

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

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

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

**DUKE ENERGY OHIO'S MEMORANDUM CONTRA
MOTION TO COMPEL RESPONSES TO DISCOVERY**

Pursuant to the provisions of O.A.C. 4901-1-12(B)(1) and the attorney examiner's schedule for these proceedings, Duke Energy Ohio, Inc., (Duke Energy Ohio or Company) hereby files its memorandum contra a Motion to Compel Responses to Discovery (Motion to Compel Responses), filed with the Public Utilities Commission of Ohio (Commission) on July 18, 2014, by the Office of the Ohio Consumers' Counsel (OCC).

Duke Energy Ohio respectfully submits that the Commission should deny the Motion to Compel Responses.

I. INTRODUCTION

In yet another motion, OCC again addresses the question of terms for a confidentiality agreement between OCC and the Company, pursuant to which OCC may obtain access to the Company's proprietary information. OCC entitles this motion as one

to “compel responses to discovery.” But the body of the document reveals that OCC’s true intent is to compel Duke Energy Ohio¹ to enter into a confidentiality agreement that, based upon recent experience, fails to provide the Company with adequate protections in the event of a breach.

OCC fails to provide any factual or legal basis for its motion. It should be denied.

II. ARGUMENT

OCC structures the Motion to Compel Responses as if it were actually embroiled in an unresolvable dispute with Duke Energy Ohio over whether Duke Energy Ohio must answer specific discovery requests. It even includes boilerplate language discussing the statutory right to ample discovery. But there is no dispute. The discovery responses that the Company has not provided to OCC are ones that seek confidential, proprietary information; they are not ones that the Company has refused to answer on the ground of irrelevance. OCC knows this. Indeed, as OCC admits, “the PUCO should find that [OCC’s draft] protective agreement . . . is appropriate and adopt it for purposes of allowing OCC access to information” “The PUCO should . . . rule that [OCC’s draft] protective agreement . . . must be executed by Duke.”² There is no existing dispute, as defined in O.A.C. 4901-1-23(A), in need of Commission resolution.

It is noteworthy that O.A.C. 4901-1-23, pursuant to which OCC claims to have filed, does not address matters related to confidentiality. Rather, such issues are covered

¹ The actual language in OCC’s motion requests that the Commission compel DP&L to enter into a protective agreement. In order not to waste the Commission’s time any further, Duke Energy Ohio will simply assume that OCC meant to say “Duke” and will not move to strike this motion. *Cf., In the Matter of the Application of Duke Energy Ohio, Inc., for an Increase in Gas Rates*, Case No. 12-1685-GA-AIR, *et al.*, Joint Motion to Strike by the Office of the Ohio Consumers’ Counsel, Kroger Company, Ohio Manufacturers’ Association, and Ohio Partners for Affordable Energy and Request for Expedited Ruling (moving to strike Duke Energy Ohio’s motion based on feigned confusion resulting from typographical error).

² Motion to Compel Responses, pp. 2, 11.

by O.A.C. 4901-1-24. That rule specifically states that a motion concerning how confidential material is to be disclosed is to be filed only by the party from whom discovery is sought. That party is the Company, not OCC. Its effort to cast its motion as one to compel discovery is an effort to circumvent the Commission's rules.

OCC also misstates the parties' resolution efforts. From OCC's filing, it appears that:

- The Company "is steadfast in its belief that its newly revised protective agreement should be the basis for agreement."
- The Company "has been willing to negotiate some of the terms."
- OCC has been "persistent."³

What is not clear from this document is that the Company has heavily revised its proposal, including the deletion of substantively important terms, and that OCC is "steadfast" in its unwillingness to compromise whatsoever.

With regard to the specific complaints that OCC again raises with regard to the Company's proposed confidentiality agreement, these items have, largely, been previously briefed by both parties. The Company will not waste the Commission's time with any further discussion. Rather, the Company incorporates herein its Reply to Memorandum Contra Motion for Protective Order, filed in these proceedings on July 17, 2014.

