

FILE

6

RECEIVED-BOOKETING DIV

BEFORE

2011 MAR 18 AM 11:17

THE PUBLIC UTILITIES COMMISSION OF OHIO

PUCO

In the Matter of the 2010 Long-Term)	
Forecast Report of Duke Energy Ohio,)	Case No. 10-503-EL-FOR
Inc.)	

DIRECT TESTIMONY OF

JAMES A. RIDDLE

ON BEHALF OF

DUKE ENERGY OHIO, INC.

March 18, 2011

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.

Technician Am Date Processed 3/18/11

TABLE OF CONTENTS

	<u>Page</u>
I. INTRODUCTION.....	2
II. DISCUSSION	4
III. CONCLUSION	5

I. INTRODUCTION

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

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

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

5 A. I am Rates Manger, Pricing and Rates Options, for Duke Energy Business
6 Services, LLC (DEBS). DEBS provides various administrative and other services
7 to Duke Energy Ohio, Inc. (Duke Energy Ohio or the Company) and other
8 affiliated companies of Duke Energy Corporation (Duke Energy).

9 **Q. PLEASE DESCRIBE YOUR DUTIES AS RATES MANAGER, PRICING
10 AND RATES OPTIONS.**

11 A. As Rates Manager, I am responsible for rate design, tariff administration, billing,
12 and revenue reporting issues in Ohio and Kentucky. I prepare filings to modify
13 charges and terms in retail tariffs of Duke Energy Ohio and Duke Energy
14 Kentucky, Inc. (Duke Energy Kentucky) and develop rates for new services.
15 During major rate cases, I help with the design of the new base rates.
16 Additionally, I frequently work with Duke Energy Ohio's and Duke Energy
17 Kentucky's customer contact and billing personnel to answer rate-related
18 questions and to apply the retail tariffs to specific situations. Occasionally, I meet
19 with customers and Company representatives to explain rates or provide rate
20 training. I also prepare reports that are required by regulatory authorities.

21 **Q. PLEASE DESCRIBE YOUR EDUCATIONAL AND PROFESSIONAL
22 BACKGROUND.**

1 A. I received a Bachelor of Science degree in Agriculture from Wilmington College,
2 Ohio in June 1979. In June 1981, I received a Master of Science degree in
3 Agricultural Economics from the Ohio State University. I worked as a Field
4 Office Manager/Loan Officer for the Farm Credit System in Ohio from July 1981
5 to September 1985.

6 In April 1986, I was hired by The Cincinnati Gas & Electric Company
7 ("CG&E") as an Associate Economic Analyst. I became involved in all aspects
8 of developing the Gas Long-Term Load Forecast, including data collection and
9 organization, regression analysis, model building and solving, report writing, and
10 dissemination of the forecast throughout CG&E. Since that time, I have held
11 positions of increasing responsibility.

12 In 1990, my duties expanded beyond the Gas Long-Term Load Forecast to
13 include aspects of the Electric Long-Term Load Forecast. I became involved in
14 electric end-use forecasting and have performed conditional demand analyses on
15 the electric residential sector. In 1995, I was promoted to Supervisor, Load
16 Forecasting, in the Retail Market Analysis Department with responsibility for the
17 preparation of CG&E's Gas and Electric Long-Term Load Forecasts.

18 I was promoted to the position of Manager, Load Forecasting, in 1996. As
19 Manager, I was responsible for the preparation of the Gas and Electric Long-Term
20 Load Forecasts of the Midwest and Carolinas operating company subsidiaries of
21 Duke Energy, comprising Duke Energy Carolinas Inc., Duke Energy Ohio, Duke
22 Energy Indiana, Inc., and Duke Energy Kentucky.

23 In September 2010, I accepted the position of Rates Manager, Pricing and Rates

1 Options.

2 **Q. PLEASE DESCRIBE YOUR DUTIES AS MANAGER, LOAD**
3 **FORECASTING.**

4 **A.** As Manager, Load Forecasting, I am responsible for directing the preparation of
5 the operating companies' demand, energy and customer forecasts, including the
6 collection, analysis and presentation of the data used for the forecasts. I am also
7 responsible for reviewing new techniques of analysis and forecast preparation in
8 order to ensure that reasonable forecasting procedures are used.

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

11 **A.** My testimony addresses issues related to the stipulation concerning Duke Energy
12 Ohio's long-term energy and demand forecast utilized in the Company's
13 Integrated Resource Plan.

14 **II. DISCUSSION**

14 **Q. ARE YOU FAMILIAR WITH THE COMPANY'S FILINGS IN THIS**
15 **MATTER?**

16 **A.** Yes.

17 **Q. WERE YOU INVOLVED IN THE SETTLEMENT OF THIS CASE?**

18 **A.** Yes. I had discussions regarding many of the issues related to the filing and was
19 in contact with legal counsel with regard to the settlement process.

20 **Q. ARE YOU FAMILIAR WITH THE THREE-PART TEST WHICH THE**
21 **COMMISSION APPLIES TO STIPULATED SETTLEMENTS?**

22 **A.** Yes.

1 Q. WAS THIS STIPULATION THE PRODUCT OF SERIOUS BARGAINING
2 AMONG CAPABLE AND KNOWLEDGEABLE PEOPLE?

3 A. Yes, the Stipulation is the product of serious bargaining among capable and
4 knowledgeable people because it involved a diverse group of parties with diverse
5 constituency and all were stakeholders in the outcome. The Parties were all
6 represented by skilled and experienced regulatory counsel. The discussions
7 leading up to the stipulation included all parties to this proceeding and involved
8 serious consideration by each party of the others' positions.

9 Q. DOES THE STIPULATION, AS A WHOLE, BENEFIT RATEPAYERS?

10 A. Yes it does. It resolves a highly complex matter and saves the time and expense
11 of litigation. Likewise, the Stipulation largely represents a reasonable outcome
12 that satisfies all of the parties.

13 Q. DOES THE STIPULATION VIOLATE ANY REGULATORY
14 PRINCIPLES?

15 A. No. The Stipulation does not violate any regulatory principles.

16 Q. DO YOU BELIEVE THE COMMISSION SHOULD ADOPT THE
17 STIPULATION?

18 A. Yes. I recommend that the Commission adopt this Stipulation.

III. CONCLUSION

19 Q. DOES THIS CONCLUDE YOUR PRE-FILED DIRECT TESTIMONY?

20 A. Yes.