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PUBLIC UTILITIES COMMISSION OF OHIO

3

PUBLIC HEARING

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CASE NUMBERS 14-841-EL-SSO

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14-842-EL-ATA

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Tuesday, September 9, 2014

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Public Utilities Commission of Ohio

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Local Public Hearing, in the Matter of the

12

Application of Duke Energy Ohio, Inc. for

13

authority to establish a standard service offer

14

pursuant to Ohio Revised Code 4928.143 in the

15

form of an electric security plan, accounting

16

modification, and tariffs for generation service

17

and for authority to amend its tariffs.

18

19 AP:

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HEARING OFFICER: Nick Walstra

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COMMISSIONER: Christine Pirik

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1 HEARING OFFICER: We'll go on the
2 record. Thank you guys all for coming.
3 We're here for Public Utilities
4 Commission of Ohio has assigned for
5 public hearing at this time and place
6 Case Number 14-841-EL-SSO and 14-842-EL-
7 ATA, which is captioned in the Matter of
8 the Application of Duke Energy Ohio,
9 Incorporated for authority to establish
10 a standard service offer pursuant to
11 Revised Code 4928.143 in the form of an
12 electric security plan, accounting
13 modifications, and tariff for generation
14 service and for authority to amend its
15 certified supplier tariff, PUCO No. 20.

16 My name Nick Walstra. I'm an
17 attorney examiner with the Commissions'
18 Legal Department. With me is Christine
19 Pirik. She's the Deputy Legal Director
20 with the Commission who will be
21 presiding with me at this hearing.

22 In addition, there are Commission
23 personnel representing our Service
24 Monitoring and Enforcement and Public
25 Affairs Department. Dan was here when

1 you guys walked in, at the table. Matt
2 is up here up front. These staff
3 members are available if you have
4 questions concerning a utility matter,
5 other than the application which is the
6 focus of tonight's hearing.

7 At this time I'll take appearances
8 on behalf of the parties. On behalf of
9 Duke?

10 MR. DIACENZO: Thank you, Your
11 Honor. On behalf of Duke Energy Ohio,
12 my name is Rocco Diacenzo, 139 East 4th
13 Street, Cincinnati, Ohio.

14 HEARING OFFICER: Thank you. On
15 behalf of the Ohio Consumers' Counsel?

16 MR. BERGER: Good evening, Your
17 Honor. My name is Tad Berger
18 representing the office of Ohio
19 Consumers' Counsel, 10 West Broad
20 Street, Suite 1800, Columbus, Ohio,
21 43215.

22 HEARING OFFICER: Are there any
23 other parties that are present here?
24 No. All right.

25 There are several -- many other

1 parties and interveners in this matter.

2 If anyone is interested in who those
3 parties are, when we conclude here, I
4 can show you who those parties are.

5 Duke Energy filed its application
6 on May 29th, 2014 requesting authority
7 to establish a standard service offer
8 for the period commencing on June 1st,
9 2015. The local public hearings
10 scheduled in this case are only one
11 aspect of the process. We had a hearing
12 last night and there is another hearing
13 tomorrow evening, and one next Thursday
14 in the early afternoon. An evidentiary
15 hearing is also scheduled, and that's
16 scheduled for October 22, 2014 at the
17 Commission offices in Columbus.

18 The purpose of tonight's hearing is
19 to receive comments from the public
20 regarding Duke's application in these
21 cases. Unfortunately, this isn't a
22 question-and-answer session, but it is
23 your opportunity to let the Commission
24 know what you think about Duke's
25 application.

1 Tonight's hearing is being
2 transcribed by a court reporter. If you
3 plan to testify, please speak clearly so
4 that the court reporter can accurately
5 reflect your comments on the record.
6 Also, if you have prepared a written
7 statement, it would be helpful if you
8 can provide that to us so the court
9 reporter can get that into the record.

