

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Duke)
Energy Ohio, Inc., for Administration of the)
Significantly Excessive Earnings Test under) Case No. 21-412- EL-UNC
Section 4928.143(F), Revised Code, and Rule)
4901:1-35-10, Ohio Administrative Code.)

SUPPLEMENTAL TESTIMONY OF

LIBBIE S. MILLER

ON BEHALF OF

DUKE ENERGY OHIO, INC.

IN SUPPORT OF THE STIPULATION

March 17, 2022

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I. INTRODUCTION AND PURPOSE

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

2 A. My name is Libbie S. Miller. My business address is 139 East Fourth Street,
3 Cincinnati, Ohio 45202.

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

5 A. I am employed by Duke Energy Business Services LLC (DEBS) as Rates and
6 Regulatory Strategy Manager for Duke Energy Ohio, Inc., (Duke Energy Ohio or
7 Company) and Duke Energy Kentucky, Inc. DEBS provides various administrative
8 and other services to Duke Energy Ohio and other affiliated companies of Duke
9 Energy Corporation (Duke Energy).

10 **Q. PLEASE SUMMARIZE YOUR EDUCATION AND PROFESSIONAL**
11 **QUALIFICATIONS.**

12 A. I earned a Bachelor of Science in Accounting from Indiana State University, Terre
13 Haute, Indiana, in 1988. I also am a Certified Public Accountant licensed in
14 Indiana. I began my career with Public Service Indiana, in 1988, where I held
15 positions in Fuels Accounting, Corporate Accounting, and Financial Systems. I
16 transferred to Cincinnati, Ohio, in 1995 with the inception of Cinergy Corp., the
17 parent of Duke Energy Ohio, where I continued working in Financial Systems and
18 later held various accounting positions within the generation business. In 2015, I
19 worked in Program Performance supporting Energy Efficiency and Demand
20 Response customer programs for Duke Energy Indiana. In January 2018, I began
21 as Lead Analyst, Rates and Regulatory Strategy for Duke Energy Ohio and Duke

1 Energy Kentucky and, effective March 1, 2022, I began my current role as Rates
2 and Regulatory Strategy Manager.

3 **Q. PLEASE DESCRIBE YOUR DUTIES AS RATES AND REGULATORY**
4 **STRATEGY MANAGER.**

5 A. As Manager, I am responsible for the preparation and review of various monthly,
6 quarterly, and annual rate recovery mechanisms. I also prepare and review other
7 schedules used in retail rate filings for Duke Energy Ohio and Duke Energy
8 Kentucky, Inc.

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

11 A. Yes.

12 **Q. WHAT IS THE PURPOSE OF YOUR SUPPLEMENTAL TESTIMONY IN**
13 **THIS PROCEEDING?**

14 A. The purpose of my testimony is to support the Stipulation and Recommendation
15 filed on March 17, 2022, in this proceeding (Stipulation). I summarize the terms of
16 the Stipulation and provide testimony regarding the primary components of the
17 Stipulation and how the Stipulation (1) is the product of serious bargaining among
18 capable, knowledgeable parties; (2) as a package, benefits ratepayers and the public
19 interest; and (3) does not violate any important regulatory principle or practice.

II. DISCUSSION

20 **Q. PLEASE GENERALLY DESCRIBE THE STIPULATION.**

21 A. The Stipulation represents the resolution of all issues relating to Duke Energy

1 Ohio's Application for Administration of the Significantly Excessive Earnings Test
2 (Application).

3 In summary, the Stipulating Parties agree that Duke Energy Ohio has not
4 collected significantly excessive earnings. In fact, Duke Energy Ohio's return on
5 common equity for 2020 was below the most recent allowed rate of 9.84 percent
6 and therefore cannot be considered excessive. The Stipulation further provides that
7 this conclusion is supported by adequate data and information provided by the
8 Company. The Stipulating Parties respectfully urge the Commission to approve the
9 Stipulation as soon as practicable.

10 **Q. IS THE STIPULATION THE PRODUCT OF SERIOUS BARGAINING**
11 **AMONG CAPABLE, KNOWLEDGEABLE PARTIES?**

12 **A.** Yes. The standing of the Stipulating Parties and their counsel is readily apparent.
13 The Stipulating Parties, through their experienced counsel, routinely participate in
14 regulatory proceedings before this Commission and are thus well versed in such
15 matters. Further, the Stipulating Parties here also participated in the proceeding that
16 resulted in Duke Energy Ohio's existing electric security plan and, more
17 specifically, through which parameters for the application of the SEET to the
18 Company were established.

19 The Company's Application was reviewed by the Commission Staff and the
20 Stipulation addresses the fact that there were no issues raised by the Stipulating
21 Parties during settlement negotiations. All parties had an opportunity to express
22 their opinions regarding the Company's Application in arriving at the settlement.

1 For all of these reasons, I believe that the Stipulation is a compromise resulting
2 from those negotiations and, therefore, represents a product of the efforts of
3 capable, knowledgeable parties.

4 **Q. DOES THE STIPULATION VIOLATE ANY IMPORTANT**
5 **REGULATORY PRINCIPLE OR PRACTICE?**

6 A. No. Based upon the advice of counsel, my understanding is that the Stipulation
7 complies with all relevant and important regulatory principles and practices. Based
8 upon my review of the Stipulation, I have concluded that the Stipulation does not
9 violate any regulatory ratemaking principle. As the Stipulating Parties agreed, the
10 Stipulation is fully supported by the evidence presented by the Company.

11 **Q. DOES THE STIPULATION BENEFIT CONSUMERS AND THE PUBLIC**
12 **INTEREST?**

13 A. Yes. The Stipulation serves to efficiently resolve the application of the SEET to the
14 Company. As the evidence confirms that Duke Energy Ohio did not have
15 significantly excessive earnings in 2020, the Stipulation functions to avoid a
16 protracted hearing on what is not a contested issue. As such, the Stipulation
17 promotes an economical use of the resources of the Commission and the Stipulating
18 Parties.

19 The Stipulation also serves as confirmation to Duke Energy Ohio's
20 ratepayers that the Stipulating Parties were presented the opportunity to conduct a
21 thorough review of the Company's filings and have concurred that Duke Energy
22 Ohio did not have significantly excessive earnings in 2020.

1 **Q. IS THE STIPULATION A JUST AND REASONABLE RESOLUTION OF**
2 **THE ISSUES?**

3 A. Yes. As described above, the Stipulation represents a timely and efficient
4 resolution of the issues raised in this proceeding. And, as there is no dispute that
5 the Company did not have significantly excessive earnings in 2020, the agreement
6 as expressed by the Stipulating Parties is a reasonable result. The Stipulation is
7 consistent with relevant regulatory practice as the Stipulating Parties reached
8 agreement after thoughtful deliberation.

III. CONCLUSION

9 **Q. DOES THIS CONCLUDE YOUR SUPPLEMENTAL DIRECT**
10 **TESTIMONY?**

11 A. Yes.

**This foregoing document was electronically filed with the Public Utilities
Commission of Ohio Docketing Information System on**

3/17/2022 10:57:05 AM

in

Case No(s). 21-0412-EL-UNC

Summary: Testimony Supplemental Testimony of Libbie S. Miller On Behalf of Duke Energy Ohio, Inc. In Support of The Stipulation electronically filed by Mrs. Tammy M. Meyer on behalf of Duke Energy Ohio Inc. and D'Ascenzo, Rocco and Kingery, Jeanne W. and Akhbari, Elyse Hanson and Vaysman, Larisa