

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Duke Energy Ohio, Inc. for an Increase in Electric Distribution Rates.	)	Case No. 17-32-EL-AIR
)	
In the Matter of the Application of Duke Energy Ohio, Inc. for Tariff Approval.	)	Case No. 17-33-EL-ATA
)	
In the Matter of the Application of Duke Energy Ohio, Inc. for Approval to Change Accounting Methods.	)	Case No. 17-34-EL-AAM
)	
In the Matter of the Application of Duke Energy Ohio, Inc., for Approval to Modify Rider PSR.	)	Case No. 17-872-EL-RDR
)	
In the Matter of the Application of Duke Energy Ohio, Inc., for Approval to Amend Rider PSR.	)	Case No. 17-873-EL-ATA
)	
In the Matter of the Application of Duke Energy Ohio Inc., for Approval to Change Accounting Methods.	)	Case No.17-874-EL-AAM
)	
In the Matter of the Application of Duke Energy Ohio Inc., for Authority to Establish a Standard Service Offer Pursuant to Section 4928.143, Revised Code, in the Form of an Electric Security Plan, Accounting Modifications and Tariffs for Generation Service.	)	Case No. 17-1263-EL-SSO
)	
In the Matter of the Application of Duke Energy Ohio, Inc., for Authority to Amend its Certified Supplier Tariff, P.U.C.O. No. 20.	)	Case No. 17-1264-EL-ATA
)	
In the Matter of the Application of Duke Energy Ohio, Inc. for Authority to Defer Vegetation Management Costs.	)	Case No.17-1265-EL-AAM
)	
In the Matter of the Application of Duke Energy Ohio, Inc., to Establish Minimum Reliability Performance Standards Pursuant to Chapter 4901:1-10, Ohio Admin. Code.	)	Case No. 16-1602-EL-ESS
)	

INITIAL POST-HEARING BRIEF OF PEOPLE WORKING COOPERATIVELY, INC.

I. INTRODUCTION

People Working Cooperatively, Inc. (“PWC”) is a non-profit organization that has served low-income customers for over forty (40) years. PWC has decades of experience providing weatherization and energy management services for at-risk populations in Duke Energy Ohio’s (“Duke”) and Dayton Power and Light Company’s service territories. Because of its unique interest in serving at-risk customers and helping these customers control their utility costs, PWC intervened in this proceeding.

On April 13, 2018, Duke filed a Stipulation and Recommendation (the “Stipulation”)¹, which represents a reasonable resolution of all issues in this proceeding. The Stipulation satisfies the Public Utilities Commission of Ohio’s (“Commission”) three-prong test, and also advances a number of state policies set forth in R.C. 4928.02. In particular, consistent with the policy goal of R.C. 4928.02(L), the Stipulation protects at-risk populations by providing funding for PWC. This funding will allow PWC to continue providing valuable services to low-income, elderly, and disabled customers in Duke’s territory. As such, PWC respectfully requests that the Commission approve and adopt the Stipulation.

II. LAW AND ARGUMENT

Pursuant to O.A.C. Rule 4901-1-30(A), parties to Commission proceedings may enter into stipulations to resolve contested issues. Although stipulations are not binding on the Commission, the terms of these agreements are given substantial weight by the Commission. In

¹ Stipulation (“Joint Ex 1”).

considering the reasonableness of stipulations, the Commission often relies on the following three-prong test:

1. Is the settlement a product of serious bargaining among capable, knowledgeable parties?
2. Does the settlement, as a package, benefit ratepayers and the public interest?
3. Does the settlement package violate any important regulatory principle or practice?²

The Stipulation in this case should be adopted by the Commission because it satisfies the three-prong test.