10 When you arrived here, you were
11 offered the opportunity to sign up to
12 testify. After I finish with this
13 introduction, I'll begin calling the
14 witnesses forward that have signed in,
15 and ask you to come up to the table and
16 face the court reporter. Before you
17 give your comments, I'll ask you to
18 state your name and your address.
19 Before you present your opportunity --
20 before you present your testimony, I
21 will ask that you take an oath or
22 affirmation that what you're about to
23 say is the truth. Your testimony will
24 be considered part of the official
25 record in this case and it will be

1 reviewed by the Commission before they
2 make their final decision on the
3 application.

4 We do appreciate your participation
5 in tonight's hearing. We want everyone
6 who wishes to make a statement to have
7 the opportunity to do so, so please be
8 considerate of others. If you do leave
9 or if you decide not to testify today,
10 you do have the opportunity -- you can
11 go to the PUCO web site, look up this
12 case number, which I said was 14-841,
13 you can look that case number up and you
14 can mail comments in that we'll make
15 part of the record.

16 At this time I will begin by
17 calling witnesses forward.

18 First one is Paul Hennekes, if I'm
19 pronouncing that correctly.

20 THE WITNESS: Hennekes.

21 HEARING OFFICER: What?

22 THE WITNESS: Hennekes.

23 HEARING OFFICER: Hennekes. Okay.

24 - - - - -

25 PAUL HENNEKES,

1 After having been first duly sworn, as
2 hereinafter certified, was examined and testified
3 as follows:

4 HEARING OFFICER: Will you please
5 state your name and spell it and give
6 your address.

7 THE WITNESS: My name is Paul
8 Hennekes, H-E-N-N-E-K-E-S, One West 4th
9 Street, Suite 1100, Cincinnati, Ohio,
10 45202.

11 HEARING OFFICER: Thank you. You
12 may proceed.

13 THE WITNESS: My name is Paul
14 Hennekes, and I am the Chief Financial
15 Officer of Hilltop Basic Resources.
16 Hilltop has two Ohio locations served by
17 Duke Energy. One of the locations is a
18 ready-mix concrete operation and an
19 aggregate terminal, and the other
20 location is an aggregate terminal. I am
21 also co-chairman of the Energy Committee
22 for the Ohio Aggregate and Industrial
23 Minerals Association, otherwise known as
24 OAIMA.

25 OAIMA is the trade association that

1 represents all of Ohio's mining
2 operations except coal. These
3 commodities include aggregates, sand,
4 gravel, slag, crushed limestone,
5 dolomite and sandstone, salt, clay,
6 shale, gypsum, industrial sand, building
7 stone, lime, cement, and recycled
8 concrete.

9 As a CFO of Hilltop, I am always
10 looking for ways to reduce our costs.
11 Energy costs are a significant portion
12 of our company's expenses. We have
13 participated in customer choice for
14 several years, selecting our supplier
15 and negotiating our electric prices. We
16 monitor our electric bills and usage,
17 and we are always looking for ways to
18 reduce both our usage and our costs.

19 Unfortunately, in January of 2012,
20 the Load Factor Adjustment rider that
21 became effective in Duke Energy's rates
22 resulted in significant negative impacts
23 to Hilltop. Since 2012, we have worked
24 with OAIMA and with Duke Energy to find
25 ways to mitigate this increase, but

1 we've been unsuccessful. It was
2 determined that there was really wasn't
3 anything we could do to reduce that
4 charge.

5 In addition, the Load Factor
6 Adjustment rider resulted in significant
7 negative impacts to many of our OAIMA
8 members. Generally, Hilltop and OAIMA
9 members have relatively low load factors
10 because we operate limited hours each
11 day, usually starting early in the
12 morning and ending earlier in the
13 afternoon. The structure of the Load
14 Factor Adjustment rider resulted in
15 extremely large increases to the Duke's
16 low load factor customers.

