

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

- - -

In the Matter of the :
Application of Duke :
Energy Ohio, Inc., for an : Case No. 21-887-EL-AIR
Increase in Electric :
Distribution Rates. :
:

In the Matter of the :
Application of Duke : Case No. 21-888-EL-ATA
Energy Ohio, Inc., for :
Tariff Approval. :
:

In the Matter of the :
Application of Duke Energy: :
Ohio, Inc., for Approval : Case No. 21-889-EL-AAM
to Change Accounting :
Methods. :
:

- - -

PROCEEDINGS

before Mr. Nicholas Walstra and Mr. Matthew Sandor,
Attorney Examiners, at the Public Utilities
Commission of Ohio, 180 East Broad Street, Room 11-A,
Columbus, Ohio, called at 10:25 a.m. on Wednesday,
October 5, 2022.

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VOLUME II

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1 Wednesday Morning Session,
2 October 5, 2022.

3 - - -

4 EXAMINER WALSTRA: We'll go back on the
5 record, here for day two of 21-887-EL-AIR. And Duke,
6 if you would like to present your next witness.

7 MS. AKHBARI: Great. Thank you, your
8 Honor. Excuse me. The Company would call Mr. Dylan
9 D'Ascendis to the stand, please.

10 EXAMINER SANDOR: Would you please raise
11 your right hand?

12 (Witness sworn.)

13 MS. AKHBARI: For purposes of Exhibits we
14 will be dealing with Mr. D'Ascendis this morning. We
15 have the exhibit -- Company Exhibit 13, direct
16 testimony of Mr. D'Ascendis filed on behalf of the
17 company on October 15, 2021; the supplemental direct
18 testimony of Mr. D'Ascendis filed August 18, 2022,
19 would be Company Exhibit 14; Company Exhibit 15 would
20 be the second supplemental testimony of
21 Mr. D'Ascendis filed September 22, 2022. Permission
22 to approach, your Honor?

23 EXAMINER SANDOR: You may, and
24 Exhibits 13, 14, and 15 are so marked.

25 (EXHIBITS MARKED FOR IDENTIFICATION.)

1 MS. AKHBARI: Thank you.

2 - - -

3 DYLAN D'ASCENDIS

4 being first duly sworn, as prescribed by law, was
5 examined and testified as follows:

6 DIRECT EXAMINATION

7 By Ms. Akhbari:

8 Q. Good morning, Mr. D'Ascendis, thank you
9 for being with us today.

10 A. Good morning.

11 Q. Great. Could you please state your full
12 name for the record?

13 A. Sure. It's Dylan W. D'Ascendis

14 Q. And by whom are you employed?

15 A. I am a partner at ScottMadden.

16 Q. And what is your job title there?

17 A. Partner.

18 Q. Right. Mr. D'Ascendis, you hopefully
19 have a number of documents in front of you. We are
20 going to go through those. So let's please start
21 with what has previously been marked as Company
22 Exhibit 13.

23 A. I have it.

24 Q. And do you recognize this exhibit?

25 A. Yes, it's my direct testimony.

1 Q. Great. And was this testimony prepared
2 by you or at your direction?

3 A. It was.

4 Q. And do you have any changes or
5 corrections to that testimony today?

6 A. I do not.

7 Q. And if I asked you the questions in your
8 direct testimony today, would your answers remain the
9 same?

10 A. They would.

11 Q. Great. Thank you. Let's please turn to
12 the second document, Company Exhibit 14. And do you
13 recognize this document?

14 A. Yes. It's my supplemental direct
15 testimony.

16 Q. And was this testimony prepared by you or
17 at your direction?

18 A. It was.

19 Q. Do you have any changes or corrections as
20 it relates to Company Exhibit 14?

21 A. I do not.

22 Q. And if you were asked the same questions
23 today, would your answers to your direct --
24 supplemental direct testimony remain the same?

25 A. They would.

1 Q. Great. Let's please turn to the third
2 document you hopefully have before you, Company
3 Exhibit 15.

4 A. Yes.

5 Q. Great. Do you recognize this one?

6 A. Yes. It's my -- the second supplemental
7 testimony.

8 Q. And was this testimony prepared at -- by
9 you or at your direction?

10 A. Yes.

11 Q. And any changes or corrections to that
12 testimony today?

13 A. No.

14 Q. And if I asked you the same questions in
15 this testimony, would your answers remain the same?

16 A. Yes.

17 MS. AKHBARI: Great. Thank you,
18 Mr. D'Ascendis. With that, your Honor, we would seek
19 the introduction of company Exhibits 13 through 15
20 pending cross-examination, and we would tender
21 Mr. D'Ascendis for cross.

22 EXAMINER SANDOR: OCC.

23 - - -

CROSS-EXAMINATION

By Ms. O'Brien:

Q. Good morning, Mr. D'Ascendis.

A. Good morning.

Q. My name is Angela O'Brien, I am an Assistant Consumers' Counsel with the Office of the Ohio Consumers' Counsel.

So I'm primarily just going to ask you a few questions regarding your second supplemental testimony.

A. Sure. Let me get there.

Q. Sure. Okay. And your testimony generally testifies in support of the settlement that's at issue in this case?

A. It does, and it also responds to Dr. Woolridge's testimony.

Q. So at page 3 -- page 2 to 3 of your testimony, you identify the PUCO's three part test for evaluating settlements; is that correct?

A. Yes.

Q. Now, if you go to the end of page 2 and on to page 3. Are you there?

A. Sure.

Q. Okay. Great. At the bottom, you say, "Therefore, I believe the end result of those

1 components was negotiated through serious
2 bargaining."

3 A. Yes.

4 Q. Is that right?

5 A. Yes.

6 Q. And then if you go to page 22 of your
7 testimony. Let me know when you are there.

8 A. Okay.

9 Q. You state the same thing again at line 6
10 to 7; is that correct?

11 A. Yes.

12 Q. Okay. Now, your testimony is that the
13 stipulated return on equity capital structure, and
14 the resulting rate of return, are lower than what you
15 recommended; is that correct?

16 A. They are lower than what I recommended,
17 but they are within my range of results and also
18 within the range of Staff's results.

19 Q. Okay. And now can you tell me how a
20 lower stipulated return on equity capital structure
21 and rate of return established that the settlement
22 satisfies the PUCO's -- the first prong of the PUCO's
23 settlement test, and by first prong, I mean the prong
24 that the settlement was a product of serious
25 bargaining among capable and knowledgeable parties?

1 A. Sure. So just generally, since there
2 were 14 parties to this -- to this case, and 13 of
3 those parties either accepted the terms of the
4 settlement or did not oppose the settlement would
5 indicate pretty much right in your face that these
6 were serious negotiating and it would also pass part
7 two where it would say that it would be in the public
8 interest.

9 Q. So is it your testimony that settlement
10 negotiations are merely a numbers game, that most
11 parties who agree with the settlement or sign on to
12 the settlement satisfies the Commission's three-part
13 test?

14 MS. AKHBARI: Objection, your Honor. It
15 misstates the testimony of the witness.

16 MS. O'BRIEN: Your Honor, I am asking him
17 a question.

18 EXAMINER SANDOR: Overruled. I will
19 allow him to clarify the response.

20 A. Can you ask that question again?

21 Q. I am asking -- what it sounds like you
22 are saying to me is that because 13 parties signed
23 the settlement and only 1 party did not sign the
24 settlement, therefore that means the settlement
25 satisfies the Commission's three-part test for

1 evaluating settlements; is that correct?

2 A. No. What I said was that the first part,
3 whether it be a product of serious bargaining among
4 capable, knowledgeable parties, 13 of 14 either
5 accepted it or didn't oppose it, and that would be
6 the product of give and take between those parties or
7 negotiations, right?

8 The second part is that since 13 of the
9 14 parties accepted or did not oppose that, they
10 represent various stakeholders, and because they
11 represent those various stakeholders, that would
12 involve the entire public interest.

13 Q. Okay.

14 A. I didn't say anything about numbers
15 there.

16 Q. Okay. Fair enough.

17 A. Okay.

18 Q. And that's why I asked the clarification.
19 Now, can you tell me, were you involved in the
20 settlement negotiations in this case?

21 A. I wasn't.

22 Q. Okay. Now can you tell me, since you are
23 testifying as to the signatory parties to the
24 settlement, which signatory parties represents the
25 interest of residential utility consumers?

1 A. Say that again.

2 Q. Which signatory parties represent the
3 interests of residential utility consumers?

4 A. I don't think you guys signed, so it
5 would be you, wouldn't it?

6 Q. We are the only ones that represent the
7 interests of residential utility consumers?

8 MS. AKHBARI: Objection, your Honor,
9 that's not the testimony that --

10 MS. O'BRIEN: I am asking him a question
11 to clarify it.

12 EXAMINER SANDOR: Overruled. You can
13 answer.

14 A. I assume it's just the OCC, but I don't
15 know for sure.

16 Q. Okay. Thank you. Now, I believe also
17 you testify that the lower stipulated return on
18 equity capital structure, and return -- and rate of
19 return also demonstrate that the settlement does not
20 violate regulatory principles; is that correct?

21 A. Which regulatory -- you are pointing me
22 where?

23 Q. No. I am asking you what is your
24 testimony? You testify -- I believe you testify, and
25 you can tell me where it is in your own testimony

1 that the return on equity -- I apologize. Let me
2 back up. The lower stipulated return on equity,
3 capital structure, and rate of return demonstrate
4 that the settlement at issue in this case does not
5 violate regulatory principles; is that your
6 testimony?

7 A. It is. And there's a couple ways you
8 could think about it. And one thing I want to
9 correct you on, the -- the settled capital structure
10 is the Company-proposed capital structure in this
11 case, so it's not lower, it's just the proposed
12 capital structure in this case.

13 Q. Fair enough. You're right. I agree with
14 that. Thank you.

15 A. So as far as we talk about this, if you
16 take a look at my Attachment DWD-SS-1, and if you
17 take a look at the data that's contained in these
18 schedules, we'll just take the first three pages at
19 first, this is all outlined in my testimony. The
20 median value for all of these electric cases are
21 9.50, which is equal to the settled ROE in this case.

22 MS. O'BRIEN: Excuse me just one second,
23 your Honor. I am going to move to strike all of his
24 testimony. This is not what I was questioning him
25 on. I asked him a simple yes or no question whether

1 his testimony that the -- the lower stipulated ROE,
2 Duke's initial capital structure, which was also
3 agreed to in the settlement, and the lower rate of
4 return, demonstrates that the settlement at issue in
5 this case does not violate regulatory principles.
6 That is all I asked. It's a simple yes or no
7 question.

8 MS. AKHBARI: Your Honor, I would just
9 respond it's not a very simple yes or no question.
10 There are about six subparts in there, and
11 additionally he is just explaining his answer. She
12 is asking him to summarize his testimony as to three
13 separate topics.

14 MS. O'BRIEN: Your Honor, I did not ask
15 him to summarize his testimony. I asked him a yes or
16 no question. His testimony is here. It's
17 admitted -- it will be admitted into the record and
18 it will speak for itself. That was not my question.

19 EXAMINER SANDOR: Actually I will grant
20 the motion to strike beginning with so as far.
21 That's how he starts and then to the end. I believe
22 it was more of a yes or no question and I did allow
23 him to add some more detail before that statement.

24 MS. O'BRIEN: Thank you, your Honor.

25 Q. (By Ms. O'Brien) Okay. And moving on,

1 your testimony in support of the settlement does not
2 take a position as to whether the settlement benefits
3 customers or is in the public interest; is that
4 correct?

5 A. Say it again.

6 Q. Your testimony in support of the
7 settlement, your second supplemental testimony that
8 we are talking about right now, does not take a
9 position as to whether the settlement benefits
10 customers or is in the public interest; is that
11 correct?

12 A. Well, in the settlement -- I would say no
13 but, right? Because if you -- if you want to talk
14 about a settlement versus a fully litigated case, my
15 position is still that the ROE would be 10.30, and
16 there's plenty of evidence in my direct testimony and
17 in my supplemental testimony that would prove that.
18 So then -- the parties settling to that -- to what
19 they agreed to would be of -- you know, that would be
20 a settlement of an otherwise contentious issue and
21 it's a known quantity as opposed to an unknown
22 quantity if this thing went fully litigated.