One elaboration by OCC does deserve a response. OCC complains about contractual language through which parties would agree, prior to any breach, that a violation of the contract's terms would have a specified impact. OCC asserts that such a

³ Motion to Compel Responses, pp. 1-2 (emphasis added).

provision is “unreasonable and inconsistent with the burden of proof in a breach of contract action.” OCC is wrong. This is not an uncommon provision in a contract, although it certainly does impact what issues must be proven in case of breach. And that is intentional. If a recipient of the Company’s proprietary information chooses to breach the confidentiality agreement, Duke Energy Ohio should not have to prove these issues. To avoid any negative impact of this provision, OCC need only abide by the terms of the confidentiality agreement it signs.

The additional provisions that OCC demands “for protection as a state agency” were never fully addressed between the parties, as OCC refused to sign the document before it even reviewed the modifications that Duke Energy Ohio agreed to. Despite this behavior, OCC now ironically urges specific protections that it needs as the potential recipient of another entity’s confidential information, yet cannot even discuss the adequate protections that that entity needs to provide such information.

That OCC’s version of a confidentiality agreement is based on one that has been used before is irrelevant and of no legal import. There is nothing to say that an agreement that was once satisfactory must continue to be so. But perhaps more troubling than OCC’s refusal to even consider a revised confidentiality agreement is its disregard for Commission rules. It is accepted – and undeniably understood – that a motion to compel is not summarily filed. Litigants are required first to endeavor to resolve a dispute amongst themselves, prior to burdening the Commission. Here, however, OCC did no such thing and its purported demonstration of “good faith” is misplaced.

OCC, through counsel, made no attempt to communicate with Duke Energy Ohio as to any of the responses the Company provided in respect of the discovery set forth in

Exhibit 3 to the Motion to Compel. Indeed, counsel's affidavit mentions no such efforts. Rather, counsel's attestations recount only those exchanges relating to a confidentiality agreement. Despite this blatant omission, counsel offers her sworn testimony under O.A.C. 4901-1-23, suggesting that somehow a conversation on one matter satisfies her obligation to exhaust all extrajudicial means of reaching an amicable resolution with regard to specific discovery requests and responses thereto. This disregard for the rules, demonstrated at a time when the Commission has before it the Company's Motion for Protective Order, cannot be cured by simply cloaking inapplicable statements in an affidavit.

III. CONCLUSION

Duke Energy Ohio respectfully submits that the Commission should deny the Motion to Compel Responses.

Respectfully submitted,

DUKE ENERGY OHIO, INC.



Amy B. Spiller (Counsel of Record)

Deputy General Counsel

Rocco O. D'Ascenzo

Associate General Counsel

Jeanne W. Kingery

Associate General Counsel

Elizabeth H. Watts

Associate General Counsel

139 E. Fourth Street, 1303-Main

P.O. Box 961

Cincinnati, Ohio 45201-0960

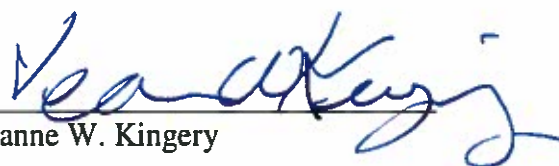
(513) 287-4359 (telephone)

(513) 287-4385 (facsimile)

Amy.Spiller@duke-energy.com (e-mail)

CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing was delivered by U.S. mail (postage prepaid), personal, or electronic mail, on this 23rd day of July, 2014, to the parties listed below.