17 For Hilltop, the load factor rider
18 adjustment has increased our electric
19 costs by about \$25,000 annually or
20 \$75,000 since the implementation in
21 January of 2012.

22 On one of our accounts, the
23 increase was over 28 percent of the
24 total cost of the electric service, it
25 was over 12 percent of the total cost on

1 the other accounts.

2 Hilltop was not able to pass these
3 excessive cost increases onto our
4 customers, and as a result, we
5 experience lower profitability.

6 For some of our OAIMA members,
7 their distribution bills more than
8 doubled and their total electric costs
9 increased 30 percent to 40 percent. Some
10 OAIMA members were not able to pass
11 these excessive cost increases onto
12 their customers, and as a result, some
13 plants were closed.

14 It is my understanding that the
15 Load Factor Adjustment rider was
16 approved for only the current ESP, which
17 ends in June of 2015. I further
18 understand that in the current ESP, Duke
19 Energy has asked the Commission to
20 approve its proposal to remove the Load
21 Factor Adjustment rider effective in
22 June of 2015. I think Duke Energy's
23 witness has indicated that the rider is
24 not market based and is no longer
25 necessary. And I'm here today to ask --

1 or to tell you that Hilltop and OAIMA
2 are in support of Duke Energy's proposal
3 to remove that load factor rider. I
4 request the Commission to approve their
5 proposal to remove the rider in its
6 entirety effective in June 2015.

7 Thank you for your time and
8 attention. I can provide this to the
9 court reporter.

10 HEARING OFFICER: Thank you.

11 Diana Cahall.

12 - - - - -

13 DIANA CAHALL,

14 After having been first duly sworn, as
15 hereinafter certified, was examined and testified
16 as follows:

17 HEARING OFFICER: Will you please
18 state and spell your name and address
19 for the record?

20 THE WITNESS: Okay. It's a long
21 one. D-I-A-N-A, C-A-H-A-L-L. 7019
22 Ashridge-Arnheim Road, Sardinia, Ohio,
23 45171.

24 I am just a citizen, just an energy
25 consumer, and I really have more of a

1 question than a comment. But I guess
2 I'll try to phrase it as a comment. As
3 I understand it, the hearing is
4 concerning Duke's leaving the electric
5 supply business directly to customers
6 and purchasing that energy at auction;
7 is that correct?

8 You can't answer me. Does
9 That include natural gas, other
10 energy source materials, as the
11 Department of Energy calls it, and
12 anything else that could be used as a
13 non renewable energy source?

14 Thank you. That's all I have.

15 HEARING OFFICER: Thank you.

16 Rachael Belz.

17 - - - - -

18 RACHAEL BELZ,

19 After having been first duly sworn, as
20 hereinafter certified, was examined and testified
21 as follows:

22 HEARING OFFICER: And will you
23 please state your name and spell your
24 name for the record, and give your
25 address?

1 THE WITNESS: Rachael Belz,
2 R-A-C-H-A-E-L, B-E-L-Z, 782 Carini Lane,
3 Cincinnati, Ohio, 45218.

4 HEARING OFFICER: Thank you. You
5 may proceed.

6 THE WITNESS: I'm here tonight to
7 speak out against Duke Energy's latest
8 electric stabilization plan. This
9 latest plan by Duke shows me that they
10 really only care about their bottom line
11 profits. They don't care about their
12 customers.

13 My husband and I finally live in a
14 community that has municipal aggregation
15 through a provider that is not Duke
16 Energy. We bought our house in July
17 2013, but we were not allowed to join
18 the municipal buying group in our
19 village until we had lived in our house
20 for at least six months.

21 The first six months I noticed our
22 electric costs were higher than I would
23 have expected, but chalked it up to
24 summertime and the really cold weather
25 we had at the end of the year. But

1 since we've been added to the municipal
2 buying group in our village, our rates
3 have gone down considerably. We now
4 have a budget bill that is, on average,
5 40 to 50 dollars cheaper per month than
6 when we moved in.

