke evaluate retiring the propane-air plants?

MR. BEELER: Do you have a page number for that by any chance?

MR. YSKAMP: Not off the top of my head.

I'm sorry.

- Q. And if you know. If you are not sure.
- A. Yeah, I do recall this. Yes, on page 91, Section 9.2 of this exhibit in front of me, it says "Lummus Consultants recommends that Duke Energy should evaluate the phasing out, closing, and decommissioning of both propane air facilities...."

 And also it recommended one of the -- prior to doing that, that one of the reliability recommendations be installed and then the decommissioning. So the proposal -- the proposed pipeline in front of us fits
 - Q. So I will ask again. Isn't it true that

the page that you pointed to, 91, states that "Lummus Consultants recommends that Duke Energy should evaluate the phasing out, closing, and decommissioning of both propane air facilities currently operated by Duke Energy"?

MR. BEELER: Asked and answered.

ALJ SEE: It has been asked and answered.

- Q. If you could turn back to your testimony. Do you have that in front of you still?
 - A. Sure.
- Q. So one reason you didn't mention, that I want to discuss with you, is on line 18. You state "Additionally, the Applicant acknowledged that some of --
 - A. Hold on. What page?
- 16 Q. 4.

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- 17 A. Okay.
- 18 Q. Page 4. Let me know when you are there.
- 19 A. I'm there.
 - Q. Okay. Line 18. It states "Additionally, the Applicant acknowledged that some of its current customers' operations are intolerant to the propane-air mixture and must curtail their gas use when the propane-air peaking facilities are in operation." Is this -- is this part of the need, in

your opinion, to retire the propane-air plants?

A. Yes.

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- Q. Are these customers firm customers?
- A. They're -- I don't have specific knowledge about their rates. But they do curtail when the propane is in use, so likely it's interruptible.
 - Q. Do you know how many customers this is?
 - A. I don't recall.
- Q. Do you know if they are simply able to store gas during the 10 to 15 days a year when Duke is operating the P-A plants?
 - A. Who do you mean by "they"?
 - Q. The propane-intolerant customers.
- A. I don't -- I don't know.
- Q. Do you know if propane-intolerant customers can get gas from a different portion of the system during peak days?
- A. There is a figure in the Staff -- in the Application that shows the widespread use of propane or the extent of propane mixture when it is -- when those propane facilities are in use, and I -- so I doubt that they would -- if they are curtailed and they are fixed facilities, I doubt they would get natural gas without propane when those are in

operation.

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MR. YSKAMP: If you could give me a moment. I need to find and mark an exhibit. I am going to mark NOPE Exhibit 20. I am actually not sure if it's one of the City/County exhibits. Can we go off the record for a minute to see if I should even mark this?

ALJ SEE: Sure. Let's go off the record.

(Discussion off the record.)

ALJ SEE: Let's go back on the record.

- Q. (By Mr. Yskamp) I would like to show you what has been admitted in this case as NOPE -- sorry -- City/County Exhibit 28. Have you seen this document before?
 - A. I believe I have, yes.
- Q. So the request states "State whether propane intolerant users could be supplied from a portion of the system segregated from the propane-air plants." Did I read that correctly?
 - A. Yes, you did.
 - Q. And the answer says "Yes," right?
 - A. Yes, that's what the document says.
- Q. So replacing aging infrastructure was another need identified; is that correct?
- 25 A. Yes.

Q. But isn't it true that Duke is capable of replacing its infrastructure without the proposed pipeline?

MR. BEELER: Can I have that one reread?

ALJ SEE: Certainly.

MR. BEELER: Please.

(Record read.)

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MR. BEELER: Thank you.

- A. Construction of the proposed Central Corridor Pipeline would allow Duke to replace aging infrastructure and what -- and maintain service. So there are several lines that could not -- it's my understanding could not be replaced in the off -- totally within the offseason, which would be unacceptable because there would be customers without that gas during the winter season.
- Q. When you say "several lines," are you referring to planned upgrades that Duke Energy already has?
- A. Lines A -- Line A, Line V, and various Line AM segments. Just to name a few.
- Q. Could you -- do you see City/County
 Exhibit 31 in front of you?
 - A. No, I do not.

MR. YSKAMP: Can I approach, your Honor?

628 1 ALJ SEE: Yes. 2 (By Mr. Yskamp) So my apologies. Q. 3 misspoke to you. Do you see City/County Exhibit 33 in front of you? 4 5 Α. Yes, I do. 6 Ο. Could you read the request on that 7 exhibit? It's NOPE-RFA-01-04 -- 004. 8 Α. 9 Ο. What does the request say? 10 Α. Oh. "Admit that Lines A, EE, and V can 11 be upgraded and/or replaced without the proposed 12 line." 13 Q. And what -- and it's admitted, right, 14 that it can happen? 15 Α. That's their response, yes. 16 MR. BEELER: Object at this point. Just 17 a foundation whether Mr. Conway has seen this 18 document before. 19 MR. YSKAMP: Yeah, there is no 20 foundation. It's admitted into evidence. 2.1 ALJ SEE: And he's answered the question. 2.2 MR. BEELER: Thank you. 23 MR. YSKAMP: I didn't hear. I'm sorry.

ALJ SEE: You didn't?

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I didn't hear you.

1 MR. YSKAMP: My apologies.

2 ALJ SEE: Oh, and I said "And he's

already answered the question" is exactly what I

4 said.

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MR. YSKAMP: Thank you, your Honor.

ALJ SEE: Sure.

- A. I also would add this does not address Line AM, the various Lines AM as well.
- 9 Q. Can you -- so it's a Duke exhibit. It's 10 to your -- it's to your right on the -- sorry. On 11 the podium.
- MR. YSKAMP: Can I approach, your Honor?

13 ALJ SEE: Yes.

MR. YSKAMP: Sorry.

15 ALJ SEE: And could you indicate what you 16 showed the witness?

MR. YSKAMP: Yeah.

- Q. For the record, can you state the request number in the top right-hand corner of the document I just handed you?
- A. It's unmarked -- there is no exhibit, but it's Duke -- or NOPE-RFA-01-001.
- ALJ SEE: And for the record that has been marked as City/County Exhibit 31.
- Q. So this -- so Line A, Line EE, Line V

were mentioned on the prior requests that you read. What was the name of the line you said wasn't mentioned?

- Α. Line -- Lines -- various Lines AM.
- Q. Okay. Are they in the Central Corridor?
- Α. Yes.

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- 7 Q. Could you read the request in front of 8 you?
 - Α. Request is "Admit that you can perform maintenance on existing lines in the central corridor without building the proposed pipeline."
 - Ο. What's the answer to that question?
 - Α. Response is "Admitted."
 - Now, you're concerned about temporary Ο. outages during construction or replacement of lines; is that correct?
- Α. Yes. That's my -- that's one of my concerns. They would -- Duke would need to maintain 19 or upgrade all of these lines; and temporary fixes that have occurred, it doesn't seem to be a prudent, long-term solution to replacing the aging infrastructure.
 - Aren't there ways that Duke could Q. mitigate these outages?
- 25 Α. I think during the winter season, that

would probably be unexpected -- or unacceptable.

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- Q. So could they repair -- schedule repairs or replacement outside of the winter season?
- A. I think I had already answered that, that this -- the Line A would need to be replaced in total and we don't have a proposal for that, an OPSB application for that, so I -- I think the Applicant stated it couldn't do it within one winter -- one off-season. So outages during the winter season would be unacceptable.
- 11 Q. But they could replace it in portions, 12 right?
 - A. Possibly, but I don't think that's a long-term solution. Because that just -- I don't think that's a long-term solution.
 - Q. After they replace the line through portions, isn't it -- aren't those replacements good for the long term?
 - MR. BEELER: Again, this is a -- asked and answered and calling him to speculate on, you know, segments.
- ALJ SEE: The objection is overruled.

 You can answer the question, Mr. Conway,

 as best you can.
 - A. Any proposed pipeline that is OPSB

jurisdictional would have to have a full evaluation, so it's not just my engineering evaluation. It would be -- we have a team of environmentalists, geologists and others that would need to evaluate that proposal in total. So it's -- yes, we have replaced -- or we have approved like-for-like segments, so that seems to be my answer.

- Q. Okay. Have you read the Western Route Constructability Review for this case?
 - A. What do you mean? The -- the Lummus?
- Q. No, not the Gas System Master Plan. It's titled the Western Route Constructability Review.
- 13 | Have you -- does that ring a bell at all?

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- A. No, I haven't seen that.
- Q. Would you say that -- so you said it's unacceptable for outages in the winter season. Would you say that it's unacceptable during -- during construction of a pipeline, people don't have access to their homes?
 - A. Could you repeat that question, please?
- Q. Would you say that during construction of the pipeline, it is unacceptable for people to be blocked from access to their homes?
- A. I think that's kind of outside the scope of my testimony. I think that would be in the

- minimum adverse section of the Staff Report.
- Q. In evaluating need, do you compare impacts of different alternatives?
 - A. That is not a requirement of the -- of the rule. But Duke has explored alternative options for the proposed project.
- Q. Have you compared impacts of alternative options, aside from the Preferred Route and Alternative Route?
- 10 MR. BEELER: Asked and answered.
- 11 MR. YSKAMP: I don't think he answered at
- 12 all. He answered what Duke did.
- 13 ALJ SEE: You can answer the question,
- 14 Mr. Conway.

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- 15 A. I believe my answer needs -- I asked a
- 16 Data Request, Staff 16-001. That was marked as
- 17 | highly confidential. And I think that probably would
- 18 | be -- my full response would probably be in the
- 19 | confidential section.
- MR. YSKAMP: Should I save this question
- 21 | for after public cross then?
- 22 ALJ SEE: You believe it -- your answer
- 23 | may get into confidential information, Mr. Conway?
- 24 | Am I understanding you correctly?
- 25 THE WITNESS: Yes, that's correct.

634 1 MR. YSKAMP: Is the -- for the public 2 version, could you -- it's a yes or no question. 3 Could I get a yes or no answer to that? 4 MR. BEELER: I would object. 5 ALJ SEE: Could Duke verify that the 6 answer to Data Request, Staff 10-001; is that 7 correct? THE WITNESS: 16-01. 8 9 ALJ SEE: 16-01 is confidential? 10 MR. HESLIN: It will take a moment, your 11 Honor. We are pulling it now. 12 MR. YSKAMP: I could table this topic and 13 come back. 14 MS. KINGERY: Of a particular attachment? 15 THE WITNESS: All the e-mails were marked 16 highly confidential. 17 ALJ SEE: Okay. While they're looking 18 for it, can you go ahead, Mr. Yskamp, to some other 19 questions you may have? 20 MR. YSKAMP: Yes. 2.1 ALJ SEE: Thank you. 22 (By Mr. Yskamp) Turning back to your Q. 23 testimony, this is a general question. So you state 24 in your testimony that the Applicant identified 25 several areas of its territories where it anticipates

growth.

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- A. To what are you referring?
- Q. Do you recall if you say that the -- the Applicant identified several areas of its service territories where it anticipates growth?
- A. Are you pointing to a particular page in my --
 - Q. I am not.
 - A. Yes, I recall that.
 - Q. Did it show you growth -- sorry. Did the Applicant show you that there would be growth in Hamilton County?
 - A. Yes.
- Q. And was that based on population forecasts?
 - A. In discussion with Duke employees, they indicated there was growth near the former Blue Ash Airport, and that they have experienced an increase of customers since the 2016 original filings, and they indicated that several interruptible customers would like firm service, that they were desiring the service. So those were experienced growth and anticipated growth.
 - Q. So clarify for me, what was the anticipated growth?

- A. The firm -- the interruptible customers that wanted to become firm customers.
 - Q. So is -- is it the case --
 - A. And -- repeat that question.
- Q. So my question was, what was -- I asked you to clarify what the anticipated growth was, and you said from customers that want to be -- sorry, interruptible customers that want to be firm customers.
 - A. That's correct.
- Q. Is it -- so is it the case that your opinion is not based on population forecasts?
- A. You know, I didn't do a population forecast.
- 15 Q. How many interruptible customers want to be firm customers?
- 17 A. I don't know the exact number.
- 18 Q. Could you please turn to page 28 of the 19 Staff Report.
- 20 A. Yes.

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- Q. The item titled "System Modeling Study
 Options." Do you see that toward the bottom of the
 page?
- 24 A. Yes.
- Q. Did you contribute to this part of the

Staff Report?

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- A. Yes, I did.
- Q. So the first paragraph says "The Gas System Master Plan outlined several" -- sorry -- "seven alternative system improvements that would allow the retirement of the propane-air peaking plants, reduce the reliance on the Foster Station, and allow replacement of aging infrastructure."

And then the next sentence states "The Applicant considered three western options, one eastern option beyond the I-275 outerbelt, and three central options within the I-275 outerbelt in the Gas System Master Plan." Where did they consider those options?

- A. I think this is getting to the earlier question and the kind of replies in that -- in that Staff Data Request 16-001 which was discussed earlier.
- Q. That would reflect their consideration of those options, that Data Request, is that what you are saying?
 - A. Their response, yes.
- Q. Okay. Let me ask you about the next sentence. "The Applicant found that the western options did not allow for retirement of the

propane-air peaking plants or improve reliability in the central core area." What do you base that sentence on?

- A. Again, the response to Staff -- the Data Request 16-001 and the -- and on the -- the Amended Application, pages 4-3.
- Q. What are you referring to in the Amended Application?
 - A. The last paragraph 4-3.

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Q. Could you please read it for me?

ALJ SEE: What date is the amendment -the Amended Application you are referring to?

THE WITNESS: March 2017.

ALJ SEE: Thank you. Go ahead.

- A. I will read that last paragraph. "In general, the western options did not allow for retirement of the propane-air plants, nor did they improve reliability to the extent that inspection and replacement work could be conducted as needed in the central core area."
- Q. And are those the western options in the route selection study?
- MR. BEELER: Objection. Outside the scope. He didn't do the route selections. That is another Staff witness.

