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November 26, 2007

Via Courier

Ms. Renee Jenkins
Chief, Docketing Division
Public Utilities Commission of Ohio
180 E. Broad Street, 13th Floor
Columbus, Ohio 43215

RECEIVED-DOCKETING DIV
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PUCO

Subject: In the Matter of the Long Term Forecast Report of Duke Energy Ohio and Related Matters, and In the Matter of the Regulation of the Purchased Gas Adjustment Clause Contained Within the Rate Schedules of Duke Energy Ohio and Related Matters

Cases No. 07-118-GA-FOR and 07-218-GA-GCR

Dear Ms. Jenkins:

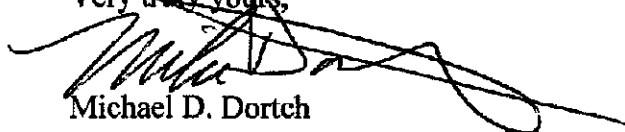
Enclosed please find an original and sixteen copies, each, of:

The testimony of Mr. James P. Henning; and
The testimony of Mr. James A. Riddle

Please accept the original and fifteen copies of these documents for filing in the above identified matters. I would appreciate the return of a time stamped copy of each gentlemen's testimony via the individual who delivers the same to you.

As always, please call me if you have any questions concerning this filing. Thank you.

Very truly yours,



Michael D. Dortch

Enclosures

This is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business.
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BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Long Term Forecast)
Report of Duke Energy Ohio)
and Related Matters)

Case No.07-118-GA-FOR

In the Matter of the Regulation)
of the Purchased Gas Adjustment)
Clause Contained Within the Rate)
Schedules of Duke Energy Ohio and)
Related Matters)

Case No.03-218-GA-GCR

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RECEIVED-DOCKETING DIV

DIRECT TESTIMONY OF

JAMES A. RIDDLE

ON BEHALF OF

DUKE ENERGY OHIO, INC.

- Management policies, practices, and organization
- Operating income
- Rate base
- Allocations
- Rate of return
- Rates and tariffs
- Other – Long-Term Forecast Report

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1 I. INTRODUCTION

2 Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

3 A. My name is James A. Riddle, and my business address is 139 E. Fourth Street,
4 Cincinnati, Ohio 45202.

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

6 A. I am employed by Duke Energy Corporation ("Duke Energy") affiliated
7 companies as Manager, Load Forecasting.

8 Q. PLEASE DESCRIBE YOUR EDUCATIONAL AND PROFESSIONAL
9 BACKGROUND.

10 A. I received a B.S. degree in Agriculture from Wilmington College, Ohio in June,
11 1979. In June, 1981, I received a Master of Science degree in Agricultural
12 Economics from the Ohio State University. I worked as a Field Office
13 Manager/Loan Officer for the Farm Credit System in Ohio from July 1981 to
14 September 1985.

15 In April 1986, I was hired by the Cincinnati Gas & Electric Company
16 ("CG&E"), now known as Duke Energy-Ohio, Inc. ("DE-Ohio") as an Associate
17 Economic Analyst. I became involved in all aspects of developing the Gas Long-
18 Term Load Forecast, including data collection and organization, regression
19 analysis, model building and solving, report writing, and dissemination of the
20 forecast throughout CG&E.

21 In July 1988, I was promoted to Economic Analyst. I became responsible
22 for nearly every aspect of completing the Gas Load forecast. This included the

1 development of new econometric models as well as disaggregating the forecast by
2 customer group into its firm and interruptible components.

3 In 1990, the Load Forecasting function was transferred to the Rate and
4 Economic Research Department and my title became Associate Rate Analyst. As
5 a result, my duties expanded beyond the Gas Load Forecast to include aspects of
6 the Electric Load Forecast that is prepared by the same group. I became involved
7 in electric end-use forecasting and have performed Conditional Demand Analyses
8 on the electric residential sector. These analyses produce electric end-use energy
9 estimates for residential customers using billing and survey data.

10 In September 1993, I was promoted to Rate Analyst. In addition to my
11 prior duties, I became responsible for developing models to estimate daily gas
12 peak loads by major customer group. In 1995, subsequent to the merger of CG&E
13 with PSI Energy, Inc., I was promoted to Supervisor, Load Forecasting in the
14 Retail Market Analysis Department with responsibility for the preparation of
15 CG&E's Gas and Electric Load Forecasts.

16 My current title is Manager, Load Forecasting. I am responsible for the
17 preparation of the Gas and Electric Load Forecasts of the Midwestern and
18 Carolinas operating company subsidiaries of Duke Energy, including DE-Ohio,
19 Duke Energy-Kentucky, Inc. f/ka/ The Union Light, Heat and Power Company,
20 Duke Energy-Indiana, f/k/a PSI Energy, Inc, and Duke Energy Carolinas f/ka/
21 Duke Power.

22 **Q. PLEASE DESCRIBE YOUR DUTIES AS LOAD FORECASTING**
23 **MANAGER.**

1 A. I am responsible for directing the preparation of the operating companies'
2 demand, energy and customer forecasts, including the collection, analysis and
3 presentation of the data used for the forecasts. I am also responsible for reviewing
4 new techniques of analysis and forecast preparation in order to ensure that
5 reasonable forecasting procedures are used.

6 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS**
7 **PROCEEDING?**

8 A. My testimony supports the current long-term natural gas forecast for DE-Ohio.

9 **Q. DID YOU PREPARE THE CURRENT LONG-TERM NATURAL GAS**
10 **FORECAST FOR DE-OHIO?**

11 A. Yes.

12 **Q. ARE YOU GENERALLY FAMILIAR WITH THE DETERMINATIONS**
13 **THAT THE COMMISSION MUST MAKE UNDER R. C. 4935.04(F) IN**
14 **REVIEWING THE LONG-TERM FORECAST REPORT.**

15 A. Yes. The Commission must determine whether:

16 (1) *All information relating to current activities, facilities agreements, and*
17 *published energy policies of the state has been completely and accurately*
18 *represented in the long-term forecast report;*

19 (2) *The load requirements set forth in the long-term forecast report are*
20 *based on substantially accurate historical information and adequate methodology;*

21 (3) *The forecasting methods employed in the long-term forecast report*
22 *consider the relationships between price and energy consumption;*

1 (4) The long-term forecast report identifies and projects reductions in
2 energy demands due to energy conservation measures in the industrial,
3 commercial, residential, transportation, and energy production sectors in DE-
4 Ohio's service area;

5 (5) The forecasts of loads and resources are reasonable in relation to
6 population growth estimates made by state and federal agencies, transportation,
7 and economic development plans and forecasts;

8 (6) The long-term forecast report considers the planned facilities of other
9 utilities in the state; and

10 (7) All assumptions made in the long-term forecast report are reasonable
11 and adequately documented.

12 **Q. DO YOU HAVE AN OPINION AS TO WHETHER DE-OHIO'S CURRENT**
13 **NATURAL GAS LONG-TERM FORECAST REPORT SATISFIES THESE**
14 **REQUIREMENTS?**

15 A. Yes.

16 **Q. PLEASE STATE YOUR OPINION.**

17 A. In my opinion, DE-Ohio's current natural gas long-term forecast report satisfies
18 the criteria established in R. C. 4035.04(F) for the Commission to approve a long-
19 term forecast report. I prepared the report in compliance with these requirements,
20 and the report is a reasonable projection of the long-term natural gas usage for
21 CG&E's customers.

22 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

23 A. Yes.