7 I have several complaints about the
8 ESP filed, but to me the most egregious
9 is the fact that customers will be
10 forced to purchase the power from ailing
11 coal plants, like the Kyger Creek coal
12 plant in Cheshire, Ohio, and the Clifty
13 Creek coal plant in Madison, Indiana,
14 and the fact that, according to Duke's
15 filing, all customers, since it's
16 nonbypassable request, everybody would
17 have to pay for this, even if we do not
18 receive our energy through Duke, even if
19 we've shopped around. I think this is
20 unbelievable.

21 I'm quite familiar with the toxic
22 air emissions near both of these coal
23 plants. As an asthma sufferer, I have
24 trouble spending time outside when in
25 the vicinity of these coal plants and

1 other plants like them. They're
2 incredibly inefficient and they have far
3 outlived their usefulness.

4 Companies like Duke and the other
5 utilities that share portions of these
6 plants through OVEC had plenty of time
7 to make investments in their plant if
8 they expected to keep them running
9 beyond any reasonable retirement time
10 period. But they really didn't. They
11 just ran them into the ground. And now
12 they want us to make a promise through
13 our Public Utilities Commission to keep
14 them on life support. The time has
15 passed for these coal plants to be
16 useful to us. And we shouldn't be
17 forced to what amounts to be a captive
18 market for their aging years.

19 Duke has already announced they're
20 planning to sell their Ohio Coal Plant.
21 They do not have a long-term interest in
22 this ESP, because they don't even plan
23 to be here.

24 I think you should deny this
25 ridiculous request. You should not

1 force Duke customers to have to pay for
2 their bad business decisions any
3 longer. Thank you.

4 HEARING OFFICER: Thank you.
5 Rachael Minore?

6 THE WITNESS: Minore. The "E"
7 throws everybody off.

8 HEARING OFFICER: Raise your right
9 hand.

10 - - - - -

11 RACHAEL MINORE,

12 After having been first duly sworn, as
13 hereinafter certified, was examined and testified
14 as follows:

15 HEARING OFFICER: Thank you. And
16 will you state and spell your name and
17 give your address for the record?

18 THE WITNESS: Rachael Minore,
19 R-A-C-H-A-E-L, M-I-N-O-R-E. I'm at 1600
20 Clairwood Cincinnati, Ohio 45207.

21 HEARING OFFICER: Thank you. You
22 can go forward.

23 THE WITNESS: Originally, I hail
24 from Ann Arbor, Michigan, but I moved to
25 Cincinnati just over a month ago. Since

1 then I have come to find that Ohio is
2 not quite as dreadful as I was led to
3 believe growing up.

4 I'm really enjoying staying in
5 Cincinnati. I love the people. I love
6 the atmosphere. But I didn't realize
7 that the citizens of this town and many
8 others across the state are in danger of
9 being held hostage by their energy
10 companies.

11 By now I'm sure you can see that
12 this proposal is nothing more than a
13 hail Mary from these energy companies.
14 The coal plants that they want us to
15 save are at least 20 years past their
16 prime.

17 In my opinion, this proposal could
18 have been avoided if Duke had made the
19 proper investments along the years, but
20 they haven't. They want us to save
21 their dying, outdated and inefficient
22 coal plants because they made poor
23 investment decisions in the past. We
24 should be not have to pay for their bad
25 business practices.

1 Although I am new to the state, I
2 will admit that it is my understanding
3 that big energy companies like Duke are
4 prioritizing their financial bottom line
5 over their customers', our economy and
6 even the quality of the air we breathe.
7 I for one am not going stand for it. As
8 an asthmatic myself, there are few
9 things more important to me than
10 reducing toxic air pollution, which the
11 majority of which is coming from these
12 coal plants.

13 So bailing out these coal plants
14 would be like taking a step backwards
15 from that goal. We need to hold Duke
16 accountable to move forward for cleaner,
17 more efficient energy, not just for the
18 sake of our wallets, but also for the
19 sake of our health. Thank you.