Jeanne W. Kingery

Steven Beeler
Thomas Lindgren
Ryan O'Rourke
Assistant Attorneys General
Public Utilities Section
180 East Broad St., 6th Floor
Columbus, Ohio 43215
Steven.beeler@puc.state.oh.us
Thomas.lindgren@puc.state.oh.us
Ryan.orourke@puc.state.oh.us

Counsel for Staff of the Commission

Kevin R. Schmidt
88 East Broad Street, Suite 1770
Columbus, Ohio 43215
schmidt@sppgrp.com

**Counsel for the Energy Professionals
of Ohio**

David F. Boehm
Michael L. Kurtz
Jody M. Kyler Cohn
Boehm, Kurtz & Lowry
36 East Seventh Street, Suite 1510
Cincinnati, Ohio 45202
dboehm@BKLawfirm.com
mkurtz@BKLawfirm.com
jkylercohn@BKLawfirm.com

Counsel for the Ohio Energy Group

Mark A. Hayden
Jacob A. McDermott
Scott J. Casto
FirstEnergy Service Company
76 South Main Street
Akron, Ohio 44308
haydenm@firstenergycorp.com
jmcdermott@firstenergycorp.com
scasto@firstenergycorp.com

**Counsel for FirstEnergy Solutions
Corp.**

Maureen R. Grady
Joseph P. Serio
Edmund "Tad" Berger
Office of the Ohio Consumers' Counsel
10 West Broad Street, Suite 1800
Columbus, Ohio 43215-3485
Maureen.grady@occ.ohio.gov
Joseph.serio@occ.ohio.gov
Edmund.berger@occ.ohio.gov

**Counsel for the Ohio Consumers'
Counsel**

Kimberly W. Bojko
Mallory M. Mohler
Carpenter Lipps & Leland LLP
280 Plaza, Suite 1300
280 North High Street
Columbus, Ohio 43215
Bojko@carpenterlipps.com
Mohler@carpenterlipps.com

**Counsel for the Ohio Manufacturers'
Association**

Joseph M. Clark
Direct Energy
21 East State Street, 19th Floor
Columbus, Ohio 43215
joseph.clark@directenergy.com

**Counsel for Direct Energy Services,
LLC and Direct Energy Business, LLC**

Judi L. Sobecki
The Dayton Power and Light Company
1065 Woodman Drive
Dayton, Ohio 45432
Judi.sobecki@aes.com

**Counsel for The Dayton Power and
Light Company**

Joseph Oliker
Matthew White
6100 Emerald Parkway
Dublin, Ohio 43016
joliker@igsenergy.com
mswhite@igsenergy.com

Counsel for Interstate Gas Supply, Inc.

Gerit F. Hull
Eckert Seamans Cherin & Mellot, LLC
1717 Pennsylvania Avenue, N.W.
12th Floor
Washington, DC 20006
ghull@eckertseamans.com

**Counsel for Direct Energy Services,
LLC and Direct Energy Business, LLC**

Samuel C. Randazzo
Frank P. Darr
Matthew R. Pritchard
McNees Wallace & Nurick LLC
21 East State Street, 17th Floor
Columbus, Ohio 43215
sam@mwncmh.com
fdarr@mwncmh.com
mpritchard@mwncmh.com

**Counsel for Industrial Energy Users-
Ohio**

Trent Dougherty
1207 Grandview Avenue, Suite 201
Columbus, Ohio 43212-3449
tdougherty@theOEC.org

**Counsel for the Ohio Environmental
Council**

Andrew J. Sonderman
Margeaux Kimbrough
Kegler Brown Hill & Ritter LPA
Capitol Square, Suite 1800
65 East State Street
Columbus, Ohio 43215-4294
asonderman@keglerbrown.com
mkimbrough@keglerbrown.com

**Counsel for People Working
Cooperatively, Inc.**

Colleen L. Mooney
Cathryn N. Loucas
Ohio Partners for Affordable Energy
231 West Lima Street
Findlay, Ohio 45839-1793
cmooney@ohiopartners.org
cloucas@ohiopartners.org

**Counsel for Ohio Partners for
Affordable Energy**

Steven T. Nourse
Matthew J. Satterwhite
Yazen Alami
American Electric Power Service
Corporation
1 Riverside Plaza 29th Floor
Columbus, Ohio 43215
stnourse@aep.com
mjsatterwhite@aep.com
yalami@aep.com

