BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

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In the Matter of the Application of Duke Energy Ohio for Approval of Proposed Reliability Standards.	: : : : :	Case No. 09-757-EL-ESS

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PROCEEDINGS

before Ms. Katie Stenman and Ms. Christine Pirik, Hearing Examiner, at the Public Utilities Commission of Ohio, 180 East Broad Street, Room 11-C, Columbus, Ohio, called at 10:00 a.m. on Wednesday, May 26, 2010.

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ARMSTRONG & OKEY, INC.
222 East Town Street, 2nd Floor
Columbus, Ohio 43215
(614) 224-9481 - (800) 223-9481
Fax - (614) 224-5724

- - -

APPEARANCES:

Duke Energy Ohio, Inc.
By Ms. Elizabeth H. Watts
Ms. Amy B. Spiller
139 East Fourth Street
Cincinnati, Ohio 45202

On behalf of the Company.

Richard Cordray
Ohio Attorney General
Duane Lucky
Section Chief
By Mr. Stephen Rielly
Assistant Attorney General
Public Utilities Section
180 East Broad Street, 6th Floor
Columbus, Ohio 43215

On behalf of the Staff.

Office of Ohio Consumers Counsel
By Mr. Rick Reese
10 West Broad Street
Columbus, Ohio 43215

On behalf of the OCC.

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Wednesday Morning Session,
May 26, 2010.

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EXAMINER STENMAN: Let's go on the record.

Public Utilities Commission of Ohio is called for hearing at this time and place in Case No. 09-757-EL-ESS, being captioned In the Matter of Duke Energy Ohio, Inc. for Approval of Proposed Reliability Standards.

My name is Katie Stenman, and with me is Christine Pirik, and we're the examiners assigned by the Commission to hear this case.

At this time I'd like to start by taking appearances of the parties, starting with the company

MS. WATTS: Thank you, your Honor. On behalf of Duke Energy Ohio, Amy B. Spiller and Elizabeth H. Watts, 139 East Fourth Street, Cincinnati, Ohio. Thank you.

EXAMINER STENMAN: Thank you.

OCC?

MR. REESE: Thank you, your Honor. On behalf of Duke Energy Ohio, Inc., residential customers and on behalf of the Ohio consumers counsel, Janine Migden-Ostrander, I'm Richard C.

Reese.

MR. REILLY: Thank you, your Honor. On behalf of the staff of the Public Utilities Commission of Ohio, Richard Cordray, Duane Lucky, Section Chief, Steve Reilly, Assistant Attorney General, 180 East Broad Street, Columbus, Ohio 43215.

EXAMINER STENMAN: Thank you.

And I understand we have a stipulation?

MR. REESE: Yes, your Honor, we have several.

Just for the record I'd like to get these -- just get the dates down so we can keep track.

On May 19th the parties filed the original stipulation in this case. Due to a miscommunication when we were going back and forth with each other, there had been an additional actually two words I believe that OCC had wanted added to the stipulation. The other parties were agreeable to those two words. We filed a revised stipulation on May 24th.

Upon the scanning of the documents, the revised stipulation, in the DIS a shaded box containing certain figures in a table made it look as if the numbers were redacted. So the second revised

stip, which was filed yesterday, was merely to eliminate the background shading and the table in the table on page 6 so that it was legible. And that was filed at 4:48 yesterday.

So that's the reason for the three different versions. It's footnoted as to the reason for the separate stips.

EXAMINER STENMAN: Thank you.

Starting with the company, do you have some exhibits to put on the record?

MS. WATTS: I do, your Honor. And I'm not sure I heard Mr. Reese offer the Joint Exhibit 1 into evidence.

MR. REESE: Your Honor, I'd like to enter into evidence as Joint Exhibit No. 1 the second revised stipulation and recommendation filed on May 25th, 2010.

EXAMINER STENMAN: That will be so marked.

(EXHIBIT MARKED FOR IDENTIFICATION.)

EXAMINER STENMAN: Are there any objections to its admission?

Hearing none, Joint Exhibit 1 will be admitted.

(EXHIBIT ADMITTED INTO EVIDENCE.)

EXAMINER STENMAN: Did OCC have anything else? We'll just continue on with any other exhibits to enter into the record.

MR. REESE: I did want to mention that we do want to offer one more version of the stipulation today. Sorry.

EXAMINER STENMAN: Okay.

MR. REESE: Sorry, that's a joke.

EXAMINER STENMAN: You want to enter your comments as well?

MR. REESE: Yes. Give me the dates. We filed our initial comments on December 14th of 2009 and our reply comments on January 12th of 2010.

EXAMINER STENMAN: And those will be marked as?

MR. REESE: OCC Exhibit 1 will be our initial comments filed on the 14th and OCC Exhibit 2 will be reply comments filed on January 12.

EXAMINER STENMAN: And you had other exhibits?

(EXHIBITS MARKED FOR IDENTIFICATION.)

MR. REESE: No, your Honor.

EXAMINER STENMAN: I thought you said something about another version of the stipulation.

MR. REESE: I was being Rick Reese.

EXAMINER STENMAN: Are there any objections to the admission of OCC Exhibits 1 and 2?

MS. WATTS: No objections.

MR. REILLY: No objections.

EXAMINER STENMAN: OCC Exhibits 1 and 2 will be admitted.

(EXHIBITS ADMITTED INTO EVIDENCE.)