20 HEARING OFFICER: Thank you.

21 Bruce Lott. Will you please raise
22 your right hand?

23 - - - - -

24 BRUCE LOTT,

25 After having been first duly sworn, as

1 hereinafter certified, was examined and testified
2 as follows:

3 HEARING OFFICER: Will you please
4 state and spell your name for the record
5 and give your address?

6 THE WITNESS: Yes. It's Bruce
7 Lott, B-R-U-C-R-E, L-O-T-T. The address
8 is 8003 Lancelot Drive, Cincinnati,
9 Ohio, 45244.

10 HEARING OFFICER: Thank you. You
11 can go forward.

12 THE WITNESS: I would like to make
13 a comment opposing Duke Energy's
14 electric security plan application, Case
15 Number 14-0841-EL-SS0. It is abundantly
16 clear that Duke Energy is looking for a
17 rate payer-funded subsidy and risk
18 abatement for aging, environmentally
19 hazardous coal plants that are growing
20 liabilities, both economically and
21 environmentally.

22 As a Duke customer, I certainly
23 don't want to bail out Duke's bad
24 choices, including the continued
25 operations of such plants.

1 Further, Duke's proposed rider
2 violates several aspects of hard-fought
3 -for competitive market regulations. I
4 therefore strongly oppose this rider and
5 urge the PUCO to deny it. Thank you.

6 HEARING OFFICER: Thank you.

7 Tim Curry.

8 - - - - -

9 TIM CURRY,

10 After having been first duly sworn, as
11 hereinafter certified, was examined and testified
12 as follows:

13 HEARING OFFICER: Will you pleas
14 state your name and spell it and give
15 your address?

16 THE WITNESS: Tim Curry, T-I-M,
17 C-U-R-R-Y, 6954 Paddison Road,
18 Cincinnati, 45230.

19 HEARING OFFICER: Thank you. Go
20 ahead.

21 THE WITNESS: I specifically want
22 to address the board regarding the
23 portion of the ESP that is the
24 Distribution Capital Investment rider.
25 It's supposed to help them recover costs

1 associated with updating their
2 distribution technology and their
3 system, which they have also been
4 allowing to age well beyond its typical
5 maintenance period. They've been doing
6 this for a number of years because they
7 saw the market going the way it was.
8 And rather than continuing to spend the
9 money, they allowed it to continue to
10 age. As an electrical contractor, I see
11 that frequently.

12 There is a new rider that they're
13 going to be asking for shortly that I'm
14 aware of, and you may or may not be,
15 where they're -- they want to take
16 responsibility -- added responsibility
17 for all the customer-owned underground
18 wiring between the street and the house,
19 which is going to enlarge their capital
20 needs without any capital return. I'm
21 trying to understand where -- where
22 we're being led down this path, if
23 they're going to take on more
24 responsibility, more costs, and yet
25 there is nothing to be gained for it by

1 them, other than somehow sneaking some
2 other method of charging us. They don't
3 do it with gas lines, but somehow, for
4 some reason they want to do it with the
5 electric lines now. This was a policy
6 in the '40s, '50s and '60s where they
7 owned the lines underground up to the
8 house. In the '70s they unloaded those
9 and gave them magnanimously back to the
10 homeowner. Unfortunately, because they
11 don't follow the same rules as the
12 national electric code and the
13 contractors, those cables were put in at
14 an undersized situation, which now have
15 forced, over the last 40 years, those
16 homeowners, as those cables age, to
17 replace them with new larger wires at a
18 great expense. And yet Duke now wants
19 to turn the tables back around and go
20 back to this old -- if you will, old
21 method. So they're going to
22 magnanimously agree to take
23 responsibility for these wires at no
24 charge to us, so they're increasing
25 their system, increasing their costs.