23 Q. Okay. Where in your testimony -- your
24 second supplemental testimony, where do you
25 specifically testify with respect to the prong of the

1 Commission's three-part test that considers whether
2 the settlement benefits customers or is in the public
3 interest?

4 A. The entire portion where it compares the
5 regulatory -- the ROEs and the capital structures to
6 recently authorized returns, and its -- and the
7 reasoning is that it satisfies the Hope and
8 Bluefirst -- field Standards of capable earnings, and
9 that's where I was getting to in the beginning of my
10 last answer.

11 Q. Okay. Now, you testify, I believe, at
12 the last page, if you can turn to the last in your
13 conclusion section, on page 22.

14 A. Give me a second.

15 Q. Are you there?

16 A. Yes.

17 Q. Okay. At the top of the page beginning
18 on line 1, you testify that it's your conclusion that
19 the stipulated return on equity, capital structure,
20 and rate of return are a "reasonable resolution to an
21 otherwise contentious issue"; is that right?

22 A. Yeah.

23 Q. Okay. You would agree with me that
24 reasonable resolution to an otherwise contentious
25 issue is not a part of the Commission's three-part

1 test to consider settlements?

2 A. It's in the public interest usually to
3 have settled cases with everybody agreeing except for
4 one in this case, so I would say that it would be in
5 the public interest for settlements and not fully
6 litigated -- fully litigated cases.

7 So -- so while this may not explicitly
8 say prong three, it does say prong three and -- I
9 mean, there is a lot of things where Dr. Woolridge
10 says in his testimony when he talks about unfair
11 rates --

12 MS. O'BRIEN: Your Honor -- excuse me,
13 your Honor, I am going to ask you to respectfully
14 direct the witness -- direct the witness to answer
15 the question I am asking, not talking about
16 Dr. Woolridge's testimony. I haven't asked him a
17 thing about Dr. Woolridge's testimony.

18 I asked him a simple question as to
19 whether he thinks that's part of the three-part test
20 and I think he just answered it, so I would move to
21 strike everything he says after Dr. Woolridge.

22 EXAMINER SANDOR: Actually I am just
23 going to go ahead and deny that without hearing a
24 response. He is giving clarification. I think he is
25 bringing up Dr. Woolridge to give color to his

1 answer. We will see where it goes.

2 A. So while Dr. Woolridge says that his
3 testimony and his analysis satisfies the third part,
4 and the third part where he says is unjust rates, he
5 does not prove any --

6 MS. O'BRIEN: Your Honor, excuse me.
7 Again, I am not asking him to give a rebuttal to
8 Dr. Woolridge's testimony. This is improper
9 testimony for him to say.

10 I am requesting that you move -- that --
11 I am moving to strike it. It is improper for him to
12 rebut Dr. Woolridge's testimony on the stand. If
13 they are issues for rebuttal, they can cross-examine
14 Dr. Woolridge this afternoon. But I asked him a
15 question specific to the three-part test, not about
16 Dr. Woolridge's testimony.

17 MS. AKHBARI: Your Honor, I would just
18 respond that the witness is explaining his reasoning
19 as to why he believes the statement on page 22, lines
20 1 through 4 would encapsulate discussion of the
21 public interest, and this is part of his explanation.

22 MS. O'BRIEN: And he answered that
23 question.

24 EXAMINER SANDOR: I deny the motion to
25 strike. I agree. And plus he does have some

1 responses to Dr. Woolridge's testimony throughout his
2 testimony. So he can continue with his answer.

3 THE WITNESS: Thank you.

4 A. So Dr. Woolridge -- he says that the
5 settlement fails the third prong and it's because he
6 says that they charge -- that the result of the
7 settlement will result in unfair, unjust,
8 unreasonable rates for customers. In his testimony
9 he does not prove any of that.

10 So when I say that my testimony and the
11 testimony and the data that we have here in
12 supplemental 1 and 2, which are, again, attachments
13 DWD-SS-1 -- yeah, just SS-1, when it comes to the
14 authorized or the authorized returns and capital
15 structures compared to the settlement ROE and capital
16 structure, it shows that not only ours -- or not
17 ours, but the Company and the settling parties, their
18 settlement is not only consistent with regulatory
19 standards, it also is consistent with the public
20 interests.

21 Q. Now, I am going to go back again. You
22 said, I believe that you said -- you know, strike
23 that. I think I'm done.

24 EXAMINER SANDOR: Okay. Any redirect?

25 MS. AKHBARI: Could we just have a couple

1 minutes, your Honor?

2 EXAMINER SANDOR: You may.

3 MS. AKHBARI: Thank you so much.

4 MS. O'BRIEN: I apologize. Thank you for
5 your time, Mr. D'Ascendis.

6 THE WITNESS: Oh, no problem.

7 MS. AKHBARI: Sorry, we just have a
8 couple questions.

9 EXAMINER SANDOR: Go ahead.

10 MS. AKHBARI: Thank you, your Honor.

11 - - -

12 REDIRECT EXAMINATION

13 By Ms. Akhbari:

14 Q. Mr. D'Ascendis, do you recall when
15 counsel was asking you questions regarding
16 representation of residential customers and parties
17 to the Stipulation?

18 A. Yes, I do.

19 Q. And are you aware of whether or not the
20 Staff of the Public Utilities Commission of Ohio
21 would be representatives of residential customers in
22 the State of Ohio?

23 A. I believe so.

24 Q. And if there were signatory parties who
25 represented interests of low-income customers in the

1 State of Ohio or the Company's service territory,
2 could they represent residential customer interests
3 as well?

4 A. Yes.

5 Q. If the city was a signatory party to the
6 Stipulation, could they represent the interests of
7 residential customers?

8 A. Yes.

9 MS. AKHBARI: Great. That's all we have
10 for recross. Thank you, your Honor.

11 EXAMINER SANDOR: Any recross?

12 MS. O'BRIEN: Yes, your Honor.

13 - - -

14 RECROSS-EXAMINATION

15 By Ms. O'Brien:

16 Q. Ms. Akhbari -- I believe I couldn't see
17 who was questioning you, I apologize. Ms. Akhbari
18 questioned you about the PUCO Staff?

19 A. Yes.

20 Q. And I believe you said that they could
21 represent residential interests; is that correct?

22 A. Yes.

23 Q. Is it your understanding that they could
24 also represent the interests of nonresidential
25 consumers?

1 A. Yes.

2 Q. Okay. Is it also your understanding that
3 they could represent the interests of the utility?

4 A. Usually -- and I don't know for sure in
5 this case, but usually the staffs of regulatory
6 Commissions are tasked with balancing the interests
7 of both ratepayers and utilities because that's what
8 the Commission is to do. That's their -- that's
9 their job, is to balance the interests of the various
10 stakeholders.

11 I would -- I would assume that the Staff
12 would have all interests at heart so -- and for them
13 to be a signatory of the settlement it would -- it
14 would indicate another reason why this settlement is
15 in the public interest.

16 Q. Okay. And with respect to City of
17 Cincinnati -- I believe Ms. Akhbari mentioned the
18 City of Cincinnati.

19 A. Yes.

20 Q. And you indicated they could represent
21 residential interests as well?

22 A. Yes.

23 Q. They would also represent interests
24 of nonresidential consumers, for example, the
25 businesses within the city of Cincinnati, wouldn't

1 they?

2 A. They would.

3 Q. Okay. And would you agree with me that
4 the city of Cincinnati also purchases electricity --
5 or electric distribution service from Duke?

6 A. Yes.

7 Q. Okay. With respect to -- what other
8 parties, signatory parties, do you believe represent
9 residential interests?

10 A. I'm not sure. I don't think there is any
11 more than what we've stated here.

12 Q. Okay. Thank you very much.

13 MS. AKHBARI: That's all I have, your
14 Honors.

15 EXAMINER SANDOR: Okay. All right. That
16 will be it. Duke, if you could go ahead and move
17 your exhibits.

18 MS. AKHBARI: Thank you, your Honor. At
19 this time the Company would move Duke Energy Ohio
20 Exhibits 13, 14, and 15 into evidence.

21 EXAMINER SANDOR: Any objections?

22 MS. O'BRIEN: No objection.

23 EXAMINER SANDOR: Okay. Duke Energy Ohio
24 Exhibits 13, 14, and 15 are admitted.

25 (EXHIBITS ADMITTED INTO EVIDENCE.)

1 EXAMINER SANDOR: All right. I think
2 that's it, Duke. Anything else for your case in
3 chief?

4 MR. D'ASCENZO: Other than the
5 Stipulation and the attachments, so Joint Exhibits 1
6 and 2.

7 EXAMINER SANDOR: Okay. And I think we
8 will wait for those until Staff testifies.

9 MR. D'ASCENZO: Thank you, your Honor.

10 EXAMINER WALSTRA: OCC, call your first
11 witness.

12 MR. SEMPLE: OCC would call James
13 Williams to the stand.

14
15 EXAMINER WALSTRA: Welcome. Raise your
16 right hand.

17 (Witness sworn.)

18 EXAMINER WALSTRA: Good morning.

19 MR. SEMPLE: Your Honors, may I approach
20 the witness with what has been marked as OCC
21 Exhibit 3?

22 EXAMINER WALSTRA: You may.

23 - - -

24

25

1 JAMES D. WILLIAMS

2 being first duly sworn, as prescribed by law, was
3 examined and testified as follows:

4 DIRECT EXAMINATION

5 By Mr. Semple:

6 Q. How you doing this morning, Mr. Williams?

7 A. I am doing well. Thank you.

8 Q. Could you please state your full name for
9 the record?

10 A. Yes. My name is James D. Williams.

11 Q. And, Mr. Williams, by whom are you
12 employed?

13 A. I'm employed by Sterling Staffing
14 Services on behalf of the Ohio Consumers' Counsel.

15 Q. And what is your position?

16 A. My position is as a utility consumer
17 policy analyst.

18 Q. Thank you. Mr. Williams, do you have you
19 a document that has been marked as OCC's third
20 exhibit?

21 A. I do.

22 Q. And is this your testimony?

23 A. Yes, it is.

24 EXAMINER WALSTRA: I will formally mark
25 that as OCC Exhibit 2 as well.

1 COURT REPORTER: 3.

2 EXAMINER WALSTRA: 3.

3 (EXHIBIT MARKED FOR IDENTIFICATION.)

4 Q. (By Mr. Semple) Mr. Williams, this
5 testimony was prepared by you or at your direction?

6 A. Yes, it was.

7 Q. Do you have any corrections to your
8 testimony at this time?

9 A. I do have a couple minor corrections.
10 One of them is on page 13 of the supplemental
11 testimony in opposition to the settlement. This
12 would be in line 3. I believe that the 159 million
13 should be corrected to 155.8 million.

14 And then the second correction I have is
15 in the attachment JDW-01. And JDW-01 page 14 of 53
16 footnote 23 should be corrected to "RC 4905.22" not
17 4903." With the exception of those two changes --

18 EXAMINER WALSTRA: Can I hear that again?

19 MS. GRUNDMANN: Your Honor, can I ask a
20 second question? Did we separately mark his
21 supplemental testimony, or is that what we just
22 marked as Exhibit OCC Exhibit 3, or are there two
23 testimonies to mark?

24 MR. SEMPLE: All of Mr. Williams'
25 testimony is in the same document. It's been

1 attached.

2 MS. GRUNDMANN: So OCC Exhibit 3 is both
3 his direct and supplemental testimony?

4 MR. SEMPLE: That's correct.

5 Your Honors, did you need Mr. Williams to
6 repeat his corrections?

7 EXAMINER WALSTRA: Yes, please.

8 THE WITNESS: The first correction --

9 EXAMINER WALSTRA: Just the second one.

10 THE WITNESS: Just the second. The
11 second correction is in JDW-01 page 14 of 53, and
12 this is on page 11, and footnote 23 should be
13 corrected to "RC 4905.22."

14 EXAMINER WALSTRA: Thank you.

15 THE WITNESS: Thank you.

16 Q. (By Mr. Semple) Mr. Williams, with the
17 exception of these corrections, if you were asked the
18 same questions today, would your answers remain the
19 same?