MR. YSKAMP: I am just trying to figure out the western options that he wrote in his Staff Report. And he pointed to that paragraph. I did not.

ALJ SEE: The witness can answer the question.

- A. I believe these western options were the options mentioned in the Lummus Report.
- Q. So you believe that in the Application the options in the Lummus Report were evaluated?
 - A. That's my understanding.
- Q. Were you here for Mr. Nicholas's testimony yesterday?
 - A. No, I was not.

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- Q. Could you turn to page 61 of the Lummus Report. I would like to direct you to the last paragraph on the page.
- MR. BEELER: What page was that again? Sorry.
- 20 MR. YSKAMP: 61.
 - Q. This paragraph states "In order to analyze a wide range of potential expansions that could reduce or eliminate the reliability exposure presented by the reliance on flow through Foster Station, Lummus Consultants supervised the following

nine Stoner simulation runs. They analyze the specific capabilities of potential expansions in the Center, Western, and eastern portions of Duke Energy's service territory. Each scenario assumes a system peak sendout of 42,462 Mcfh, available Foster pressure of 400 psig, and no contribution from the propane air plants." Did I read that correctly?

- A. Yes, you did.
- Q. It was your understanding that the Gas

 Master Plan modeling -- modeled with no contribution

 from the propane-air plants?
- A. That's what I just stated.
 - Q. Was that your understanding before today?
- 14 A. Yes.

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- Q. And do you know how the western options -- options fared in this analysis compared to the Central Corridor option?
- A. Yes. But Duke did an additional analysis and it's the Confidential Staff Data Request 16-001; so they did their additional analysis on those routes.
- Q. Could you turn to page 64 --
- 23 A. Yes.
- Q. -- the Lummus Report. So under 5.3.3.2,
 System West Expansions, I want to read the

1 description of the W-1 Expansion. So it states "W-1

2 | Expansion - An alternative option to bring gas from

the north is represented in Figure 42 where, instead

4 of the C314 extension, a new 32-inch lateral of

5 | 18.1 miles was sized to bring gas from TGT at

6 | Harrison Station, southward across the Ohio River, to

connect with the AM07-line on the Kentucky side of

8 Anderson Ferry." Was that your understanding of what

9 the western option was before today?

10 A. Yes, I believe that is the western

11 option.

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MR. YSKAMP: Give me one moment to find

13 | another exhibit.

14 ALJ SEE: Let's go off the record while

15 | you look for that exhibit, Mr. Yskamp.

16 (Discussion off the record.)

17 ALJ SEE: Let's go back on the record.

MR. YSKAMP: I am going to mark NOPE

19 Exhibit 21.

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ALJ SEE: You never used 20.

21 MR. YSKAMP: That's right, I did not use

22 | 20. Actually, could we check this one, as well, off

23 the record?

ALJ SEE: Okay. Let's go off the record.

25 (Discussion off the record.)

ALJ SEE: Let's go back on the record.

MR. YSKAMP: May I approach, your Honor?

ALJ SEE: Yes.

- Q. (By Mr. Yskamp) Have you seen this document before?
 - A. No, I have not.

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- Q. The document I just handed you is City/County Exhibit 9. Under "Request," it asks "Please identify and describe the basis or bases for the contention, as most recently explained on page 28 of the Amended Staff Report, that Duke 'found that the western options did not allow for retirement of the propane-air peaking plants.'" Did I read that correctly?
 - A. Yes, you did.
- Q. And if you follow me past the objection, if you follow where it starts "Without waiving said objection," this states "Without waiving said objection, to the extent discoverable, and in the spirit of discovery, modeling of a 20-inch proposed western connection to the Duke high pressure distribution loop with propane/air peaking plants off line resulted in inadequate pressures during peak hour conditions in north eastern portions of the natural gas system." Did I read that correctly?

- A. Yes, you did.
- Q. Isn't it true that a 20-inch western connection in Duke's high-pressure distribution loop is not the W-1 expansion in the Gas System Master Plan?
- A. I haven't seen this document before today, but, yes, this 20-inch line is different than the western line.

MR. YSKAMP: So, subject to the potential confidential portion of my cross, that's all I have.

ALJ SEE: Let's -- it's now 1:35. Let's go off the record. Let's take a lunch break, go off the record, and allow the parties to look at the confidential exhibit that Mr. Conway has been referring to, to see if you can work out something to allow questioning to continue within the public portion of the record.

With that, we'll resume at 2:15.

(Thereupon, at 1:37 p.m., a lunch recess

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was taken.)

644 1 Thursday Afternoon Session, 2 April 11, 2019. 3 ALJ SEE: Let's go back on the record. 4 5 Mr. Heslin. MR. HESLIN: Your Honor, I'm deferring to 6 7 Mr. Yskamp. I think he has made a decision about 8 further questioning. 9 ALJ SEE: Mr. Yskamp. 10 MR. YSKAMP: Your Honor, I don't have any 11 more questions for this witness, confidential or 12 otherwise. 13 ALJ SEE: Okay. Thank you. 14 And Mr. Keaney. 15 MR. STEVENSON: I have no questions, your 16 Honor. 17 MR. KEANEY: I do have questions. That 18 was Mr. Stevenson. 19 ALJ SEE: I thought you sounded slightly 20 different but okay. 2.1 I'm sorry, Mr. Stevenson. 22 MR. STEVENSON: I have no questions. I 23 thought that's who you were calling on. Sorry. 24 ALJ SEE: That's okay. Well, Mr. Fox. 25

645 1 MR. FOX: No, your Honor. 2 ALJ SEE: Mr. Keaney. 3 MR. KEANEY: Yes, thank you, your Honor. 4 5 CROSS-EXAMINATION 6 By Mr. Keaney: 7 Good afternoon, Mr. Conway. If I can Ο. 8 direct you to page 3 of your testimony, beginning 9 with the Q and A on line 7. Let me know when you are 10 there. Thanks. 11 Α. I am there. 12 Q. Here you talk about there being a 13 threefold purpose of the proposed pipeline project, 14 correct? 15 Α. Yes, I do. 16 And one of those is balancing system Ο. 17 supply from north to south, a second one is retiring 18 propane-air peaking plants, and the third would be 19 replacing aging infrastructure; is that correct? 20 Yes. Those are the three fundamental 2.1 goals of the -- purposes of the pipeline. 22 Now, Duke created these three fundamental Q. 23 goals of the pipeline, correct?

Plan led them to this. And this was Duke's three

I believe that -- yes, the Gas Master

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fundamental goals of the pipeline.

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- Fair to say that Staff did not create Q. these goals or have any role in the development of what the three objectives or goals might be for the proposed pipeline; is that fair to say?
- It's not completely fair because the -this issue has kind of been a long term -- a long way coming. The pipeline has been in the long-term forecast for many years. The 2015 Management Performance Analysis identified that Duke would need to retire its propane-air facilities. The Gas Master Plan kind of led them to evaluate different options, reliability options, and also retire the Gas Master Plan -- or the propane peakers. And that -- that kind of led to those three goals.
- Let me ask you this: Staff did not tell Ο. or direct Duke how it ought to achieve those three goals or purposes, correct?
- OPSB Staff, no. But the -- I mean the Commission has heard this issue of the propane facilities in its -- in the gas cost recovery case, I mentioned that before, so.
- So would it be more accurate to say that Q. Duke, in conjunction with Staff, developed these 25 three primary goals for the project?

- A. Could you repeat that question, please?
- Q. Sure.

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MR. KEANEY: Can I have the question reread?

(Record read.)

- A. Maybe -- no, Staff didn't tell them to -- the three goals. I think Duke, more Duke than Staff.
 - Q. Understood. Thank you.

Now, you are described as an Engineering Specialist; is that right?

- 11 A. Yes.
- Q. So based on your review of the documents
 in this case and based on your experience as an
 Engineering Specialist, can Duke replace aging
 infrastructure without retiring the propane-air
 plants?
 - A. Could you be more specific as to what -your question is kind of vague. As opposed to
 what -- what would need to be replaced?
 - Q. You understand that one of the three goals is to replace aging infrastructure, correct?
 - A. That's correct.
 - Q. A separate goal would be to retire the propane-air peaking plants, correct?
- 25 A. That's correct.

Q. What I am wondering is, can Duke achieve both of those objectives without having to do them simultaneously?

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- A. For different pieces, yes. We have -Duke has replaced since -- since the 2016 filings,
 they have replaced certain sections and done
 maintenance and replaced like for like. I forget the
 specific case number.
- Q. And those replacements would need to be made irrespective of whether the propane-air peaking plants will be retired, correct?
- A. Yes. As identified in the long-term forecast, a lot of the pipelines are aged and, as issues come up, the Public Utilities Commission and OPSB Staff would want them to be replaced prudently.
- Q. So Duke has an obligation to repair and replace this aging infrastructure regardless of whether this proposed pipeline and whatever route is approved, correct?
- A. Yeah. If there is a problem with a pipeline, it would need to be replaced or repaired.
- Q. So if there are safety and reliability issues regarding any aging infrastructure that may be out there, Staff would not expect Duke to delay or avoid the replacement of that aging infrastructure,

correct?

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- A. No. If there is a problem with the line, we would expect them -- Duke to prudently replace it, repair it, correct.
- Q. Are you aware of any aging infrastructure that Duke cannot repair or cannot replace without the proposed pipeline in this case?
- A. I think Line A is one that needs to be replaced and it cannot be operated at a higher pressure and that one would need to be -- Duke would need to consider replacing that and this Central Corridor Pipeline is a -- would need to be in place probably prior to that being -- prior to Line A being replaced.
- Q. Okay. So just to clarify, Line A, the portion that you are talking about, cannot be repaired or replaced unless the proposed pipeline is constructed, correct?
 - A. That's my understanding.
- Q. And is that understanding based on discussions with Duke?
- A. Yes.
- Q. Any other independent knowledge of that conclusion?
- 25 A. Page 4-2 of that Application.

- Q. Are you referencing the Amended Application?
 - A. Yes, the Amended March 2017 application.
- Q. Can you give my that page citation again, Mr. Conway?
 - A. 4-2.

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- Q. Now, 4-2 in the Amended Application was drafted and filed by Duke, correct?
 - A. Yes.
- Q. And so my question was, besides what Duke has told you or otherwise represented to you, do you have any other independent knowledge to support that conclusion?
 - A. I don't think so.
- Q. Is it fair to say that the three projects -- the three objectives we were just talking about, do you remember those?
 - A. Yes.
 - Q. It's fair to say that those can be accomplished independently of each other.
 - A. I would doubt that you could retire the propane-air facilities without an additional supply of gas to the system; so that's -- I wouldn't agree with you on that.
- Q. Can you replace aging infrastructure

without retiring the propane-air peaking plants?

- A. I thought we already -- yes, they could replace aging infrastructure without retiring the propane.
 - Q. Okay. Is it a Staff requirement that one project must satisfy all three of those objectives at the same time in the same project?
 - A. Staff evaluated the proposal in total, so we looked at all the environmental issues, the need for the facility, all the engineering -- the benefits, the impact; so it's a -- it's a total project. We can't really piecemeal it.
 - Q. I understand that that's your perception. What I am asking is, are you aware of any Staff requirement that one project must satisfy all three objectives simultaneously?
 - MR. BEELER: Objection, asked and answered. The witness said that no, they can't take it piecemeal, there is no Staff requirement, they look at the project as a whole.
- MR. KEANEY: If his answer is no to that question, I will move on.
- MR. BEELER: He answered it with his narrative.
- MR. KEANEY: With all due respect, he did

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2 ALJ SEE: The objection is overruled.

3 | Would you like the question repeated,

4 Mr. Conway?

THE WITNESS: Yes, please.

(Record read.)

- A. The question is difficult to answer. I think -- there must be a need for the pipeline before we approve it. There needs to be -- I think our rules outline all of the requirements for any type of pipeline that needs to be proposed.
- Q. Do any of the rules that you are thinking of in your mind right now, do any of those rules require that Duke accomplish all three of those objectives in one project?
- A. The rule that I am thinking of is the reference -- the project must be referenced in the long-term forecast. So if the project is referenced in the long-term forecast, that's required, that's -- that's kind of what I see as a requirement.
- Q. So is it your testimony that the requirement to accomplish all three objectives in one project derives from Duke's long-term forecast report?
- A. I think a project that doesn't satisfy

these goals or is not in the long-term forecast, OPSB would have a difficult time approving it, or the Applicant would need to explain why it's not in that forecast; so to that extent, I believe that -- that -- I think that's kind of one of the bases why Duke proposes projects too.

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Q. Mr. Conway, let me ask it this way: Can you tell me where I can find the requirement, imposed by Staff, that Duke's project must accomplish all three objectives simultaneously in one project?

MR. BEELER: I would object. I believe he answered the question. He said, in his opinion, that the rule that references the long-term forecast reports and combined with his knowledge of the Power Siting Board approval process, that it is a requirement.

MR. KEANEY: I'm asking which rule. Where I can find it. He has given me all kinds of different evasive --

MR. BEELER: He has given you the rule, the language of the rule. He doesn't have the rule memorized.

ALJ SEE: I don't think the witness has answered the question. The objection is overruled.

Try it again, Mr. Keaney.

Q. (By Mr. Keaney) I have tried it three different ways. Let me try a fourth way.

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You've mentioned that there is a requirement that Duke has to accomplish all three goals, as you've explained them today, in one project simultaneously. Correct?

- A. I think the pipeline needs to be proposed in the long-term forecast. There is no specific requirement, as I understand, that -- that states each pipeline needs to have three different goals or -- I think it's kind of for the Board to review and to weigh the benefits of all of the proposed OPSB projects.
- Q. So is it fair to say there is no specific requirement that you are aware of that one project must meet all three objectives in one project simultaneously, correct?
 - A. I think that's fair.
 - Q. Thank you.

If you could just turn to page 5 of your testimony, I am going to be looking at line 18.

That's page 5, beginning line 18. Let me know when you are there, please.