1 And then if something goes wrong with
2 those wires, they will be free to make a
3 repair or a replacement, but again, it
4 will be done with an undersized cable,
5 undersized according to the national
6 electric code, which I follow. And if
7 they flip flop again in another 20 or 30
8 years, those consumers that will have
9 been repaired or replaced during this
10 period of their ownership will then be
11 stuck again with bearing the cost of
12 these upgrades in the future. So where
13 does this cycle end? They let their
14 system run down, whether it's poles and
15 wires or coal plants, then they ask for
16 a bail out. Then they ask not only for
17 a bail out, but they want to take on
18 more responsibility that they had
19 previously gave up. Now they want it
20 back, for some reason. And this is just
21 going to be a repeating cycle. And
22 we're going be baling them out again at
23 some future date because their system
24 will have gotten even larger and we will
25 need more money to keep it up. It just

1 is a -- an incredible strain upon every
2 citizen, as well as the contractors, the
3 business owners and everybody involved
4 in owning or existing -- having a
5 business or home in the Duke network
6 area for these riders to keep going up,
7 when it really is bad management on
8 their part and their way of trying to
9 fund their purchase of additional
10 companies as they have through
11 Cincinnati Gas and Electric, to Synergy,
12 to Duke, to the new Duke with the merger
13 of whatever company it was down in
14 Florida. They keep buying these
15 companies or merging with these
16 companies, and yet we bear the costs
17 through the riders and the rate
18 increases and all of their penny-
19 pinching ways.

20 I don't have these remarks typed or
21 written in any fashion. I was aware of
22 this meeting only a couple hours ago,
23 and decided to attend and to speak
24 here. So I apologize for that. I hope
25 you've been able to catch it all. Thank

1 you for your time.

2 HEARING OFFICER: Thank you.

3 Alison Fisher.

4 THE WITNESS: I apologize. I did
5 have a physical copy of my testimony but
6 managed to leave the house without it.

7 HEARING OFFICER: That's okay.

8 THE WITNESS: In addition to that,
9 I also have a petition signed by 400
10 members of a Public Citizens. I'm
11 asking this Commission to reject any
12 ballot for both Coal and Energy plants.
13 And I will also submit those for you.

14 HEARING OFFICER: I have to swear
15 you in first. Please raise your right
16 hand.

17 - - - - -

18 ALLISON FISHER,

19 After having been first duly sworn, as
20 hereinafter certified, was examined and testified
21 as follows:

22 HEARING OFFICER: And will you
23 please state your name spell it for the
24 record and give your address?

25 THE WITNESS: Yes. Allison Fisher,

1 A-L-L-I-S-O-N. Fisher is F-I-S-H-E-R.

2 I'm here from Washington. Do you want
3 my work address or my home address?

4 HEARING OFFICER: Home address.

5 THE WITNESS: It's 1429 South
6 Carolina Avenue Southeast, and that's in
7 Washington, DC, 20003.

8 HEARING OFFICER: Thank you. You
9 can go forward.

10 THE WITNESS: Okay. Thank you. As
11 I mentioned, my name is Allison Fisher.
12 I'm the Outreach Director for Public
13 Citizens Energy and Climate Program.
14 Public Citizens is a national non-profit
15 consume advocacy organization. We have
16 12,000 members and supporters here in
17 Ohio, many of whom reside in Duke's
18 service territories. And I want to
19 thank you for the opportunity to provide
20 comments on Duke Energy Ohio Electric
21 Security Plan on behalf of Public
22 Citizens and our members here in Ohio.

23 Public Citizens' interest in these
24 proceedings is to ensure Duke's
25 application adequately protects the

1 consumers while promoting cost effective
2 clean and energy efficiency in Ohio.

3 To this end, Public Citizens Urges
4 the Commission to reject Duke Energy's
5 request to charge rate payers above-
6 market prices for electricity generated
7 by their own competitive power
8 generators, in addition to being a bad
9 deal for Ohio electric consumers, giving
10 Ohio the ability to bail out for power
11 plants that are no longer economically
12 feasible is bad public policy, and it
13 poorly positions Ohio to meet imminent
14 federal carbon reduction coal.