20 A. Yes, it would.

21 MR. SEMPLE: Okay. At this time OCC
22 would move for the admission of Mr. Williams'
23 testimony subject to any cross-examination.

24 EXAMINER WALSTRA: Thank you.

25 I'll start with Duke.

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CROSS-EXAMINATION

By Ms. Brama:

Q. Good morning. Good morning,
Mr. Williams.

A. Good morning.

Q. My name is Elizabeth Brama, nice to see
you.

MR. WYGONSKI: Could we entertain motions
to strike at this time?

EXAMINER WALSTRA: Yes.

MR. WYGONSKI: Thank you. Your Honor, I
would move to strike of the witness's supplemental
testimony page 6, line 1 through 9 pursuant to Rules
402, 403, and 802.

EXAMINER WALSTRA: Let me get there
first. You said page 6, you said?

MR. WYGONSKI: Yes, page 6, that first
paragraph that's line 1 through 9.

EXAMINER WALSTRA: Okay.

MR. WYGONSKI: The information here deals
with funding for OP&E from 2018, as a result of an
order in a separate case which has no relevancy to
funding or Stipulation in 2022 and moving forward.

The risk of prejudice from this
information due to confusion or misleading

1 substantially outweighs the probative value which
2 really isn't any.

3 And furthermore, this information is
4 hearsay. The witness is just reading off a website
5 and then offering the information for the truth of
6 the matter. There's been no basis provided for this
7 information source or anything like that. So based
8 on that, OMAEG would move to strike that paragraph of
9 the witness's supplemental testimony.

10 EXAMINER WALSTRA: Go ahead.

11 MR. SEMPLE: Your Honors, as for the
12 hearsay issue, Mr. Williams is an expert in this
13 case, and as an expert he can rely on outside reports
14 and matters outside his direct perception.

15 And as for relevance, Mr. Williams is
16 testifying on prong one of the PUCO's standard
17 regarding whether this Stipulation is the product of
18 serious bargaining between knowledgeable and capable
19 parties. And any funding provided from the Company
20 to other signatories to the Stipulation is relevant
21 to whether the Stipulation is the product of serious
22 bargaining.

23 EXAMINER WALSTRA: I'll deny the motion
24 to strike.

25 MR. SEMPLE: Thank you.

1 EXAMINER WALSTRA: The Commission will
2 give it the weight it deserves.

3 MS. WHITFIELD: Your Honor, can I also be
4 heard on a motion to strike?

5 EXAMINER WALSTRA: You may.

6 MS. WHITFIELD: First, just for the
7 record, I am going to note that Kroger would join on
8 the objection for the reasons that yesterday with --
9 where they tried to read in excerpts from websites or
10 annual reports, it was OCC Exhibit 8, the Bench
11 struck that as being hearsay and lack of foundation.

12 Mr. Williams basically typing in excerpts
13 from a website constitutes hearsay and he has no
14 foundation to say that. He is not an OPAE
15 representative or employee. So we would -- Kroger
16 would move to strike the same page 6, 1 through 9.

17 For those same exact reasons, we would
18 move to strike the quotes that he attributes to
19 the -- on page 7 to the CUB website. Those are on
20 page 7, lines 17 to line 20, the quote there.

21 Again, that's hearsay. For the same
22 reasons that the Bench struck and refused to admit
23 Exhibit 8 yesterday, OCC Exhibit 8 yesterday, this
24 should not be admitted testimony and should be
25 stricken from his -- from this.

1 Same thing on page 8 where he quotes from
2 the PWC website, lines 1 to 4, that quotation in
3 footnote 10, we would move to strike that as hearsay
4 and lacking foundation. I do have one other motion
5 to strike, but it's on a different basis so I don't
6 know if you want to go ahead.

7 EXAMINER WALSTRA: Sure. Any response?

8 MR. SEMPLE: Your Honor, I would just
9 reiterate that Mr. Williams is providing his opinion
10 as to the bargaining ability of the signatory
11 parties, and as such is allowed to assess and rely on
12 their own statements of their interests in -- in this
13 case and as organizations broadly.

14 MS. WHITFIELD: Your Honor, I would just
15 note he kind of made my point there. He said their
16 own sometimes. That's not their statements. This
17 is -- he is typing right -- reading this in or typing
18 this in essentially from a website. This is not a
19 report. It's not a public record in any way. It is
20 just something that he has read off of and typed into
21 his testimony from an excerpt from a website.

22 MS. PIRIK: Your Honor, if I may, PWC
23 would join in the motions to strike for the same
24 reasons that Kroger has stated.

25 You know, we would also add as we

1 mentioned previously, you know, the proper way to
2 enter in information on behalf of a party is to
3 subpoena witnesses and to ask them to appear and --
4 and provide discovery in that fashion. To just pull
5 information that may or may not be coming off the
6 website and assert that it can be authenticated and
7 provide a foundation by this witness is just not
8 procedurally proper.

9 MR. SEMPLE: Your Honors, we would submit
10 that if the PUCO decides that that's the case, they
11 have the ability to weigh this evidence without it
12 being stricken from the record.

13 EXAMINER WALSTRA: I am going to deny the
14 motions to strike. I think he provides the links to
15 them here. The Commission can give it the weight it
16 deserves.

17 I think the difference between yesterday,
18 he has opportunity to be cross-examined on his
19 knowledge of these statements and his opinion on
20 them, and the Commission can do with that what it
21 wants to. So those motions are denied.

22 MS. WHITFIELD: Thank you, your Honor.
23 And then I just have one more. On page 5, line 21,
24 where it stays -- starts with the utility dangles, to
25 the end of that sentence on line 22, I would move to

1 strike that entire sentence. It's inflammatory, it's
2 unfairly prejudicial under Rule 403.

3 There is no evidence that Duke "dangled
4 money" in front of parties here. It's confusing to
5 the issues. And in fact, this statement actually
6 doesn't even relate to Duke or the Stipulation that
7 we are here in front of you on.

8 It's a general statement of some unknown
9 utility does this, and it totally misrepresents the
10 record as to what has happened in this case. So we
11 would move to strike that sentence.

12 MS. COHN: Your Honor, OEG would support
13 that there is a lack of foundation for this
14 statement, lack of personal knowledge, and it's
15 unduly pejorative.

16 EXAMINER WALSTRA: I am going to deny
17 that motion as well. I think all those questions can
18 be explored on cross-examination.

19 Any other motions to strike?

20 MS. WHITFIELD: No. Thank you, your
21 Honor.

22 EXAMINER WALSTRA: Okay. Back to you.
23 By Ms. Brama:

24 Q. Good morning again.

25 A. Good morning. Welcome back.

1 Q. Yes. Thank you. Mr. Williams, I would
2 like to ask you to turn to page 5 of your second
3 supplemental testimony, hearing Exhibit -- OCC's
4 hearing Exhibit 3. Let me know when you are there,
5 please.

6 A. I am on page 5.

7 Q. Okay. I would like to start With your --
8 the language you have on line 17 and 18 here of page
9 5 where you state, "In my opinion, the settlement is
10 not a product of serious bargaining between capable
11 and knowledgeable parties representing a diversity of
12 interests." Do you see that?

13 A. I do.

14 Q. And then you go on to say, "The
15 Settlement appears to be largely an agreement between
16 PUCO Staff and Duke." Did I read that correctly?

17 A. Yes.

18 Q. Okay. So is it your position that you
19 are able to speak for the other parties besides Staff
20 and Duke regarding those party's own roles in
21 reaching a settlement agreement?

22 A. I don't believe I am speaking for other
23 parties. I am speaking on behalf of OCC that --

24 Q. Thank you.

25 A. -- based on my review of the document --

1 Q. Okay.

2 A. -- I perceived it really in the interest
3 of Duke and the Staff and then a couple other add-ons
4 that were for -- for purposes that maybe aren't as
5 clear.

6 Q. So that's your position based on just
7 reading the settlement itself?

8 A. Yes.

9 Q. Okay. Did the settling parties authorize
10 you to represent their views and their reasons for
11 entering the settlement?

12 A. Again, I am not representing the
13 interests of other settling parties. I am just
14 speaking on behalf of OCC.

15 Q. I didn't ask about their interests. I
16 said did the other parties authorize you to represent
17 their views on -- or their reasons for entering the
18 settlement?

19 A. No.

20 Q. Is it your position that other parties'
21 perspectives on this agreement should be replaced by
22 OCC's perspective on the agreement?

23 A. I believe that the OCC perspective on the
24 agreement is far more diverse.

25 Q. I didn't ask you what your position was

1 in general. I asked you is it your position that
2 other parties' perspectives on this agreement should
3 be replaced by OCC's perspective?

4 A. And again, I would hope that -- I am not
5 sure I understand the question. Can you rephrase?

6 Q. Is it your position that the other
7 parties' perspectives for why they entered this
8 agreement should be replaced by OCC's perspective?

9 A. I believe that OCC's perspective
10 should -- should always be recognized in a
11 settlement, but I am not speaking on behalf of other
12 parties.

13 Q. Should OCC have veto power over a
14 settlement that's entered into by 13 other parties?

15 A. Having worked on literally dozens of
16 settlements over the years, OCC joining a settlement
17 usually represents far more diverse interests than
18 what I saw when I reviewed this settlement.

19 Q. Is that a yes?

20 A. No. I am saying the parties -- that
21 utilities -- well, Duke needs to work with OCC as
22 well to reach agreements.

23 Q. Okay.

24 A. Not just with other parties.

25 Q. Okay. So it is your position that OCC

1 needs to enter an agreement in order for it to be a
2 reasonable settlement?

3 A. Based upon a review of the PUCO standard
4 for settlements, not having OCC on the settlement is
5 I think an issue.

6 Q. Okay.

7 A. The Commission will do it -- the
8 Commission is going to do what the Commission is
9 going to do with or without an OCC signature.

10 Q. Thank you, Mr. Williams.

11 A. In terms of diversity of interests, there
12 is no doubt --

13 Q. Mr. Williams, you answered my question.
14 Thank you.

15 EXAMINER WALSTRA: Well, he can finish.

16 A. And so I do believe that OCC
17 participation in a settlement is going to represent
18 far more diverse interests.

19 Q. Okay. To your knowledge, Mr. Williams,
20 were each of the parties to this settlement
21 represented by their own counsel of choice?

22 A. I believe that's the case.

23 Q. Did you personally attend all the
24 settlement discussions in this case?

25 A. I did not attend settlements, but I work

1 within a team, and so our case team frequently met
2 and had discussions about the settlements, and then I
3 provided input back through the team to the
4 settlement process.

5 MS. BRAMA: Your Honor, I am struggling
6 here and I am going to move to strike that because in
7 this situation Mr. Williams keeps answering a
8 slightly different question.

9 My question was did you personally attend
10 all settlement discussions and, of course, he
11 responds based on a broader answer than what I asked.
12 If his counsel would like to ask him on redirect,
13 they certainly can.

14 MR. SEMPLE: Your Honors, Mr. Williams is
15 providing color and explaining his answers.

16 EXAMINER WALSTRA: I will deny the motion
17 to strike.

18 Q. (By Ms. Brama) Mr. Williams, are there
19 parties to this settlement that you would identify
20 as, in general, incapable or not knowledgeable?

21 A. Not as I sit here and look at the group.

22 Q. Thank you.

23 A. No.

24 Q. I would like to turn now to the sentence
25 on page 21, to -- or lines 21 to 22 on page 5 where

1 you said, "The Utility dangles money in front of
2 parties that desperately need money, and those
3 parties sign the Settlement in exchange for the
4 money." Do you see that?

5 A. I do.

6 Q. And are you authorized to speak on behalf
7 of other parties, besides OCC to this proceeding,
8 with respect to whether they desperately need money?

9 A. No, I am not.

10 Q. Are you authorized to speak on behalf of
11 the other parties to the extent that how much money
12 they might need to operate or function?

13 MR. SEMPLE: Objection, question asked
14 and answered.

15 EXAMINER WALSTRA: Overruled.

16 A. Can you repeat the question, please?

17 Q. My question was whether -- well, I will
18 just ask the court reporter if you don't mind.

19 A. Thank you.

20 (Record read.)

