

THE PUBLIC UTILITIES
COMMISSION OF OHIO

CASE NUMBERS: 20-1651-EL-AIR
20-1652-EL-AAM
20-1653-EL-ATA

Hearing before the Public Utilities
Commission of Ohio held on Friday, September 28th,
2021, at 6:04 p.m., at the Dayton Municipal
Building, Commission Chambers, 101 W. Third Street,
Second Floor, Dayton, Ohio 45402.

* * * * *

PRESENT:

Ms. Patricia Schabo
Mr. Daniel R. Conway
Mr. Lawrence Friedeman
Mr. Dennis P. Deters

1 MS. SCHABO: Good evening and
2 welcome the Public Utilities Commission of Ohio as
3 assigned for public hearing at this time and place,
4 Case Numbers 20-1651-EL-AIR, 20-1652-EL-AAM, and
5 20-1653-EL-ATA in the matter of the application of
6 the Dayton Power and Light company for an increase
7 of electric distribution rates for accounting
8 authority and for approval of revised tariffs.

9 My name is Trish Schabo and I'm
10 one of the attorney examiners assigned by the
11 Public Utilities Commission to preside over this
12 hearing. Here with me tonight are commissioners
13 Daniel Conway, Dennis Deters, and Lawrence
14 Friedeman. Commissioners, would you like to make
15 any comments?

16 MR. CONWAY: The only comment I
17 would make, I'm not sure how many people from
18 public are here but if there are any or if any do
19 appear we, I and we as commissioners take the
20 public hearing part of the process very seriously.
21 It's an important part of the process and we listen
22 carefully to the comments that are provided to us
23 whether they are few in number or large in number.

24 And, of course, tonight we look
25 forward to hearing from the members of the public

1 who do show up and we'll carry the messages that
2 they bring to us, we'll carry them back with us to
3 Columbus and they will have an impact on our
4 consideration of the case so I just wanted to make
5 sure that you understood, everybody understands
6 that we do take seriously the input from the guests
7 of ours.

8 MR. DETERS: Yes. I'll echo my
9 fellow commissioner's comments and express my
10 thanks to the City of Dayton, also PUCO staff that
11 made their way down from Columbus today which I
12 consider and I know my fellow Commissioners
13 consider an important component to this process in
14 the distribution rate case so I'll express my
15 gratitude for everyone that's going to speak
16 tonight. Thank you.

17 MR. FRIEDEMANN: And without
18 belaboring the point, first of all, thank you all
19 for showing up tonight. It is in fact time well
20 spent for all concerned as Commissioner Conway has
21 indicated, what is said, the information that is
22 shared is factored into our decision making process
23 and we find it very valuable so thank you so much.

24 MS. SCHABO: Okay. Thank you,
25 Commissioners. Also here with us tonight are

1 Stacie Cathcart, an aide to the Commissioners,
2 Jermeki Knox from the Commission's Service
3 Monitoring and Enforcement Department, and Brittany
4 Waugaman from our Public Affairs Department. PUCO
5 staff members are available if you have a question
6 concerning a general utility matter.

7 At this time I would like to start
8 with appearances of counsel on behalf of the
9 parties.

10 MR. SHARKEY: Thank you, Your
11 Honor. Jeff Sharkey from the law firm Faruki PLL
12 representing the Dayton Power and Light Company,
13 d/b/a AES Ohio. Thank you.

14 MS. SCHABO: Thank you,
15 Mr. Sharkey. Are there other intervening parties
16 here tonight that would like to make an appearance?

17 MR. HEALEY: Yes, Your Honor. On
18 behalf of Ohio Consumer's Council Bruce West and
19 Chris Healey. We represent the interest of
20 residential consumers. Thank you.

21 MS. SCHABO: Thank you,
22 Mr. Healey. Okay. I'll, sorry about that. Just
23 kidding. The subject of this public hearing is AES
24 Ohio's application for an increase in electric
25 distribution rates which is accompanied by an

1 application for approval of accounting authority
2 and of revised tariffs. AES Ohio filed its
3 application on November 30th, 2020. AES Ohio is
4 requesting to increase its revenue requirement by
5 approximately \$121 million. Commission staff filed
6 its report and recommendation on July the 26th,
7 2021.