- A. I'm there.
- Q. Your testimony states "The Applicant's

modeling shows that the Foster Station would serve
45 percent of the Ohio customer load after
installation of the Central Corridor Pipeline. This
is a noticeable reduction from the 55 percent with
the current system." Did I read that correctly?

A. Yes.

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- Q. Now, have you at all read Mr. Hebbeler's testimony in this case at any point?
 - A. I believe I read portions.
- Q. Okay. Do you remember the portion of his testimony when he talks about Duke having originally started with the 30-inch pipeline and eventually changing it to a 20-inch pipeline?
 - A. I understand that's what happened.
- Q. Okay. Do you remember the testimony in this case where Duke explained that because they had moved from a 20- to a 30-inch pipeline -- from a 30- to a 20-inch pipeline, that they were going to have to make some additional enhancements to the system to make up for that change? Do you remember that?
 - A. Yes. That's my understanding.
- Q. Okay. Now, since Duke will need these additional enhancements and upgrades to its system to address the north-south balance issue, what is

Staff's opinion as to the percentage of reliance on Foster Station that should be achieved from those additional projects, those enhancements, upgrades, things like that?

- A. The question is kind of vague. What do you mean by "reliance on"?
- Q. Do you know what the reliance on Foster Station is right now, without the proposed pipeline?
- A. Maybe you could just repeat the question.

 I didn't catch the first part of it.
 - Q. Sure.

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I was referencing Mr. Hebbeler's testimony where he says, you now, we need to make -- we need to have additional upgrades and enhancements to the system to address -- to further address this reliability problem with Foster Station. Are you with me so far?

- A. Yes.
- Q. So what I am asking is, what is Staff's opinion as to the percentage of reliance on Foster Station that would need to be achieved in implementing those additional enhancements or upgrades?
- A. Any reduction in the reliance on the Foster Station is beneficial to the Duke system; so

that's our -- that's my opinion.

- Q. So is it fair to say that as long as any of those projects in the future, those upgrades or enhancements, as long as they reduce reliance on Foster Station in any amount, Staff is okay with that; is that fair to say?
- A. As I stated earlier, we -- as a Staff -- when we produce the Staff Report, it's a team effort, but my -- my opinion or my recommendation would be in -- reduction on the reliance -- I'm sorry -- reducing the reliance on the Foster Station would be beneficial to Duke.
 - Q. Okay.
- A. But the environmental issues, I mean, Staff would weigh those in total.
 - Q. Fair enough.
- The Amended Application proposes two routes, the Preferred Route and the Alternate Route, correct?
- 20 A. Yes.
- Q. And Staff is recommending the Alternate
 Route, correct?
- A. That's correct.
- Q. Is it your understanding that both the
 Preferred Route and the Alternate Route would reduce

- reliance on Foster Station from 55 percent to 45 percent?
- A. I believe the -- Duke has clarified that the Alternate would -- would go down to 50 percent.
- Q. So on page 4 of your testimony, and I am looking at beginning on line 18, let me know when you are there.
 - A. I'm there.

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- Q. And it states "The Applicant's modeling shows that the Foster Station would serve 45 percent of the Ohio customer load after installation of the Central Corridor Pipeline," correct?
 - A. That's correct.
- Q. And so, here in your testimony, you are talking about the Preferred Route, not the Alternate Route, correct?
- A. Yeah. I think that needs to be corrected to 50.
 - O. Thank you.

I want to stay on page 5 of your testimony there, and the next line that I will read is 20 and 21 on page 5, it reads "This is a noticeable reduction from the 55 percent with the current system." Did I read that correctly?

A. That's correct.

- Q. And when you are saying this is a noticeable reduction, you are talking about from 55 to 45, correct?
- I am aware -- 50 -- 55 to 50 is also a noticeable and beneficial reduction. And then also it would reduce -- allow the Applicant to retire the propane facilities which is an additional 5 percent and 10 percent each, so.
- Ο. Can you ex -- I was with you except for the last part. What did you say? What is additional and how it reduces reliance on Foster Station?
- I meant the peakers. The peakers would be reduced. I'm sorry. Reduction of the reliance on 14 the Foster Station, the 50 percent, is beneficial. And then also retirement of the propane-air
- 16 facilities is beneficial too, so that's --
- 17 Q. Understood. I believe you had said 18 5 percent is a noticeable reduction, correct?
- 19 Α. That's correct.

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- Would 1 percent be a noticeable 20 Q. reduction? 2.1
- 22 MR. BEELER: I would place an objection 23 here. It's calling for speculation.
- 24 MR. KEANEY: Your Honor, I was going to 25 respond --

MR. BEELER: The actual number here is 5 percent, not 1 percent.

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MR. KEANEY: Your Honor, he actually testified, originally, 10 percent was a noticeable reduction. Today, for the first time, I found out 5 percent is a noticeable reduction. I think it's completely fair, within the scope of his testimony, to ask what else Staff considers to be a noticeable reduction.

MR. BEELER: I don't believe it's relevant here. I mean, he has stated that there's noticeable -- a noticeable reduction and that's -- and that's taken into account with the other factors that he relied on, you know, in the Application and everything that he reviewed in his investigation.

ALJ SEE: The objection is overruled.

Mr. Conway, you can answer the question with whatever caveat you need.

- A. Without speculating, these are large systems, so when you talk about 1 percent to 5 percent, you are talking about customers and they are huge. It's -- it's a huge system, so I am not sure if 1 percent is noticeable but it is beneficial.
- Q. Okay. Fair enough. Let me cut right to the chase. Would any reduction, no matter how small,

be considered what you describe in your testimony as a noticeable reduction?

A. I don't think that's fair.

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- Q. So, I'm sorry, is your testimony you -- you do not believe any reduction would be noticeable?
- A. I mean, you would notice anything, you know, 1 percent or above. That's it.
- Q. So Staff would consider any reduction, no matter the amount, as being a noticeable reduction; is that fair to say?
 - A. If you can notice it, yes.
- Q. Okay. On page 5 again, beginning on line 21, without the proposed pipeline, Duke currently relies on Foster Station for 55 percent of its customer load, correct?
 - A. That's correct.
- Q. Does Staff consider 55 percent to constitute excessive reliance on Foster Station?
- A. I don't think we used the term

 "excessive." I think we used the term "critical."

 In the Foster Station, the propane facilities, the

 WW Station, they are all critical facilities; so

 "critical" is probably more accurate.
- Q. So I am not asking you to describe the facilities. What I am asking is, as a general

planning matter, 55 percent of Duke's entire supply comes from one gate station, Foster Station; and so my question is, does Staff believe that 55 percent reliance on one gate station constitutes excessive reliance?

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- A. Again, I don't think I can say excessive. It is what -- it's the occurrence. It makes it critical. It's a Kentucky facility. It's a critical station.
- Q. So just to clarify, Staff -- you do not believe Staff would constitute that as excessive reliance? You are not prepared to call it excessive; is that fair to say?

MR. BEELER: Objection. Asked and answered. He already said he doesn't know.

MR. KEANEY: Your Honor, I am just trying to clarify the statement. It was, to me, not clear.

ALJ SEE: I think the witness has answered the question. Move on, Mr. Keaney.

- Q. (By Mr. Keaney) Can you go to page 8 of your testimony and start on line 9, please. I'm sorry. Page 8, line 10.
 - A. I am there.
- Q. And this states that "The number of customers have increased since the original case

filings in 2016," correct?

- A. That's correct.
- Q. Do you know how many more customers Duke has today, compared to the time of the original case filing in 2016?
 - A. Yes.

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- Q. How many more?
- A. Approximately 13,500 more.
- Q. And is it your understanding that Duke's regional -- regional expansion plans, which are referenced just for you on page 8, lines 8 and 9. Do you see where I am referencing your use of the term "regional expansion plans"?
 - A. I see that.
- Q. Is it your understanding that Duke's regional expansion plans assume there will be customer growth in Hamilton County?
- A. Yeah. It's my understanding that the --with the proposed pipeline there's going to be additional demand of -- can go up to 45,500 Mcf per hour.
- Q. So I think I know the answer to this, but
 I just want to clarify. Is it your understanding
 that Duke's regional expansion plans then would
 assume there will be load growth in the Central

Corridor?

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- A. I don't know if you can narrow it to the Central Corridor but, yes, the system will increase to 45,500 Mcf per hour.
- Q. So instead of the Central Corridor, let's confine it to Hamilton County. Do you know if Duke's regional expansion plans that you reference in your testimony assume load growth in Hamilton County?
 - A. Yes.
 - Q. Thank you.
- On page 8, line 12. Again, I want to
 focus on this "regional expansion plans." Do you see
 that?
 - A. I see line 12.
- Q. And do you see your reference to "regional expansion plans"?
- 17 A. Yes.
 - Q. What I would like to know is have you -do you know if Duke's regional expansion plans have
 been reduced to writing?
 - A. Yes.
- Q. And have you looked at Duke's regional expansion plans?
- A. They are -- the long-term forecast, yes.
- Q. That's just what I was going to ask.

Thank you.

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Does Duke set forth specific details about its regional expansion plans in the long-term forecast?

- A. Yes. I believe the proposed transmission lines in the near future are a connector from C314 to the Lebanon Hub. That would be in 2023. And then beyond that, a pipeline proposed for Clermont County. So those are at least the most immediate.
- Q. And both of those would be part of the regional expansion plans, correct?
 - A. That's fair.
- Q. Does Duke provide projected costs for those specific projects you mentioned or any others that would be part of its regional expansion plans?
- A. They may. I don't have the long-term forecast memorized.
- Q. Okay. Does Duke provide the timing or the timeline, whether that be an actual timeline or projected timeline, of its regional expansion plans in the long-term forecast?
- A. Yes, they have. The Lebanon to -- the C314 to Lebanon Hub, I remember was proposed to be installed in 2023.
- Q. And do you know if Duke has to advise the

Board to seek approval to obtain the certificate, say, in order to commence construction on those projects that you mentioned?

- A. We don't have those plans in front of us, but based on the size and I think the pressure, it would likely be OPSB, those would likely be OPSB projects.
- Q. Is it fair to say that in approving this
 -- recommending approval of the Alternate Route, that
 Staff comprehensively reviewed the long-term forecast
 to assess whether it would recommend approval of
 either route in this case?
- A. The requirement is that the proposed project be mentioned or referenced in the long-term forecast. And the C314V, Central Corridor Pipeline, has been in the long-term forecast for many years.
 - Q. I'm sorry. Do you know since when?
 - A. At least 10 years.
- Q. So if I looked at the long-term forecast from 2009, you are saying I would see reference to a Line C314V Project or a Central Corridor Pipeline Project?
 - A. Yes.

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- Q. Thank you.
- Do you know -- are you aware of any plans

or projects, as part of the regional expansion plans or as part of the long-term forecast, that is designed to address the reliance on Foster Station after the proposed pipeline is constructed?

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- A. I don't have the long-term forecast in front of me, but that was in 2017 at a different stage of this case, so I think those -- the two projects I mentioned are the ones that are the most immediate projects after the C314V.
- Q. And I know you don't have it in front of you, but you would expect those to be in the plan -- somewhere in the long-term forecast, specifically addressing the reliance on Foster Station; is that correct?
- A. The next long-term forecast is due in 2020, so it may be in there.
- Q. I am not asking about the next one. I am asking about the long-term plans that you referenced that are what you described as part of Duke's regional expansion plans.
- A. The two immediate projects that I saw in the long-term forecast, the C314 to Lebanon and the Clermont County one, I don't know if they would reduce reliance on the Foster Station. And additionally, the regional expansion plans, Lummus

- mentioned compressed natural gas for vehicles, so that is a possibility as well. That's part of their expansion, but those are the -- those are the two expansions that I was thinking of.
- Q. Just to clarify, you reference LNG; is that right?
 - Α. No. Natural gas vehicles.
- Q. Okay. And it's your understanding that natural gas vehicles are part of Duke's long-term regional expansion plans, to use your term; is that right?
- 12 Yeah. I think they were mentioned by 13 Lummus.
- 14 Ο. Okay. But Lummus is not a long-term 15 forecast by Duke, correct?
- 16 Α. That's correct.

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- Q. So I am asking about the long-term forecast.
- 19 Okay. The -- the expansion --Α. 20 MR. BEELER: One second. Would it help
- to have the actual document so he can see? He seems 22 to be struggling with -- he is asking him what's in a
- document that is not in front of him. 23
- 24 MR. KEANEY: Happy to provide the
- 25 document for him.

1 ALJ SEE: Yes. Please do.

- Q. 2017 long-term forecast?
- A. Correct.
- Q. Okay.

5 MR. KEANEY: For the record, it's NOPE

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- A. Is there a question?
- Q. Sure.

MR. KEANEY: Do you mind rereading the question that's pending?

11 (Record read.)

MR. KEANEY: I can rephrase, your Honor.

ALJ SEE: Yes. Please do.

- Q. Are you aware of any plans or projects in the long-term forecast report in front of you, marked NOPE Exhibit 1, that specifically addresses the reliance on Foster Station after the proposed pipeline is constructed?
- A. I would have to see specific modeling for each of these to see -- to answer that question.
- Q. So looking at the 2017 long-term forecast report in front of you, is not -- you are not able to answer whether there would be any plans or projects that would address the reliance on Foster Station after the proposed pipeline is constructed, correct?

- A. No, I can't answer that.
- Q. Thank you.

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Do you know, has Staff had any discussions with Duke concerning what additional improvements or enhancements it has to have on its system to address this problem with reliance on Foster?

- A. I am not aware of Power Siting Staff having those discussions. I would believe maybe our other folks in our department may have had that.
- Q. Let's stay in this case. Are you aware of any Staff members assigned to this case addressing the issues raised in Duke's Amended Application that would regard any discussions between those Staff members I just referenced and Duke, concerning the additional enhancements or improvements that Duke is going to make in the future, to address this problem with Foster Station in terms of its reliance issue?
- A. You are mischaracterizing it as a problem, but I am not aware of Staff members assigned to this case who have had those discussions.
 - Q. Thank you.