21 A. No, I'm not.

22 Q. I would like to talk about some of the
23 individual parties you identify here. First of all,
24 you note, as we just talked about at the beginning
25 here in the motion process, on page 6 you state that

1 during 2018, OP&AE received contracts from Duke
2 Energy, among others, to provide information
3 efficiency services to low-income customers. Is that
4 a fair characterization?

5 A. Yes.

6 Q. And is it your position that Duke should
7 not partner with an organization to serve low-income
8 customers because this constitutes dangling money in
9 front of the organization?

10 MR. SEMPLE: Objection. This is a
11 misstatement of his testimony.

12 MS. BRAMA: I asked what his position
13 was.

14 EXAMINER WALSTRA: He can clarify.

15 A. No. That would not be my position at
16 all. It's just OP&AE does not represent residential
17 customers -- consumers at large.

18 Q. My question is about the dangling money
19 sentence, Mr. Williams, so we will continue on that
20 front.

21 A. I thought you just asked me about -- we
22 are on page 6 and you are asking about the quote on
23 line 2.

24 Q. No. What I -- so Mr. Williams, the
25 question was -- actually, let me -- I am just going

1 to move on I think at this point. I have what I need
2 for that.

3 Now, this settlement in this proceeding
4 doesn't address Duke rates for 2018, does it?

5 A. No, I believe that the test year in this
6 was -- it was in 2021.

7 Q. Okay. So if anything, the contracts that
8 you are referencing on page 6 were -- or the 2018
9 events that you discuss on page 6 relate to events
10 two years before this case was filed and three years
11 before it settled approximately; is that right?

12 A. Yes.

13 Q. Okay. And are there any provisions in
14 the Settlement Agreement where Duke has agreed to
15 give OP&A any particular funding?

16 A. I didn't identify any specific provision.

17 Q. Okay. And turning now to your comments
18 about People Working Cooperatively, or PWC, you note
19 that the settlement continues Duke funding through
20 base rates -- base rates for weatherization programs
21 that PWC manufactures; is that correct?

22 A. I saw that.

23 Q. Isn't it true, Mr. Williams, that PWC
24 funds are already in base rates today?

25 A. Yes. That's my understanding.

1 Q. And the Commission has previously found
2 that funding -- that such funding through base rates
3 is just and reasonable or it couldn't have approved
4 those rates, correct?

5 A. I believe that to be correct.

6 Q. Okay. And so the settlement is
7 effectively continuing Duke funding that previously
8 existed; is that right?

9 A. Yes.

10 Q. And isn't it also true, Mr. Williams,
11 that PWC funding was in the company's application as
12 it was originally filed?

13 A. That is correct.

14 Q. And is it also true that neither the
15 Staff Report nor OCC objections indicated that PWC
16 funding should be withdrawn or withheld in rates in
17 this case?

18 A. OCC didn't recommend withholding those.
19 The issue here was obtaining the signatory party for
20 continuing to provide funds that customers are paying
21 for in base rates to represent an interest that I
22 think needs to be represented more broadly than just
23 PWC.

24 Q. I understand that that's your position,
25 Mr. Williams, but isn't it true that if this amount

1 of money was in base rates already, was in the
2 company's original application, and neither Staff nor
3 OCC nor any other party objected to the continuation
4 of those funds, they likely would have been in this
5 case regardless whether it was settled or fully
6 litigated?

7 A. Well, apparently there was some benefit
8 to Duke to get PWC to sign something they were going
9 to do anyhow then.

10 Q. Okay.

11 A. So --

12 Q. Let's move on. Let's talk about the City
13 of Cincinnati. With respect to the City of
14 Cincinnati, you say that the settlement, if approved,
15 provides additional funding for the City of
16 Cincinnati to provide weatherization and energy
17 efficiency and bill payment assistance. Do you
18 recall that?

19 A. Which page are you on, please?

20 Q. I am on --

21 A. I got it now, page 6.

22 Q. Thank you. I was thinking it was 6, but
23 I moved forward. And you cite the settlement at page
24 24; is that correct?

25 A. That is correct.

1 Q. Do you have a copy of the Stipulation
2 there in front of you?

3 A. I do not.

4 MS. BRAMA: Do we have it available, or
5 we can provide an additional copy? It should be
6 right there.

7 MS. O'BRIEN: Your Honor, I can approach
8 the Bench with an extra copy.

9 EXAMINER WALSTRA: That would be easiest.
10 Thank you.

11 A. Is that --

12 EXAMINER WALSTRA: Your counsel is
13 providing you a copy. Thank you.

14 Q. So are you there, Mr. Williams?

15 A. I'm there.

16 Q. Okay. Thank you very much. And are you
17 on page 24 of the settlement?

18 A. I am.

19 Q. Okay. And if we look at the paragraph on
20 page 24 that speaks to the City of Cincinnati, that
21 header says "Franchise fee/funding for at-risk
22 populations." Is that right?

23 A. That is correct.

24 Q. And, in fact, this section speaks --
25 starts out by talking about the annual franchise fees

1 that Duke would pay to the city like it pays to any
2 city, correct?

3 A. Yes. These apparently customers are
4 paying Duke. Duke pays certain franchise fees.

5 Q. Okay. And the company's application at
6 the very beginning of this case included the
7 franchise fee amount, didn't it?

8 A. I don't recall specifically looking at
9 that.

10 Q. Do you have any reason to believe it
11 didn't include the franchise fee?

12 A. No. I suspect it did.

13 Q. Thank you. And with respect to the
14 winterization and energy efficiency portion that you
15 referenced in your settlement testimony, the city is
16 agreeing to use at least \$350,000 of that franchise
17 fee to provide winterization, weatherization, and
18 energy efficiency improvements and utility bill
19 assistance for qualifying customers; is that right?

20 A. That is correct.

21 Q. And that's a benefit to residential
22 customers; is that right?

23 A. Well, again, it's -- it's -- I would see
24 it as more of a benefit for residential customers
25 that Duke shareholders were funding this.

1 The way as I understand this, Duke is
2 taking franchise -- is -- is taking funds that are
3 paid in base rates, giving it back to the City of
4 Cincinnati to do weatherization and bill payment
5 assistance.

6 It's -- I am not sure I see a tremendous
7 benefit in that for customers, especially customers
8 that don't get to take advantage of the
9 weatherization or the bill payment assistance because
10 they are not in Cincinnati.

11 Q. Okay. So, Mr. Williams, would you agree
12 with me that Duke Energy would be providing a
13 franchise fee to the City of Cincinnati regardless of
14 the settlement?

15 A. I suspect that's true.

16 Q. And if it wasn't for this provision of
17 the agreement, the city of Cincinnati could use that
18 franchise fee how it chose to use it, correct?

19 A. Yes.

20 Q. Okay. So I would like you to also turn
21 back to your settlement testimony at this point. You
22 can set the stipulation aside, if you wouldn't mind.

23 Now, if you could turn to your testimony
24 at page -- page 14, please. Jump around just a
25 little bit here.

1 A. I'm there.

2 Q. Okay. On page -- on this page you state
3 that your direct testimony, which is attached to your
4 settlement testimony here, proposed a 4-point --
5 excuse me, \$4.5 million shareholder funded bill
6 payment assistance program for at-risk consumers; is
7 that right?

8 A. Which page are you on?

9 Q. I am on page 14 of your settlement
10 testimony.

11 A. Of the settlement, okay.

12 Q. Which also --

13 A. I thought you were in the direct.

14 Q. My apologies. It does refer back to your
15 direct testimony, but I am just looking at your
16 settlement testimony at the moment?

17 A. Okay. Now I am with it.

18 Q. Okay. The question for \$4.5 million in
19 shareholder funded bill assistance program, that
20 would have been new money that was not proposed in
21 Duke's application, correct?

22 A. That program wasn't proposed by Duke, but
23 nor would it be customer funded. My proposal was
24 that it be shareholder funded and part of what would
25 be a diverse settlement.

1 Q. I understand. We are talking about
2 dangling of money here a little bit, Mr. Williams.
3 And so really my question for you, this is a program
4 that OCC wanted for the residential customers that
5 OCC represents; is that right?

6 A. That is correct.

7 Q. Now I am going to ask you, if you don't
8 mind, to flip to your direct testimony which is
9 Attachment 1 to Exhibit 3. And the page numbering
10 might get a little confusing here. I believe it's --
11 it's your direct at page 26, but it's page 20 of
12 attachment 1, if that makes sense. Are you there?

13 A. On QA26?

14 Q. I am on page -- what is lower -- numbered
15 at the bottom as page 26 of your direct testimony.

16 A. Okay. I am on page 26.

17 Q. Okay. And do you see there on line 7
18 through 9 you are speaking to this \$1.5 million
19 proposal of OCC's?

20 A. I was talking about the program
21 eligibility that would be able to help all Duke
22 consumers.

23 Q. Understood. And you saw there that
24 program eligibility would be for low-income at risk,
25 fixed income seniors, and working poor Ohioans,

1 right?

2 A. That is correct. Specific criteria to be
3 determined between OCC and Duke.

4 Q. You anticipated my next question. Your
5 express proposal was that OCC would be the singular
6 party that would set terms with Duke; is that right?

7 A. Just for purposes of my testimony, that's
8 what I saw. OCC is generally not opposed to others
9 participating and sharing views as well.

10 Q. But that's not what you said in your
11 direct testimony. You said on page 26 at lines 8 to
12 9, "Program terms would be resolved between Duke and
13 OCC," is that right?

14 A. Yes.

15 Q. Okay.

16 A. And that's similar to other settlements
17 that have been reached with Duke.

18 Q. Okay. So now is it -- since you say
19 that -- well, actually I think you already answered
20 that question. I am going to skip.

21 Is it your view that the Commission could
22 simply require Duke shareholders to invest
23 \$4-and-a-half million with no reasonable opportunity
24 to recover those costs of providing service?

25 A. I am not sure that I've seen the

1 Commission order a specific program like that. I've
2 seen the Commission encourage it.

3 Q. Okay.

4 A. Separate funding for bill payment
5 assistance.

6 Q. Okay. And to your knowledge did Duke
7 dangle \$4.5 million to OCC as part of the settlement?

8 A. I don't see where OCC got anything out of
9 the settlement.

10 Q. Okay. Let's turn to -- back to your
11 settlement -- settlement testimony on page 7.

12 A. I'm there.

13 Q. Okay. Now, on that page, line 14, you
14 say, "There is no consumer advocate dedicated to
15 representing broad interests of all residential
16 consumers that signed this settlement." Did I read
17 that correctly?

18 A. That is correct.

19 Q. Now, I assume you mean that no party who
20 signed this settlement is a consumer advocate
21 dedicated to representing the broad interests of all
22 residential customers; is that your point there? It
23 was just a confusing sentence. I am just trying to
24 clarify it.

25 A. Yeah. I think the point was that OCC is

1 the sole consumer advocate that would represent the
2 broad interests of all residential consumers,
3 exclusively the interests of residential consumers.

4 Q. Okay. So on page 7 of your supplemental
5 testimony, you make represent -- representations
6 about CUB Ohio's policy goals and cite to their
7 website. Do you see that?

8 A. I do.

9 Q. And I take it then that you reviewed
10 their website in preparing your testimony in this
11 proceeding?

12 A. I did.

13 MS. BRAMA: Okay. May we approach, your
14 Honors?

15 EXAMINER WALSTRA: You may.

16 Q. Okay. Mr. Williams, do you have the
17 document that's been provided to you there?

18 A. I do.

19 Q. Okay. And do you recognize this as --

20 MS. BRAMA: Well, I suppose I should just
21 note, first all that, the Company will be marking
22 this exhibit as cross -- as Duke's cross Exhibit 16.

23 EXAMINER WALSTRA: So marked.

24 (EXHIBIT MARKED FOR IDENTIFICATION.)

25 Q. (By Ms. Brama) Okay. Mr. Williams,

1 showing you Exhibit 16 and referencing your
2 indication a moment ago that you reviewed CUB's
3 website to prepare your testimony in this proceeding,
4 do you recognize this as the first page and
5 continuing down at the front end of CUB Ohio's
6 website?

