

BEFORE THE
PUBLIC UTILITIES COMMISSION

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PUCO

CASE NOS. 12-1685-GA-AIR
12-1682-EL-AIR

In the Matter of the Application of Duke Energy Ohio for an increase in its Electric Distribution Rates, for Tariff Approval to Change Accounting Methods, and Case Nos. 12-1685, 1686, 1687, and 1688, in the Matter of the Application of Duke Energy Ohio for an increase in its Natural Gas Distribution Rates, for Tariff Approval, for Approval of an Alternative Rate Plan for Gas Distribution Service, and for Approval to Change Accounting Methods.

The above-public hearing was held

before the Public Utilities Commission of Ohio, at the Cincinnati City Hall, Council Chambers, 3rd Floor, 801 Plum Street, Cincinnati, Ohio 45202, before Christine Pirik, Attorney Examiner and Commissioner Steve Lesser with the Public Utilities Commission of Ohio, on Thursday, February 28, 2013, at 12:30 p.m., before Terence M. Holmes, professional court reporter, and notary public within and for the State of Ohio.

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1 APPEARANCES:

2

3 On Behalf of the Public Utilities Commission of
4 Ohio:

5

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9 Columbus, Ohio 43266-0573

8

On Behalf of Company, Duke Energy:

9

10 Rocco O. D'Ascenzo
11 Associate General Counsel
12 Duke Energy
13 139 East Fourth Street/1303-Main
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15 Cincinnati, Ohio 45202

13 On Behalf of the Intervener, Office of the
14 Ohio Consumers' Counsel:

14

15 Joseph P. Serio
16 Assistant Consumers' Counsel
17 10 West Broad Street, Suite 1800
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C O N T E N T S

1		
2		
3	<u>SPEAKERS:</u>	<u>PAGE</u>
4	Chad Edwards	8
5	Helen Russo	12
6	Michael Berry	15
7	Ray Johnson	18
8	Matt Davis	25
9	David K. Main	28
10	Leonard Smith	31
11	William Clark	35
12	Dianne Dozier	38
13	Andrew McCreanor	40
14	Sheila Graham	43
15	Dine Ruehl	47
16	Jim Threlfall	50
17	Devona Howell	52
18		
19		
20		
21		
22		
23		
24		
25		

1 P R O C E E D I N G S

2 ATTORNEY EXAMINER: The Public
3 Utilities Commission of Ohio has assigned for public
4 hearing at this time and place Case Nos.
5 12-1682-EL-AIR, 12-1683-EL-ATA, and 12-1654-EL-AAM,
6 which are captioned In the Matter of the Application
7 of Duke Energy Incorporated for an Increase in its
8 Electric Distribution Rates. In addition, it has
9 assigned Case Nos. 12-1685-GA-AIR, 12-1686-GA-ATA,
10 12-1687-GA-ALT, and 12-1688-GA-AAM, captioned In the
11 Matter of the Application of Duke Energy Ohio
12 Incorporated for an Increase in its Natural Gas
13 Distribution Rates.

14 My name is Christine Pirik. I'm an
15 Attorney Examiner with the Public Utilities Commission
16 of Ohio and I will be conducting this hearing along
17 with Commission Steve Lesser. Also with us from the
18 Commission are Matt Schilling and Lauren Smalley, from
19 the Commission's Public Affairs Department, as well as
20 Lauren Hampton and Lee Gary from the Commission's
21 Service Monitoring and Enforcement Department.
22 The PUCO staff members and representatives of Duke, as
23 well as the Office of Consumers' Counsel are available
24 if you have questions concerning a utility matter,
25 other than the application that is the focus of

1 today's hearing. At this time, I'd like to take
2 appearances on behalf of any parties that are present,
3 on behalf of the company.

4 MR. D'ASCENZO: Thank you, Your Honor.
5 On behalf of Duke Energy Ohio.

6 ATTORNEY EXAMINER: We're gonna need
7 you to speak into the microphone at the podium right
8 there when you make appearances and anything that we
9 say; okay.

10 MR. D'ASCENZO Sure. Thank you, Your
11 Honor. On behalf of Duke Energy Ohio, my name is
12 Rocco D'Ascenzo, Associate General Counsel. My
13 address is 139 East Fourth Street, Cincinnati, Ohio.
14 Thank you.

15 ATTORNEY EXAMINER: Office of
16 Consumers' Counsel?

17 MR. SERIO: Thank you, Your Honor. On
18 behalf of Residential Utility Consumers of Duke
19 Energy, Bruce J. Weston, Consumers' Counsel by Joseph
20 Serio.

21 ATTORNEY EXAMINER: Are there any other
22 parties present here today? Duke filed these
23 applications on July 9, 2012. In the Electric rate
24 Case, Duke seeks a rate increase that would generate
25 approximately \$86.5 million dollars of additional

1 revenue. The PUCO staff report was issued in January.
2 After its review of Duke's records and application,
3 the staff recommends to the Commission a revenue
4 increase of between \$37.1 to \$46.1 over current
5 revenue. The staff report is a recommendation only,
6 and the Commission will implement some of the
7 suggestions or reject others, but the final decision
8 will be up to the Commission.

9 In the gas rate case, Duke seeks a rate
10 increase that would generate approximately \$44.6
11 million dollars of additional revenue. Upon review,
12 the staff of the Commission recommended a revenue
13 decrease from the current revenue of between 10.7 and
14 3.3 or a decrease from current revenue of that amount.

15 The local public hearing scheduled in
16 this case, of which there are four for these two
17 cases, are only one aspect of the process in the case.
18 There is also an evidentiary hearing, at which time
19 the parties will appear, and it is scheduled to
20 commence on March 25th, 2013, at the Commission's
21 offices in Columbus.

22 The purposes of today's hearing is to
23 receive comments from the public regarding the two
24 application in Duke's electric and gas cases. It is
25 not a question-and-answer session, but is your

1 opportunity to let the Commission know what you think
2 about these applications.

3 Tonight's hearing is being transcribed
4 by a court reporter. If you plan to testify, please
5 come up to the podium and speak into the microphone.
6 Also if you have prepared a written statement, it
7 would be helpful if you could provide that to the
8 court reporter once you have testified so that it will
9 ease the transition into a transcript.

10 When you arrived, you were offered the
11 opportunity to testify, and when I complete my
12 introduction, I will begin calling witnesses from the
13 list that I have. If you've not had the opportunity
14 to sign up to testify, the table is outside and there
15 is a list out there. I will also provide constituents
16 an opportunity to come up to the microphone at the end
17 if you change your mind. If I call on you and you
18 decide you do not want to testify, it is fine to pass
19 and we will move on to the next witness.

20 The Commission appreciates your
21 participation in tonight's hearing, and we want to be
22 sure that everyone has an opportunity to be heard.

23 I will begin calling witnesses. I will
24 be swearing witnesses in and I will be asking you to
25 state your name and address and the spelling of both

1 for the record so that we can get them correct.

2 I want to apologize ahead of time if I
3 mispronounce or anyone's name. With a last name of
4 Pirik, I'm used to having my name mispronounced. So
5 you can correct me and spell it correctly on the
6 record for me at that time.

