

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

| | | |
|--|---|------------------------|
| In the Matter of the Regulation of the |) | |
| Purchased Gas Adjustment Clause |) | |
| Contained Within the Rate Schedules of |) | Case No. 19-218-GA-GCR |
| Duke Energy Ohio, Inc. |) | |

| | | |
|---|---|------------------------|
| In the Matter of the Uncollectible |) | |
| Expense Rider of Duke Energy Ohio, Inc. |) | Case No. 19-318-GA-UEX |

| | | |
|--|---|-----------------------|
| In the Matter of the Percentage of Income |) | |
| Payment Plan Rider of Duke Energy Ohio, Inc. |) | Case No.19-418-GA-PIP |

DIRECT TESTIMONY OF

BRYAN MANGES

ON BEHALF OF

DUKE ENERGY OHIO, INC.

August 20, 2020

TABLE OF CONTENTS

| | <u>PAGE</u> |
|---|--------------------|
| I. INTRODUCTION | 1 |
| II. OVERVIEW OF THE STIPULATION..... | 2 |
| III. CRITERIA FOR APPROVAL OF A STIPULATION..... | 3 |
| IV. CONCLUSION | 4 |

I. INTRODUCTION

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

2 A. My name is Bryan Manges and my business address is 4720 Piedmont Row Dr.,
3 Charlotte, North Carolina 28210.

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

5 A. I am employed by Duke Energy Business Services LLC (DEBS), an affiliate of Duke
6 Energy Ohio, Inc. (Duke Energy Ohio or Company), as Director, Gas Utilities &
7 Infrastructure Accounting. DEBS provides various administrative and other services to
8 Duke Energy Ohio and other affiliated companies of Duke Energy Corporation (Duke
9 Energy).

10 **Q. PLEASE DESCRIBE YOUR EDUCATION AND PROFESSIONAL**
11 **EXPERIENCE.**

12 A. I have a BS in Accounting from Clemson University and a Master's in Business
13 Administration from The University of North Carolina at Charlotte. I am a Certified
14 Public Accountant (CPA) in North Carolina. I was the Director of Corporate Accounting
15 at Piedmont Natural Gas prior to Duke's acquisition of Piedmont in 2016 and transitioned
16 to my current role shortly after the acquisition. I had been at Piedmont since 2008 in
17 various positions in Accounting and Legal. At present, my title is Director, Gas Utilities
18 & Infrastructure Accounting. I am responsible for revenue accounting, gas accounting,
19 and general accounting and reporting for Duke Energy's natural gas segment.

20 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE PUBLIC UTILITIES**
21 **COMMISSION OF OHIO (COMMISSION)?**

22 A. No.

BRYAN MANGES DIRECT

1 **Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY IN THIS**
2 **PROCEEDING?**

3 A. The purpose of my direct testimony is to support the Stipulation and Recommendation
4 (Stipulation) related to the Company's application in these proceedings; a Stipulation
5 filed by the Staff of the Public Utilities Commission of Ohio (Staff) and the Company on
6 June 8, 2020. I will discuss the criteria employed by the Public Utilities Commission of
7 Ohio (Commission) when reviewing stipulations. My testimony will confirm that the
8 Stipulation filed in this proceeding: (1) is the product of serious bargaining among
9 capable, knowledgeable parties; (2) does not violate any important regulatory principle or
10 practice; and (3) as a package, benefits ratepayers and the public interest. I will explain
11 that the Stipulation is a fair and reasonable resolution to the issues relevant to this
12 proceeding.

II. OVERVIEW OF THE STIPULATION

13 **Q. PLEASE IDENTIFY THE SIGNATORY PARTIES TO THE STIPULATION.**

14 A. There are no intervenors in any of these proceedings. Therefore, the only signatory
15 parties to the Stipulation are Staff and the Company. These parties reflect diverse
16 interests. Both parties have significant experience and understanding of the history of the
17 Company with respect to providing distribution gas service and planning and
18 procurement of gas supply.

19 **Q. PLEASE PROVIDE AN OVERVIEW OF THE TERMS OF THE SETTLEMENT**
20 **AGREEMENT AS DETAILED IN THE STIPULATION.**

21 A. The Stipulation provides that Duke Energy Ohio's gas cost recovery (GCR) rates were
22 fairly determined, and accurately computed, with the exception of a single finding of

1 error which has since been corrected.¹ Further, the Stipulation accepts the outcomes
2 detailed in the Independent Accountants' Report on Applying Agreed-Upon Procedures
3 filed in Case No. 19-318-GA-UEX, and the Independent Accountants' Report on
4 Applying Agreed-Upon Procedures filed in Case No.19-418-GA-PIP, thereby concluding
5 three pending matters and obviating the need for hearings in all of them.

III. CRITERIA FOR APPROVAL OF A STIPULATION

6 **Q. PLEASE IDENTIFY THE CRITERIA USED BY THE COMMISSION IN**
7 **REVIEWING A STIPULATION.**

8 A. As I understand it, the Commission will approve a stipulation when it (1) is the product
9 of serious bargaining among capable, knowledgeable parties; (2) does not violate any
10 important regulatory principle or practice, and (3) as a package, benefits ratepayers and
11 the public interest.

12 **Q. DOES THE STIPULATION REPRESENT THE PRODUCT OF SERIOUS**
13 **BARGAINING AMONG CAPABLE, KNOWLEDGEABLE PARTIES?**

14 A. Yes. The capability and knowledge of the parties and their counsel is readily apparent.
15 The signatory parties regularly participate in rate proceedings before the Commission, are
16 very knowledgeable in regulatory matters, and were represented by experienced,
17 competent counsel.

18 **Q. DOES THE STIPULATION VIOLATE ANY IMPORTANT REGULATORY**
19 **PRINCIPLE OR PRACTICE?**

20 A. No. Based upon my experience, involvement in this proceeding, and review of the
21 Stipulation, I believe that it complies with all relevant and important principles and
22 practices.

¹ See Stipulation, pp. 4-6.

1 **Q. DOES THE STIPULATION BENEFIT CONSUMERS AND THE PUBLIC**
2 **INTEREST?**

3 A. Yes. As set forth in the Stipulation, and as agreed to by the signatory parties, the
4 Stipulation provides benefits for all customer groups and interested stakeholders, while
5 advancing and remaining consistent with state policy.

6 **Q. IS THE STIPULATION A JUST AND REASONABLE RESOLUTION OF THE**
7 **ISSUES IN THE PROCEEDING?**

8 A. Yes. As described above, the Stipulation affords benefits to our customers and the public
9 and is consistent with established regulatory policy and practice. The Stipulation
10 represents a timely and efficient resolution of all of the issues in this proceeding, after
11 thoughtful deliberation and discussion by the parties.

IV. CONCLUSION

12 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

13 A. Yes, it does.

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

8/20/2020 4:31:18 PM

in

Case No(s). 19-0218-GA-GCR, 19-0318-GA-UEX, 19-0418-GA-PIP

Summary: Testimony Direct Testimony of Bryan Manges on Behalf of Duke Energy Ohio, Inc. electronically filed by Dianne Kuhnell on behalf of Duke Energy Ohio, Inc. and Rocco D'Ascenzo and Vaysman, Larisa M.