7 A. This is the first page but -- but when
8 you click these links, who we are and what we do,
9 those are links that I rely upon as part of the -- my
10 testimony.

11 Q. I understand that, Mr. Williams. And the
12 reason I am sharing this one with you is so we have a
13 little more complete picture of what that website
14 says in addition to the limited portion you cited in
15 your testimony. So you do recognize this as part of
16 CUB Ohio's website?

17 A. I remember reviewing this, yes.

18 Q. Okay. And this is part of the same
19 broader website, you reference some links that you
20 reference -- that you referenced in your testimony,
21 correct?

22 A. Yes. I didn't rely -- I mean, I reviewed
23 this information but I relied upon other excerpts
24 that I was able to identify on the website to make
25 the point that it's not the diverse interests that

1 Duke might want to represent it as being.

2 Q. Okay. So if we look at the first page of
3 what has been marked as hearing Exhibit 16, the
4 Citizens Utility Board of Ohio website, it says, "The
5 Citizens Utility Board of Ohio is a nonprofit,
6 nonpartisan consumer watchdog that advocates for
7 residential and small business utility customers."
8 Correct?

9 MR. SEMPLE: Objection, your Honor.
10 Opposing counsel is just reading into the record CUB
11 Ohio's website.

12 EXAMINER WALSTRA: I think it's for
13 context. Overruled.
14 By Ms. Brama:

15 Q. That's what it says, correct,
16 Mr. Williams?

17 A. That's what it says, but that's precisely
18 my point, that CUB -- CUB Ohio doesn't represent just
19 residential consumers. Even on the front page, it
20 represents business interests as well.

21 Q. I understand that's your point,
22 Mr. Williams, but what I am asking you is that's what
23 they represent residential -- residential customers,
24 do they not? Are you disputing that they represent
25 residential customers?

1 A. The document says what the document says.

2 Q. Okay. Now, it's also been your testimony
3 that Duke is new to Ohio; is that right? Sorry, did
4 I say Duke? I meant to say CUB. My apologies.

5 A. I don't myself know exactly when that --
6 when that started. I would say within the last --
7 certainly the last few years.

8 Q. Okay. And so if we turn to page 2 of
9 this document, do you have any reason to dispute
10 CUB's statement that, "For decades, the Citizens
11 Utility Board has fought for cheaper bills, reliable
12 service, transparency, consumer rights, and clean
13 healthy energy, helping consumers to save billions of
14 dollars. Now our proven record of success extends to
15 Ohio." Do you have any reason to dispute that
16 representation?

17 A. The CUB has existed in many different
18 forms and in many different states for many decades.

19 Q. Thank you.

20 A. I am very familiar with their work in
21 other states and very appreciative of that work. If
22 you are asking me when CUB started in Ohio, I think
23 it was within the last couple of years.

24 Q. Okay. Thank you.

25 A. Represents interests that go well beyond

1 residential.

2 Q. All right. Mr. Williams, now your next
3 point is that OP&E advocates for weatherization and
4 energy assistance programs; is that correct?

5 A. Are we still on this document?

6 Q. No, I am just asking you a general
7 question. You can set that document aside.

8 A. Okay. Thank you. Would you mind
9 referring me to where you are at in my testimony?

10 Q. Yes, I sure can. I am on page 7, line
11 20.

12 A. Okay. I'm there.

13 Q. Okay. So another signatory, "is OP&E
14 which advocates for weatherization and energy
15 assistance programs. Many consumer interests are
16 left out, especially the broad interests of the
17 residential customer class." That's your position,
18 correct?

19 A. Yes.

20 Q. Okay. Now, you didn't actually quote
21 their website in this particular piece of testimony,
22 although you do provide it as a citation in footnote
23 9, right?

24 A. Yes.

25 Q. Okay. So I assume then that you looked

1 at their website in preparing your testimony for this
2 proceeding as well.

3 A. I looked at their website. And also, you
4 know, I'm much more familiar with OP&E. Dozens and
5 dozens of proceedings over the years, so.

6 Q. Okay. And are you here to represent
7 OP&E's interests?

8 A. No. I am representing OCC's residential
9 consumers that --

10 Q. Okay.

11 A. -- the broader interest.

12 Q. Okay.

13 MS. BRAMA: I again would like permission
14 to approach.

15 EXAMINER WALSTRA: You may.

16 MS. BRAMA: Okay. I wanted to make sure
17 all the parties had copies before we proceed. So
18 Mr. Williams -- first of all, your Honors, I am going
19 to ask that we mark this document as hearing
20 Exhibit 17.

21 EXAMINER WALSTRA: So marked.

22 (EXHIBIT MARKED FOR IDENTIFICATION.)

23 Q. (By Ms. Brama) Mr. Williams, looking at
24 what has been marked as hearing Exhibit 17, do you
25 recognize this as the portions of the OP&E website

1 that you may have reviewed in preparing your
2 testimony?

3 A. Yes.

4 Q. Okay. And now your point a moment ago
5 was CUB doesn't represent -- or represents -- excuse
6 me. Let me rephrase that.

7 Your point a minute ago was that CUB
8 represents perhaps all residential customers, but
9 also represents small business customers; is that
10 fair?

11 A. I don't know. I know that CUB represents
12 business and residential.

13 Q. Okay.

14 A. What I would have gathered from my review
15 of the website is that it would -- tended to maybe be
16 more low income for -- for energy efficiency, things
17 like that. Perhaps other customers for more of the
18 environmental interests.

19 Q. And you are speaking about CUB in that
20 statement?

21 A. I am.

22 Q. And that's what you gathered from the
23 website?

24 A. Yes.

25 Q. Do you know personally?

1 A. Again, from what I say saw from the
2 website?

3 Q. That's not my question. Do you know
4 personally about what services CUB provides or what
5 it advocates for generally?

6 A. No.

7 Q. Okay. Let's go to OPAE for a minute now,
8 please. Now, when we look at page 1 here of what's
9 been marked as hearing Exhibit 17, this is the front
10 page of OPAE's website, if you will.

11 If we see on the second paragraph, it
12 says, "Forty-two OPAE member agencies provide
13 essential energy services, including bill payment
14 assistance, weatherization and energy efficiency, and
15 housing of services to over 440,000 households
16 statewide annually." Do you see that?

17 A. I do.

18 Q. And so in this case OPAE is providing
19 services including bill payment assistance,
20 weatherization and energy efficiency to residential
21 customers; is that right?

22 A. I'm not sure if weatherization -- if OPAE
23 also does weatherization services for small business.

24 Q. You don't know that?

25 A. I don't know.

1 Q. Okay. And it's also true on the bottom
2 of this website it says, "OPAE's 42 members have been
3 working for over 25 years to make utility bills more
4 affordable for Ohio families in need." And did I
5 read that correctly?

6 A. You did.

7 Q. And again, we are talking about
8 residential customers; is that correct?

9 A. Yes.

10 Q. Okay. Now, you didn't speak to whether
11 the City of Cincinnati -- you can put this aside.
12 But in your testimony you really didn't mention the
13 City of Cincinnati and the extent to which they may
14 represent residential customers, did you?

15 A. I think I may have in the -- well, no, I
16 don't think I did.

17 Q. Okay. I would like to share with you
18 another document.

19 MS. BRAMA: If we could, your Honors.

20 EXAMINER WALSTRA: You may.

21 Q. Okay. Mr. Williams, showing you --

22 MS. BRAMA: Well, first of all, your
23 Honor, I would like to be mark -- the document title
24 says: Motion to Intervene of the City of
25 Cincinnati," as hearing Exhibit 18.

1 EXAMINER WALSTRA: This is already part
2 of the case record, we don't need to mark it?

3 MS. BRAMA: We don't need to. I thought
4 it would be helpful for purposes of discussion. I
5 don't need it to be.

6 EXAMINER WALSTRA: Thank you.

7 Q. Okay. Do you have -- do you see that
8 document in front of you?

9 A. I do.

10 Q. Okay. Mr. Williams, did you review this
11 document in preparing your testimony about the lack
12 of diversity of interests on behalf of residential
13 customers?

14 A. No, I did not.

15 Q. Okay. Do you have any reason to doubt
16 any of the interests of the City of Cincinnati as
17 expressed in their Motion to Intervene? Feel free to
18 look at it if you need to.

19 A. It's pretty obvious the City of Cincinnati
20 is representing the interests of the City of
21 Cincinnati. That's not all customers served by Duke.

22 Q. Okay. Now when you say they are
23 representing the interests of the City of Cincinnati,
24 would you at least accept, Mr. Williams, that the
25 City of Cincinnati is also representing the interests

1 of the residential customers of Duke Energy that live
2 within the city?

3 A. Not just the residential.

4 Q. I didn't ask that. My question was would
5 you agree that they do, as part of their interests in
6 this proceeding, also represent the interests of
7 Cincinnati residents?

8 A. There is an interest there.

9 Q. Okay. Thank you. And isn't it also
10 true, Mr. Williams, that the City of Cincinnati
11 includes low-income citizens who are customers of
12 Duke Energy Ohio?

13 A. Yes.

14 Q. And isn't it also true that the City of
15 Cincinnati may have residential customers of Duke
16 Energy Ohio who are, you know, midlevel in terms of
17 their income?

18 A. Yes.

19 Q. And isn't it also true that the city has
20 high income residential customers?

21 A. I suspect that to be the case.

22 Q. Okay. Now, on top of all the interests
23 we have just been talking about here -- you can set
24 aside this document, we have a settling party whose
25 job it is to broadly investigate Duke's proposal in

1 this proceeding in Staff, do we not?

2 A. Yes. Staff has a responsibility for
3 reviewing the proposal, the application, the other
4 information that's provided and to, you know, balance
5 interests to the extent that Staff can between
6 different -- different parties.

7 Q. Okay. And we also have a party we didn't
8 really talk about this morning that helps low-income
9 homeowners remain in their homes through
10 weatherization and bill assistance in the form of
11 People Working Cooperatively, correct? I will refer
12 you to your own testimony at page 8.

13 A. Yeah.

14 Q. Lines 1 through 3 or 1 through 4.

15 A. Right. That's -- that's what was
16 provided on the PWC website.

17 Q. Okay. And if we could turn to page 8 of
18 your settlement testimony, same page where we were
19 just talking about PWC. On lines 10 through 11 you
20 say, "The Signatory Parties have narrow competing
21 self-interests and do not represent the broader
22 interests of the residential customer class." Did I
23 read that correctly?

24 A. You did.

25 Q. Do you see OCC's interests as broader

1 than Staff's in this proceeding?

2 A. OCC has an exclusive interest to
3 represent residential consumers. Staff's
4 responsibility is far broader to represent the
5 interests of all customers including the City of
6 Cincinnati, presumably People Working Cooperatively,
7 presumably the low income, they have to balance that
8 interest.

9 Q. Okay.

10 A. But that's not exclusive to residential.

11 Q. Okay. So when we talk about narrow
12 competing self-interests, that's why I asked you the
13 question, Staff's interests are broader than OCC's,
14 right?

15 A. Staff has to balance the interests.

16 Q. Okay.

17 A. But again --

18 Q. Is it --

19 MS. BRAMA: Your Honors, he has answered
20 my question.

21 EXAMINER WALSTRA: Thank you. Go ahead.

22 Q. (By Ms. Brama) Is it your position,
23 Mr. Williams, that the signing parties should not
24 have competing interests?

25 A. No. I think they are very much -- I

1 think competing interests is why people get involved
2 in these cases.

3 Q. In fact, competing interests means
4 multiple perspectives and the need to negotiate to
5 reach an agreement, does it not?

6 A. I agree. It's unfortunate Duke didn't
7 negotiate with OCC so we could be onboard with this
8 settlement.

9 Q. Now when you say -- let's be clear about
10 this. You say Duke didn't negotiate with OCC. Isn't
11 it true that OCC participated in all the settlement,
12 just didn't get to an agreement; is that right?

13 A. In reviewing the settlement party, I
14 didn't -- Settlement Agreement, I sure didn't see
15 much interest for the broader residential consumers.