Now, on page 8 of your testimony, I am going to be looking at line 9, you reference a long-range plan. Do you see that?

- A. No, I don't see that.
- Q. So I'm on page 8, line 19. You use the term "long-range plan."
 - A. Yes, I see those references.
 - Q. Just for clarity, is this the same thing -- when I say "this" -- is a "long-range plan" referenced in your testimony on page 8, line 19, the same thing as the "regional expansion plans" referenced on page 8, lines 8 through 9 of your testimony?
- A. No. The Lummus Report is what I meant by long-range plan.
 - Q. And you've reviewed the Lummus Report, correct?
- 15 A. Yeah.

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- Q. You're familiar with the Lummus Report?
- A. Yes, I reviewed it. I am familiar with
- Q. Does Duke provide projected costs of the projects -- excuse me. Does Lummus provide the cost, whether that be estimated or actual, of any of the proposals in -- in the long-range plan, the Lummus Report?
- A. I think this was the question I didn't have clarification on, whether it was part of the

confidential portion.

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- Q. The Lummus Report is no longer confidential, so.
- A. Staff Report -- the answer to that

 Appendix D as referenced in the Staff Report -- Staff

 Data Request 16-001. Is that still confidential?

 ALJ SEE: Just a moment. Let's go off

ALJ SEE: Just a moment. Let's go off the record.

(Discussion off the record.)

ALJ SEE: Let's go back on the record.

Could you repeat that, Mr. Heslin?

MR. HESLIN: Yes, your Honor.

Referencing the Lummus Report and the witness's concerns about confidentiality, based on the representation of counsel where his questioning is going, we have no concerns regarding the witness divulging any confidential information.

ALJ SEE: The Lummus Report, as attached to NOPE Exhibit 19, is public.

MR. HESLIN: It is public in its entirety as attached to that NOPE exhibit.

ALJ SEE: Okay. Make sure that --

MR. HESLIN: Judge, to be clear, that document that is attached to the NOPE exhibit is missing, as Mr. Beeler said, an appendix. I don't

think that is necessary for these questions; to the extent that it is, we are waiving the confidentiality for the purposes of this witness's testimony.

ALJ SEE: Okay. Go ahead.

MR. KEANEY: Did I have a question

pending?

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ALJ SEE: Could you ask it again?

MR. KEANEY: I just want to know where I was last so I don't repeat anything.

(Record read.)

- 11 A. Yes, Duke provided costs for all the 12 alternatives in the Gas Master Plan.
- Q. The author of the Lummus Report is Lummus

 Consultants International, correct?
 - A. I just want to confirm. Yes.
 - Q. Now, when you reference Duke's long-range plan, that term is synonymous with the Lummus Report, correct?
 - A. Yes, that's what I meant.
 - Q. So are you saying that Duke's long-range plan, according to Staff, is the Lummus Report?
- A. It's my understanding -- I referenced
 that long-range plan as the Lummus Report. That was
 their consultant that did the work for them. I had
 further discussions, in May of 2017, with Duke

employees. They provided cost estimates for all of those. They said they did an alternate ranking or alternate analysis. They didn't fully adopt the Lummus ranking method. And that is all in Staff Data Request 16-001. And I took that as proof that they did a further analysis and that was their link to the long-range plan.

- Q. So you said Duke had provided you cost estimates of the different routes under consideration?
 - A. In the Lummus Report, yes.
- Q. Okay.

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- A. Referenced in the -- yes, they provided cost estimates for -- as referenced in the -- for the routes referenced in the Lummus Report.
- Q. On page 8, line 18 of your testimony, you reference several capital improvements -- improvement projects are included in Duke's long-term forecast, correct?
 - A. Yes.
- Q. Can you identify the specific capital improvement projects that you are referencing here in your testimony?
- A. Yeah. Those are the ones mentioned in the Lummus Report; the western, eastern, and central

routes.

- Q. Now, you understand that Duke hasn't adopted all of those different options as part of its long-term plan -- or as part of its long-term forecast, correct?
- A. Yes. They evaluated those options and settled on and chose the Central Corridor Pipeline as the -- as their -- as their proposal.
- Q. Now, the several capital improvement projects that you reference were in the Lummus Report, correct?
 - A. Yes.
- Q. And up until today, the Lummus Report was confidential and was not accessible to the public, correct?
- A. Yeah. It's been confidential for a time, and I am not sure when it was released.
- Q. Sure. So is it fair to say then, the
 specific capital improvement projects that you
 reference in your testimony have not been publicly
 disclosed to anyone other than those who have access
 to that privileged information, confidential
 information, excuse me?
 - A. You are describing confidentiality, yes.
 - Q. Is your answer yes?

A. Yes.

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Q. Thank you.

Are you aware of any conversations that Staff has had with Duke as to whether Duke will intend to seek cost recovery from customers to fund the construction of the several capital improvement projects you reference in your testimony?

- A. They haven't had discussions with Staff that I'm aware of. I'll just mention, on page 29 of the Application [verbatim], our conclusion that nothing in this report should be construed as Staff's pre-approval of cost recovery in any future rate proceedings.
- Q. Right. I understand that's the position in the Amended Staff Report. I am just asking, are you aware of any conversations that the Board -- excuse me, that Staff has had with Duke about cost recovery with respect to the several capital improvement projects referenced in your testimony?
 - A. I am not aware.
 - Q. Okay. Thanks.

Do you remember a brief discussion about propane-intolerant customers with Mr. Yskamp?

- A. Yes, I remember that.
- Q. And you understand that there are certain

propane-intolerant customers that have to be notified before Duke can turn on the propane-air peaking plants, correct?

A. Yes.

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- Q. And that number is about six? Does that sound about right?
 - A. That sounds about right.
- Q. Okay. Now, I thought -- and I don't mean to trick you here, I thought you had previously testified you didn't know the number of customers who were propane-intolerant. Is that just because you didn't specifically know it was six? Is that fair to say?
- A. That's correct. And I -- I thought there
 was a Data Request on this.
- 16 Q. Okay.
 - A. I thought six sounds about right.
- Q. Okay. I don't mean to belabor that point. Let me just ask you this, did Staff consider -- step back.
 - The issue of propane-intolerant customers was part of Staff's consideration of whether there was need for this project, correct?
- 24 A. Yes.
- Q. And so, did Staff consider the number of

propane-intolerant customers that would have to be notified by Duke on its system before Staff rendered its recommendation in the Amended Staff Report?

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A. I kind of gave that a little less weight because one of my Staff Data Requests said that these propane facilities would be operated for a few years after -- after the Central Corridor Pipeline is in place, so it's -- it would be beneficial if the propane-air peakers are offline or retired. It would be beneficial to those customers because they would no longer need to be curtailed.

But I -- it is a consideration and it will eventually happen, they will be -- there -- the propane facilities will be retired and they will no longer need to be curtailed. But I kind of gave that less weight because it was going to take some time before the pipeline is installed and the peakers are retired.

- Q. So let's walk this step by step here.

 The Staff had evaluated, at some point, whether there was actual need for this project, correct?
 - A. Yes. Duke evaluated the need.
- Q. And what I am trying to understand, during that time, when Staff was evaluating is there a need for this project, is there not a need for this

project, as part of that evaluation, part of that study, did Staff consider how many propane-intolerant customers are on the system as part of their trying to figure out is there need here?

- A. Yes, we did consider it. And I believe either NOPE or I asked a Data Request on the number. Yeah, we did consider it.
- Q. And when you were informed at whatever point that there were six or how many others, that did not impact, at all, Staff's determination of whether there would be need for this project?
- A. The project is still needed. But -- but expanding their customer base to kind of more firmly service these curtailed customers kind of got -- I gave it less weight, so if that makes sense.
 - O. Understood.

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Last question, Mr. Conway. I thought you had said before that -- and I just want to clarify, that the storage caverns at the Erlanger and East Works facility had a history of some leaking. Was that your testimony?

- A. I will clarify that that was -- I believe those were pipes leading from the storage facility had leaks.
 - Q. So you would be unaware of any instance

680 1 in the past where either Erlanger or East Works had a 2 leak in the cavern itself, correct? 3 Α. I am not aware of that. 4 MR. KEANEY: No further questions, your 5 Honor. ALJ SEE: Mr. Pacheco. 6 7 MR. PACHECO: Nothing, your Honor. Thank 8 you. 9 ALJ SEE: Mr. Miller. 10 MR. MILLER: Yes, I have some questions, 11 your Honor. 12 13 CROSS-EXAMINATION 14 By Mr. Miller: 15 Ο. Good afternoon, Mr. Conway. Could you 16 turn to the Staff Report on page 26, Staff Exhibit 17 No. 1. Let me know when you are there. 18 A. I'm on page 26. 19 In the first full paragraph, the fifth Ο. 20 line down, the sentence starts "Staff agrees that 2.1 these propane-air plants and propane storage 22 facilities are now reaching the end of their useful

Q. And is that statement made as a result of

lives." Did I read that correctly?

Yes.

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your portion of the Staff investigation of the proposed -- or the Application?

- A. Yes, I wrote that sentence.
- Q. Okay. Could you turn to your testimony, prefiled direct testimony on page 2, and let me know when you are there.
 - A. I'm there.

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- Q. On line 16, it states that you inspected the proposed project area on field visits on October 28, 2016; April 25, 2017; May 25, 2017; and March 1, 2019. Is that your testimony?
- A. You read that correctly, yes. That's my testimony.
 - Q. And when you visited the proposed project area, is that necessarily one of the peaking plants or could that be somewhere else that deals with the project?
 - A. March 1 of -- of 2019, I specifically visited the East Works facility propane peaker.
- Q. Okay. Did you visit it on October 28, 21 2016?
- 22 A. No.
- 23 Q. How about April 25, 2017?
- 24 A. No.
- 25 Q. May 25, 2017?

A. I didn't.

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- Q. So the first -- your first visit to one of the air peaking plant -- propane peaking plants was on March 1, 2019.
 - A. Yes.
- Q. Had you ever visited a propane -- I have trouble with that, propane peaking plant prior to March 1, not necessarily for this project but any?
 - A. No, I have not.
- Q. Was the propane peaking plant operating when you visited on March 1, 2019?
 - A. No. I believe it was at the ready.
- Q. When you visited that plant, do you just stop in or do you set an appointment, they know you're coming?
 - A. I informed Duke a few days prior.
 - Q. And did they take you on a tour of the facility?
 - A. Yeah. I did a tour and inspections.
 - Q. Okay. Did you do any investigation, other than talking with Duke, as to the useful life of a propane peaking plant?
- 23 A. Yes.
- Q. And what did you do?
- 25 A. As mentioned, I looked at the Exeter

Report, the 2015 Exeter Report, which mentioned the propane facilities. I looked -- the Lummus Report mentions the propane facilities and their -- their state. I spoke with a Staff member in our Pipeline Safety Group and he mentioned that propane facilities are being retired and that Vectren retired theirs in 2011, 2012 time frame. And then just various questions and data requests to Duke Energy.

- Q. Okay. So it sounds to me like the Lummus Report and the Exeter Report, other than your conversation with the Staff member, your information came from the Duke sources or reports they had prepared?
- A. And I observed for myself on March 1, 2019, the state of one of the propane facilities.
- Q. Okay. But the plant was not operating then.
- MR. BEELER: Asked and answered.
- 19 ALJ SEE: It has been.
- 20 Q. I will withdraw that.

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- Was there any indication from Duke, when you visited the plant on March 1, 2019, that it was not operable?
- A. I think I asked -- or I observed many risks and I think I've outlined those earlier in a

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1 | question by Mr. Yskamp.
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- Q. Okay. But I think your testimony was it was ready to go.
- A. Yeah. It wasn't injecting on that date but, yes, there were folks there and it was just waiting for -- it was temperature-dependent when it would be called up for pressure.
- 8 MR. MILLER: Okay. Thank you. I have 9 nothing further.
- 10 ALJ SEE: Any redirect, Mr. Beeler?
- MR. BEELER: A moment? May we have a
- 12 moment?

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- 13 ALJ SEE: Yes.
- 14 Let's go off the record.
- 15 | (Discussion off the record.)
- 16 ALJ SEE: Let's go back on the record.
- 17 MR. BEELER: No redirect.
- 18 ALJ SEE: Thank you.
- MR. BEELER: At this time, Staff would
- 20 move for the admission of Staff Exhibit 9.
- 21 ALJ SEE: Are there any objections to the
- 22 admission of Staff Exhibit 9?
- Hearing none, Staff Exhibit 9 is admitted
- 24 | into the record.
- 25 (EXHIBIT ADMITTED INTO EVIDENCE.)

685 1 ALJ SEE: You may step down, Mr. Conway. 2 ALJ PARROT: Go ahead, Mr. Beeler. 3 MR. BEELER: At this time, Staff would 4 call Tim Burgener to the stand. 5 (Witness sworn.) ALJ PARROT: Please have a seat. 6 7 MR. BEELER: May I approach, your Honor? 8 ALJ PARROT: You may. 9 (EXHIBIT MARKED FOR IDENTIFICATION.) 10 11 TIMOTHY BURGENER 12 being first duly sworn, as prescribed by law, was examined and testified as follows: 13 14 DIRECT EXAMINATION 15 By Mr. Beeler: 16 Ο. Please state your full name for the 17 record. 18 Timothy Burgener. Α. 19 Ο. And who do you work for and what is your 20 position? I work for the Public Utilities 2.1 22 Commission of Ohio, and my position is Public Utilities Administrator. 23 24 Do you have in front of you what has been 0. 25 marked as Staff Exhibit 10?