8 In its report, staff recommends
9 limiting the increase to a range of between 61 and
10 \$67 million. Staff's report is only a
11 recommendation and the final decision will
12 ultimately be made by the Commission. The local
13 public hearings scheduled in this case are only one
14 aspect of the process. This is our second local
15 public hearing. The first having taken place on
16 September 17th.

17 However, we are in the process of
18 scheduling a third opportunity for members of the
19 public to provide testimony. This time by remote
20 technology that will allow for participation via
21 telephone or the internet. Details will be
22 included in a future entry. The evidentiary
23 hearing is scheduled to occur on October 26th,
24 2021.

25 The evidentiary hearing is where

1 the company, staff, and intervening parties will
2 present testimony and other evidence regarding AES
3 Ohio's application. Pursuant to an entry issued
4 September 23rd, 2021 the substance of evidentiary
5 hearing will be conducted remotely using Webex.
6 Details for observing the evidentiary hearing are
7 included in the entry and are available on the
8 Commission's website by viewing the calendar and
9 clicking onto go to event detail.

10 Our purpose tonight is to receive
11 comments from the public regarding AES Ohio's
12 application. We're here to listen and take your
13 testimony for inclusion in the record. Tonight's
14 hearing is being transcribed by a court reporter.
15 Please speak clearly so that any testimony can be
16 correctly incorporated into the official record of
17 the case. Members of the public may also submit
18 written comments under Case Number 20-1651-EL-AIR
19 on the PUCO website or by mail.

20 At this time we will go ahead and
21 begin taking testimony. I will call your name from
22 the sign-in sheet and before we get, before you
23 begin by, after I swear you in I will ask that you
24 state and spell your name and address for the
25 record. So we'll start with Keelie Gustin. Good

1 evening.

2 MS. GUSTIN: Good evening. How
3 are you?

4 MS. SCHABO: Would you raise your
5 right hand?

6 (WHEREUPON, Ms. Gustin was sworn.)

7 MS. SCHABO: Thank you. If you
8 could start by stating and spelling your name and
9 address for the record.

10 MS. GUSTIN: Absolutely. It's
11 Keelie Gustin. It's, K-E-E-L-I-E, G-U-S-T-I-N. I
12 am here on behalf of Miami Valley Community Action
13 Partnership located at 719 South Main Street in
14 Dayton, Ohio. That's 45402. I do currently serve
15 as the chief policy officer for Miami Valley
16 Community Action Partnership. We are one of 44
17 community action agencies statewide that are
18 providers of the Low Income Home Energy Assistance
19 Program as well as the percentage of income Payment
20 Plan Plus which I'm sure all of you are very
21 familiar with.

22 I am formally the Director of both
23 of those programs so when the information about the
24 AES's request for an increase came across my desk I
25 was very interested to come here and speak on

1 behalf of our clients today. I think it's
2 important to let you know and provide you some
3 context as to the assistance that we've been
4 providing consumers not only as it relates to
5 utilities but also to rental assistance in light
6 particularly of the Covid 19 pandemic.

7 While it may seem relevant in this
8 moment it certainly does inform our decision to
9 request that the PUCO denies AES's rate increase at
10 this time. Since June 2020 our agency with a
11 service area of Darke, Preble, Greene, and
12 Montgomery Counties has single handedly sent out
13 over \$13 million to provide rental and utilities to
14 consumers that are either at risk of losing their
15 homes, need utilities restored, transferred, or
16 simply could not pay their bills.

17 Our phones and inboxes are
18 flooded. Our utility assistance employees are at
19 max capacity and everyone in the 120 person agency
20 that we run has been trained and cross-trained on
21 providing rental and utility assistance. To ask
22 for a rate increase at this time in light of the
23 economic impact that continues as we work through
24 the Covid 19 pandemic and the Delta variants and
25 subsequent variants that we know will be falling

1 down the lane here shorty, our customers are still
2 suffering and these are the only the folks that,
3 only the folks that we know about.

4 As you may also be aware the Low
5 Income Home Energy Assistance Program including
6 PIPP Plus and HEAT work for individuals that are
7 within 150 to 175 percent of the Federal poverty
8 guidelines. Okay. So we also have additional
9 funding from the Federal Government, the Department
10 of Treasury coming down that assist individuals up
11 to 200 percent of the Federal poverty guidelines.