16 Q. My question --

17 MS. BRAMA: I am going to move to strike
18 that, your Honors. My question was about whether OCC
19 participated in negotiations, not about whether an
20 agreement was reached.

21 EXAMINER WALSTRA: You can reask the
22 question.

23 Q. (By Ms. Brama) Mr. Williams, my question
24 was OCC participated in the negotiations throughout
25 regardless of whether they signed on or reached an

1 agreement on the settlement; is that right?

2 A. I believe OCC participated.

3 Q. Okay. Thank you. All right. We are
4 going to switch topics at this point. Thank you,
5 Mr. Williams. So I am going to ask you to turn to
6 page 12 of your supplemental direct opposing the
7 settlement, please.

8 A. I'm there.

9 Q. Okay. And this particular topic we are
10 turning to now is about the Rider DCI caps in the
11 settlement. So just to orient everyone here, we are
12 moving away from diversity of interests.

13 Now on page 12 of your supplemental
14 direct you note the DCI revenue caps in this
15 settlement exceed the levels recommended by the Staff
16 Report; is that correct?

17 A. That is correct.

18 Q. And your testimony in this proceeding
19 supports, and supported in your direct as well,
20 adoption of the DCI revenue cap Staff proposed in the
21 Staff Report; is that right?

22 A. Yes.

23 Q. And the Staff Report caps were not
24 specifically tied to any particular reliability
25 metric or performance incentive; is that right?

1 A. I don't believe that's right at all. I
2 believe that -- that the ESP that approved the DCI
3 rider specifically conditioned incentives --

4 Q. I didn't ask about the DCI Rider though.
5 I asked about the Staff Report. The Staff Report
6 caps were not specifically tied to reliability metric
7 or performance incentive?

8 A. It was not specifically mentioned.

9 Q. All right. Thank you. But the
10 negotiated DCI caps in the settlement are tied to
11 specific system average interruption duration index,
12 or SAIDI outcomes, correct.

13 A. Yes, but the ESP that approved the DCI is
14 something different.

15 Q. I understand that, and I understand we
16 are -- you don't agree with the SAIDI outcomes, but I
17 am just trying to make clear what the settlement does
18 and doesn't say so we can proceed from there. So is
19 the answer to my question that, yes, the negotiated
20 DCI caps in the settlement are tied to specific SAIDI
21 outcomes?

22 A. Yes, there is a performance measure to a
23 SAIDI that's -- okay.

24 Q. Yes. Yes. So I would like to turn to
25 page 13 of your settlement testimony that you say on

1 lines 3 through 5, "Yet, there is no evaluation of
2 the financial impact that the increased level of the
3 DCI revenue caps will have on consumers." Do you see
4 that?

5 A. Yes.

6 Q. Mr. Williams, did you review Ms. Sarah
7 Lawler's second supplemental direct testimony in this
8 proceeding on behalf of Duke?

9 A. I did.

10 Q. Okay. And do you -- we have that there
11 with you, it should be DEO Exhibit 12. Do you have
12 that? If not, we can provide a copy.

13 MS. BRAMA: All right if we approach,
14 your Honors?

15 EXAMINER WALSTRA: You may.

16 THE WITNESS: I don't see a 12. Now I
17 see a 12.

18 Q. I'm going to ask you to turn to page 21
19 of Hearing Exhibit -- Duke Hearing Exhibit 21,
20 please. I'm sorry, Duke hearing Exhibit 12 at page
21 21. My fault. Let me know when you are there.

22 A. I'm there.

23 Q. Okay. And do you see on lines 3 through
24 5, Ms. Lawler provided testimony that, "If the
25 Company achieves a SAIDI of 117 each year and

1 recognizes Rider DCI revenues at the capped values,
2 customer rates will increase on average by
3 approximately 1.2 percent per year"?

4 A. I saw that.

5 Q. You saw that. So she provided that
6 information about the percentage impact of meeting
7 the SAIDI metrics, right?

8 A. We know what that number is, we don't
9 know what that impact is on consumers, the broader --
10 the diversity of interests would look at that and
11 would evaluate to determine what the impact is.

12 Q. So is it your position that every
13 individual cost, every revenue cap, every component
14 of the revenue requirements should be individually
15 evaluated for the impact on each class?

16 A. I believe in -- in the case of a rider
17 like this, there -- it's questionable in my own mind
18 whether or not it's providing the benefits that it
19 should be providing in terms of reliability, and
20 where the settlement parties have agreed to increase
21 the caps, even if the Company doesn't meet its
22 reliability standards, yes, that should be.

23 Q. And the 1.2 percent can be evaluated,
24 can't it, Mr. Williams, by just doing the simple math
25 to determine the impact on rates of the revenue

1 requirements to ultimately the residential class;
2 isn't that right?

3 A. Yes, it can.

4 Q. Okay. Now, if -- if the settled rider
5 DCI caps with the SAIDI metrics is a 1.2 percent
6 increase -- that's what we just discussed, right?

7 A. Yes.

8 Q. And OCC supports Staff's somewhat lower
9 increases to annual DCI caps, right?

10 A. We had supported 130 over the term of
11 this.

12 Q. Okay.

13 A. Remainder.

14 Q. Then the incremental impact on
15 customers -- the difference between the Staff Report
16 caps and the settled caps is something less than
17 1.2 percent, right?

18 A. That would be correct.

19 Q. Okay. So we can set that aside now for a
20 moment and we will go back to your supplemental
21 testimony, and I will direct you to page 15.

22 A. I'm there.

23 Q. And at lines 9 through -- oh, gosh -- 12
24 you say, "The proposed Settlement establishes the use
25 of a third reliability standards metrics that has not

1 been approved by the PUCO would be used to determine
2 if the DCI revenue caps could be increased in any
3 given year." Did I read that correctly?

4 A. That is correct. That's because the two
5 standards that have been approved --

6 Q. I didn't ask why. I just asked if I read
7 it correctly at this point.

8 A. You read it correctly.

9 Q. Thank you. Now, we are talking here
10 about OCC's disagreement with the SAIDI metric,
11 correct?

12 A. Yes.

13 Q. Okay. And isn't it true, Mr. Williams,
14 that SAIDI is specifically identified in the Ohio
15 Administrative Code as a metric for determining
16 reliability of the Company's distribution circuit?

17 A. That's different than the reliability
18 standards, the SAIFI and the CAIDI, that are
19 approved. They are approved for analysis. The SAIDI
20 is used as part of an analysis -- an analysis on a
21 circuit-by-circuit basis.

22 MS. BRAMA: Your Honor, Mr. Williams is
23 not answering the question I asked. I would move to
24 strike. I don't -- but I -- I would ask more
25 specifically for direction that he answer that

1 question that was asked, what -- isn't it true that
2 OAC Code includes a metric for -- of SAIDI for
3 determining reliability of the Company's distribution
4 circuit. I didn't ask about any other metrics or any
5 other purposes.

6 MR. SEMPLE: Your Honors, he is just
7 explaining his understanding of the reliability
8 standards.

9 EXAMINER WALSTRA: I agree he did not
10 answer the question so if you could just please ask
11 it again.

12 MS. BRAMA: I will ask the question
13 again. Thank you.

14 Q. (By Ms. Brama) Isn't it true,
15 Mr. Williams, that SAIDI is specifically identified
16 in Ohio code as a metric for determining reliability
17 of the Company's distribution circuit -- circuits?

18 A. You are not asking for a specific code or
19 a specific application; just is SAIDI mentioned in
20 the Ohio Administrative Code?

21 Q. Yeah. I could refer you to 4901:1-10-11.
22 I am just asking if that --

23 A. Yes.

24 Q. -- is referencing SAIDI as a metric for
25 determining the reliability of the Company's

1 distribution circuit?

2 A. Yes, it does exist and will allow them.

3 Q. Okay. And that is something that Duke
4 reports to the Commission on annually, isn't it?

5 A. Yes. It's part of a worst performing
6 circuits report that Duke provides Staff.

7 Q. Okay. And, additionally, the
8 relationship between a SAIDI metric, again,
9 S-A-I-D-I, and capital rider is not a new concept in
10 Ohio, is it?

11 A. I believe SAIDI has been used for a long
12 time for calculating a worst performing circuit
13 for -- for calculating which circuits get put on the
14 worse performing circuits list.

15 Q. Okay. And isn't it correct,
16 Mr. Williams, in the November 2021 PUCO Opinion and
17 Order in AEP's electric distribution rate case the
18 Commission approved a Stipulation that included
19 Distribution Investment Rider caps based on an
20 achievement of SAIDI metrics?

21 A. Yes.

22 Q. That's correct. And in fact, OCC was a
23 party to the settlement agreeing to SAIDI interest in
24 that case, correct?

25 A. That was a settlement where there was

1 diverse interests.

2 Q. Okay. I understand you keep making that
3 point and that's fine, Mr. Williams. We do
4 understand that that's your point. Okay. If we
5 could turn to page 16, please, of your supplemental
6 testimony.

7 A. I'm there.

8 Q. Now, on lines 5 through 8, you say,
9 "However, under the PUCO ESP IV order that continued
10 and expanded the DCI rider, Duke is required to meet
11 the SAIFI and the CAIDI standard on an annual basis
12 as a requirement for increasing the DCI revenue
13 caps." Do you see that?

14 A. That is correct.

15 Q. Okay. And footnote 27 that you have in
16 your testimony cites pages 39 and 41 of the
17 December 19, 2018, Commission order -- Opinion and
18 Order in Case No. 17-32-EL-AIR; is that right?

19 A. That is correct.

20 MS. BRAMA: May we approach, your Honors?

21 EXAMINER WALSTRA: You may.

22 MS. BRAMA: Your Honors, while we are
23 continuing here, this is a decision of the Ohio
24 Commission in a prior proceeding. I don't know that
25 we need to have it marked. It could just be admitted

1 on administrative notice. But I would defer to your
2 Honors if you would prefer to have us mark it.

3 EXAMINER WALSTRA: We don't need to mark
4 it. People are free to cite Commission orders in
5 their briefs.

6 MS. BRAMA: Okay. I would just like to
7 have a few questions for the witness here since he
8 had some comments about it in his testimony.

9 Q. (By Ms. Brama) So, first of all, do you
10 see the document in front of you, Mr. Williams, is
11 that decision that was entered into on December 19,
12 2018, that was referenced in footnote 27 of your
13 testimony?

14 A. This is it.

15 MS. BRAMA: Okay. And if we turn to page
16 39 of this -- and I think I misspoke, your Honors. I
17 think I said this was AEP. This is the Duke
18 Stipulation in the prior rate case, so my apologies
19 for that.

20 Q. Mr. Williams, I am going to have you
21 refer to page 39.

22 A. I'm there.

23 Q. Okay. And if we look at bullet No. 1 on
24 page 39, we see the Rider DCI revenue cap for Duke in
25 its last rate case and in the other proceedings

1 identified on the front page here was set at
2 \$32 million; is that right?

3 A. That's correct.

4 Q. And if we look at bullet No. 2 on this
5 page 39, it says, "The Rider DCI revenue cap for 2019
6 will be \$42.1 million. This amount may be increased
7 to 46.8 million if in 2018 Duke achieves both
8 reliability standards." Did I read that correctly?

9 A. Yes.

10 Q. Okay. So we have very specific reference
11 to reliable standards for 2019. Now moving on to
12 2020, it says, "For 2020, the Rider DCI revenue cap
13 will be increased by an additional 14 million or up
14 to 18.7 million depending on whether the Company
15 achieves both reliability standards." Is that
16 correct?

17 A. That is correct.

18 Q. So again, we have a specific reference to
19 reliability standards in the language of bullet 3,
20 correct?

21 A. Yes.

22 Q. Yes. And then if we move to No. 4, "For
23 years 2021 through 2024, the Rider DCI revenue cap
24 will be increased by an additional 18.7 million each
25 year." Is that -- did I read that correctly?

1 A. You did.

2 Q. And so there's no language about a
3 reliability standard requirement in bullet 4; is that
4 right?

5 A. The -- there's not for -- for 4, you are
6 correct.

7 Q. Okay. So isn't it true, Mr. Williams,
8 that the settlement in this proceeding that we are
9 here talking about today, it adds a SAIDI reliability
10 metric where there is no such metric tied to current
11 caps or the Staff Report for '21 through -- 2021
12 through 2024 before?