7 At this time, I'd like to call Chad
8 Edwards.

9 MR. EDWARDS: Good afternoon.

10 ATTORNEY EXAMINER: Good afternoon.
11 Would you please raise your right hand?

12 (Sworn by Attorney Examiner)

13 MR. EDWARDS: Yes.

14 Whereupon,

15 CHAD EDWARDS

16 of lawful age, a witness herein, having been duly
17 sworn, as hereinafter certified, was examined and
18 testified as follows:

19 ATTORNEY EXAMINER: Could you please
20 state your name and address for the record and
21 spelling of both?

22 MR. EDWARDS: I'm Chad Edwards.

23 C-h-a-d E-w -- E-d-w-a-r-d-s. 1063 Coronado,
24 Cincinnati, Ohio 45238. And Coronado is
25 C-o-r-o-n-a-d-o.

1 ATTORNEY EXAMINER: On the list I have
2 it indicates that you are testifying about the gas and
3 electric case, is that true?

4 MR. EDWARDS: It's sort of an overall
5 perspective.

6 ATTORNEY EXAMINER: Okay. You may
7 proceed with your statement.

8 MR. EDWARDS: Okay. Great. Thank you.
9 Good Afternoon. "My name is Chad Edwards, I'm an
10 architect, and I'm President of the Green Umbrella,
11 our region's sustainability alliance, and a past
12 president of the US Green Building Council Region
13 Chapter.

14 I'm here today to give testimony to the
15 many efforts Duke Energy, its staff, and foundation
16 have contributed locally to make Greater Cincinnati a
17 more sustainable metro-region.

18 Duke's staff play key roles in
19 environmental local projects, like the development of
20 the Green Cincinnati Plan and Players for the Planet
21 e-waste recycling program, one of the largest events
22 of its kind in the US.

23 They volunteer time and expertise on
24 the Greater Cincinnati Green Business Council. The
25 Council's efforts have lead to Greater Cincinnati to a

1 cost neutral composting infrastructure, which all
2 businesses can utilize. Currently, this group is in
3 process of inspiring other businesses to use Portfolio
4 Manager with the intent of measuring and reducing
5 energy consumption across the region.

6 Staff member Ken Muth has volunteered
7 vast amounts of time as an Executive Committee Member
8 of the Green Umbrella. Ken co-chairs the Metrics
9 Oversight Committee on 8 Action Teams responsible for
10 robust environmental targets set for 2020.

11 Duke has funded an innovative one stop
12 shop website called MeetMeOutdoors.com for all outdoor
13 recreation events and venues.

14 They provided matching grant dollars to
15 the US Green Building Council Regional Chapter in
16 efforts to secure an Executive Director. This allows
17 the non-profit's volunteers to focus on their
18 mission's work.

19 Duke along with the Greater Cincinnati
20 Foundation, provided \$100,000 in seed money to create
21 the Greater Cincinnati Energy Alliance. The Energy
22 Alliance has retrofitted over 1,000 homes for energy
23 efficiency in four local counties.

24 Our region's greatest environmental
25 concern is our Combined Sewer Overflows into area

1 stream, creeks, and private residences. Duke Energy
2 staff has contributed to organizations working to
3 combat this environmental hazard including the Mill
4 Creek Restoration Project (now Groundwork Cincinnati)
5 and the Mill Creek Watershed Council of Communities.

6 Duke Energy is a founding member of the
7 Green Partnership for Greater Cincinnati. This
8 Partnership is a collaboration between six major
9 regional institutions, and their current program
10 centers on changing the local codes to allow for
11 rainwater harvesting for conveyance purposes. This
12 will have a dramatic positive effect on our #1 local
13 environmental problem.

14 I feel it is an obligation to recognize
15 those that contribute to the greater good. While no
16 company is perfect, and energy companies have their
17 share of difficulties, especially in the mid-west, it
18 is important to recognize those that give back and
19 contribute to solutions facing our region. Thank
20 you."

21 ATTORNEY EXAMINER: Thank you. Helen
22 Russo. Please raise your right hand?

23 (Sworn by Attorney Examiner)

24 MS. RUSSO: I do.

25 Whereupon,

1 HELEN RUSSO

2 of lawful age, a witness herein, having been duly
3 sworn, as hereinafter certified, was examined and
4 testified as follows:

5 ATTORNEY EXAMINER: Please state your
6 name and address and the spelling for the record?

7 MS. RUSSO: Yes, my name is Helen,
8 H-e-l-e-n, Russo, R-u-s-s-o, and I live at 5785
9 Timrick, one word T-i-m-r-i-c-k, Cincinnati, Ohio
10 45238.

11 ATTORNEY EXAMINER: And the list I have
12 says that you're testifying in both the gas and
13 electric case?

14 MS. RUSSO: Yes, in general, it's a
15 global answer.

16 ATTORNEY EXAMINER: Okay. You may
17 proceed.

18 MS. RUSSO: Okay. Thank you. I'd like
19 to start with saying that I was in this chambers when
20 Duke Energy confronted the Cincinnati Council members
21 on the idea of the cost of the streetcar, and I do
22 think that nobody wants to hear about the streetcar,
23 and but I do think that that is apart of the problem
24 of what has brought this to the fore. And in that the
25 Duke people, and I understand it is a private company

1 and they need to make money, but the projects are
2 governmental and infrastructure, and in it they said
3 that their customers were not going to be saddled with
4 the cost of all this moving of lines.

5 I remember confronting the lady whose
6 name I do not remember outside these very chambers in
7 which I said, "You cannot believe a thing the council
8 members in this city say. Sooner or later we're gonna
9 wind up paying, so stay the course." Well, I guess
10 they just couldn't stay the course, so now they've
11 applied to you.

12 I would like to say that as a retired
13 life-long person who now volunteers full time, the
14 question that I have is, "Why should I pay a company
15 that provides me utility services, while they are
16 basically doing a project city-wide which they
17 basically is not that well funded, and they knew that
18 from the beginning when they low-balled the cost. I
19 totally reject the fact that that has to be.

20 Now, I understand if it were for a
21 city-wide thing, and I have to laugh when I see that
22 one of the things are for mass, mass-transportation
23 project. Well, I hope they're not saying the
24 streetcar, that's a 3.6 track in a place that has very
25 limited access to people of the entire city at a cost

1 of 3.5 million dollars a mile. Now, we have other
2 alternatives. The street did not have to be dug up,
3 and we've gone through that, but be that as it may, it
4 falls on death ears.

5 So, when gathering the petition, the
6 only people that were allowed to sign the petition
7 were people that were registered voters of the City of
8 Cincinnati. People in the county wanted to vote on
9 that because they were highly against it, and they
10 were not allowed to vote on it. Now, I see by some of
11 these riders, that if people don't pay the bills to
12 Duke, which is a private corporation wants to make
13 more money and I understand that, they have now come
14 up with a plan that we all share in the cost of this,
15 and I feel that that is definitely no representation
16 in what they're told, wanted to do in the beginning.

17 And so it goes back to the same thing,
18 when the city, at least this city comes up with poorly
19 planned projects, we wind up paying, and for me
20 personally, as a senior citizen to have gas and
21 electric raised up between 18% and 22%, I think is
22 outrageous, totally outrageous and out of line. If it
23 were that these were normal costs, I could almost
24 agree to that. These are not normal costs. These are
25 costs to address projects that are not needed and are

1 absolutely not useful to many of the people in the
2 City of Cincinnati. And I thank you for your
3 attention.