15 By and large, regulating energy and
16 creating competitive power markets has
17 not delivered the benefits its
18 proponents promise.

19 Public Citizens research shows that
20 electricity prices in deregulated states
21 have consistently been higher than those
22 states that remained regulated.

23 However, in this case, the market is
24 actually doing what it's supposed to do,
25 and that is to push out uncompetitive

1 and inefficient generators. And now
2 those utilities that favor the benefits
3 of the market but want none of the risk
4 are trying to change the rules by asking
5 you guys, the regulators, to guarantee
6 that their oldest, their dirtiest, and
7 uneconomical power plants make a profit.

8 The difference or loss between the
9 cost to generate the power and sell it
10 at an auction would be paid by consumers
11 through a fee on their electric bill,
12 and no matter which competitive retail
13 supplier the consumer chooses, they will
14 still be on the hook to pay the bail out
15 charge. And these are the same
16 plants -- I think it's fair to remind
17 you that these are the same plants that
18 customers shelled out billions of
19 dollars for to cover the transition and
20 stranded costs during the early years of
21 deregulation.

22 It's outrageous that the consumers
23 should have to bail out these same
24 plants twice, and clearly it's not in
25 the spirit of Ohio's electric

1 restructuring policies.

2 Duke and other utilities argue that
3 these grid schemes are necessary to
4 protect consumers against the volatile
5 market-based prices. It doesn't. And
6 it won't. Energy efficiency is what
7 keeps the costs down for Ohio rate
8 payer. In addition to lowering
9 customers' bills, energy efficiency
10 applies downward pressure on prices.
11 Low cost energy efficiency keeps passing
12 charges, which make up about 10 to 15
13 percent of consumers' electricity bills
14 here in Ohio. It keeps them lower than
15 the other riders would be. That's
16 because they cleared the auction before
17 the higher cost resources, like Duke's
18 aging coal plants, offset the costs and,
19 therefore, lowers the overall price for
20 power. In fact, according to the
21 utilities own filing, I think, before
22 you guys, Ohio's Energy Efficiency
23 Standard has saved consumers more than
24 one million dollars.

25 Promoting more cost effective

1 energy efficiency, not subsidizing
2 uneconomical power plants is what
3 protects the consumers from market
4 volatility.

5 Ohio utilities are arguing that
6 higher electricity rates -- I'm sorry --
7 electricity prices are justified to
8 ensure sufficient generation capacity
9 and yet these are the same utilities
10 that argue to eliminate the State's
11 renewable and efficiency energy
12 standards which would add to Ohio's
13 generation capacity and actually reduce
14 costs.

15 The fact is, utilities, including
16 Duke, are essentially asking regulators
17 to only consider their old and expensive
18 assets than any potentially competing
19 power assets or energy efficiency to
20 keep the lights on. Ohio consumers
21 should not be asked to help out aging
22 power plants under the threat of
23 liability issues. There are better
24 ways. Restore the state's energy
25 standards and also consider other

1 resources to deliver clean and cost-
2 effective power to rate payers.

3 I'm sure you guys are familiar with
4 what happened in Minnesota. As an
5 example, the Minnesota Public Utility
6 Commission ordered the states -- this
7 was back in the spring -- ordered the
8 state's largest utility to purchase a
9 power purchase agreement with the solar
10 developer to give protection to the
11 consumers during a shortfall after
12 concluding the project was in the best
13 interest of the rate payers. The
14 proposed distributed solar project beat
15 out three separate natural gas proposals
16 based strictly on cost comparison. This
17 deal represents a win for the consumers,
18 but also the environment. And this is
19 exactly the type of deal that Ohioans
20 would get behind. Based on recent polls
21 conducted by the Public Policy Partners,
22 an overwhelming percentage of Ohio
23 electricity users favor clean, renewable
24 energy sources, and do not support
25 paying more to keep aging coal plants

1 operating. All of these things are
2 cited in my physical copy, so you'll be
3 able to see the polls. And some of
4 these other numbers that I'm quoting
5 from.