A. The Stipulation is the product of serious bargaining among capable and knowledgeable parties.

The record clearly demonstrates that the Stipulation is the product of serious bargaining among capable and knowledgeable parties. The Stipulation has the support of the signatory parties, which includes Duke, Commission Staff, the City of Cincinnati, PWC, Ohio Hospital Association, Ohio Energy Group, and Ohio Partners for Affordable Energy.³ In addition, The Kroger, Co.; Industrial Energy Users-Ohio; Ohio Manufacturers' Association-Energy Group; and Wal-Mart Stores East, LP and Sam's East, Inc. agreed not to oppose the Stipulation.⁴

All of the signatory parties and non-opposing parties were represented by attorneys, most of who have years of experience in regulatory matters before this Commission.⁵ Before the Stipulation was filed, numerous settlement conferences were held which included all parties that had timely intervened.⁶ The Stipulation was signed by a diverse group of parties that represent a

² See *Indus. Energy Consumers of Ohio Power Co. v. Pub. Util. Comm'n*, 68 Ohio St.3d 559, 629 N.E.2d 423 (1994).

³ Joint Ex 1 at 29-30; Prefiled Testimony of Patrick Donlon ("Staff Ex. 17") at 10.

⁴ Joint Ex 1 at 31; Staff Ex. 17 at 10.

⁵ Direct Testimony of Amy B. Spiller ("Duke Ex. 5") at 26-27.

⁶ *Id.*

wide variety of interests. This diverse group includes Commission Staff, representatives of residential low-income customers, the largest municipality in Duke's service territory, large industrial customers, manufacturers, hospitals, and two of the largest supermarket chains in the country.⁷ These facts demonstrate that the Stipulation is the product of serious bargaining among capable, knowledgeable parties.

B. The Stipulation, as a package, benefits ratepayers and the public interest.

The record demonstrates that the Stipulation will benefit ratepayers and the public interest. In her testimony, Duke witness Spiller explained that customers will receive various benefits as a result of the Stipulation, including: (1) a continuation of safe and reliable service by Duke; (2) increased investment by Duke in distribution system reliability and grid modernization; (3) increased long-term certainty and predictability for customers, auction suppliers, and CRES providers; (4) promotion of diversity of electric supplies and suppliers in Duke's territory; and (5) funding for programs that assist low-income customers.⁸

Although PWC believes all of these benefits indicate that the Stipulation is just and reasonable, PWC is especially supportive of the benefits for low-income and at-risk customers. The Stipulation contains a provision that will provide funding for PWC's programs, which will support PWC's efforts to assist low-income, elderly, and disabled customers in Duke's territory.⁹ The Stipulation contains crucial benefits for low-income customers that will help reduce these customers' utility costs and provide much needed assistance to at-risk populations living in Duke's territory.

⁷ Joint Ex. 1 at 29-30; Duke Ex. 5 at 26.

⁸ Duke Ex. 5 at 14-24, 27-28.

⁹ Joint Ex. 1 at 26; Duke Ex. 5 at 23.

C. The settlement package does not violate any important regulatory principle or practice.

The Stipulation does not violate any important regulatory principle or practice. When considering a proposed electric security plan (“ESP”), the primary question before the Commission is whether the terms and conditions of the proposed ESP are more favorable in the aggregate than the results expected under a market rate offer (“MRO”).¹⁰ The record demonstrates that Duke’s proposed ESP is more favorable in the aggregate than the MRO.¹¹ Further, the Stipulation advances a number of state policies under R.C. 4928.02.¹² In particular, the Stipulation is consistent with the policy goal of R.C. 4928.02(L) because it protects at-risk populations by providing funding for PWC.¹³ This funding will assist PWC’s efforts in the Cincinnati area and provide direct benefits for low-income, elderly, and disabled customers.

III. CONCLUSION

Based on the foregoing, the Commission should grant Duke’s Application, subject to the modifications contained in the Stipulation.

Respectfully submitted on behalf of
PEOPLE WORKING COOPERATIVELY, INC.



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¹⁰ R.C. 4928.143(C)(1).

¹¹ Staff Ex. 17 at 16.

¹² Duke Ex. 5 at 23.

¹³ Joint Ex. 1 at 26.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing was served upon the parties of record listed below this 11th day of September 2018 *via* electronic mail.



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