4 ATTORNEY EXAMINER: Thank you. Michael
5 Berry.

6 MR. BERRY: Hello.

7 ATTORNEY EXAMINER: Hi. Would you
8 please raise your right hand?

9 (Sworn by Attorney Examiner)

10 MR. BERRY: I do.

11 Whereupon,

12 MICHAEL BERRY

13 of lawful age, a witness herein, having been duly
14 sworn, as hereinafter certified, was examined and
15 testified as follows:

16 ATTORNEY EXAMINER: Could you please
17 your name and address and spelling for the record?

18 MR. BERRY: Yeah. Michael Berry,
19 M-i-c-h-a-e-l B-e-r-r-y, and my address is 4410 Innes
20 Avenue 45223, Cincinnati, Ohio.

21 ATTORNEY EXAMINER: And you marked that
22 you're here for both gas and electric?

23 MR. BERRY: I am. I am. Listen, I am
24 owner of a small commercial construction company, so
25 we wind up by default dealing with utilities a lot of

1 times whether it's a upgrade to electrical systems,
2 changing configurations of how electrical systems are
3 delivered to buildings and sites, the same with gas.

4 And I have had just repeated problems
5 with Duke Energy. And I actually happened to be down
6 here for another reason and saw this hearing and
7 wanted the opportunity to get this on the record. And
8 if you'll bear with me, I've just got two examples.
9 One of which is from this morning. I have a
10 commercial building that I have a tenant that's
11 completely leased, and I've continued to get bills
12 over the last two months, although supposed to have
13 been switched over. So I called Duke this morning to
14 talk about the problem, and I've got that number in
15 here if you'd like it read for the record, but the
16 short and long of it is, I was told that the tenant
17 had not switched the accounts over, so that's why I
18 was continuing to receive the bills. So I emailed the
19 tenant and said, "Listen, you messed up, you need to
20 do it and they'll take care of it. Well, she emails
21 back. And short and long of it is, both of us are
22 being billed for the same building for two accounts.
23 Okay. That's a problem. It's cost me about two hours
24 today. I would rather be spending my time in a
25 different manner.

1 A second example, and I think that
2 these two examples, you know, encompass a myriad of
3 experiences that I've had with the company. Is
4 another building that I applied for a temporary
5 electrical service. The electrician installed it.
6 IBI inspected it. I called Duke and said I need the
7 meter set the meter bank. They told me that that
8 would take place in three days and that they had three
9 days to get a work order out and get it. On the
10 morning of the fourth day I called, okay, and for
11 whatever reason the order hadn't gone out, so it had
12 started new. The cost to me was we were doing steel
13 work on the site. As I had to go, I had to rent a
14 generator, you know, to meet my electrical needs, and
15 just plus the ongoing headache. And pretty much any
16 job I've been on, I could name you examples like this.

17 Plenty of the people that we work with,
18 Jeff Henning, whose been great, they're engineers, you
19 know, Kirk Duby, you know, there's a number of 'em we
20 work with, the people area great, but there's a
21 problem at the company with their ability to deliver,
22 to deliver within the time frames that they're
23 supposed to deliver on, and I can't imagine them
24 asking for a rate increase for delivery, because in
25 the competitive marketplace, I would not -- the rates

1 would be going down. I wouldn't do business with them
2 at these costs that they're charging now. So, thank
3 you.

4 COMMISSIONER LESSER: Before you go, we
5 have a staff member from Consumer who I believe is
6 just out in the hall and another, Humphrey, if you
7 would, also. Would you, would you just go with them
8 for a second and just give them some more details?
9 They're from -- they're -- they can help, perhaps, in
10 the consumer investigation side of this.

11 MR. BERRY: Thank you.

12 ATTORNEY EXAMINER: The next witness is
13 Ray Johnson.

14 MR. JOHNSON: Hi.

15 ATTORNEY EXAMINER: Please raise your
16 right hand.

17 (Sworn by Attorney Examiner)

18 MR. JOHNSON: I do.

19 Whereupon,

20 RAY JOHNSON

21 of lawful age, a witness herein, having been duly
22 sworn, as hereinafter certified, was examined and
23 testified as follows:

24 ATTORNEY EXAMINER: Thank you. Please
25 state your name, address for the record and spelling?

1 MR. JOHNSON: Ray Johnson, R-a-y
2 J-o-h-n-s-o-n, 8266 Eastdale Drive. Eastdale is one
3 word. E-a-s-t-d-a-l-e Drive, Cincinnati, 45255.

4 ATTORNEY EXAMINER: And what I have
5 here, is that you're testifying in both gas and
6 electric?

7 MR. JOHNSON: Yes, ma'am.

8 ATTORNEY EXAMINER: Thank you.

9 MR. JOHNSON: Thank you for the
10 opportunity we've all been given to speak to you
11 today. My name is Ray Johnson. I'm the Director of
12 Business Operations for the Forest Hills School
13 District, and also with the permission of their
14 superintendent, Paul Imhoff, I'm here on behalf of
15 Mariemont City School District.

16 I'm here today to ask the Public
17 Utilities Commission for their help. Duke Ohio has
18 requested an increase in its distribution rates and
19 we're opposed to any increase in these rates.

20 Back in 2005 when the proposed merger
21 with Cinergy was announced, the following were among
22 the concerns raised by school organizations. There
23 was already a request in before the PUCO for a rate
24 increase. The merger would result at that time in
25 loss of 1000 jobs, perhaps in the Greater Cincinnati

1 area. There is no plan currently for CG&E or Duke to
2 give special consideration to the school districts
3 under the rate-hike plan to share any significant cost
4 savings for the proposed merger with schools, even
5 though the energy load for schools is more favorable
6 than most through commercial customers. And Duke and
7 Cinergy at that time had not been forthcoming with a
8 commitment to support schools, a special rate
9 consideration in a timely manner to allow district
10 administrations to make determinations, as was
11 available in other parts of the state. The response
12 from Duke at the time and I will quote, "In addition
13 to our commitment to provide customers with high
14 quality service at reasonable rates, we're also
15 committed to supporting schools in the future as we
16 have in the past.

17 The public schools, we do not see where
18 the recent actions by Duke have been in the best
19 interest of public education or the taxpayers who
20 provide their funding. School's been experiencing
21 funding cuts for decades. Federal funding cuts at the
22 same time that we're dealing with increased mandates.
23 State funding cuts, local property tax cuts. We
24 responded by tightening our belts. In many ways, our
25 district, for example, has reduced staff, we've frozen

1 wages for several years and reduced programs. We've
2 looked in every way if possible to reduce our cost by
3 minimizing the impact on our classrooms. We've also
4 implemented significant energy conservation measures.
5 We've reduced our electrical consumption by 17% over
6 the last few years and have received Energy Star
7 Certification in eight of our nine buildings.

8 Another area where we've been able to
9 secure some savings, is through buying energy through
10 third parties. In natural gas or electric purchases
11 these costs have helped minimize the impact of other
12 income reductions we've experienced. Both of these
13 allowed us in our last request who are taxpayers to
14 reduce the amount that we needed for a continuing
15 operating levy.

16 Unfortunately the benefits we
17 anticipate and continue through experience --
18 experiencing these through the efforts were all but
19 eliminated by the 2012 increase in charges all schools
20 are now paying to Duke Ohio. Shifting cost from large
21 businesses to medium-sized businesses, including
22 schools, increases of over 20%.

