

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Review of Duke)	
Energy Ohio, Inc.'s Distribution Capital)	Case No. 19-1287-EL-RDR
Investment Rider.)	

TESTIMONY IN SUPPORT OF THE STIPULATION

OF

**DORIS MCCARTER
RATES AND ANALYSIS DEPARTMENT
GRID MODERNIZATION AND RETAIL MARKETS DIVISION
PUBLIC UTILITIES COMMISSION OF OHIO**

STAFF EXHIBIT 1

October 2, 2020

1 1. Q. Please state your name and business address.

2 A. My name is Doris McCarter. My business address is 180 East Broad Street,
3 Columbus, Ohio 43215.

4

5 2. Q. By whom are you employed and in what capacity?

6 A. I am employed by the Public Utilities Commission of Ohio (PUCO or
7 Commission). I am Supervisor of Grid Modernization in the Grid
8 Modernization and Retail Markets Division within the Rates and Analysis
9 Department.

10

11 3. Q. Please briefly describe your educational and professional background.

12 A. I received a Masters in Public Administration from Columbia University. I
13 have been employed by the PUCO since December, 1989 in various
14 capacities; Commissioner Aide to Commissioner Richard M. Fanelly,
15 Utility Specialist 2 in the Telecommunications Division of the Utilities
16 Department, and Deputy Director of the Service Monitoring and
17 Enforcement Department.

18

19 4. Q. Please describe your responsibilities.

20 A. I have oversight of the distribution investment riders.

21

22 5. Q. Have you testified in previous cases at the PUCO?

1 A. Yes. I have testified in numerous cases before the PUCO.

2
3 6. Q. What is the purpose of your testimony?

4 A. I am supporting the Stipulation and Recommendation (Stipulation) filed in
5 this proceeding on August 25, 2020 by showing that it meets the
6 Commission's three-part test for determining a stipulation's reasonableness.

7
8 7. Q. What are the components of the Commission's three-part test?

9 A. A stipulation before the Commission must: (i) be the product of serious
10 bargaining among capable, knowledgeable parties; (ii) not violate any
11 important regulatory principles or practice; and (iii) as a package, benefit
12 ratepayers and the public interest.

13
14 8. Q. Do you believe the Stipulation filed in this case is the product of serious
15 bargaining among knowledgeable parties?

16 A. Yes. This agreement is the product of an open process in which all parties
17 were represented by able counsel and technical experts experienced in
18 regulatory matters before the Commission, and the decisions made were
19 based upon thorough analysis of complex issues. The Stipulation represents
20 a comprehensive compromise of issues raised by parties with diverse
21 interests. Overall, I believe that the Stipulation that the signatory parties are

1 recommending for Commission adoption presents a fair and reasonable
2 result.

3
4 9. Q. Were all of the parties (including Staff) to this proceeding present at
5 negotiations that resulted in the Stipulation?

6 A. Settlement meetings were noticed to all parties and all parties were present
7 either in person or by phone or they chose not to participate. Staff was
8 present at all of the negotiations.

9
10 10. Q. In your opinion, does the Settlement benefit ratepayers and promote the
11 public interest?

12 A. Yes. The Stipulation benefits customers and the public interest and
13 represents a just and reasonable resolution of all issues in this proceeding.
14 The reason the settlement benefits customers and is in the public interest
15 include, but are not limited to:

- 16 • The Stipulation results in a reduction of Duke Energy Ohio,
17 Inc.'s (Company) Distribution Capital Investment (DCI) Rider
18 revenue requirement in the amount of \$880,052. This revenue
19 requirement reduction is a reflection of various plant related
20 accounting recordation errors and their correction provides direct
21 benefits to all customers by lowering the revenue requirement.

- The Stipulation provides for an agreement with the Company to implement a new hazard tree operational audit for costs associated with hazard tree removals. This ongoing audit procedure is intended to demonstrate the Company's compliance with its Capitalization Guidelines, as pertaining to vegetation management and provides remedies for the Company's failure to do so.
- The Stipulation results in an agreement with the Company to reduce its revenue requirement by reducing incremental plant by the amount of earnings-based incentive pay charged to the distribution plant cost of removal account.
- The Stipulation requires the Company to perform additional audit and/or assessment tasks, as detailed in the Stipulation, with any resulting corrections to be reflected in the appropriate Rider DCI filing.

11. Q. Does the Stipulation violate any important regulatory principle or practices?

A. No. Based on my experience, involvement in this proceeding, and review of the Stipulation, Staff concludes that it does not violate any relevant and important regulatory principles and practices.

1 12. Q. Are you recommending its adoption by the Commission?

2 A. Yes. I believe the Stipulation represents a fair and reasonable compromise
3 of diverse interests and provides a fair result for all Ohio customers.

4

5 13. Q. Does this conclude your testimony?

6 A. Yes, it does. However, I reserve the right to submit supplemental testimony
7 as described herein, as new information subsequently becomes available or
8 in response to positions taken by other parties.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the **Testimony of Doris McCarter in Support of the Stipulation** has been served upon the below-named counsel via electronic mail, this 2nd day of October, 2020.

/s/ Steven L. Beeler

Steven L. Beeler

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Summary: Testimony in Support of The Stipulation of Doris McCarter, Rates and Analysis
Department
Grid Modernization and Retail Markets Division, Public Utilities Commission Of Ohio
electronically filed by Mrs. Kimberly M Naeder on behalf of PUCO