13 A. Item 5 though, paragraph 5 that you
14 didn't mention, maybe I could read it in?

15 Q. Please go ahead.

16 A. "For the period of January 1st through
17 May 31, 2025, the Rider DCI revenue cap will be
18 between the range of 62.4 million and 66.3 million
19 depending on the Company's reliability performance in
20 prior years.

21 Q. Thank you for reading that correctly.
22 So, Mr. Williams, that -- that provision talks about
23 reliability performance in prior years, and we have
24 specific reliability standards for 2019 and 2020,
25 correct?

1 A. Well, there is specific reliability
2 standards on page 41 of this document.

3 Q. I understand that, but those aren't tied
4 to the specific DCI caps in section 3, correct?
5 That's the provision on page 39; is that correct?

6 A. That is correct. There is not a specific
7 link to the CAIDI and SAIFI, although there is no
8 mention at all of a SAIDI in this document.

9 Q. I understand that, Mr. Williams. So my
10 question is, isn't it true that the settlement in
11 this case adds a reliability metric for SAIDI;
12 whereas, there is no such reliability metric tied to
13 DCI caps for the 2021 through 2024 period in the
14 prior case for Duke? If you don't know, that's fine.

15 THE WITNESS: Could you repeat the
16 question, please?

17 (record read.)

18 A. I believe because there is defined link
19 between reliability performance in 2018 through 2020,
20 and there is a clear link between January 1 and
21 May 31 of 2025, that if -- that there is a link,
22 though it may not be specifically quantified, I
23 believe that this order was to require the Company to
24 meet its reliability standards as a condition of
25 obtaining additional -- additional funding under the

1 DCI.

2 Q. Okay. But either way, in '21 through '24
3 the Rider DCI cap is set forth as -- or is as set
4 forth in bullet 4 of this prior Duke decision; is
5 that right?

6 A. Yes. And I would also mention that
7 OCC --

8 Q. I just asked -- you answered my question.
9 Thank you, Mr. Williams.

10 I would like to talk to you briefly about
11 your commentary on page 18 of your testimony. So if
12 you would like to go back to that. I apologize for
13 having you switch back and forth, but that's kind of
14 how it goes with these proceedings sometimes. On
15 page 18 -- let me know you are there.

16 A. I'm there.

17 Q. Okay. On lines 1 and 2 and continuing to
18 3, you say -- first of all just to add a little
19 context, in this particular section and Q and A you
20 are talking about the reasons Duke provided for not
21 meeting its SAIFI standard, S-A-I-F-I standard, in
22 2021; is that a fair context?

23 A. Well, I think the actual context to this
24 is that I believe that staff should evaluate the
25 effectiveness of dollars that are being spent on DCI

1 because it appears to me that customers aren't
2 getting the full benefit of those programs.

3 Q. Okay.

4 A. But then I do mention specific excuses
5 that have been provided by Duke.

6 Q. Okay. So let's talk about what Duke's
7 explanation was. So on page 18, lines 1 through 3,
8 you say, "In addition, changes in Duke's operating
9 procedures made in 2020 related to replacement of
10 broken poles resulting from vehicle accidents is
11 taking a toll on customer interruptions and customer
12 minutes interrupted." Did I read at that correctly?

13 A. That is correct.

14 Q. Do you have any basis to say that
15 something else besides what Duke identified was
16 causing that impact to customer interruptions and
17 customer minutes interrupted?

18 A. I think there were multiple factors.
19 That's one of them that I mentioned here.

20 Q. Okay. Thank you. And do you
21 acknowledge, Mr. Williams, Duke does not have
22 complete control over vehicle drivers running into
23 Duke's poles and other infrastructure?

24 A. I am sure that's the case.

25 Q. Okay.

1 A. But it's Duke procedures that changed in
2 2020 that appears to be the impact now on
3 reliability.

4 Q. Okay. I am talking about two different
5 issues here. So one is the fact that there is --
6 that there are more incidents happening in 2020 than
7 in the prior year -- in the prior year; is that
8 right? Excuse me, in 2021 than in prior years; is
9 that right?

10 A. There were more outage events in 2021, a
11 slight increase in number of events.

12 Q. Okay. And in addition to that, then you
13 reference a change in procedure. But I noticed in
14 your testimony itself you don't identify what that
15 change in procedure was. Do you recall what the
16 SAIFI change was?

17 A. I just know there was a safety change,
18 but I don't know what it was.

19 Q. You didn't --

20 A. It was identified, I believe in
21 Mr. Hesse's testimony.

22 Q. Okay. So if Mr. Hesse said that the
23 Company implemented a safety procedure to require
24 techniques to de-energize circuits when working on a
25 broken pole, if the pole cannot be secured using an

1 approved -- an approved method and that affected the
2 number of customers impacted in '21, do you have any
3 basis to dispute that?

4 A. No, but I also would want to provide a
5 little more clarification. In my direct attachment,
6 I guess it's JDW-3, and as part of the Company
7 response to the Staff for why they missed the
8 standard, there was a specific explanation about this
9 as well.

10 Q. Yes, there was. Thank you. And that
11 explanation included the Company -- the operating
12 procedure change was a safety change to de-energize
13 circuits when working on broken poles if the pole
14 couldn't be safely secured; is that right?

15 A. That is correct.

16 Q. And you understand that this is Duke
17 taking a circuit out of service because the pole
18 couldn't otherwise be secured safely when it was
19 being repaired; is that right?

20 A. Exact reasons I don't know. I just know
21 it was a safety --

22 Q. Okay.

23 A. -- for purposes of safety.

24 Q. All right. And so you don't know or --
25 whether or not Duke would otherwise be repairing and

1 replacing an unsecured pole on a live electric wire
2 if it hadn't made these changes?

3 A. I don't know what the practice would have
4 been.

5 Q. Okay. Are you aware, Mr. Williams,
6 regardless of DCI caps, Duke Energy Ohio will incur a
7 financial penalty if it does not achieve its
8 reliability compliance metrics two years in a row?

9 A. I am not aware of that at all.

10 Q. Okay.

11 A. Duke didn't meet their reliability
12 standards in 2016 and '17.

13 Q. Okay.

14 A. Duke was on the verge of a miss of its
15 2018 standards --

16 Q. Mr. Williams --

17 MS. BRAMA: Your Honors, this is going
18 well beyond -- my question was just about whether
19 Duke would incur a financial penalty regardless of
20 DCI caps if it missed its performance years. He was
21 talking about reasons and what's happened in the past
22 and nothing to do with my question.

23 MR. SEMPLE: He is explaining his basis
24 for not knowing the penalty.

25 EXAMINER WALSTRA: I will allow his

1 answer to stand.

2 Q. (By Ms. Brama) Mr. Williams, you also
3 claim that a review of the DCI work plan for 2022 did
4 not reveal any programs intended to mitigate the
5 impact of public accident caused outages; is that
6 right?

7 A. That is correct. I didn't see anything
8 public accident, per se. I did see some things for
9 relocations and things that could be done coordinated
10 with city projects. Perhaps there is some tie-in
11 there. I wouldn't know.

12 Q. Okay. And did you -- were you here for
13 Mr. Hesse's testimony yesterday?

14 A. I was not.

15 Q. Okay. Thank you. Almost done, Mr.
16 Williams, just one other quick topic for you, if we
17 could go to your supplemental testimony at page 14.

18 A. I'm there.

19 Q. You note on page 14, lines 17 through 20,
20 that you made a recommendation in direct which you
21 carry through to your supplemental direct that Duke
22 should provide options to help consumers opt out of
23 Duke's sharing of personal information with
24 marketers. Is that right?

25 A. You are in the direct now?

1 Q. No. I am in your supplemental testimony
2 at page 14.

3 A. I am in the wrong one. Now I am there.

4 Q. Okay. If you could just look at line 17
5 through 20 there. I am asking about your proposal in
6 your direct that Duke provide options to help
7 customers -- consumers opt out of Duke's sharing of
8 personal information with marketers. Do you see
9 that?

10 A. Yes.

11 Q. Okay. And you say that the settlement
12 lacks a provision to provide this consumer protection
13 comment that harms consumers, right?

14 A. OCC's position has traditionally been
15 that --

16 Q. I just asked if the settlement contains
17 that provision, Mr. Williams, if that is what your
18 testimony says.

19 A. It does -- no, it does not.

20 Q. Okay. And do you know by chance that
21 Duke already offers an opt out?

22 A. I know that as part of -- I think Duke
23 just installed a new customer information system and
24 I believe that some improvements have been made. And
25 initially the concern was that customers didn't have

1 the ability to kind of self-help opt out.

2 I think that option may now be available,
3 but they may not have other options including like
4 using the automated phone system or other means to
5 try to opt out.

6 Q. So you just don't know; is that what your
7 testimony is?

8 A. Oh, I am speaking broadly about the OCC
9 objection.

10 Q. Okay. Isn't it true --

11 A. I believe that on the opt out -- again
12 unless you have an account, I am not able to go into
13 that specifically to see it. But I believe it looked
14 very similar to what I've seen on AEP's which is what
15 we reference.

16 Q. Okay. Isn't it true, Mr. Williams, if
17 you know, it sounds like maybe I don't, that Duke
18 already has such an opt out like you are recommending
19 here for consumers on the Company's portal?

20 A. I don't know.

21 MS. BRAMA: Okay. Thank you. And that's
22 all I have.

23 EXAMINER WALSTRA: Thank you.

24 Go down the line? Mr. Darr in

25 MR. DARR: thank you, your Honor.

CROSS-EXAMINATION

By Mr. Darr:

Q. Good morning, Mr. Williams.

EXAMINER WALSTRA: You should probably have a mic. Thank you.

A. Hello, Mr. Darr.

Q. I am going to stay with your supplemental testimony and then we will go into your attachment.

A. Okay.

Q. At pages 3 and 4 of your testimony, you state that the settlement approved would deprive customers of necessary protections addressed elsewhere in your testimony that include continuing lack of transparency of marketer charges.

You then go on page 14 and 15 of your testimony to reiterate that statement, correct? And I am looking at page 14, line 22 through page 15, line 2.

A. That is correct.

Q. And then this cross references testimony contained in JDW-01 at page 24 of 53, and in this case I am using the exhibit numbers, not the page references at the bottom. Do you see that as well?

A. So where are you at now?

Q. It's page 24 of 53 on your attachment

1 JDW-01.

2 A. I'm there.

3 Q. Now on page 24 and then going on to page
4 25, you make several recommendations. The first of
5 which is -- would be that the Commission require
6 Duke's bill format to be modified to show residential
7 shopping customers what they paid to their marketer
8 and what they would have paid that month had they
9 been on the Standard Service Offer, correct?

10 A. That is correct.

11 Q. Currently all bills are required to
12 provide the price to compare on the utility's bill,
13 correct?

14 A. That -- that's by rule. There are other
15 electric utilities though that -- that, you know,
16 through different settlements, have also done similar
17 things and that's why I recommend that Duke should
18 have done the same.

19 Q. And you're familiar that every one of
20 those settlements by their terms state that they are
21 not precedential in other proceedings, correct?

22 A. I understand that.

23 MR. DARR: Based on that, your Honor, I
24 move to strike the latter part of that answer, the
25 prior answer. Any reference to that in this context

1 would be referencing it as being precedential and it
2 should not be treated as such and any testimony to
3 that effect would be improper.

4 MR. SEMPLE: Your Honor, the witness
5 didn't testify it was precedential, he is just making
6 a recommendation on the basis of his understanding of
7 what would benefit consumers broadly as a regulatory
8 expert with decades of experience.

9 EXAMINER WALSTRA: I will deny the motion
10 to strike.

11 Q. (By Mr. Darr) Going back to my original
12 question, currently all bills are required to provide
13 the price to compare; isn't that correct?

14 A. That is correct.

15 Q. The price to compare is the sum of the
16 avoidable generation related costs, correct?

17 A. I believe that's how it's calculated.

18 Q. Customer bills also are required to
19 provide the amount of generation used during the
20 service period, correct?

