

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of the :
Commission's Investigation of the : Case No. 17-2089-GE-COI
Disconnection Practices and Policies of :
Duke Energy Ohio, Inc. :

**DIRECT TESTIMONY OF
CAROLYN M. SCHENCK-
ON BEHALF OF
DUKE ENERGY OHIO, INC.**

June 24, 2019

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I. INTRODUCTION

1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A. My name is Carolyn M. Schenck and my business address is 139 East 4th St,
3 Cincinnati, Ohio 45202.

4 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

5 A. I am employed by Duke Energy Business Services LLC (DEBS), as Senior
6 Revenue Analyst, Residential Accounts Receivable Operations. DEBS provides
7 various administrative and other services to Duke Energy Ohio, Inc., (Duke
8 Energy Ohio or Company) and other affiliated companies of Duke Energy
9 Corporation.

10 **Q. PLEASE BRIEFLY DESCRIBE YOUR EDUCATION AND**
11 **PROFESSIONAL EXPERIENCE.**

12 A. I have taken a number of post-secondary or college-level courses at both the
13 University of Kentucky and Gateway Community College.

14 I have spent the last nine years with Duke Energy Ohio and its affiliated
15 companies in positions of increasing authority related to residential utility service
16 billing and related matters. In 2010, I was hired as a Call Center Representative
17 for Duke Energy Ohio in the Midwest, in Call Center Operations. In 2013, I was
18 promoted to Percentage of Income Payment Plan (PIPP) Specialist in Accounts
19 Receivable. The more relevant positions in which I have served the Company
20 began in 2015. At that time, I became an Associate Revenue Analyst. In this role,
21 I worked closely with the PIPP Plus program and various information technology
22 used by the Company, and the billing and customer account (CMS) software

1 system used in that area. In 2016, I became a Revenue Analyst and was then
2 promoted, in 2018 to Senior Revenue Analyst. In my current role I act as a
3 business lead and project manager on initiatives impacting Duke Energy Ohio and
4 its affiliates.

5 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE PUBLIC UTILITIES**
6 **COMMISSION OF OHIO?**

7 A. No.

8 **Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY IN THIS**
9 **PROCEEDING?**

10 A. The purpose of my direct testimony is to disclose the Stipulation and
11 Recommendation (Stipulation) related to this proceeding; a Stipulation filed by
12 the Staff of the Public Utilities Commission of Ohio (Staff) and the Company as
13 well as the Office of the Ohio Consumers' Counsel, (OCC) the City of Cincinnati,
14 and Communities United for Action (CUFA). I will discuss the criteria employed
15 by the Commission when reviewing stipulations. My testimony will confirm that
16 the Stipulation filed in this proceeding: (1) is the product of serious bargaining
17 among capable, knowledgeable parties; (2) does not violate any important
18 regulatory principle or practice; and (3) as a package, benefits ratepayers and the
19 public interest. I will explain that the Stipulation is a fair and reasonable
20 resolution to the issues relevant to this proceeding.

II. OVERVIEW OF THE STIPULATION

1 **Q. PLEASE IDENTIFY THE SIGNATORY PARTIES TO THE**
2 **STIPULATION.**

3 **A.** In addition to the Commission Staff, four parties intervened in this proceeding.
4 The parties are the Office of the Ohio Consumers' Counsel, (OCC), the City of
5 Cincinnati, Citizens United for Action, (CUFA) and Ohio Partners for Affordable
6 Energy, (OPAE). Although all of the parties engaged in settlement discussions,
7 the Staff, the Company, the City, OCC and CUFA were the signatories to the
8 Stipulation and Recommendation (Stipulation) that was filed with the
9 Commission on June 6, 2019.

10 **Q. PLEASE PROVIDE AN OVERVIEW OF THE TERMS OF THE**
11 **STIPULATION.**

12 **A.** This stipulation provides agreement amongst all but one of the signatory parties
13 regarding the Company's response to an audit that had been ordered by the
14 Commission and overseen by the Commission Staff. The audit was performed by
15 NorthStar Consulting Group (NorthStar) and its audit report was filed with the
16 Commission in this case on March 14, 2018.

17 NorthStar was directed by the Commission to audit and evaluate the
18 Company's disconnection practices and recommend steps that the Company
19 should take to improve its performance in this area. The audit was very
20 comprehensive and resulted in a number of observations and recommendations.
21 The Stipulation responds in general terms to those recommendations and
22 memorializes the Company's agreement to take action in regard to those auditor

1 recommendations. The Stipulation provides that the Company will implement the
2 majority of the recommendations made by NorthStar in its Audit Report.

III. CRITERIA FOR APPROVAL OF A STIPULATION

3 **Q. PLEASE IDENTIFY THE CRITERIA USED BY THE COMMISSION IN**
4 **REVIEWING A STIPULATION.**

5 **A.** As I understand it, the Commission will approve a stipulation when it (1) is the
6 product of serious bargaining among capable, knowledgeable parties; (2) does not
7 violate any important regulatory principle or practice, and (3) as a package
8 benefits ratepayers and the public interest.

9 **Q. DOES THE STIPULATION REPRESENT THE PRODUCT OF SERIOUS**
10 **BARGAINING AMONG CAPABLE, KNOWLEDGEABLE PARTIES?**

11 **A.** I personally participated in the settlement process that resulted in the Stipulation.
12 There were multiple settlement meetings and documents exchanged amongst all
13 of the parties. I can therefore confirm that all of the issues raised by the signatory
14 parties in the proceeding were thoroughly reviewed and addressed during
15 negotiations and despite the divergent interests among them, all parties had an
16 opportunity to express their opinions in the negotiation process. Although OP&A
17 ultimately determined not to sign the Stipulation, nevertheless, these intervenors
18 were engaged during settlement discussions.

19 Further, the settlement discussions resulted in beneficial modifications and
20 compromises, thereby confirming that serious bargaining occurred at settlement
21 meetings. For all of these reasons, I believe that the Stipulation is a compromise

1 resulting from those negotiations and, therefore, represents a product of the efforts
2 of capable, knowledgeable parties.

3 **Q. DOES THE STIPULATION VIOLATE ANY IMPORTANT**
4 **REGULATORY PRINCIPLE OR PRACTICE?**

5 A. No. Based upon my experience, involvement in this proceeding, and review of
6 the Stipulation, I believe that it complies with all relevant and important
7 principles and practices. The Stipulation furthers important regulatory principles
8 and practices through the advancement of energy efficiency and peak demand
9 reduction that is consistent with Ohio energy policy.

10 **Q. DOES THE STIPULATION BENEFIT CONSUMERS AND THE PUBLIC**
11 **INTEREST?**

12 A. Yes. As set forth in the Stipulation, and as agreed to by the signatory parties, the
13 Stipulation provides benefits for all customer groups and interested stakeholders,
14 while advancing and remaining consistent with state policy.

15 **Q. IS THE STIPULATION A JUST AND REASONABLE RESOLUTION OF**
16 **THE ISSUES IN THE PROCEEDING?**

17 A. Yes. As described above, the Stipulation affords benefits to our customers and
18 the public and is consistent with established regulatory policy and practice. The
19 Stipulation represents a timely and efficient resolution of all of the issues in this
20 proceeding, after thoughtful deliberation and discussion by the parties.

IV. CONCLUSION

1 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

2 **A. Yes, it does.**

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Summary: Testimony Direct Testimony of Carolyn M. Schenck electronically filed by Mrs. Tammy M Meyer on behalf of Duke Energy Ohio Inc. and D'Ascenzo, Rocco and Watts, Elizabeth