MS. WATTS: The company has I believe either five or six exhibits we'd like to have marked. The first would be the application of Duke Energy Ohio for approval of its reliability standards, which was docketed with the Commission on August 28.

EXAMINER STENMAN: Okay.

MS. WATTS: On September 4 there was a correction page to that and I would like to propose we make that just one exhibit, but if you want it to be two, I'm fine with that as well.

EXAMINER STENMAN: Let's keep them separate.

MS. WATTS: Then Duke Energy Exhibit 2 would be the replacement to correct page 11 for that initial application.

Duke Energy 3 will be our amended application which was submitted to the Commission on October 9 of 2009.

Duke Energy 4 would be reply comments of Duke Energy Ohio, Inc.'s application for approval of proposed reliability standards, which was docketed on January 12.

Duke Energy 5 would be our proof of publications.

Duke Energy 6 would be the testimony of Larry E. Conrad, and we have Mr. Conrad available for testimony today.

EXAMINER STENMAN: Okay. When was the proof of publication filed again, just for clarity?

MS. WATTS: April 13, 2010.

EXAMINER STENMAN: And then your last OCC 6 is the testimony of Mr. Conrad?

MS. WATTS: That would be Duke Energy 6, yes.

EXAMINER STENMAN: Duke Energy 6, excuse me.

(EXHIBITS MARKED FOR IDENTIFICATION.)

EXAMINER STENMAN: And Mr. Conrad is available to testify.

MS. WATTS: That's correct.

EXAMINER STENMAN: Would you like for him to take the stand?

MS. WATTS: Thank you.

(Witness sworn.)

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LARRY E. CONRAD

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

DIRECT EXAMINATION

By Ms. Watts:

Q. Sir, would you state your name for the record please?

A. Larry E. Conrad.

Q. And, Mr. Conrad, do you have before you what's just now been marked as Duke Energy Exhibit 6?

A. Yes, I do.

Q. Can you tell me what that is please?

A. This is my testimony on behalf of Duke Energy of Ohio for this case.

Q. And does that testimony indicate that it was docketed with the Commission on May 20, 2010?

A. Yes, it does.

Q. Do you have any changes or modifications to that testimony?

A. No, I have no changes.

Q. If you were asked the questions contained in that testimony today, would your answers remain the same?

A. Yes, they would be the same.

MS. WATTS: Your Honor, Duke Energy Ohio tenders this witness for cross-examination.

EXAMINER STENMAN: OCC, any cross?

MR. REESE: Yes, your Honor I have just one question.

EXAMINER STENMAN: Go ahead.

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CROSS-EXAMINATION

By Mr. Reese:

Q. Mr. Conrad, the revised stipulation filed after your testimony was filed and the second revised stipulation filed two days later, does that change anything in your testimony?

A. No, it does not. I have reviewed the latest filing and it's correct.

MR. REESE: Thank you very much.

EXAMINER STENMAN: Mr. Reilly?

MR. REILLY: Staff has no questions, your Honor.

EXAMINER STENMAN: Thank you, Mr. Conrad.

With respect to the admission of Duke Exhibits 1 through 6.

MS. WATTS: We would move that they be admitted please.

EXAMINER STENMAN: Any objections?

MR. REILLY: No objections.

EXAMINER STENMAN: Hearing none, Duke Exhibits 1 through 6 will be admitted.

(EXHIBITS ADMITTED INTO EVIDENCE.)

MR. REILLY: Staff would ask that its comments filed in this case on December 22, 2009 be marked as Staff Exhibit 1, and admitted.

(EXHIBIT MARKED FOR IDENTIFICATION.)

EXAMINER STENMAN: Is that it?

MR. REILLY: Yes.

EXAMINER STENMAN: Any objections to the admission of Staff Exhibit 1?

MS. WATTS: No objection.

MR. REESE: None.

EXAMINER STENMAN: Staff Exhibit 1 will be admitted.

(EXHIBIT ADMITTED INTO EVIDENCE.)

EXAMINER STENMAN: Anything else to come before us today?

MS. WATTS: Not on behalf of the company. Thank you.

MR. REESE: No, your Honor.

EXAMINER STENMAN: Actually we have a quick question.

The amended application for Duke Energy and Exhibit C, is that all included in Duke Exhibit 3? They're both filed on October 9, 2009.

MS. WATTS: I'm not sure I understand the question. Duke Exhibit 3 is the amended application.

EXAMINER STENMAN: Right. Is Exhibit C that was also filed on October 9 separately docketed, is that included with the amended application?

MS. WATTS: Yes.

EXAMINER STENMAN: Okay. That's all we have.

Hearing nothing else, that concludes this hearing. The case is submitted on the record and we're adjourned.

(Hearing concluded at 10:12 a.m.)

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CERTIFICATE

I do hereby certify that the foregoing is a true and correct transcript of the proceedings taken by me in this matter on Wednesday, May 26, 2010, and carefully compared with my original stenographic notes.

_____

Julieanna Hennebert, Registered Professional Reporter and RMR and Notary Public in and for the State of Ohio.

My commission expires February 19, 2013.

(JUL-1568)

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Summary: Transcript Transcript of Duke Energy Ohio hearing held on 05/26/10. Proposed Reliability Standards. electronically filed by Mrs. Jennifer Duffer on behalf of Armstrong & Okey, Inc. and Hennebert, Julieanna Mrs.