686 1 Α. Yes. 2 What is it? Q. 3 Α. It is my prefiled testimony. Is it prepared by you or under your 4 Ο. direction? 5 6 Α. Yes. 7 Q. Do you have any changes? I do not. 8 Α. 9 Is this document true and accurate to the Ο. 10 best of your knowledge? 11 Α. Yes. 12 If I asked you these same questions Q. 13 today, would your answers be the same? 14 Α. Yes. MR. BEELER: 15 Thank you. At this time, your Honor, I move for the 16 17 admission of Staff Exhibit 10, subject to 18 cross-examination. 19 ALJ PARROT: Staff Exhibit 10 has been 20 marked. 21 Mr. Heslin? 2.2 MR. HESLIN: No, I don't, your Honor. 23 ALJ PARROT: Mr. Stevenson? 24 MR. STEVENSON: Thank you, your Honor. 25

CROSS-EXAMINATION

By Mr. Stevenson:

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- Q. Mr. Burgener, I want to refer you to your testimony on page 2, specifically paragraph 6. You indicated in that paragraph that you contributed to the section titled "Demographics, Land Use, Residential Structures, Land Use Plans and Regional Development, Aesthetics, and Route Selection"; is that correct?
- A. Yes.
- Q. And you also proposed Conditions 14, 15, 16, and 17; is that right?
 - A. Yes.
 - Q. With respect to these particular sections, they are all separate; is that a fair statement? They involve different considerations?
 - A. Yes.
 - Q. All right. And I am going to ask you to refer to page 3, line 12, which is -- looks like Statement No. 9. You indicate that you were asked specifically what you concluded with regard to the residential structures; is that correct?
 - A. Yes.
- Q. And you indicated that you reviewed the data that was submitted by the Applicant in its

application and supplements, correct?

- A. Correct.
- Q. And you made a certain conclusion with respect to the Alternate Route, that it has more structures within 100 feet, while the Preferred Route has more structures within 1,000 feet; is that a correct statement also?
 - A. Correct.
- Q. You also indicated that no residential structures would be removed for the project; is that right?
- 12 A. Yes.

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- Q. And I assume when you are talking about removal, you mean that they would have to be seized and torn down.
- 16 A. Correct.
 - Q. All right. With respect to the residential structure portion of the Staff Report, what data specifically did you review? Did you reviewed the Application, correct?
 - A. Correct.
 - Q. Did you review any of the Amended Applications?
- A. Correct.
- Q. And the supplements that were provided to

the Applications?

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- A. Correct.
- Q. Did you review any other documents with respect to that specific section?
- A. I reviewed electronic data that the Applicant submitted.
- Q. And what was -- what's the nature of the electronic data that you are talking about?
- A. It's geographically-referenced data that can be loaded into a digital map software and used to calculate distances or other analysis of geographic information.
- Q. All right. Do you have Staff Exhibit No. 1 up there?
- 15 A. I do.
- Q. And that's the Amended Staff Report?
- 17 A. Yes.
 - Q. Can you turn to page 33, please. Okay.

 Do you see where the section that's the second full

 paragraph titled "Residential Structures" is?
 - A. Yes.
- Q. You -- you indicate in that particular section that the Preferred Route has 115 residences within 100 feet and 3,153 residences within 1,000 feet; is that correct?

A. Yes.

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- Q. And that's compared to 182 residences within 100 feet and 2,186 residences within 1,000 feet for the Alternate Route; is that correct?
 - A. Yes.
- Q. All right. And, again, this paragraph goes further and says that construction is not expected to require removal of any of the residences or to cause any permanent impacts to the residential or other structures; is that correct?
 - A. Yes.
- Q. And the last portion of that sentence, when you talk about permanent impacts to residential or other structures, what is it you are referring to there?
- A. There would not need to be any modification or removal of any structures for this project.
- Q. So somebody wouldn't have to tear down a detached garage, for instance?
 - A. Correct.
- Q. All right. And with respect to the information that's in that paragraph, that's largely unchanged with the exception of some adjustment of the numbers from the original Staff Report that was

submitted on May 31, 2017; is that correct?

A. Yes.

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- Q. All right. Did you review any other documents with respect to the residential structures or any of the other issues that you dealt with that referred to the impact specifically upon residences on either the Preferred or Alternate Route?
- A. Again, I reviewed some digital data provided by the Applicant.
- Q. And this would be the electric study you previously referred to?
- A. It's electronic data that's used in mapping software.
 - Q. All right. Did you review any other documents from Duke Energy that were prepared on their behalf?
 - A. I reviewed responses to data requests, additional supplemental studies that were provided as -- through the course of the Application.
 - Q. Did you review the specific constructability reviews?
- A. I'm not sure what you are referring to specifically.
- Q. The ones that were prepared by Burns & McDonnell for Duke Energy, did you review those?

A. I don't believe so.

MR. STEVENSON: All right. I have no further questions.

ALJ PARROT: Mr. Yskamp?

MR. YSKAMP: Thank you, your Honor.

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CROSS-EXAMINATION

By Mr. Yskamp:

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- Q. Can you please turn to page 2 of your testimony. So starting on line 19, where the A is, it states "I reviewed the most recent census data for Hamilton County, and available population projections. I confirmed that the population of the county is expected to grow over the next 20 years." Is that the same census data that's cited in the Staff Report?
 - A. Yes.
- Q. So could you please turn to page 30 of the Staff Report. Underneath the chart, the very first paragraph states "The U.S. Census Bureau estimates that the population of Hamilton County increased by 5,224 people from 2010 to 2015. The ODSA projects that the population of the county will decline through the year 2030, then increase in the decade from 2030 to 2040." And you have a footnote

- there, 29. So in that footnote, is that your source for that data? Footnote 29?
- A. Footnote 29 is the source for the Ohio Development Services Agency projection which is, I believe, the second of the two sentences that you read.
- Q. Right. So there is no footnote for the first sentence, correct?
 - A. No. The first sentence refers to information that's presented in the table above it which has a footnote.
- Q. So the second sentence, where you say the
 ODSA projects that the population will decline
 through 2030 and then increase from 2030 to 2040,
 that's the Ohio County Profiles document at
 Footnote 29, correct?
 - A. Correct.

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- Q. What is the -- so from 2015 is there a net increase at the end of 2040 in projected population?
- A. I believe so, but I don't -- I don't remember the details of that.
- 23 MR. YSKAMP: I am going to mark NOPE
 24 Exhibit 20. NOPE Exhibit 20 is titled "Ohio County
 25 Profiles" prepared by the Office of Research,

Hamilton County.

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ALJ PARROT: So marked.

(EXHIBIT MARKED FOR IDENTIFICATION.)

- Q. (By Mr. Yskamp) Have you seen this document before?
 - A. Yes.
- Q. Is this the document cited in the Staff Report at Footnote 29?
- A. I can't say what edition this is.

 It's -- it's a similar document. The one that I'm citing was the 2016 Annual Edition, and I don't see a date for what edition this is.
 - Q. But you said you've seen this before?
- A. I've seen a document that looks very similar to this, yes.
- Q. If you look at the population information, is that consistent with the population information that you reviewed down at the bottom left-hand corner?
- A. I can't -- I can't say that these numbers are exactly the same as what I reviewed.
- Q. So you're saying if I happened to have copied and pasted your HTTP, I would not have gotten this document?
- MR. BEELER: Objection. I mean, at this

point we can't establish if this is the exact

document he is looking at, so it's failure to lay a

foundation.

ALJ PARROT: He's already answered the question, Mr. Yskamp.

MR. YSKAMP: Thank you.

- Q. Can you look at the estimated population for 2017 on this document.
 - A. Yes.

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- 10 Q. What does that say?
- 11 A. It says 2017, 813,822.
- Q. And can you look at the projected population in 2040?
- 14 A. 786,090.
- 15 Q. Is that a net increase or a net decrease?
- 16 A. A decrease.
- Q. Do you have any reason to dispute the numbers on this document?
- 19 A. No.
- Q. In your comparison of land uses and the residential structures, did you evaluate any pipeline routes aside from the Preferred Route and the Alternate Route?
- 24 A. No.
- Q. In your comparison of residential

696 1 structures, did you calculate residential units? 2 Α. No. 3 Q. In your comparison of residential structures, did you calculate -- scratch that 4 5 question. 6 In your comparison of the routes, did you 7 calculate populations within 100 and 1,000 feet? 8 Α. No. 9 Ο. So is it fair to say, between the 10 Preferred and Alternate Route, you can't say which 11 route has a greater population within either 100 or 12 1,000 feet? 13 Α. Yes. 14 MR. YSKAMP: Thank you. That's all I 15 have. 16 ALJ PARROT: Mr. Fox? 17 MR. FOX: Nothing, your Honor. 18 ALJ PARROT: Mr. Pacheco? 19 MR. PACHECO: Nothing, your Honor. 20 ALJ PARROT: Mr. Keaney? 21 MR. KEANEY: Yes, your Honor. 2.2 23 CROSS-EXAMINATION 24 By Mr. Keaney: 25 Q. I want to follow up just on a few

questions that Mr. Yskamp raised. On page 2 of your testimony, beginning on line 19, let me know when you are there.

- A. I'm there.
- Q. You indicate that you had reviewed the most recent census data for Hamilton County, correct?
 - A. Correct.
- Q. When did you undertake this review of the most recent census data for Hamilton County?
- 10 A. I can't say exactly. It was probably
 11 shortly after the Amended Application was filed.
 - Q. So that would have been in 2017 sometime --
- 14 A. Right.

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- Q. I would assume? You have the Amended

 Staff Report in front of you which is Staff Exhibit

 17 1?
- 18 A. Yes.
- Q. On page 30 of that Amended Staff Report,
 Footnotes 25 and 26 refer to U.S. Census Bureau data
 from 2010 to 2015, correct?
- 22 A. Correct.
- Q. And it appears that you indicate here in Footnote No. 25, it was last accessed February 24, 25 2017; is that right?

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- 1 A. Correct.
- Q. Does that sound about the time that you most recently reviewed this data?
- 4 A. Yes.
- 5 Q. Okay. The original Staff Report was 6 filed on May 31, 2017, correct?
- 7 A. Without it in front of me, I can't 8 confirm that.
- 9 Q. If you could turn to the cover page of the Amended Staff Report.
- 11 A. Okay.
- Q. Let me see if you see the date on there, please.
- 14 A. Yes.
- 15 Q. So May 31, 2017?
- 16 A. Correct.
- Q. Okay. And the Amended Staff Report then
 was filed almost, but not quite, two years later on
 March 5, 2019, correct?
- 20 A. Correct.
- Q. On page 2, back to your testimony, and I am going to start on line 20, let me know when you are there.
- A. Yes. I'm there.
- Q. You say that you confirmed that the

population of the county is expected to grow over the next 20 years, correct?

- A. Correct.
- Q. And you are referencing Hamilton County there, correct?
- A. Correct.

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- Q. Can you specifically identify the data source that you are relying on in support of that statement?
- A. I believe that would be the Ohio
 Development Services Agency county profile for
 Hamilton County.
 - Q. Would that have been the source -- the data source identified in Footnote No. 29 of the Amended Staff Report?
- 16 A. Correct.
 - Q. Okay. And Footnote No. 29 on page 30 of the Amended Staff Report is a population projection from the Ohio Development Services Agency Office of Research, correct?
- 21 A. Correct.
- Q. Would you agree that that is a source that is accurate and reliable?
- 24 A. Yes.
- Q. And would you agree that it's a source

that would be capable of accurate and ready determination?

A. Yes.

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- Q. Are you aware that the ODSA has updated its data since 2016?
- A. I am not sure on what schedule they update, but I would guess that they would, yes.
 - Q. Okay.

MR. KEANEY: Your Honor, I would like to mark for identification, City/County Exhibit No. 44.

May I approach?

ALJ PARROT: You may.

Q. (By Mr. Keaney) If you could just take a moment and look at what's been marked as City/County Exhibit No. 44 and let me know when you are ready.

ALJ PARROT: Mr. Keaney, if you could just note what the document is.

MR. KEANEY: I'm sorry. Thank you, your Honor. This document is the Ohio Development Services Agency, Population Projections, County Totals, dated April 2018.

22 ALJ PARROT: Marked as City/County

23 Exhibit 44. Thank you.

(EXHIBIT MARKED FOR IDENTIFICATION.)

A. I'm ready.

- Q. And what is City/County Exhibit 44?
- A. The Ohio Development Services Agency,
 Population Projections, County Totals.
 - Q. Do you see a date on the document?
 - A. April 2018.

MR. KEANEY: Your Honor, I request the Board take administrative notice of the 2018 ODSA Population Projection, marked as City/County Exhibit No. 44. And in support of that, your Honor, Rule 201 of the Ohio Rules of Evidence sets the standard for judicial notice, which is also the same standard for administrative notice, and a judicially-noticed or administratively-noticed fact must be one not subject to reasonable dispute in that either -- in that it is either, one, generally known within the territorial jurisdiction of the trial court or, two, capable of accurate and ready determination by resort -- to sources whose accuracy cannot be reasonably questioned.

The witness has already identified that the ODSA, Office of Research, Population Projection Reports are accurate and reliable and that they are a source capable of accurate and ready determination.

ALJ PARROT: Mr. Heslin?

MR. HESLIN: Your Honor, if Hamilton

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County and City of Cincinnati want to rely on evidence demonstrating that no growth projections with this document, I have no objection.

ALJ PARROT: Mr. Beeler?

MR. BEELER: No objection.

ALJ PARROT: Any other parties wish to

weigh in?

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The Bench will take administrative notice of the document marked City/County Exhibit 44.

- Q. (By Mr. Keaney) Now, if you could look at Exhibit -- City/County Exhibit No. 44 and find the population projection for Hamilton County in the year 2020.
 - A. Okay.
- Q. And according to the U.S -- according to the ODSA, in 2020, the population of Hamilton County is projected to be 790,600, correct?
 - A. Correct.
- Q. By 2040, the ODSA projected the population of Hamilton County to be 786,090, correct?
 - A. Correct.
- Q. So according to the more-recent ODSA
 population projection from April 2018, Hamilton
 County is expected to decrease in population over the
 next 20 years, correct?