23 There was a -- They had a customer
24 forum back in October of 2011, there was absolutely no
25 discussion about this, at the same time the increase

1 was being publicly announced. They had a meeting with
2 public school districts in early 2012, at which this
3 was not part of the discussion. It was at the same
4 time that we were receiving our first bills.

5 At a recent meeting that included
6 several Southwest Ohio school districts,
7 representatives from a number of statewide school
8 organizations, and Duke Energy which also include
9 their President, Jim Henning, Duke was asked to
10 comment about these increases to schools. Their
11 response was that they were only charging customers
12 what you, the PUCO, approved. They weren't taking any
13 responsibility for the fact that they requested the
14 increase.

15 Also, a portion of financial plan, our
16 district is experiencing is caused by the ratchet
17 charges who are imbedded in the Duke Ohio rates.
18 These ratchet charges punish school districts for
19 hitting peak demand in May or September for the next
20 11 months. I don't believe that the ratchet charge
21 included in the distribution rate was specifically
22 designed to harm schools, but that's exactly what's
23 happening. We estimate these ratchet charges are
24 costing our district approximately \$200,000 a year.
25 One meter this past month that added cost was over

1 \$1,800 and we have 25 meters.

2 I'm not here asking for dramatic
3 change. We're willing to pay for our energy and
4 demand use. However, we don't believe it's fair,
5 reasonable to be charged for demand that we aren't
6 using each month. These ratchets were applied to our
7 buildings when we're getting great -- when we are
8 greatly reducing consumption our closed building in
9 the speak summer months. That's when utility
10 distribution system is at its peak, yet we are not.
11 Despite that fact, our district is still being
12 impacted. That's not right and should not be allowed
13 to continue.

14 We're just simply asking the PUCO to
15 reject any distribution, any increase in distribution
16 charges, and to order Duke to change its distribution
17 rates to the public schools and the taxpayers who
18 support are exempt from these ratchet charges imbedded
19 in the distribution rates when billing is calculated.
20 Will not have much of an impact on Duke Ohio or the
21 rest of its customers, would have a beneficial impact
22 to a lot of kids in our schools." Thank you.

23 COMMISSIONER LESSER: If you may, could
24 I ask you a quick question?

25 MR. JOHNSON: Sure.

1 COMMISSIONER LESSER: If you know, the
2 Peak Demand Provision, was that a new provision or
3 what you were calling the "ratchet" --

4 MR. JOHNSON: This is the way that --
5 This is the way that it's been for --

6 COMMISSIONER LESSER: Okay.

7 MR. JOHNSON: -- for years.

8 COMMISSIONER LESSER: Okay. Have you
9 looked into any peak demand reduction programs?

10 MR. JOHNSON: Well, in order for us to
11 do that, we'd have to shift the hours of our school
12 day, to have any significant change, and I don't think
13 people want their kids going to school at 7:00 o'clock
14 at night or overnight.

15 COMMISSIONER LESSER: During the year?

16 MR. JOHNSON: Yeah, our school year is,
17 our day is what it is.

18 COMMISSIONER LESSER: Are your
19 buildings generally dark over the summer though,
20 including August?

21 MR. JOHNSON: Well, we start our school
22 year the latter part of August.

23 COMMISSIONER LESSER: Okay.

24 MR. JOHNSON: Now, during the summer,
25 all -- most of our buildings are dark, with the

1 exception of two buildings that we hold summer school
2 in.

3 COMMISSIONER LESSER: Okay. You may
4 want to talk to our staff. There may be -- there may
5 be ways to work within the Peak Demand Provisions. I
6 would encourage you to contact our staff on that.

7 MR. JOHNSON: I'll do that. Thank you.

8 ATTORNEY EXAMINER: Our next witness is
9 Matt Davis. Next witness is Matt Davis.

10 MR. DAVIS: Good afternoon.

11 ATTORNEY EXAMINER: Good afternoon.

12 (Sworn by Attorney Examiner)

13 MR. DAVIS: I do.

14 Whereupon,

15 MATT DAVIS

16 of lawful age, a witness herein, having been duly
17 sworn, as hereinafter certified, was examined and
18 testified as follows:

19 ATTORNEY EXAMINER: Please state your
20 name and address for the record?

21 MR. DAVIS: My name is Matt Davis and
22 my address is 441 Vine Street, Cincinnati, Ohio 45202.

23 ATTORNEY EXAMINER: The microphone just
24 cut out.

25 MR. DAVIS: Is that better? No, that's

1 better.

2 ATTORNEY EXAMINER: Did we get the
3 address okay?

4 COURT REPORTER: Yes.

5 ATTORNEY EXAMINER: Okay. And I see
6 here, are you testifying in both the gas and electric
7 cases?

8 MR. DAVIS: I am.

9 ATTORNEY EXAMINER: Okay.

10 MR. DAVIS: Thank you. Again, I'm Matt
11 Davis, Vice President of Government affairs at the
12 Cincinnati USA Regional Chamber, and I'm here to
13 testify on both the Duke Energy electric and natural
14 gas rate cases.

15 The Cincinnati USA Regional Chamber is
16 the nation's 5th largest metro chamber representing
17 over 500 businesses and 310,000 employees in the
18 region.

19 The Chamber is focused on building a
20 region that will allow families and businesses to
21 prosper. For years, Duke Energy has been a great
22 partner of ours championing those efforts with a
23 demonstrated commitment to improving the local
24 business climate and quality of life in this region.

25 This commitment can be seen through

1 Duke's participation in the Cincinnati regional
2 business community.

3 Julie Janson, then-President of Duke
4 Energy Ohio and Kentucky, served as the 2012 Chair of
5 the Board of Directors of the Cincinnati USA Regional
6 Chamber.

7 And not only did Janson commit to the
8 duties of the Chairperson, in partnership with the
9 Cincinnati chamber and Northern Kentucky Chamber, she
10 formed The Brent Spence Bridge Coalition, a dynamic
11 coalition of businesses and community groups to
12 accelerate the replacement of the Brent Spence Bridge,
13 identified as a critical for safety and regional
14 economic growth.

15 Jim Henning, current President of Duke
16 Energy Ohio and Kentucky, is also an active member on
17 the Chamber's Board of Directors.

18 Additionally, Duke Energy's economic
19 development and community development staff have
20 engaged in attracting businesses to the Cincinnati USA
21 region -- root Cincinnati USA region and support the
22 economic growth of Cincinnati and the prosperity of
23 its business community.

24 This year, Duke made a substantial
25 investment in Cintrifuse, a not-for-profit

1 organization, working to turn the Cincinnati region
2 into a magnet for high-growth start-ups.

3 As a long-term community partner, Duke
4 contributed nearly \$450,000 to the new Smale
5 Riverfront Park, an attraction and gathering center
6 for residents and visitors.

7 The strength of a corporate community
8 partner lies not in its ability to sell more products.
9 Rather, as Duke Energy demonstrated throughout the
10 years, the strength of a corporate community partner
11 lies in its ability to connect the strengths of
12 businesses and communities together to build healthy,
13 sustainable communities in which to live, work, and do
14 business.