12 While I can safely say that we
13 will work diligently to provide assistance within
14 the current programs that we have I'm worried about
15 folks that fall outside of that 200 percent level.
16 I'm worried about folks teetering on the edge of a
17 benefit cliff, folks that we're attempting to send
18 back to work in a business capacity and an
19 environment in which we're enticing individuals to
20 apply unprecedented wages for jobs that were
21 usually hiring at minimum wage, jobs that are
22 offering sign-on bonuses.

23 It's difficult to consider what
24 these customers may have to go through should they
25 be applying for these jobs and contributing back to

1 our economy and the community only to be faced with
2 a bill with an unprecedented increase. We're very,
3 very concerned not only about how that influx of
4 customers will impact our agency but how it will
5 impact the overall economy.

6 We acknowledge that the utilities
7 supported us unconditionally during the pandemic.
8 The eviction and utilities disconnection moratoria
9 were helpful and gave us time to move mentally to
10 the people that were in most dire need but those
11 individuals that we are not serving at this time
12 that are, again, on the edge of that benefits cliff
13 and attempting to return to a normal life despite
14 the chaos, the disorganized childcare, no available
15 hours for childcare for some jobs that are hiring,
16 a lack of affordability, all of the things that can
17 prevent folks from reintegrating into the world
18 that we once knew but we're surely hoping to get
19 back, an increase in a bill, and the fact that they
20 will not qualify for utility assistance through our
21 currently existing programs is incredibly
22 disconcerting.

23 Even if clients were eligible for
24 the programming we discussed they are subject to
25 additional costs of living all which impact which

1 bills get paid first. I can assure you as someone
2 that's worked diligently and closely with utility
3 assistance programs over the last five years I've
4 been with the agency just because the income
5 qualifies for the PIPP Program, just because we
6 prevented one bill disconnection does not mean that
7 it's going to serve a longer term benefit.

8 We understand that our role in the
9 community is not only to encourage self sufficiency
10 which is our absolute basis for existence, it's our
11 national mission statement. It's engrained in
12 everything we do each day but we're concerned that
13 with an increase rate hike we're going to be no
14 more than a mandate to assist individuals that will
15 not qualify for programs such as PIPP Plus or other
16 low billing programs.

17 We understand the utilities have
18 also endured a challenging 18 months but we
19 encourage them to look elsewhere in raising the
20 residential rates including the residential fix
21 charge as well as the disbursal rates is not
22 correct answer to this situation. Thank you for
23 your time and consideration.

24 MS. SCHABO: Thank you. Are there
25 any questions for Ms. Gustin?

1 MR. SHARKEY: No, Your Honor.

2 MS. SCHABO: Thank you for your
3 testimony.

4 MS. GUSTIN: Thank you very much.

5 MS. SCHABO: Jeff Hoagland, would
6 you raise your right hand?

7 (WHEREUPON, Mr. Hoagland was
8 sworn.)

9 MS. SCHABO: Thank you. You can
10 state and spell your name for the record.

11 MR. HOAGLAND: Jeff Hoagland,
12 J-E-F-F, Hoagland, H-O-A-G-L-A-N-D. President and
13 CEO of Dayton Development Corporation. Good
14 evening, Commissioners. Welcome to Dayton. I am
15 here today to ensure that the PUCO and all
16 interested parties in AES's current rate
17 proceedings are aware of the company's critical
18 role as an economic development supporter and
19 driver of our region in Ohio.

20 AES formerly known as DP&L, Dayton
21 Power and Light has been working in the Dayton
22 Development Coalition since our inception in 1994.
23 The company's executives have worked with our team
24 and our regional leaders to help build the strategy
25 which is revitalizing the Dayton region. The DDC

1 fully supports the \$120 million increase customer
2 rate's AES has requested for both residential and
3 commercial customers. Even with this rate increase
4 AES Ohio still has the lowest rates in the state.

5 Just this last year AES
6 established its Smart Operations Center at it's
7 Macgregor Park facility creating more than 30 jobs
8 and investing more than \$4 million. The facility
9 represents AES's longstanding commitment to the
10 digital transformation of the industry accelerating
11 a safer and cleaner energy future in the United
12 States and globally. The center only demonstrates
13 AES's investment in the State of Ohio and its
14 people.

