

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Duke	)	
Energy Ohio, Inc. for an Increase in	)	Case No. 21-0887-EL-AIR
Electric Distribution Rates	)	
In the Matter of the Application of Duke	)	
Energy Ohio, Inc. for Tariff Approval	)	Case No. 21-0888-EL-ATA
In the Matter of the Application of Duke	)	
Energy Ohio, Inc. for Approval to	)	Case No. 21-0889-EL-AAM
Change Accounting Methods.	)	

**TESTIMONY IN RESPONSE TO OBJECTIONS TO  
THE STAFF REPORT  
OF**

**CRAIG SMITH  
SERVICES MONITORING AND ENFORCEMENT DEPARTMENT  
RELIABILITY AND SERVICE ANALYSIS DIVISION**

**STAFF EXHIBIT\_\_\_\_**

**October 3, 2022**

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

2 A. My name is Craig Smith. 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). I am a  
7 Public Utilities Administrator with the Reliability and Service Analysis  
8 Division within the Service Monitoring and Enforcement Department. My  
9 current duties include the oversight of service reliability, consumer  
10 protection policies and rules for gas, water, and electric, as well as low-  
11 income assistance programs.  
12

13 3. Q. Would you briefly state your educational background and work experience.

14 A. I received a Bachelor of Arts degree that included a Major in Political  
15 Science and a Minor in Chemistry from Denison University. I received a  
16 Master's degree in Public Administration from The Ohio State University. I  
17 received a Juris Doctor from Capital University. In addition, I completed  
18 over a dozen post-baccalaureate classes in accounting from Columbus State  
19 Community College.  
20

21 While obtaining my Master's and Law degrees, I served as a management  
22 and legal intern with the Public Utilities Commission of Ohio in the

1 Consumers Services Department. After Law School, I began employment  
2 with the Ohio Department of Taxation. While at the Department of Taxa-  
3 tion I was employed as an Internal Audit Supervisor 2, Chief Counsel  
4 Supervisor 2 in Tax Appeals, and as a Deputy Tax Commissioner. I have  
5 also been a private sector attorney and a Certified Internal Auditor (2006-  
6 2017).

7  
8 In January of 2014, I accepted a Utilities Specialist 1 position with the  
9 Public Utilities Commission of Ohio in the Accounting and Electricity  
10 Division. In October of 2014, I accepted a Utilities Specialist 2 position  
11 with the Public Utilities Commission of Ohio in the Reliability and Service  
12 Analysis Division. And in October of 2015, I accepted my current position,  
13 a Public Utilities Administrator 2 with the Public Utilities Commission of  
14 Ohio in the Reliability and Service Analysis Division.

15  
16 4. Q. What was your responsibility in this case?

17 A. My responsibility in this case was to review tariff provisions and respond to  
18 objections regarding service monitoring and enforcement.

19  
20 5. Q. Have you testified in previous cases before the PUCO?

21 A. Yes.  
22

1 6. Q. What is the purpose of your testimony?

2 A. The purpose of my testimony is to respond to certain objections to the Staff  
3 Report of Investigation (Staff Report) concerning service monitoring and  
4 enforcement. Specifically, I am responding to the Office of the Ohio  
5 Consumers' Counsel (OCC) Objections 20 regarding convenience fees, 21  
6 regarding net metering, 24 regarding Rider UE-GEN, and 29 regarding  
7 consumer protections and low-income assistance.  
8

9 **OCC Objection 20 (Convenience fees)**

10 7. Q. OCC objects that “the Staff Report harms customers by failing to make  
11 every available effort with its authorized vendors to reduce the level of  
12 convenience fees charged to consumers” and that shareholders should pay  
13 for convenience fees. Does the Staff agree?

14 A. No. Staff agrees that the Company as a normal business practice should  
15 seek lower costs from all its vendors including those that provide  
16 alternative payment channels. However, Staff does not believe that  
17 recommending normal business practices was necessary in the Staff Report.  
18 Furthermore, Staff disagrees with OCC that convenience fees should be  
19 recovered from shareholders instead of the individual customer. Staff  
20 believes that the principle of cost causation properly assigns the fee to the  
21 customer.  
22

1    **OCC Objection 21 (Net metering)**

2    8.     Q.     OCC objects that the Staff Report failed to recommend Duke be required to  
3               file an ATA application to update the Net Metering Rider. Does Staff  
4               agree?