A. Correct.

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- Q. Now, page 30 of the Amended Staff Report also notes "The ODSA projects that the population of the county will decline through the year 2030, then increase in the decade from 2030 to 2040," correct?
 - A. Correct.
- Q. Now, according to City/County Exhibit
 No. 44, ODSA's latest projection, Hamilton County is
 projected to have a population of 785,900 in 2030,
 correct?
- 11 A. Correct.
- Q. And by 2040, ODSA projects Hamilton
 County will have a population of 786,090, correct?
 - A. Correct.
 - Q. So the ODSA is projecting a total population increase of 190 people over the decade between 2030 and 2040, correct?
 - A. Correct.
 - Q. Are you aware of what percentage 190 people is out of 787,000?
- 21 A. Not off the top of my head.
- Q. Would it surprise you if it was a .02 percent increase?
- 24 A. No.
- Q. As part of your review, did you perform

any natural gas demand analysis -- excuse me. Did you perform any natural gas market demand analysis for Hamilton County?

A. No.

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- Q. As part of your review, did you examine publicly-available data from the United States Energy Information Administration such as data from Form EIA 176?
 - A. No.
- Q. As part of your review, did you consider population forecasts prepared by the Ohio, Kentucky, Indiana Metropolitan Planning Organization?
 - A. No.
- Q. Did you review the Urban Institute's population forecasting model for the Greater Cincinnati region?
- 17 A. No.
 - Q. I am going to refer back to your testimony now on page 3, beginning at line 12.

 Please let me know when you are there.
 - A. Okay.
 - Q. Here in your testimony you discuss the proximity of the Alternate and Preferred Route to residential structures, correct?
- A. Correct.

- Q. From the data you've reviewed, how many residential properties does the Preferred Route cross?
- A. I don't have that number right in front of me.
- Q. Would it be included in the Amended Staff
 Report?
 - A. I am not certain.
 - Q. In your testimony you do testify about the proximity of residential structures to the Alternate Route and Preferred Route, correct?
- 12 A. Correct.

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- Q. And is it your testimony you have no idea
 how many residential properties the Preferred Route
 crosses?
- A. I don't know that number off the top of my head.
 - Q. Would it be in the Staff Report?
 - A. I'm not sure.
- Q. Do you need time to review the Staff
 Report to identify where that is, if it's anywhere?
- 22 A. I can do that.
- Q. Thank you.
- A. I don't see a specific number of residential properties crossed in the Staff Report.

- Q. Would the same answer be true if I asked you for the Alternate Route?
 - A. Correct.

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- Q. Forget the number. It does cross through -- let's start over. The Preferred Route crosses through some number of residential properties, correct?
 - A. Correct.
- Q. And the Alternate Route would also cross through some number of residential properties, correct?
- 12 A. Correct.
- Q. Do you have City/County Exhibit No. 1 in front of you? It looks like a leaflet with the Title 2000 -- sorry, Central Corridor Pipeline Extension Project. It's Duke Energy, dated December of 2018.

 I can hand you my copy if that would be easier.
 - A. Sure.
 - Q. After you have a chance to review both sides, please let me know when you are ready.
 - A. Okay.
- Q. On the side of City/County Exhibit No. 1
 where it has the title "Central Corridor Pipeline"
 and it's got the date in the right-hand corner
 December 2018, do you see that side?

A. Yes.

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- Q. Now, I want you to go to the bottom left-hand corner of City/County Exhibit No. 1, and do you see the sentence where Duke states "In fact, there are no residential properties crossed along the Alternate Route"?
 - A. Yes.
- Q. Based on your understanding and review of the Amended Application in this case and the work performed in the Amended Staff Report, do you agree with that statement?
 - A. No.
- Q. Can I refer you to -- I'm sorry. Were you going to say anything? Okay. Can I refer you back to the Amended Staff Report on page 30.
 - A. Yes.
- Q. Now, you discuss land use in -- underneath the Demographics section, correct?
 - A. Yes.
- Q. And in examining land use, you compared the Preferred Route to the Alternate Route and vice versa, correct?
 - A. Correct.
- Q. You did not compare either the Preferred or Alternate Route to routes to the east or routes to

the west of the Preferred or Alternate Routes,
correct?

A. Correct.

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- Q. And on page 4 of your testimony, beginning on line 16, let me know when you are there, page 4 of your testimony, beginning line 16.
 - A. Okay.
- Q. You state that Duke "investigated all practicable routes," correct?
 - A. Correct.
- Q. Now, Duke only investigated routes
 beginning at the WW Feed Station and ending along
 Line V, correct?
 - A. Correct.
 - Q. Can I ask you to turn to page 28 of the Amended Staff Report. That's page 28.
 - A. Okay.
 - Q. And I believe you -- Mr. Yskamp pre -- previously touched on an issue, but I want to more fully explore it.

In the last paragraph on page 28, I want to ask you about the first sentence in that final paragraph on page 28 which reads "The Applicant found that the western options did not allow for retirement of the propane-air peaking plants or improve

- reliability in the central core area." Did I read that correctly?
 - A. Yes.

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- Q. Are you responsible for making that statement?
- 6 A. No.
 - Q. Okay. Who would be?
 - A. I believe it would be Andrew Conway as part of the need section, but I can't speak specifically to that sentence.
- Q. Fair enough. Would you know who told
 Staff that, who from Duke specifically told Staff
 that?
- A. I wouldn't know.
- Q. Okay. And you wouldn't know the basis of that claim then; is that fair to say?
- A. I wouldn't.
- Q. Do you know that now -- do you understand now that that is not an accurate statement?
- A. I don't really understand anything about that statement.
- MR. KEANEY: Fair enough.
- Your Honor, I don't have any more
- 24 questions. Thank you.
- 25 ALJ PARROT: Mr. Miller?

Duke BTX Volume III

710 1 MR. MILLER: No, your Honor. No 2 questions. 3 ALJ PARROT: Any redirect? MR. BEELER: A quick moment? 4 5 (Pause in proceedings.) 6 ALJ PARROT: Mr. Beeler. 7 MR. BEELER: No redirect, your Honor. At this point, Staff would move for the admission of 8 Staff Exhibit 10. 9 10 ALJ PARROT: Are there any objections to 11 the admission of Staff Exhibit 10? 12 Hearing none, it is admitted. 13 (EXHIBIT ADMITTED INTO EVIDENCE.) 14 ALJ PARROT: Thank you very much. 15 THE WITNESS: Thank you. ALJ PARROT: Mr. Yskamp, did you intend 16 17 to move your exhibit? 18 MR. YSKAMP: Yeah. I would move for the admission of NOPE Exhibit 20. 19 20 ALJ PARROT: Are there any objections? 2.1 MR. BEELER: I would just renew my 22 objection that we don't know the date of the 23 document. 24 MR. YSKAMP: It's a public document from 25 a public source, and the witness stated he had seen

the information in the document before.

ALJ PARROT: Mr. Keaney, I assumed you were going to move for the City/County Exhibit 44; is that correct?

MR. KEANEY: That is correct.

ALJ PARROT: Is there any objections to

that document?

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MR. BEELER: No objection.

ALJ PARROT: With that, I am going to admit City/County Exhibit 44. I'm sorry. We did take administrative notice.

MR. KEANEY: Thank you.

ALJ PARROT: And with that, I think that basically covers the cross that you did do with respect to NOPE Exhibit 20, so I am going to -- given that we don't know the date of the document and the witness testified that he wasn't sure he had seen this exact data, I am going to deny your request, Mr. Yskamp.

20 ALJ SEE: Staff.

21 MR. BEELER: Staff would call Matthew

22 Butler.

23 (Witness sworn.)

24 ALJ SEE: Thank you.

MR. BEELER: May I approach, your Honor?

712 1 ALJ SEE: Yes. 2 (EXHIBIT MARKED FOR IDENTIFICATION.) 3 4 MATTHEW BUTLER 5 being first duly sworn, as prescribed by law, was examined and testified as follows: 6 DIRECT EXAMINATION 7 By Mr. Beeler: 8 9 Ο. Please state your full name for the 10 record. 11 Matthew Butler. Α. 12 Who do you work for and what is your Q. 13 position? 14 I am employed by the Public Utilities Commission of Ohio as an Administrative Officer in 15 16 the Rates and Analysis Department. 17 Do you have in front of you what has been Q. marked as Staff Exhibit 11? 18 19 Α. Yes. 20 Q. What is it? 2.1 Α. It's my prefiled testimony. 22 Q. Was it prepared by you or under your direction? 23 24 Α. Yes. 25 Q. Do you have any changes to that

713 1 testimony? 2 Α. I do not. 3 Ο. Is the document true and accurate to the best of your knowledge? 4 5 Α. Yes. 6 If I asked you these same questions Q. 7 today, would your answers be the same? 8 Α. Yes. 9 MR. BEELER: At this time, your Honor, I 10 would move for admission of Staff Exhibit 11, subject 11 to cross. 12 ALJ SEE: Okay. Mr. Keaney? 13 MR. KEANEY: Just a few questions, your 14 Honor. 15 ALJ SEE: Go ahead. 16 17 CROSS-EXAMINATION 18 By Mr. Keaney: 19 Good afternoon, Mr. Butler. 0. 20 Α. Good afternoon. 21 Do you have a copy of Staff Exhibit 1 in Q. 22 front of you which is the Amended Staff Report? 23 Α. I do. 24 Okay. Now, you are assigned to work on Ο. 25 Power Siting issues in a public affairs capacity,

correct?

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- A. That's correct.
- Q. And part of your role is to docket and respond to questions and comments that are received from the public, correct?
 - A. That's correct.
- Q. In terms of the Amended Staff Report, you had prepared a section titled "Public Interaction and Participation," correct?
 - A. Correct.
- Q. And that would be found on page 55 of the Amended Staff Report, correct?
 - A. Correct.
 - Q. And in that section of the Amended Staff
 Report, you describe four public informational
 meetings for the project, correct?
- 17 A. Yes.
- Q. Did you personally attend all four public informational meetings?
- A. I attended two of the four. I attended
 June 15, 2016, and January 26, 2017.
 - Q. Okay. For those two meetings that you personally attended, how would you describe the public's feeling toward the proposed pipeline?
- 25 A. I would say that the -- from the folks

that I spoke with at the meeting, that the general consensus was people were opposed to the pipeline.

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- Q. And based on your observations on those -- just the times that you had personally attended, did most attendees voice or otherwise communicate to you, or to Duke, opposition to the proposed pipeline?
 - A. I can only speak for myself, but yes.
- Q. Can you give me kind of a ballpark estimate percentage-wise based just on your experience, I am not holding you to a specific percentage, are we talking 50 to 60 percent? 60 to 70?
- A. I think I would stay consistent with what I said about the public comments, just that comments received have been overwhelmingly negative or opposed.
- Q. Okay. And does that mean you are not prepared to sort of define for me what -- let me step back.

One of the reasons I am asking is we have been using this term "overwhelmingly opposed" and I think some people have different conceptions of what that means, so I am just trying to get a sense in your mind when you use the words "overwhelmingly

opposed," what does that mean to you?

- A. To put it in perspective, I guess I can tell you that of the comments received by the Board in writing, I'm aware of approximately 15 that have been in support of the project.
 - O. Out of how many?
 - A. Out of hundreds.
- Q. Okay. At the two public informational meetings you were at, did any attendees express to you support for the proposed pipeline other than Duke representatives?
- A. None that I can recall.
- Q. On page 56 of the Amended Staff Report.
- A. Yes.

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- Q. You describe -- I am looking at the last paragraph on page 56.
 - A. Sure.
- Q. You describe how, as of February 26, 2019, 1,534 document records have been filed in the public comments of the case record for this proceeding. Did I read that correctly?
 - A. That's correct.
- Q. And then on the next page, page 57, is
 where you used the term public comments received were
 "overwhelmingly opposed to the proposed pipeline"; is

that right?

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- A. That's correct.
- Q. Okay. Now, before you had said there were hundreds of comments. I just want to make sure. Here, it mentioned 1,534 document records. Perhaps could you clarify to me what the difference between a document record and what a comment might be?
- A. Sure. And I think I do explain it in the paragraph there, but the way our docketing division handles comments is they will often group them as they are received by a calendar day, so that one filing may have 1 comment, one filing may have 25 comments.
- Q. So when you say "one filing," is that another word for document record, one document record?
- A. Yes, one document record. Now, within that there are also duplicate records because you have oftentimes people will send their comments to all the Board members. So we have circumstances like that.
- Q. So one person could file many comments, correct?
 - A. Correct. And they have.
 - Q. And I just wanted to clarify, so there

were hundreds of comments filed. When you use that term, are you saying hundreds of people filed comments overall; is that fair to say?

- A. I think that's fair to say.
- Q. And you wouldn't put that over a thousand; is that correct?
- A. I don't know that I would speculate on that.
 - Q. Since the Amended Staff Report and including up to today, additional public comments have been filed in the docket, correct?
 - A. Correct.

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- Q. Do you know how many, again since the Amended Staff Report, have been filed? Do you know how many have been filed?
- A. As of this morning, there were 15 -well, 1,570 document records. That was as of this
 morning, and I did respond to a few additionally
 today that haven't hit the case record, so that
 number would be a little bit higher by the end of the
 day.
- Q. And is it fair to say the majority of the public comments, just that you've read after the filing of the Staff Report, were opposed to the proposed pipeline project?

- A. That's fair to say.
- Q. Is it fair to say that as you -- as you define the term, is it fair to say the overwhelming majority of the comments, filed after the Amended Staff Report, are opposed to the project?
 - A. Yes.
- Q. Just one final comment, Mr. Butler, and that would be: Based on your experience, if members of the public, impacted by a siting project, do not file comments in the docket concerning a proposed project requiring Board approval, does Staff assume that the people who did not file comments support the project?
- 14 A. No.
- MR. KEANEY: No more questions, your
- 16 Honor.