15 Using leading edge technology the
16 AES Smart Center will employ data that increases
17 the efficiency of its electric operations across
18 the United States. This digital help also
19 represents the integration of AES's new global
20 performance monitoring and analytic center and
21 AES's remote operations and control center for U.S.
22 data generation aspects.

23 This consolidation is critical as
24 the company and the energy industry as a whole
25 intensifies it's reliance on data and smart grade

1 technologies. In addition the jobs created, the
2 project source, all contractors, architects,
3 laborers, and other vendors for this project
4 locally, this investment built on the company's
5 existing workforce in the region, more than 700
6 work for AES to provide power to our community.

7 Moreover, AES has been involved
8 with our invested in business retention and
9 attraction activities throughout our shared regions
10 for decades including Wright-Patterson Air Force
11 Base and we had a base realignment closure back in
12 2005 that was one of the largest and most trusted
13 in Air Force's history. We could not have done
14 that without the assistance of DP&L and now AES.
15 We have an annual community fly in Washington, D.C.

16 They have been critical energy
17 partners in attracting and expanding projects
18 including CareSource, Pella, Conagra Foods, GE
19 Aviation Systems, Fuyao Glass America, PSA Airlines
20 just to name a few. From 2016 to 2020 AES has
21 served 107 of the 120 total projects that the
22 Dayton Development Coalition has worked with to
23 support our region. Those projects represent 7,389
24 jobs which is 73.6 percent of all jobs from 2016 to
25 2020, a payroll of \$408 million which is 74.4

1 percent of the total, 21,562 retained jobs which is
2 81.2 percent of our total, and \$1.17 billion in
3 capital investment which represents 68.4 percent of
4 our total.

5 Energy resilience is the topic of
6 national importance. Businesses must have reliable
7 power to operate in Dayton, the Dayton region.
8 This responsibility carries national security
9 implications, especially with Wright-Patterson Air
10 Force Base here. AES is the utility provider for
11 them. AES has been a steady energy partner rising
12 to the challenge during some of our community's
13 most difficult times.

14 I am concerned about the outcome
15 of AES's current rate proceedings. The company has
16 been a tireless supporter of our region for over
17 100 years. The Dayton region needs to know that
18 AES will be able to be a strong corporate employer
19 and partner in the community well into the future.
20 AES has been instrumental in helping the Dayton
21 Development Coalition work toward its goals in
22 attract new businesses, business retention and
23 workforce development as we fully support the
24 request. Thank you and I'll answer any questions
25 if you have them.

1 MS. SCHABO: Thank you. Are there
2 any questions from the counsel?

3 MR. SHARKEY: No, Your Honor.

4 MS. SCHABO: All right. Thank you
5 for your testimony.

6 MR. HOAGLAND: Thank you very
7 much.

8 MS. SCHABO: Also, Ms. Gustin and
9 Mr. Hoagland are the two individuals that have
10 signed up to testify tonight. It is 6:20. I will
11 take a 10 minute recess at this time see if we have
12 any other members of the public who would like to
13 present their testimony after that break. At this
14 point we're off the record.

15 (WHEREUPON, a recess was taken.)

16 MS. SCHABO: All right. We're
17 back on the record. And it is now 6:31 we've taken
18 a brief break to accommodate late arrivals but I
19 don't believe anyone has joined us. I will still
20 ask is there anyone here that would like to
21 testify? Seeing no one, thank you all for coming
22 out this evening. Tonight's testimony will be
23 included in the evidentiary record for the
24 Commission's consideration while making a
25 determination in this case.

1 A reminder that comments can be
2 made online and that there will be a third local
3 public hearing held remotely by Webex with details
4 to be released by a future entry. We are
5 adjourned. Have a good evening and thank you very
6 much.

7
8 (WHEREUPON, public hearing
9 concluded at 6:32 p.m.)

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I, Jamie S. Hurley, a Court Reporter
and Notary Public do hereby certify that the
foregoing is a full, true and correct transcript of
my notes taken in the above-styled case and
thereafter transcribed by me.

Jamie S. Hurley

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Case No(s). 20-1651-EL-AIR, 20-1652-EL-AAM, 20-1653-EL-ATA

Summary: Transcript PUCO HEARING TRANSCRIPT electronically filed by Missy Riegel on behalf of Riegel, Missy