15 Thank you for your time.

16 ATTORNEY EXAMINER: Thank you. David
17 K. Main. Would you please raise your right hand?

18 (Sworn by Attorney Examiner)

19 MR. MAIN: I do.

20 Whereupon,

21 DAVID K. MAIN

22 of lawful age, a witness herein, having been duly
23 sworn, as hereinafter certified, was examined and
24 testified as follows:

25 ATTORNEY EXAMINER: Thank you. Please

1 state your name and address for the record and
2 spelling for the record?

3 MR. MAIN: My name is David Main,
4 D-a-v-i-d M-a-i-n. My address is 1776 Mentor,
5 M-e-n-t-o-r, Avenue, Cincinnati, Ohio 45212.

6 ATTORNEY EXAMINER: And are you here
7 today testifying in the gas and/or electric case?

8 MR. MAIN: Both.

9 ATTORNEY EXAMINER: Thank you.

10 MR. MAIN: Good afternoon. Once again,
11 my name is David Main, I'm President of Hamilton
12 County Development Company. I have over 35 years of
13 economic development experience, the last 30 of which
14 I've had the privilege of being the President of
15 Hamilton County Development Company, also known as
16 HCDC.

17 This is a -- We are a private
18 non-profit organization that is involved in all three
19 aspects of economic development, that includes
20 attraction of outside firms, retention expansion of
21 existing business and industry, and the creation of
22 new enterprises.

23 Duke Energy has been a strong corporate
24 partner of ours for many years and has been
25 proactively engaged in promoting all these efforts

1 with HCDC. It has historically provided both
2 financial and technical support to these activities,
3 including support to create development ready
4 industrial sites in our local communities,
5 particularly in those inner-ring suburbs that are
6 redeveloping former brown field sites.

7 It has provided financial assistance to
8 establish a revolving loan fund at the Hamilton County
9 Business Center, our business incubator, that provides
10 needed early-stage loans to help start-up businesses
11 in helping them expand and prosper.

12 It has also provided financial
13 assistance with infrastructure and incentives to help
14 locate new businesses and retain existing companies
15 and jobs within our local community.

16 And it sponsors various training
17 seminars featuring site location consultants and
18 experts giving guidance on how to attract new
19 companies to our community.

20 Finally, Duke Energy employees and
21 staffs have served on the Board of Directors of HCDC.
22 David Smith and Marvin Blade have provided technical
23 expertise and oversight and governance in economic
24 development efforts.

25 Duke Energy and its predecessor

1 companies have always been great partners to help
2 retain companies and attract new ones. They know the
3 jobs are important to the growth of our community and
4 its residents, and have worked collaboratively with
5 HCDC and other local economic development groups to
6 help them be successful in this mission.

7 Reasonably priced energy and
8 reliable/safe distribution systems are important to
9 attract and retain industry and the jobs they provide.

10 Overall, on behalf of HCDC, I
11 appreciate the active support and engagement of Duke
12 Energy and its area staff in supporting economic
13 development efforts, not only in Hamilton County, but
14 throughout the region, as well. Thank you.

15 ATTORNEY EXAMINER: Our next witness is
16 Leonard Smith. Please raise your right hand?

17 (Sworn by Attorney Examiner)

18 MR. SMITH: I do.

19 Whereupon,

20 LEONARD SMITH

21 of lawful age, a witness herein, having been duly
22 sworn, as hereinafter certified, was examined and
23 testified as follows:

24 ATTORNEY EXAMINER: Please state your
25 name and address for the record and the spelling?

1 MR. SMITH: Leonard Smith,
2 L-e-o-n-a-r-d and 1810 Hewitt Avenue, H-e-w-i-t-t
3 Avenue 45207.

4 ATTORNEY EXAMINER: And are you here
5 today testifying in both the gas and electric case?

6 MR. SMITH: Kind of both. This is the
7 first time I've been down here on anything like this.
8 I've worked all my life and I finally retired and I
9 get a chance to speak on some of these things that the
10 working man doesn't get to say anything about.

11 One of the things is, the gas and
12 electric rates is gonna be -- they're supposed to be
13 trying to get an increase to pay for the little
14 trolley car that's supposed to be a monument to
15 Mallory, I guess. Kind of reminds me of the monuments
16 that Joseph Stone used to build, big brass things that
17 they tore down 70 years later. Now, that's what we're
18 -- And then they want everyone to pay for it. I'm out
19 in the suburb or the area of Evanston. I get no
20 advantage whatsoever that I can tell from this thing
21 downtown. So, to have me pay money to keep that up or
22 started or whatever they want to say about it, I'm
23 against that.

24 And then on the electric, also, we've
25 been getting these Smart Meters. I don't know how

1 much those cost. I don't know where the money came
2 from them, and I don't know what the benefit is of
3 them, but I know they're being stuck around
4 everybodys' house. So, that's another hidden cost
5 that we, we'll wind up paying for.

6 The other thing is, the gas. The cost
7 of natural gas has been decreasing because of the
8 drilling and the use of fracking, and here they want
9 an increase on that, also. Now, I'm not into finances
10 that much, but, I mean, somewhere when something is
11 cheaper and then they want to raise the price some
12 more it's -- I don't have an understanding of it.
13 I've heard quite a few people much more learned than
14 me saying, "Things are not right," and that's part of
15 it that I see.

16 The other thing is the -- they've been
17 -- they're big on their money saving projects that
18 don't help the consumers. Now, they've closed down
19 all the payment offices, and if you've gotten to drive
20 around to pay your bill, it's been a very inconvenient
21 thing. Half the time you can't find a -- the -- When
22 you finally do find a store that does have it, then
23 they say, oh, we can't tie into the computer, you have
24 to go to the next one, and then you drive around
25 several miles. I mean I've lost quite a bit of

1 mileage in gas just trying to pay my electric bill.

2 The other thing is, they're asking also
3 for unlimited access to one's property. That's
4 against everything of property rights of the
5 individual. Now, that's -- To sit there and say,
6 well, we can come on your property and do what we want
7 to, and then it's gonna be protected because you try
8 to plant something around there, you tie into their
9 gas line or electric line, they're gonna want to
10 charge you for it, and they have no, no right to do
11 that. They've not compensated you or anything else.
12 They just say, oh, we've got the right to do it. I
13 mean we've been trampled over the rights along with a
14 lot of other things, but there is some kind of limits
15 for it. Rookwood Properties thought they could just
16 trample on peoples' right, there was a big lawsuit
17 over that, too. So, I mean, at some point there is
18 people taking a stand on things like that. So, I just
19 wanted to say that.

20 Like I say, I'm retired, I haven't had
21 a chance to get that, and I'm just telling you what
22 the -- what we're putting up as consumers. So, I
23 thank you for your time.

24 ATTORNEY EXAMINER: Thank you. William
25 Clark.

1 (Sworn by Attorney Examiner)

2 ATTORNEY EXAMINER: I do.

3 Whereupon,

4 WILLIAM CLARK

5 of lawful age, a witness herein, having been duly
6 sworn, as hereinafter certified, was examined and
7 testified as follows:

8 ATTORNEY EXAMINER: Please state your
9 name and address for the record?

10 MR. CLARK: My name is William Clark
11 and my address is 3428 Alta Vista Avenue, 45211.

12 ATTORNEY EXAMINER: And are you here
13 today for both the gas and electric cases?

14 MR. CLARK: Yes, ma'am.

15 ATTORNEY EXAMINER: Okay.

16 MR. CLARK: Ma'am, I'm here on behalf
17 of the City of Cheviot. We're located on the west
18 side of Cincinnati, and I am on City Council there.
19 We plan to pass a resolution this upcoming Tuesday
20 opposing any rate increase with Duke, and we will pass
21 that along to your Commission once the signed copy is
22 done, but I did want to come and testify on behalf of
23 the approximate 10,000 residents that we have here,
24 rather than them all coming down here and testifying
25 to you. As well as the 300, approximately 300

1 businesses that we have in the city, as well. So,
2 again, we are adamantly opposed to this increase
3 regarding Case 12-1682-EL-AIR.