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- 17 ALJ SEE: Mr. Heslin?
- MR. HESLIN: Not for the Company, your
- 19 Honor.
- 20 ALJ SEE: Mr. Fox?
- 21 MR. FOX: Nothing, your Honor.
- 22 ALJ SEE: Mr. Yskamp?
- 23 MR. YSKAMP: I just have a few follow-up
- 24 questions.
- 25 | - -

Dane Din volume iii

CROSS-EXAMINATION

2 By Mr. Yskamp:

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- Q. So I think you testified that, to date, 1,570 document records have been filed with the -- with the Board?
- A. Correct.
- 7 Q. Do you know how many actual comments have 8 been filed?
 - A. I do not.
- Q. So do you know -- you mentioned some people filed more than one comment. Do you know exactly how many people have filed comments?
 - A. I do not.
- Q. Could you please turn to page 57 of the Staff Report?
- 16 A. Got it right here.
- Q. So under "Conclusion" in the second paragraph.
- 19 A. Uh-huh.
- Q. Second sentence states "The comments
 received from members of the public and local
 officials served to inform the Staff throughout the
 course of its investigation." Did I read that
 correctly?
- 25 A. That's what it says.

- Q. How did those comments serve to inform the Staff?
- A. I think if you look further up that page, you'll see in the previous paragraph I think where it says "Staff has reviewed" -- I'm sorry. Let me find it here. That's actually the following sentence.

 Many of the potential impacts and concerns raised in these comments, including those regarding safety, need, route selection, are addressed in various sections of this report, and then further minimized and mitigated by the recommended conditions of the certificate.
- Q. Is that -- is that your whole answer around how those comments inform Staff?
 - A. Yes.

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- Q. And you said comments have continued to come in, since the Staff Report was filed, correct?
- A. That's correct.
- Q. And you said those comments continue to be overwhelmingly opposed to the project?
 - A. Correct.
- Q. So is it fair to say the Staff Report did not address many of those public concerns?
 - A. I don't believe that's accurate.
- Q. So you -- do you feel that the public is

just misinformed?

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- A. I think there is a difference between concerns expressed by members of the public and the overall public.
- Q. So let me back up here a second. You said that people who don't file comments, you don't consider that in support of the project.
 - A. That's correct.
- Q. Okay. So just maybe just elaborate on what you mean by what you just said about concerns filed by the public don't amount to concerns from the public.
- A. I'm saying that concerns from a subset of the public don't reflect the public at large, so just as the -- I can't assume that the comments received -- the comments that were not received from certain members of the public would -- I can interpret those one way or the another. I also cannot assume that only because I heard from people who were opposed that there is no one out there who is not supportive of the project.
- Q. Is it your opinion that the impacted communities support the project?
- A. I would say that the fact that a number of the communities along the two routes have

intervened in the process, I would say that they have concerns about the project. I would let them speak for themselves though.

- Q. And they have in the -- in the -- in this case, and the public has in the public comments, correct?
 - A. Yes.

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- Q. But -- so are you saying that you feel that the Staff Report addressed the concerns of the public?
- A. I am saying that, in general, the Staff Report goes to lengths through the conditions to mitigate the concerns, not only those raised by members of the public but also raised by members of the communities and that those communities are further participating in our process by way of this adjudicatory hearing and the Board's process.
- Q. Will the comments that continue to be filed continue to inform the Staff?
- A. Well, the Staff Report of Investigation is complete. The adjudicatory is ongoing. So I'm not sure that there would be any further documents coming from the Staff with regard to that, but certainly the Board also can view the public comments on our website and the Board has the two transcripts

724 1 from the local public hearings that were held by the 2. Board. And the Board can consider all of -- all 3 0. of those comments in that testimony in their 4 decision? 5 6 Α. That's my understanding. 7 MR. YSKAMP: Thank you. That's all I 8 have. ALJ SEE: Mr. Stevenson? 9 10 MR. STEVENSON: I don't have any questions for Mr. Butler. Thank you. 11 12 ALJ SEE: Mr. Arnzen? 13 MR. ARNZEN: Yes, thank you. 14 15 CROSS-EXAMINATION 16 By Mr. Arnzen: 17 You talked about the individuals who had Ο. 18 filed oppositions, or you spoke to, about this 19 project, right? 20 Α. Yes. 2.1 Ο. A number of government officials from the 22 municipalities that this pipeline impacts, also told you they opposed the project, right? 23

That's correct. We received

correspondence from a number of the communities on

24

their own.

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- Q. And the government officials that told you that, were telling you that as head of the city or village or municipality, right?
- A. I'm not sure in every case it was the official of the municipality, but whoever the official was, was communicating on their behalf.
- Q. Right. They were speaking on behalf of the community, right?
- 10 A. Correct, correct.
- MR. ARNZEN: Thank you. I don't have any other questions.
- 13 ALJ SEE: Mr. Miller?
- MR. MILLER: I have no questions, your
- 15 | Honor.
- 16 ALJ SEE: Mr. Beeler, any redirect?
- MR. BEELER: No redirect, your Honor. At
- 18 | this time, Staff would move for the admission of
- 19 Staff Exhibit 11.
- 20 ALJ SEE: Are there any objections to the
- 21 admission of Staff Exhibit 11?
- Hearing none, Staff Exhibit 11 is
- 23 admitted into the record.
- 24 (EXHIBIT ADMITTED INTO EVIDENCE.)
- 25 ALJ PARROT: You may step down,

726 Mr. Butler. 1 2 Mr. Eubanks 3 MR. EUBANKS: Yes. The Staff would like to call to the stand, Peter Chace. 4 5 (Witness sworn.) 6 ALJ PARROT: Have a seat. 7 MR. EUBANKS: Your Honors, may I 8 approach? 9 ALJ PARROT: You may. 10 MR. EUBANKS: I would like to have the 11 document marked as Staff Exhibit 12. 12 ALJ PARROT: Mr. Chace's prefiled 13 testimony has been marked Staff Exhibit 12. 14 (EXHIBIT MARKED FOR IDENTIFICATION.) 15 PETER A. CHACE 16 17 being first duly sworn, as prescribed by law, was examined and testified as follows: 18 19 DIRECT EXAMINATION 20 By Mr. Eubanks: 2.1 Ο. Could you state your name and spell it 22 for the record, please. 23 My name is Peter Chace. The last name is Α. 24 spelled C-h-a-c-e. 25 Q. Your duties and position?

- A. I am the Gas Pipeline Safety Program

 Manager at the Public Utilities Commission of Ohio.
- Q. Do you have before you what has been marked Staff's Exhibit 12?
 - A. Yes, I do.
 - Q. Could you identify it.
- 7 A. It is my prefiled Staff Report -- 8 prefiled testimony. Excuse me.
- 9 Q. Was it prepared by you or under your 10 direction?
- 11 A. Yes.

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- 12 Q. Is it a true and accurate copy?
- 13 A. Yes, it is.
- Q. Are there any corrections that you would like to make to it?
- 16 A. No.
- Q. If I were to ask you the same questions, would you give the same answers?
- 19 A. Yes.
- 20 MR. EUBANKS: I would like to have this 21 Staff's Exhibit 12 moved into evidence, subject to 22 cross, and I have no more questions.
- 23 ALJ PARROT: Thank you.
- Mr. D'Ascenzo?
- MR. D'ASCENZO: No questions, your Honor.

728 ALJ PARROT: Mr. Stevenson? 1 2 MR. STEVENSON: No questions, your Honor. 3 ALJ PARROT: Mr. Yskamp? 4 MR. YSKAMP: Thank you, your Honor. 5 6 CROSS-EXAMINATION 7 By Mr. Yskamp: Good afternoon, Mr. Chace. Do you 8 Ο. have -- do you see in front of you the Safety 9 10 Performance and Integrity of the Natural Gas Distribution Infrastructure document? 11 12 Α. No. 13 MR. YSKAMP: May I approach, your Honor? 14 ALJ PARROT: You may. 15 MR. EUBANKS: What exhibit number is 16 that, please? 17 MR. YSKAMP: It is NOPE Exhibit 13. 18 Mr. Chace, do you recognize this Q. document? 19 20 Α. No. 2.1 Q. You've never seen this before? 22 Α. Not to my recollection, no. 23 Okay. I just have a quick question about Q. 24 it for you. If you could turn to page 3-5 in the 25 document and it's --

MR. EUBANKS: I object. He is being asked a question about a document he has never reviewed.

MR. YSKAMP: It is admitted into evidence, and I can ask him a question about it.

ALJ PARROT: Let's see what your question is first, Mr. Yskamp.

MR. YSKAMP: Okay.

- Q. (By Mr. Yskamp) Are you on page 3-5?
- 10 A. Yes, I am.

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- Q. I just want to direct your attention to the first paragraph past the second bullet point on the page. And the second sentence of that paragraph starting with "Distribution pipelines." Do you follow me?
- A. Yes, I do.
 - Q. It states "Distribution pipelines typically operate at pressures ranging from .25 psi, with gas delivered directly to customers without any additional reduction in pressure, to 60 psi with relatively few distribution pipelines operating at higher pressures (high pressure distribution pipelines) of up to 400 psi." Do you agree with that statement?
- 25 A. Yes.

Q. If you could turn to your testimony on page 7. And make sure I have the line right. So page 7, line 20, you state that "While this pressure is high compared to pipelines delivering gas directly to residential customers, it is not uncommon for the pipelines to operate at this pressure or higher."

A. Yes.

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- Q. Did you see that? I'm sorry.
- A. Yes.
- Q. Is it fair to say that a distribution pipeline with a maximum operating pressure of 500 psi is unusual?
 - A. For a distribution line, yes.
- Q. So, Mr. Chace, it is your opinion that the pipeline is -- is a transmission line, correct?
- A. No. It meets the definition of a distribution line.
- Q. I didn't mean to trick you. I meant to say distribution line. I apologize. It would have been great, though, if you would have just said yes there.

But you would agree that the pipeline does have some characteristics that are similar to transmission lines?

A. Its pressure is high for a distribution

- line, but it does meet the distribution definition.
- Q. And it doesn't have -- it's not proposed to have service lines, correct?
 - A. I don't believe so, no.
 - Q. So to your understanding, does the proposed pipeline -- so do you understand -- do you understand that the project is to be titled the C314V Central Corridor Pipeline Extension Project?
 - A. Yes.

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- Q. What is it -- what's being extended?
- 11 A. Pipeline service from one part of Duke's territory to another.
- Q. So is it your understanding that the
 C314V Central Corridor Pipeline would start at WW
 Station?
- 16 A. That sounds familiar, yes.
- Q. Okay. And that's a pressure-reduction station?
- 19 A. Yes.
- Q. And it takes gas from Line C314, correct?
- 21 A. I'll take your word for it.
- Q. Do you know if that's true?
- A. I don't recall, but it seems likely
- 24 because it's called the C314 extension.
- Q. Right. Do you know if Line C314 is a

transmission line?

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- A. I believe there are parts of it that are transmission, parts that are not.
- Q. You think -- so you believe there are parts of C314 that are not transmission?
 - A. Maybe.
- Q. Okay. Do you -- do you know -- so is it correct that the C314V pipeline would connect to Line V?
- A. I can't -- quite frankly I don't recall.

 It's entirely possible.
 - Q. If, hypothetically, the pipeline were to connect from one transmission pipeline to another transmission pipeline, would -- would you still believe that it's a distribution pipeline?
 - A. Well, you would have to go to the distribution pipeline definition of the Pipeline Safety Regulations, excuse me, and the transmission definition. The transmission pipeline definition has three parts. If you don't meet any of those parts, you are a distribution line, unless you are another category referred to as a gathering line, which is further up from the production stream for us here.

This particular line, if you look at the transmission definition, it doesn't meet any of the

three parts of the transmission definition.

- Q. Is it fair to say -- so it's a 19 percent hoop stress; is that correct?
 - A. Yes.

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- Q. So it's 1 percent below the 20 percent.
- A. That's right.
 - Q. Is it fair to say then the -- your opinion hinges on the term "distribution center" in the regulations?
 - A. That's part of one of the -- that's one of the parts of the transmission definition, yes.
- Q. Is it fair to say that's the most sort of unclear part of the definitions?
 - A. That's one of the three parts, yes. The term "distribution center" is not specifically defined in the Pipeline Safety Regulations.
 - Q. Did you write the section of the Staff
 Report that dealt with this issue of transmission
 line versus distribution line?
- A. I did.
- Q. And you -- isn't -- is it the case you relied on an interpretation letter from PHMSA in coming to your opinion?
- A. I researched a number of interpretation letters when I came to that opinion; so one or more,

1 yes.

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- Q. Isn't it true that you cited one interpretation letter, dated March 22, 2010?
- A. It may be. Could I take a look in my report?
- Q. Sure. I think it's page 54 of the Staff Report.
 - A. If you could help me out.
 - Q. Oh, you don't have the Staff Report.

 MR. YSKAMP: May I approach, your Honor?

 ALJ PARROT: You may.
 - Q. Let me know when you are at page 54.
- 13 A. I'm on it.
 - Q. So if you -- under the Pipeline Safety Section, it would be one, two, three, four, five paragraphs down.
 - A. Yes.
 - Q. And that first sentence there that runs about four lines is where you interpret the term "distribution center"; isn't that correct?
 - A. Yes.
- Q. And Footnote 47, if you follow that, is that an interpretation letter dated March 22, 2010?
- A. Yes, it is.
- Q. I would like to have you now look at NOPE

1 Exhibit 16.

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2 MR. YSKAMP: And, your Honor, can I 3 approach to help find it?

ALJ PARROT: You may.

- Q. Mr. Chace, do you recognize what is marked as NOPE Exhibit 16?
- A. Yes.
 - Q. What do you recognize it to be?
 - A. It's an interpretation letter from Pipeline and Hazardous Materials Safety

 Administration.
- Q. And is it fair to say that the PHMSA is answering questions regarding whether certain pipelines were properly classified as distribution lines or transmission lines?
- 16 A. Yes.
 - Q. So first did -- isn't it true that PHMSA classified them all as transmission lines?
- A. In this particular letter, it looks like at least the first three are.
- Q. Yes. Could you please turn to the third page for me. Is there a paragraph numbered 5 on that page?
- 24 A. Yes.
- Q. Could you -- I don't have a copy. Could

you please read that paragraph for me.