5           A.     No. As a provision of the Stipulation in this case, the Company has agreed  
6               to file an application to update its net metering tariff in an ATA filing  
7               within 30 days of approval of the stipulation.  
8

9    **OCC Objection 24 (Evaluation of Rider UE-GEN)**

10   9.     Q.     OCC objects that the Staff Report failed to provide a current evaluation of  
11              Rider UE-GEN (Uncollectible Expenses) to determine if changes are  
12              needed in Duke’s Purchase of Accounts Receivable (“PAR”) program.  
13              Does Staff agree?

14          A.     No. An audit of the PAR program was recommended and approved in the  
15              last distribution rate case to verify that non-jurisdictional charges are not  
16              included in Rider UE-GEN. To date, Staff has not issued a request for  
17              proposal to audit the PAR program. However, Duke requested, and the  
18              Commission granted, in Case No. 21-1100-EL-WVR, to not allow any non-  
19              jurisdictional charges on the consolidated bill. The concern of Staff during  
20              the last distribution rate case was the inclusion of non-jurisdictional items  
21              recovered through Rider UE-GEN via the PAR program. As Duke no

1 longer allows any non-jurisdictional charges on the consolidated bill, the  
2 need for such an audit is greatly diminished as is the concern of Staff.

3  
4 **OCC Objection 29 (consumer protection and bill assistance)**

5 10. Q. OCC objects that the Staff Report did not provide consumer protections  
6 such as a disconnection moratoria and bill assistance funds by Duke  
7 shareholders to help low-income, at-risk, and working poor consumers and  
8 seniors to avoid disconnection. Does Staff agree?

9 A. No. Staff acknowledges that at-risk communities are currently struggling  
10 with payment of their utility bills and that future economic conditions may  
11 increase their struggle. Staff and the Commission have recently supported  
12 and approved two significant consumer protections in Case No. 22-731-  
13 GA-ORD (Increase in percentage of income payment plan (PIPP) eligibility  
14 to 175%) and Case No. 22-668-GE-UNC (Special Reconnect Order) to  
15 increase access to the PIPP and to directly aid customers in disconnection  
16 or who need to be reconnected.

17  
18 Furthermore, recent updates to the PIPP rules in Case No. 19-52-AU-ORD,  
19 were intended to provide some relief for at-risk communities as well. Staff  
20 believes that, generally, consumer protections should be applied to all  
21 customers in Ohio unless the customers have a particular harm that needs to  
22 be remedied by a particular utility.

1  
2 OCC's recommendation for a disconnection moratorium does not address a  
3 particular concern of Duke. During the COVID-19 pandemic, the  
4 Commission provided a disconnection moratorium for a short period of  
5 time as the country was experiencing great uncertainty as well as a need to  
6 limit human contact during that time. Disconnections have been decreasing  
7 for Ohio consumers since 2017 and that includes Duke customers.<sup>1</sup>  
8 Disconnections for all electric companies in Ohio are lower in 2022 than  
9 for 2021 and Duke's disconnections are far lower.<sup>2</sup> With the existing  
10 consumer protections, Staff believes a disconnection moratorium for Duke  
11 customers is unnecessary.

12  
13 The Staff Report did not err by failing to recommend bill assistance funding  
14 by Duke shareholders as Duke currently provides assistance through the  
15 share the light program. Staff believes it would be inappropriate within the  
16 Staff Report to recommend the use of corporate funds here. Generally, the  
17 use of corporate funds to assist customers or a special task are a result of a  
18 negotiated stipulation between parties not a Staff Report recommendation.

19  
20  

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<sup>1</sup> See Annual Disconnection Reports in Case Nos. 22-513-GE-UNC, 21-548-GE-UNC, 20-937-GE-UNC, 19-974-GE-UNC, and 18-757-GE-UNC.

<sup>2</sup> See Annual Disconnection Reports in Case No. 22-513-GE-UNC.

1    11.    Q.    Does this conclude your testimony?

2            A.    Yes, this concludes my testimony. However, I reserve the right to submit  
3                   supplemental testimony as described herein, as new information  
4                   subsequently becomes available or in response to positions taken by other  
5                   parties.



## CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the **Pre-filed Testimony of Craig Smith** has been served upon the below-named counsel via electronic mail, this 3<sup>rd</sup> day of October 2022.

/s/ Robert Eubanks

**Robert Eubanks**

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Summary: Testimony In Response To Objections To The Staff Report Of Craig Smith, Services Monitoring And Enforcement Department, Reliability And Service Analysis Division electronically filed by Mrs. Kimberly M. Naeder on behalf of PUCO