4 I will submit the copy of the
5 Resolution to the Clerk. If you would like me to read
6 it into the record, I can, it's up to you.

7 ATTORNEY EXAMINER: Is it a signed
8 resolution?

9 MR. CLARK: We're gonna send you a
10 signed resolution, but, no, it is currently not signed
11 at this time.

12 ATTORNEY EXAMINER: I think it would be
13 a good idea if we had the signed resolution.

14 MR. CLARK: Again, we're gonna send
15 that to you on Tuesday. So, that's fine.

16 ATTORNEY EXAMINER: You have -- I do
17 have one question. You mentioned specifically Case
18 Number 12-1682. We are, even though we have a joint
19 hearing here today for both the gas and electric, the
20 gas case numbers begin with 1685, 86, 97. Are --

21 MR. CLARK: We're opposed to any
22 increase, and I'm gonna explain that a little bit
23 further to you, as well. We have a lot -- Obviously
24 in any of the cities throughout Ohio or most of the
25 cities, we're all struggling financially. In our city

1 we just did some drastic cuts within our budget to be
2 able to balance our budget this year, and that
3 includes meeting reductions in our city services. Why
4 did we do that? We did that so we didn't necessarily
5 have to tax our citizens even further. What does this
6 do, these rate increases? It's a de facto tax, truly.
7 And so no increase needs to be done.

8 Another telling thing that I just heard
9 from a couple of individuals that just testified, is
10 Duke is willing to give away a ton of money to
11 different organizations, pay for parks, things like
12 that. That money needs to be used for their projects,
13 not just given away.

14 The other problem that I personally
15 have is, after reading the Consumers' fact sheet, it's
16 my understanding that Duke is also proposing to extend
17 its right to enter a person's property to install
18 lines or pipes that serve other customers. Currently
19 this access is limited to property along streets and
20 roads. Duke has proposed a change that would give
21 utility unlimited access to a customer's private
22 property to install equipment without compensating the
23 customer. Obviously that's not a right and just cost,
24 and the Commission should deny that request, as well.
25 That's all I have at this time.

1 ATTORNEY EXAMINER: Thank you.

2 MR. CLARK: Thank you.

3 ATTORNEY EXAMINER: Dianne Dozier.

4 Please raise your right hand?

5 (Sworn by Attorney Examiner)

6 MS. DOZIER: I do.

7 Whereupon,

8 DIANNE DOZIER

9 of lawful age, a witness herein, having been duly
10 sworn, as hereinafter certified, was examined and
11 testified as follows:

12 ATTORNEY EXAMINER: Please state your
13 name, address, and spelling for the record?

14 MS. DOZIER: My name is Dianne Dozier.
15 Dianne, D-i-a-n-n-e D-o-z-i-e-r. My address is 1915
16 Andina, A-n-d-i-n-a. Zipcode, 45237.

17 ATTORNEY EXAMINER: And I have here
18 that you're testifying in both the gas and electric
19 cases?

20 MS. DOZIER: Yes.

21 ATTORNEY EXAMINER: Okay.

22 MS. DOZIER: Yes. As I stated earlier,
23 my name is Dianne Dozier and I am the supervisor for
24 the Home Energy Assistance Program located at the
25 Community Action Agency. We work closely with Duke in

1 order to provide financial assistance to low to
2 moderate income families in order to help with the
3 cost associated with providing utilities to their
4 homes.

5 I come here today to ask you not to
6 allow Duke to raise customer rates. The customers
7 that we serve don't pay their bills on time now, and
8 if the rates are raised, and because they're on
9 special programs, those rates still won't get paid,
10 because they won't be able to pay more on their bill.

11 Although we understand that rate
12 increases are inedible, but not at the rate, nor the
13 way in which they are asking at this time.

14 And lastly, please don't allow Duke to
15 approve increases simply to fatten the shareholders'
16 profit margin. When they do -- when they do this,
17 customers, low-income families do suffer, and I thank
18 you for that.

19 ATTORNEY EXAMINER: Thank you.

20 (Sworn by Attorney Examiner)

21 MR. McCREANOR: I do.

22 Whereupon,

23 ANDREW McCREANOR

24 of lawful age, a witness herein, having been duly
25 sworn, as hereinafter certified, was examined and

1 testified as follows:

2 ATTORNEY EXAMINER: Please state your
3 name, address, and spelling for the record?

4 MR. McCREANOR: My name is Andrew
5 McCreanor, it's A-n-d-r-e-w, M-c-C-r-e-a-n-o-r.
6 Address is 893 Cedar Drive, Loveland, Ohio 45140.

7 ATTORNEY EXAMINER: And I have here
8 that you're testifying in both the gas and electric
9 cases?

10 MR. McCREANOR: Yes. Okay. Again, as
11 I appreciate the opportunity to speak before the
12 Commission. Again, my name is Andy McCreanor, and I
13 currently serve as the Executive Director of Executive
14 Service Corps of Cincinnati, which is a non-profit
15 that specifically takes the volunteers that we have
16 and we dedicate ourselves to working with other
17 non-profits. And it's in this regard, part of the
18 reason I'm here to speak on behalf of Duke Energy
19 today.

20 One as a consumer who has relied on
21 their resources for energy at an affordable cost over
22 the years. As a business person who has personally
23 witnessed Duke Energy's commitment of being an engaged
24 partner in building a better community for people to
25 live and work in. And more recently as an Executive

1 Director of a non-profit here in the Greater
2 Cincinnati area, I've been impressed with the range
3 and the breath of community investment Duke makes to
4 help the lower and mediate social and human services
5 needs of the Greater Cincinnati region.

6 So my comments today are more directed
7 to help balance the perspective of Duke Energy's
8 request for a rate increase, because I, as a consumer,
9 certainly don't want to pay anymore than I have to for
10 any services, and certainly want to get as much
11 mileage out of my dollar as I possibly can. However,
12 I think there are times, as a community, we need to
13 recognize the contribution that companies like Duke
14 makes to the overall quality of life in our community.

15 And when I take a look and think about
16 that, when you consider the intellectual financial and
17 civic contribution provided by Duke's corporate
18 leadership and their investment in our community and
19 that of their employees who very willingly participate
20 in a number of ways on non-profit boards, economic
21 development community development types of initiatives
22 and what have you, I believe these factors are at
23 times not given proper recognition of the true value
24 that in this case that Duke Energy is providing to the
25 community. And I also believe that not all things can

1 be judged by purely looking at a dollar amount alone.
2 In this regard when you add up the dollars, the value
3 of those dollars that are provided by Duke, as I said
4 in this case, I think they make a contribution that
5 isn't necessarily to be judged and should be judged
6 only on the fact of the revenue that they're seeking
7 in this case.