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- A. "Regarding the Northeast Distribution
 Mainline, we do not consider a decrease in pressure
 to below 20 percent SMYS at a transmission line to be
 a 'distribution center' and lines downstream of that
 point to be distribution lines this would violate
 the intent of the pipeline safety regulations. We
 consider a 'distribution center' to be the point
 where gas enters piping used primarily to deliver gas
 to customers who purchase it for consumption as
 opposed to customers who purchase it for resale."
- Q. And as we discussed before, Line C314 and Line C314V will be connected by a pressure-reduction station; isn't that true?
 - A. That's right.
- Q. Did you consider the safety intent of the safety regulations when you came to your opinion?
 - A. Yes, I did.
- Q. Could you see a reasonable argument that all that's happening from C314 to C314V is a reduction in pressure?
- A. Let me read it. The -- upstream C314V is a point where Duke Energy is purchasing the gas from an interstate transmission line for the purpose of consumption as opposed to purchasing it for resale.

- Q. Upstream from C314?
- 2 A. Yes.

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- Q. And C314 is -- I forget if you said if you know if C314 is a transmission line or not. Do you know if C314 is a transmission line?
- A. Quite frankly, I don't recall. I believe some of it may be and some of it may not.
- Q. So if C314 is a transmission line, would that change your opinion?
 - A. No.
- Q. Would you agree that the -- that third-party damage is the highest cause of distribution pipeline safety incidents?
 - A. Yes, I would.
- Q. Would you agree that it's possible for third-party damage to rupture the proposed pipeline?
 - A. What do you mean by "rupture"?
 - Q. A failure of the pipe wall.
- 19 A. Yes.
- Q. Would it depend on the force of the third-party mechanism?
- 22 A. Yes.
- Q. Are you familiar with pipeline safety incidents statistics on PHMSA's -- scratch that.
- 25 Are you familiar with pipeline safety

statistics that are publicly available through the PHMSA website?

- A. I am, yes.
- Q. Do you have -- did you happen to see a copy of those statistics in front of you?
- A. I believe that's this document here.
- Q. Okay. What you're looking at is NOPE

 Exhibit 15 titled "Pipeline Serious Incident 20 Year

 Trend"?
- 10 A. Uh-huh.

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- Q. When was the last time -- well, have you ever viewed these statistics?
- 13 A. I have.
- 0. When was the last time --
- 15 A. Not this format.
- 16 Q. Sorry. I cut you off.
- 17 A. No.
- Q. Do you have any reason to doubt the numbers here?
- 20 A. No.
- Q. So looking at, say, 2005, there were 28 serious incidents, correct?
- 23 A. Yes.
- 24 Q. In 2006, there were 24.
- 25 A. Yes.

- O. In 2007, there were 29.
- 2 A. Yes.

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- Q. And if we jump down to 2018, there were 35 serious incidents?
 - A. Yes.
- Q. In 2017, there were 20 serious incidents, correct?
 - A. Yes.
 - Q. 2016, there were 31 serious incidents?
- 10 A. Uh-huh.
 - Q. Would it be fair to say that -- that these serious incidents fluctuate?
- 13 A. Yes.
 - Q. So you couldn't say for certain that it's trending down, the number of serious incidents?
 - A. I suppose not. When you look at the amount of distribution piping in the country and then adjust for that, I think it would be fair for to say for distribution lines there's a slight drop downward trend, but I wouldn't describe it as dramatic. In some years, you get an increase from the year before.
 - Q. I see. So basically per mile? I am just trying to understand.
- A. I would argue there is more distribution piping in the country now than there was 20 years

ago, and we have fewer incidents, so I believe there is a slight downward trend in incidents. It's not what we would like to see, but it is there.

- Q. The 35 in 2018 is concerning, right?
- A. They are all concerning.

6 MR. YSKAMP: I think that's all the questions I have. Thank you.

ALJ PARROT: Mr. Fox?

MR. FOX: Nothing, your Honor.

10 ALJ PARROT: Mr. Arnzen?

MR. ARNZEN: No, your Honor. Thank you.

ALJ PARROT: Mr. Keaney?

MR. KEANEY: Nothing, your Honor.

MR. PACHECO: He said he didn't have any

15 questions.

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16 ALJ PARROT: All right. Mr. Miller

17 represented that to you, Mr. Arnzen?

18 MR. ARNZEN: Yes.

19 ALJ PARROT: Thank you.

20 All right. Well, with that then, any

21 redirect?

MR. EUBANKS: Staff has no questions, no redirect. At this time, I would like to move to have

24 Staff's Exhibit 12 moved into evidence.

25 ALJ PARROT: Are there any objections to

741 the admission of Staff Exhibit 12? 1 2 Hearing none, it is admitted. 3 (EXHIBIT ADMITTED INTO EVIDENCE.) 4 ALJ PARROT: Thank you, Mr. Chace. 5 ALJ SEE: Would Staff like to call its 6 next witness. 7 MR. EUBANKS: Next, Staff would like to 8 call Raymond Strom. 9 (Witness sworn.) 10 ALJ SEE: Thank you. Have a seat. 11 MR. EUBANKS: May I approach, your Honor? 12 ALJ SEE: Yes. 13 MR. EUBANKS: I would like to have the 14 prefiled testimony of Raymond Strom marked as Staff's Exhibit 13. 15 16 ALJ SEE: So marked. 17 (EXHIBIT MARKED FOR IDENTIFICATION.) 18 19 RAYMOND W. STROM 20 being first duly sworn, as prescribed by law, was 2.1 examined and testified as follows: 22 DIRECT EXAMINATION 23 By Mr. Eubanks: 24 Could you state your name and spell it Ο. 25 for the record, please.

- A. Raymond W. Strom, S-t-r-o-m.
- Q. Your duties and position?
- A. I am the Chief of the Siting, Efficiency, and Renewables Division of the Public Utilities

 Commission of Ohio.
- Q. Do you have before you what has been marked Staff's Exhibit 13?
 - A. Yes, I do.
 - Q. Could you identify it.
 - A. That's my prefiled testimony.
- 11 Q. Is it a true and accurate copy?
- 12 A. I believe so.

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- Q. It was prepared by you or under your direction?
- 15 A. Yes, it was.
- Q. Is there anything you would like to correct in your testimony?
- A. Yes. I have a couple of corrections. On the cover page, lower left corner, it gives the year "201" as the year I prepared this. It really should be "2019."
- I noticed something else on -- see if I

 can find it again. On page 1, line 17, it says -- in

 the middle of that line it says "a graduate teaching

 assistance." That really should be "assistant." And

that's all I have.

Q. With those corrections in mind, if you were to be asked the same questions in your prefiled testimony again, would you provide the same answers?

A. Yes, I would.

MR. EUBANKS: At this time, I would like to move to have Staff's Exhibit 13 moved into evidence, subject to cross-examination.

ALJ SEE: Mr. Heslin?

MR. HESLIN: None, your Honor. Thank

11 you.

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12 ALJ SEE: Mr. Fox?

MR. FOX: No, your Honor.

14 ALJ SEE: Mr. Yskamp?

MR. YSKAMP: Thank you, your Honor. Just

16 a couple of questions.

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18 CROSS-EXAMINATION

19 By Mr. Yskamp:

Q. Mr. Strom, I am -- I am going to ask you a couple of questions about NOPE Exhibit 12, and I

22 can --

MR. YSKAMP: May I approach to help him

24 | find the exhibit?

25 ALJ SEE: Yes.

- Q. NOPE Exhibit 12 is an Investigation

 Report and the Case No. is 01-520-GA-BTX, July 31,

 2003. Mr. Strom, have you seen this document before?
- A. I'm sure I have. It has my initials on it.
 - Q. And that's -- so on the line "Field Visit," is that your name? "R. Strom," is that you?
 - A. Yes, that's me.

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- Q. If I can direct your attention -
 MR. EUBANKS: Can we have one second? I

 am having trouble locating NOPE 12. Actually, do you
 have another copy?
- MR. YSKAMP: I think I handed them all out.
- MR. EUBANKS: Thank you. I have a copy.
 - Q. If I could direct your attention to the second paragraph under "Field Inspection."
 - A. Okay.
 - Q. Do you see it says "Staff's review showed that all trees had been cleared to the edge of the stream, in a path approximately 40 feet wide. This included several large trees, some estimated to have been in place for well over 50 years." Do you remember this incident?
 - A. Yes, I do.

- Q. Was it a violation of, at that time, Cinergy's certificate?
- A. I think it was Cincinnati Gas & Electric at that time; but, yes, it was a violation.
- Q. Could I ask you to -- I am going to ask you a question about one more exhibit. It's NOPE Exhibit No. 5.

MR. YSKAMP: Can I approach, your Honor?

ALJ SEE: Just a minute.

Go ahead.

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Q. NOPE Exhibit No. 5 is a report by the Staff of the Public Utilities Commission of Ohio, In the Matter of the Investigation of Duke Energy Ohio Relative to its Compliance with the Natural Gas Pipeline Safety Standards and Related Matters, Case No. 11-3636-GA-GPS.

17 ALJ SEE: Thank you.

- Q. Mr. Strom, do you recognize this document?
- 20 A. I don't believe I do.

21 MR. YSKAMP: Okay. I have no further 22 questions. Thank you.

23 ALJ SEE: Mr. Stevenson?

MR. STEVENSON: I have no questions of this witness, your Honor. Thank you.

Duke BTX Volume III

746 1 ALJ SEE: Mr. Keaney? 2 MR. KEANEY: No questions for this 3 witness, your Honor. ALJ SEE: Mr. Miller? 4 5 MR. MILLER: I have no questions, your Honor. Thank you. 6 7 ALJ SEE: Mr. Arnzen? 8 MR. ARNZEN: No, your Honor. Thank you. 9 ALJ SEE: Any redirect for this witness, 10 Mr. Eubanks? 11 MR. EUBANKS: Staff has no redirect. 12 ALJ SEE: I believe you already moved for 13 the admission of Staff Exhibit 13. Are there any 14 objections to the admission of Staff Exhibit 13? 15 Hearing none, Staff Exhibit 13 is admitted into the record. 16 17 (EXHIBIT ADMITTED INTO EVIDENCE.) 18 ALJ SEE: Mr. Yskamp. 19 MR. YSKAMP: Your Honor, could I move 20 again for admission of NOPE Exhibit 12? I believe 2.1 Mr. Strom was able to authenticate the document. 2.2 MR. KEANEY: Your Honor, it was already 23 administratively noticed. 24 MR. YSKAMP: My mistake. It's already 25 admitted.

Duke BTX Volume III

747 1 ALJ SEE: Okay. Okay. 2 MR. YSKAMP: Withdraw. 3 ALJ SEE: Okay. Thank you. 4 With that, thank you, Mr. Strom. You may 5 step down. 6 THE WITNESS: Thank you. 7 ALJ SEE: Let's go off the record for a 8 minute. 9 (Discussion off the record.) 10 ALJ SEE: We're back on the record. 11 Mr. Stevenson. 12 MR. STEVENSON: Yes, your Honor. 13 ALJ SEE: Go ahead with -- I understand that you've been afforded the authority to act on 14 15 behalf of the Village of Evendale? 16 MR. STEVENSON: I have been, your Honor. 17 I was -- Mr. Kamrass communicated with me and then 18 again Mr. Burke also communicated with me, regarding 19 the testimony that was submitted by Mayor Finan and 20 the Village Administrator. 21 The initial communication that came to me 22 was a question, and it was Mr. Kamrass's 23 understanding that Duke was going to stipulate to the 24 testimony without cross-examination. And he asked me 25 if that was correct, and I indicated back to him that

you had reserved a ruling on the Evendale matters for the reasons we have discussed, in that it was signed by two people and is a letter format.

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And I asked him specifically if he wanted me to request that that be admitted, and he indicated that that was the case. I would be happy to e-mail the communication chain, if you want me to do that.

ALJ SEE: Yes. Let's cover our bases. Please do to all the parties.

With that, we will mark -- okay. We'll mark the testimony of Mr. Finan and Mr. Jeffers as Evendale Exhibit 1.

(EXHIBIT MARKED FOR IDENTIFICATION.)

ALJ SEE: Are there any objections to the admission of the testimony filed and marked as Evendale Exhibit 1?

MS. KINGERY: No, your Honor.

MR. BEELER: No, your Honor.

ALJ SEE: Are -- I take it there are no objections to the admission of Evendale Exhibit 1. It is admitted into the record.

(EXHIBIT ADMITTED INTO EVIDENCE.)

ALJ SEE: While the parties were -- while we were off the record, the parties also discussed and came to an agreement as to the briefing schedule.

749 All briefs for the evidentiary hearing will be 1 2 submitted into the record by the end of business 3 tomorrow, Friday, April -- I'm sorry. All transcripts will be admitted into the record by end 4 5 of business tomorrow, Friday, April 12. And on that 6 basis, the parties have agreed to file initial briefs 7 by May 13, with reply briefs to be filed by June 10. 8 If there's nothing further --9 MR. MILLER: What was that date? June 10 10 did you say? Monday, June 10. 11 ALJ SEE: 12 MR. MILLER: Thank you. 13 ALJ SEE: That is for reply briefs. 14 If there is nothing further, the hearing 15 is adjourned. Thank you all. 16 (Thereupon, at 5:19 p.m., the hearing was 17 adjourned.) 18 19 20 2.1 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, 2019, and carefully compared with my original stenographic notes. Karen Sue Gibson, Registered Merit Reporter. Carolyn M. Burke, Registered Professional Reporter. 2.4

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Commission of Ohio Docketing Information System on

4/12/2019 10:34:55 AM

in

Case No(s). 16-0253-GA-BTX

Summary: Transcript in the matter of the Duke Energy Ohio, Inc. hearing held on 04/11/19 - Volume III electronically filed by Mr. Ken Spencer on behalf of Armstrong & Okey, Inc. and Gibson, Karen Sue Mrs.