6 Lastly, and furthermore, over the
7 next couple of years, as you guys are
8 probably well aware of, the
9 environmental protection agency will be
10 finalizing carbon reduction goals to a
11 power plants. That's a total of the 28
12 percent emissions reduction target for
13 Ohio. That's by 2030. And this is a
14 critical step in the US climate action
15 at a time when the world's top climate
16 scientists are urging -- or are urgently
17 warning the global community to
18 radically reduce our dependency on
19 fossil fuels. This is a time for
20 forward-thinking action, not a time to
21 lock Ohioans into subsidizing dirty
22 energy.

23 We urge the Commission to ensure
24 that precedence for consumers are fair
25 and equitable, and we strongly recommend

1 that efforts on the hook for aging and
2 uneconomical fossil fuel and nuclear
3 plants -- I know that's not part of this
4 particular pool -- but nuclear plants be
5 protected.

6 I thank you for your
7 consideration. Thank you.

8 HEARING OFFICER: Ma'am, one
9 more -- since you're speaking on behalf
10 of an entity, can I get your work
11 address?

12 THE WITNESS: Yes. 215
13 Pennsylvania Avenue Southeast, and
14 that's Washington, DC, 20003.

15 HEARING OFFICER: Thank you very
16 much.

17 THE WITNESS: Thank you.

18 HEARING OFFICER: That concludes
19 the witnesses who signed up to testify.
20 Is there anyone in the audience that
21 would still like to testify?

22 No. Seeing no one, I would thank
23 everybody for coming here this evening.
24 This will conclude this evening's public
25 hearing. It will be submitted on the

1 record for the Commission's
2 consideration in this case.

3 Steph and I will be here for a
4 little while, if you have any questions
5 about the Commission's process or how to
6 file additional comments in this case.
7 I do want to thank you guys all for
8 coming out and sharing this with us and
9 sharing it with the Commission. I hope
10 everyone has as nice evening. Thank
11 you.

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13 (Hearing concluded at 7:03 p.m.)

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3 I, Katrina L. Dearborn, Notary Public within
and for the State of Ohio, duly commissioned and
4 qualified, do hereby certify that the within-
named witnesses were first duly sworn to testify
5 the truth, the whole truth, and nothing but the
truth in the cause aforesaid; that the testimony
6 then given by him/her was by me reduced to
stenotypy in the presence of said witnesses,
7 afterwards transcribed on a computer, and that
the foregoing is a true and correct transcript of
8 the testimony so given by him/her as aforesaid.

9 I do further certify that this arbitration
was taken at the time and place in the foregoing
10 caption specified and was completed without
adjournment.

I do further certify that I am not a
12 relative, employee of, or attorney for any of the
parties in the above-captioned action; I am not a
13 relative or employee of an attorney for any of
the parties in the above-captioned action; I am
14 not financially interested in the action; I am
not, nor is the court reporting firm with which I
15 am affiliated, under a contract as defined in
Civil Rule 28(D); nor am I otherwise interested
16 in the event of this action.

17 IN WITNESS WHEREOF I have hereunto set my
hand and affixed my seal of office at Cleveland,
18 Ohio on this 20th day of September, 2014.

Kenneth C. O'Neil

Katrina L. Dearborn, Notary Public
In and for the State of Ohio.
my commission expires 11-02-15.

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in

Case No(s). 14-0841-EL-SSO, 14-0842-EL-ATA

Summary: Transcript Testimony from September 9, 2014 hearing held in Cincinnati, Ohio
electronically filed by Ms. Katrina Dearborn on behalf of Dearborn Reporting Services