Counsel for Ohio Power Company

Christopher J. Allwein
Todd M. Williams
Williams Allwein and Moser, LLC
1500 West Third Avenue, Suite 330
Columbus, Ohio 43212
callwein@wamenergylaw.com
toddm@wamenergylaw.com

Counsel for the Sierra Club

Rebecca L. Hussey
Carpenter Lipps & Leland LLP
280 Plaza, Suite 1300
280 North High Street
Columbus, Ohio 43215
Hussey@carpenterlipps.com

Douglas E. Hart
441 Vine Street
Suite 4192
Cincinnati, Ohio 45202
dhart@douglasshart.com

Counsel for The Kroger Company

Counsel for The Greater Cincinnati Health Council

M. Howard Petricoff
Michael J. Settineri
Gretchen L. Petrucci
Vorys, Sater, Seymour, and Pease, LLP
52 East Gay Street
P.O.Box 1008
Columbus, Ohio 43216-1008
mhpetricoff@vorys.com
mjsettineri@vorys.com
glpetrucci@vorys.com

Cynthia Fonner Brady
Exelon Business Services Company
4300 Winfield Road
Warrenville, Illinois 60555
Cynthia.brady@constellation.com

Counsel for Constellation NewEnergy, Inc. and Exelon Generation Company, LLC

For Constellation NewEnergy, Inc.

David I. Fein
Vice President, State Government
Affairs - East
Exelon Corporation
10 South Dearborn Street, 47th Floor
Chicago, Illinois 60603
David.fein@exeloncorp.com

Lael Campbell
Exelon
101 Constitution Avenue, NW
Washington, DC 2001
Lael.Campbell@constellation.com

For Exelon Corporation

For Constellation NewEnergy, Inc.

M. Howard Petricoff
Special Assistant Attorney General
Vorys, Sater, Seymour, and Pease, LLP
52 East Gay Street
P.O. Box 1008
Columbus, Ohio 43216-1008
mhpetricoff@vorys.com

M. Howard Petricoff
Michael J. Settineri
Gretchen L. Petrucci
Vorys, Sater, Seymour, and Pease, LLP
52 East Gay Street
P.O.Box 1008
Columbus, Ohio 43216-1008
mhpetricoff@vorys.com
mjsettineri@vorys.com
glpetrucci@vorys.com

**Counsel for Miami University and the
University of Cincinnati**

**Counsel for the Retail Energy Supply
Association**

Nicholas McDaniel
Environmental Law & Policy Center
1207 Grandview Ave., Suite 201
Columbus, Ohio 43212
NMcDaniel@elpc.org

Gregory J. Poulos
EnerNOC, Inc.
471 E. Broad Street, Suite 1520
Columbus, Ohio 43215
gpoulos@enernoc.com

**Counsel for the Environmental Law &
Policy Center**

Counsel for EnerNOC, Inc.

Samantha Williams
Natural Resources Defense Council
20 N. Wacker Drive, Suite 1600
Chicago, Illinois 60606
swilliams@nrdc.org

Thomas J. O'Brien
Bricker & Eckler LLP
100 South Third Street
Columbus, Ohio 43215-4291
tobrien@bricker.com

**Counsel for the Natural Resources
Defense Council**

Counsel for the City of Cincinnati

Rick D. Chamberlain
Behrens, Wheeler, & Chamberlain
6 N.E. 63rd Street, Suite 400
Oklahoma City, OK 73105
rchamberlain@okenergylaw.com

Donald L. Mason
Michael R. Traven
Roetzel & Andress, LPA
155 E. Broad Street, 12th Floor
Columbus, Ohio 43215
dmason@ralaw.com
mtraven@ralaw.com

**Counsel for Wal-Mart Stores East, LP
and Sam's East, Inc.**

**Counsel for Wal-Mart Stores East, LP
and Sam's East, Inc.**