8 As we all know, any business has to be
9 able to operate at a margin that allows it to provide
10 its products and services to its customers that first
11 and foremost meets its customer's needs.

12 Secondly, provide a return on the
13 investment to its shareholders, which is also
14 important.

15 And finally and thirdly, allow it to be
16 a solid corporate citizen in its community. And from
17 my experience and my personal observation, and this
18 has been over a number of 20 to 25 years now, I think
19 Duke is extremely conscientious about its role in the
20 community and its role in economic development and it
21 takes its corporate responsibility very seriously.
22 Thank you.

23 MR. SERIO: Just if I could ask a
24 question.

25 ATTORNEY EXAMINER: Mr. Serio.

1 MR. SERIO: Yeah. Thank you. Does
2 Duke contribute financially to your organization?

3 MR. McCREANOR: Yes, they provide grant
4 fundings that allows us to do projects for a
5 non-profit.

6 MR. SERIO: Duke request you to come to
7 the hearing today and testify?

8 MR. McCREANOR: No, I offered to do
9 that.

10 ATTORNEY EXAMINER: Thank you. Sheila
11 Graham.

12 (Sworn by Attorney Examiner)

13 MS. GRAHAM: Yes, I do.

14 Whereupon,

15 SHEILA GRAHAM

16 of lawful age, a witness herein, having been duly
17 sworn, as hereinafter certified, was examined and
18 testified as follows:

19 ATTORNEY EXAMINER: Could you please
20 state your name and address and spelling for the
21 record?

22 MS. GRAHAM: My name is Sheila Graham.
23 S-h-e-i-l-a G-r-a-h-a-m. My address is 5505 Stewart,
24 Cincinnati, 45227.

25 ATTORNEY EXAMINER: And are you

1 testifying today in both the gas and electric cases?

2 MS. GRAHAM: Yes, I am. Several
3 things, even that I've heard, since I've been down
4 here, one in particular, and I find this disturbing,
5 that Duke is requesting to come into our private
6 properties. I'm totally against that and I think all
7 of my neighbors would be, as well. I can't speak for
8 them, but I'm pretty sure that they would not want
9 that happening.

10 And, also, I understand that Duke, as
11 any business, needs to make a profit, and we want
12 business in our community. We want them to make a
13 profit, we want to have a good business community.
14 However, Duke has made lots of profit. And as one
15 person said, they're giving away money and yet they're
16 asking for money. So what are they trying to do, are
17 they trying to replace the money that they're giving
18 away, that they're getting tax benefits for and then
19 we're now gonna give it back to them? I don't know
20 exactly what that is about.

21 I know that they should be doing
22 projects, because we've had projects to make our costs
23 go lower. Let's say more solar power or something,
24 you know, to make it lower, opposed to making our
25 bills higher.

1 In the future we're gonna have more and
2 more natural disasters, we've seen them. You know,
3 we've seen them all over, we've seen them here. So
4 natural disasters are gonna happen and that doesn't
5 make money for Duke, and because it doesn't they have
6 to recoup their money. Maybe this is one of the ways
7 they're trying to recoup it, but you should not,
8 because it really is a cost of doing business. You
9 really have to say, okay, now what should we do in the
10 future to not have this great of impact?

11 I was watching on television this
12 morning about Chattanooga doing something different
13 with their, their system, and their reasoning was, we
14 don't want to have our power out as long as it was
15 before. So they did something to change that. It
16 cost a lot of money, was a huge investment. They had
17 to have a lot of partners, but they did it. It was
18 the city, the government did it. Duke needs to do
19 something, because we're gonna have natural disasters.
20 I'm not predicting anything, but, you know, if the
21 recent storm Sandy or any other storm or the storms
22 that we've had, if that's any indication, we're gonna
23 have more of them. So they have to prepare, and they
24 can't think that we can just bear the brunt of that
25 cost, because we can't.

1 The truth of it is, just like the other
2 lady said about her persons that she represents, they
3 don't pay their bills on time now, so therefore
4 they're paying more. And not only that, when you go
5 to pay a bill, you have to pay a \$1.50 more for the
6 processing of it. So they're getting money. They're
7 getting increases.

8 I'm sure that the companies that are
9 taking their bills, taking their payments are making
10 some money or paying them some money and making money
11 themselves. So this is a -- that's a win-win for both
12 of them, but the consumer has to pay for that. So
13 we're already paying something.

14 So I think that they should not even
15 get any increase. That is my recommendation. Thank
16 you. Oh, one last thing. I noticed on a bill from
17 2007, that my bill now in the month of October, and
18 October is not for October, obviously it's for
19 September, and it was an additional 14% and that's a
20 very low month, as you know, because it's not cold,
21 you know, it's a very low month and it's 14% more from
22 2007 to 2012. I don't know if that makes a difference
23 if they're asking for like an 18%. Is it 18% or 28%
24 increase now? 24%. So that may not be a difference
25 to them, but it definitely makes a difference to me.

1 Thank you.

2 ATTORNEY EXAMINER: Thank you. That is
3 the breath of our list up here. Is there anyone who
4 did not have an opportunity to sign in that would like
5 to testify? Please, just come forward. Please raise
6 your right hand? Hi.

7 MS. RUEHL: Hi.

8 (Sworn by Attorney Examiner)

9 MS. RUEHL: Yes.

10 Whereupon,

11 DIANE RUEHL

12 of lawful age, a witness herein, having been duly
13 sworn, as hereinafter certified, was examined and
14 testified as follows:

15 ATTORNEY EXAMINER: State your name and
16 address and the spelling for the record?

17 MS. RUEHL: Diane Ruehl, D-i-a-n-e
18 R-u-e-h-l. 5259 Sidney Road, S-i-d-n-e-y, Cincinnati,
19 Ohio 45238.

20 ATTORNEY EXAMINER: And are you here
21 testifying for the gas and/or electric case?

22 MS. RUEHL: Yes, both of them.

23 ATTORNEY EXAMINER: Both of them.

24 Okay. Go ahead.

25 MS. RUEHL: What I'd like to bring up

1 is that I came here, I wasn't gonna say anything. I
2 am opposed to the tax increase or the rates increases.
3 I listened for all these different testimonies. We
4 have one, two, three, four people that came up and
5 said that Duke has given them money for their
6 sustainable development within Cincinnati, Ohio and
7 the surrounding area. I do not think that the money
8 that I pay Duke should be going to sustainable
9 development projects in this area, in Hamilton County
10 or Cincinnati. This is not something we signed up
11 for. We should not have to pay for it. If Duke wants
12 to do that they can do it with their own profits and
13 not turn back to us and ask us for more money. There
14 comes a time when you say "enough is enough."

15 Duke came onto my property, replaced my
16 regular meter with a Smart Meter without my
17 permission. They have already gone onto properties
18 without permission, and now they're asking for it. I
19 don't want them on my property. That's why I own it,
20 they do not.

21 None of this stuff is making any sense
22 to me. They're out of control and PUCO is not
23 stopping them. I called Bill Sites about these Smart
24 Meters. He told me that was PUCO's idea and PUCO's
25 thing and that he had nothing to do with it. So my

1 question is: Who's playing a game here? You can't get
2 any straight questions. Everybody runs around in
3 circles. Nobody wants to be accountable, nobody wants
4 to take the blame, and it's time for the people of
5 Cincinnati, the Duke customers, to say enough. Thank
6 you.

7 ATTORNEY EXAMINER: Thank you. Is
8 there anyone who would like to testify who did not
9 have an opportunity? Yeah.

10 MS. RUSSO: I don't want to testify but
11 did you say you wouldn't answer questions?

12 ATTORNEY EXAMINER: Yes, you did
13 testify, but --

14 MS. RUSSO: She just asked a direct
15 question. Why are the Smart Meters proposed by PUCO?

16 ATTORNEY EXAMINER: I do understand.
17 What I said earlier was that the purpose of this is so
18 that we could hear what customers had to say about the
19 rate increase, but it really is not a
20 question-and-answer period. So I do appreciate that,
21 and that question, you know, is on the record, and as
22 far as looking at the record as a whole, it will be
23 considered in that context. So, is there anyone who
24 has not had an opportunity to testify? You may come
25 forward. Please raise your right hand?

1 (Sworn by Attorney Examiner)

2 MR. THRELFALL: I do.

3 Whereupon,

4 JIM THRELFALL

5 of lawful age, a witness herein, having been duly
6 sworn, as hereinafter certified, was examined and
7 testified as follows:

8 ATTORNEY EXAMINER: Please state your
9 name and address and spelling?

10 MR. THRELFALL: My name is Jim
11 Threlfall, that's T-h-r-e-l-f-like in Frank-a-l-l. My
12 address is 10014 Thoroughbred Lane,
13 T-h-o-r-o-u-g-h-b-r-e-d, Cincinnati 45231.

14 ATTORNEY EXAMINER: And are you
15 testifying for the gas and/or electric cases?

16 MR. THRELFALL: Yes, I am.

17 ATTORNEY EXAMINER: For both of them?

18 MR. THRELFALL: Yes.

19 ATTORNEY EXAMINER: Okay. Go ahead.

20 MR. THRELFALL: I want to start by
21 saying I agree that Duke is a good citizen of this
22 area and that they do a lot of good things, as well
23 they should, they make a lot of money in this area, so
24 does Procter & Gamble, so does G.E. People who make a
25 lot of money off the community, ought to give some of

1 it back, but is not about that.

2 The rate case, the things that they
3 want, that Duke wants to increase, have nothing to do
4 with sustainability or have nothing to do with other
5 projects. We pay for those other projects and
6 sustainability through other riders. I'm talking
7 about the increase that Duke wants to provide to give
8 to me as a citizen for the customer charges and for
9 the energy charges for both gas and electricity.

10 I agree that the cost of doing money
11 increases over time, and over time they need to get
12 more money back in order to pay for the increase, but
13 I think the amount of increase is inconsistent with
14 what the increase in cost of doing business is. For
15 them to increase my customer charges for electricity
16 by 23% and for gas by 30%, I think is an
17 over-statement. Their costs haven't gone up that
18 much. For them to increase my energy cost for
19 electricity by 23% and my gas usage cost by 300% is
20 inconsistent with the cost -- the increase of cost of
21 doing businesses. So I know while all of that
22 different costs over all the different rate codes
23 average out to a certain percentage. I looked at my
24 bill this morning and I looked at what Duke wants to
25 make my bill and it's going to cost \$250 extra next

1 year. I don't think that is warranted.

2 I also don't think it's right that they
3 have unlimited access to my property. I think that
4 they should -- if they want to come on my property,
5 get my permission, and if they're going to do damage
6 to my property or do something to the property, that
7 they ought to pay for it, it ought not be my expense.
8 That's all I have to say.

9 ATTORNEY EXAMINER: Thank you. Is
10 there anyone else who would like to testify?

11 (Sworn by Attorney Examiner)

12 MS. HOWELL: Yes.

13 Whereupon,

14 DEVONA HOWELL

15 of lawful age, a witness herein, having been duly
16 sworn, as hereinafter certified, was examined and
17 testified as follows:

18 ATTORNEY EXAMINER: Please state your
19 name and address for the record?

20 MS. HOWELL: My name is Devona Howell.
21 D-e-v-o-n-a H-o-w-e-l-l. I live at 1856 Lawn Avenue.
22 That's L-a-w-n Avenue.

23 ATTORNEY EXAMINER: And are you here on
24 behalf of the gas and/or electric cases?

25 MS. HOWELL: Both. I'm opposing the

1 increase of 18% and 24% on behalf of single mothers
2 that work. As we work in society, everything seems to
3 go up, our groceries, gas, but our income is not
4 increasing, and so therefore to ask for such a huge
5 amount of percentage to go up on our gas and electric
6 bills would make it just that much harder to continue
7 abreast on the bills that we have to sustain each
8 month to keep our families afloat. And so for on
9 behalf of everyone that just have spoken, and I've
10 heard some testimonies talking about how Duke Energy
11 has helped the community. Yes, they may have helped
12 the community in one part, but to overall increase the
13 community as a whole, their bills, how are we really
14 helping our community be able to sustain their bills
15 on a month-to-month basis. To me this is just
16 ridiculous. I think that they should come up with
17 some other ways and resources to provide this
18 increase, just like they come up with ways to provide
19 Smart, Smart energy things for our homes without
20 charging us for those things. They can come up with
21 other resources to provide the increases to sustain
22 these projects that they want to fulfill in the
23 future.

24 I also oppose for anyone to come into
25 my home without me being there, just like we get a

1 bill each month and it lets us know when a meter
2 reading is and when somebody is gonna come in my home
3 on that particular day. I think that they should also
4 allow us to know when someone is coming into our home
5 to do any other type of work.

6 So, again, I just oppose this increase.
7 I'm totally against it, and I think that they should
8 really think about other resources and things, if they
9 can come up with to provide the monies that they need
10 for projects.

11 ATTORNEY EXAMINER: Thank you. Is
12 there anyone else? It appears as if we have heard all
13 of the witnesses who are interested in testifying. We
14 would like to thank you on behalf of the Commission,
15 on behalf of myself and Commissioner Lesser for
16 attending today's hearing, and it's adjourned, this
17 public hearing.

18 - - -
19 (At 1:30 p.m. the hearing was adjourned)
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1 C E R T I F I C A T E

2

3 STATE OF OHIO :
4 : SS:
5 COUNTY OF HAMILTON :

6

7 I, Terence M. Holmes, a duly qualified
8 and commissioned notary public within and for the
9 State of Ohio, do hereby certify that at the time and
10 place stated herein, and in the presence of the
11 persons named, I recorded in stenotypy and tape
12 recorded the proceedings of the within-captioned
13 matter, and that the foregoing pages constitute a
14 true, correct and complete transcript of the said
15 proceedings.

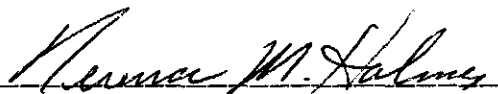
16 I further certify that I am not
17 counsel, attorney, relative or employee of any of the
18 parties hereto, or their counsel, nor am I financially
19 re in any way interested in the within action.

20 IN WITNESS WHEREOF, I have hereunto set
21 my hand at Cincinnati, Ohio, the 23rd day of March,
22 2013.

23

24

25 My Commission Expires:
July 28, 2017


Terence M. Holmes
Notary Public -State of Ohio