21 A. Yes.

22 Q. If a customer multiplied the generation
23 service used by the price to compare, he or she would
24 have the total avoidable costs, correct?

25 A. Customers, if they are savvy enough,

1 could calculate that. My recommendation was to
2 provide a little more assistance for consumers.

3 Q. Again, my question, sir, was if the
4 customer took the generation amount, multiplied it by
5 the price to compare they would have the total amount
6 of avoidable costs, right?

7 A. Yes.

8 Q. You would agree that this calculation
9 would be historical in the sense it would be backward
10 looking, correct?

11 A. It would be on the bill for last month,
12 the bill that the customer is paying -- is being
13 asked to pay right now.

14 Q. So you agree it would be backward
15 looking, correct?

16 A. For the -- it would be within the current
17 billing -- within the current billing cycle that just
18 ended.

19 Q. You are aware of another source of
20 supplier price information that is available on the
21 PUCO website, correct?

22 A. Yes. The Comparing Energy Choices. In
23 fact that's part of the reason why I have made this
24 recommendation.

25 Q. And the website provides a current or

1 forward price that is being offered to customers,
2 correct?

3 A. It's a price -- it's an available offer
4 for a certain term.

5 Q. And those prices are required to be
6 updated regularly as the CRESSs -- let me rephrase.
7 Those prices are required to be updated regularly as
8 the supplier prices are adjusted, correct?

9 A. I am not sure how often they are updated
10 but they are updated.

11 Q. Well, a supplier cannot offer a price
12 without having it available on the Commission's
13 website, isn't that correct?

14 A. I believe they have to have a price. I
15 don't know that that's necessarily every price.

16 Q. Fair enough. They could not offer a
17 price for a particular product that's on the website
18 that's different than that presented on the website,
19 correct?

20 A. They have to have something on the
21 website that represents at least an offer. And --

22 Q. Now with regard to the bill format
23 charges that you are proposing here, this is not a
24 new request on the part of the Consumers' Counsel, is
25 it?

1 A. The enhanced price to compare message is
2 a requirement that we've pursued for quite some time
3 because we believe it's very helpful to consumers to
4 see the benefits of competitive choice.

5 Q. So the answer to my question this is a
6 long-standing -- to my question this is a
7 long-standing position of the OCC, it's yes, correct?

8 A. We've pursued it in multiple cases
9 including rules cases.

10 Q. And apart from the settlements that we
11 talked about a few minutes ago, the PUCO has
12 routinely rejected for a variety of reasons the
13 requests by OCC to change rules or to impose these
14 requirements on a utility, correct?

15 A. It has not been done through a rule, but
16 as part of representation for all residential
17 consumers, in other negotiations, OCC was able to
18 represent the interests of all consumers and
19 negotiate that type of a provision.

20 MR. DARR: Again, your Honor, I move to
21 strike. This is the exact problem that I thought we
22 were going to end up with. I did not ask about prior
23 -- I framed it -- in specifically in the context of
24 other than negotiated settlements.

25 This is exactly the problem that we get

1 into once we open the door on this kind of testimony
2 with regard to reliance on settlements for purposes
3 of contested matters. So again, I move to strike.

4 MR. SEMPLE: Again, your Honors, this is
5 just an expert witness making his recommendation as
6 to what would benefit consumers broadly which is
7 directly on the point of the second prong of the
8 PUCO's standards for reviewing the Stipulation.

9 MR. DARR: If I may, your Honor, that
10 does not address the problem that's presented here
11 and that is the improper reliance on settlements for
12 purposes of advancing a position, settlements which,
13 in fact, the OCC has agreed while they are in those
14 agreements not to do in future proceedings.

15 EXAMINER WALSTRA: I will deny the motion
16 to strike. I think he gave the context that it was a
17 negotiated settlement.

18 MR. DARR: Thank you, your Honor.

19 Q. (By Mr. Darr) To conclude this line of
20 questions, in fact, the PUCO rejected a proposal
21 advanced by OCC in -- specifically in a Duke billing
22 format change case similar to the one that you are
23 recommending here, in December of 2019, correct?

24 A. Subject to check on the timing, that
25 sounds about right.

1 Q. Now, your other recommendation on pages
2 25 and 26 of attachment JDW-01 concerning, for lack
3 of a better term, aggregate billing information,
4 correct?

5 A. Which page are you on, please?

6 Q. It's 25 of 53 and 26 of 53 of your
7 attachment.

8 A. Yes, that would be on the shadow billing
9 reports.

10 Q. And you are recommending that Duke
11 provide PUCO Staff and OCC with aggregate cost
12 information that shopping -- of what shopping
13 customers would have paid for electricity as compared
14 to what customers would have paid under Duke's
15 Standard Service Offer, correct?

16 A. I believe there is a public interest to
17 be served by that type of a report to be made
18 available.

19 Q. Specifically my question asks that's what
20 your recommendation is, correct?

21 A. Yes, the recommendation is there be
22 shadow billing reports.

23 Q. Would this recommendation be limited to
24 those customers taking residential service?

25 A. I intended it to be residential.

1 Q. There is nothing in your recommendation
2 to account for budget billing, correct?

3 A. It's just reporting the numbers, you
4 know, and so, no, there is not a budget billing
5 adjustment or something like that.

6 Q. And there is nothing in your
7 recommendation that addresses customer renewable
8 energy, correct?

9 A. No. It's simply comparing the number,
10 the customers are billed at an aggregate level with
11 what the customers would have been billed at the SSO.

12 Q. There is nothing to address customers
13 that are taking service under unique rate such as a
14 per day charge, right?

15 A. For residential customers, I am not sure.
16 Customers that have a per day charge.

17 Q. Are you aware that those kinds of offers
18 are available to any customers at this time?

19 A. Not that I am aware of.

20 Q. On page 26, lines 8 and 9 of attachment
21 JDW-1 you state that this information is needed to
22 determine if consumers are receiving reasonably
23 priced retail electric service as required by state
24 policy, correct?

25 A. That is correct.

1 Q. Is it your view that the Commission has
2 some rate authority over the charges set by
3 competitive suppliers?

4 A. I don't believe that the Commission has
5 rate authority over the suppliers. This is simply a
6 report, you know, putting this into proper context.
7 It's not about -- it's whether or not the state
8 policy appears to be met, not does the PUCO approve
9 or not approve certain rates for suppliers.

10 Q. So effectively then you are asking the
11 Commission to approve the aggregation of this data
12 for a report on which it can do nothing; is that
13 correct?

14 A. I believe that the Commission could do
15 more with that information. I believe the Commission
16 can do a lot of things.

17 Q. Well, if the point of it is to determine
18 whether or not there are reasonable prices and the
19 Commission has no authority over the pricing of
20 supplier services, to what general purpose is it that
21 you believe this information should be collected,
22 Mr. Williams?

23 A. Well, the state policy is to support
24 safe, reliable, reasonably priced retail electric
25 service. It supports the policy of the state for

1 knowing whether or not -- if customers -- if choices
2 producing the benefits in terms of competitive
3 savings for customers.

4 Q. And again, you are familiar with the fact
5 that the PUCO has no authority to set the price of
6 the supplier, correct?

7 A. As it currently exists, I don't believe
8 that the PUCO sets -- sets prices for suppliers, but
9 I think that knowledge allows the PUCO and others to
10 advocate for positions and changes that may need to
11 be made to protect consumers from -- from rates that
12 are excessively high.

13 MR. DARR: Thank you. That's all I have
14 got.

15 EXAMINER WALSTRA: Thank you. IGS?

16 - - -

17 CROSS-EXAMINATION

18 By Mr. Betterton:

19 Q. Good afternoon, Mr. Williams. Can you
20 hear me okay?

21 A. I can. Good afternoon.

22 Q. Do you recall your discussion with
23 Mr. Darr moments ago regarding forward and backward
24 looking pricing?

25 A. Yes.

1 Q. Perfect. I know you have been on the
2 stand a while so I will try to make this super quick.

3 A. You're kind.

4 Q. Could there be a situation where the
5 price to compare that's displayed -- that is
6 displayed on a customer's bill is no longer the
7 current price to compare and thus no longer available
8 to the customer?

9 A. I suspect that could occur if -- if
10 pricing changed during -- as a result of a change in
11 the billing cycle.

12 Q. Perfect. Thank you so much. That's all
13 I have.

14 EXAMINER WALSTRA: Thank you. Any
15 redirect?

16 MS. COHN: My emails indicated OMAEG had
17 cross, I am not sure where they are.

18 EXAMINER WALSTRA: My visual indicates
19 OMAEG is not here.

20 MS. COHN: Okay. Thank you. Thank you,
21 your Honor.

22 MR. SEMPLE: One moment, please. Your
23 Honors, we have no redirect.

24 EXAMINER WALSTRA: Thank you. You are
25 excused.

1 MR. WYGONSKI: Your Honor, I am sorry,
2 can I ask the witness some questions. Sorry, I
3 didn't realize how far along --

4 EXAMINER WALSTRA: Sure. All right. You
5 are not excused.

6 THE WITNESS: Thank you, your Honor.

7 MR. WYGONSKI: I'm so sorry for that.
8 I'll be quick.

9 - - -

10 CROSS-EXAMINATION

11 By Mr. Wygonski:

12 Q. Mr. Williams, are you an attorney?

13 A. I'm not.

14 Q. And you are not offering any legal
15 opinions today, correct?

16 A. I'm offering an opinion as an analytical
17 expert in these matters.

18 Q. Okay. And Mr. Williams, are you an
19 accountant?

20 A. No, I am not.

21 Q. And you are not an engineer, correct?

22 A. No, I am not.

23 Q. Have you ever had responsibility for the
24 management of a distribution system?

25 A. No.

1 Q. Okay. Mr. Williams, turning back to page
2 5 of your supplemental testimony, I believe you
3 testified earlier that -- that you talk about that
4 Duke dangles money in front of parties that
5 desperately need money and those parties sign the
6 settlement in exchange of the money, correct?

7 A. Yes, I was making a general statement.

8 Q. Is it your assertion that Duke has
9 offered a monetary payment to the Commission's staff
10 in exchange for their sign off?

11 MR. SEMPLE: Objection, misstates
12 testimony.

13 EXAMINER WALSTRA: You can clarify.

14 A. No, I am not aware of anything like that.

15 Q. And have you communicated with Staff
16 about their reasoning for joining the Stipulation?

17 A. I have not communicated directly with
18 Staff. I have worked within the OCC case team, the
19 litigation team, with our settlement team.

20 Q. Okay. And is it your assertion that Duke
21 has offered monetary payment to any of the commercial
22 or industrial customers in exchange for their sign
23 off in this case?

24 A. I don't recall seeing anything like that.
25 I think that for commercial or industrial it may be

1 in the form of rates or, you know, how -- how rates
2 are being allocated, things like that.

3 Q. Okay. And have you communicated with any
4 of the signatory parties on their reasoning for
5 joining the Stipulation?

6 A. No, I haven't.

7 Q. Okay. So isn't it true that you don't
8 have firsthand knowledge about the reasons for each
9 of the parties that joined or did not oppose the
10 Stipulation?

11 A. I don't have firsthand knowledge. But
12 again, I'm testifying based on my review of the
13 settlement and years and years of experience working
14 with these types of settlements.

15 Q. Okay. Turning to page 7 of your
16 supplemental testimony, you talk about the diversity
17 of the parties, correct?

18 A. I talk about the lack of diversity.

19 Q. Okay. And I believe you mentioned this
20 earlier, but just to clarify, isn't it true diversity
21 isn't a component of the Commission's three-part
22 test?

23 A. I believe sometimes the Commission
24 considers it. Sometimes the Commission doesn't
25 explicitly consider it. This -- this is definitely a

1 case where I believe that the Commission should
2 consider it.

3 Q. Isn't it true that the Commission -- I'm
4 sorry. Strike that.

5 So as you mentioned earlier, you are
6 aware that the City of Cincinnati, OP&E, and the
7 Citizens Utility Board of Ohio all intervened in this
8 case with the stated purpose of representing
9 residential customers, correct?

10 A. Not just residential. It would be other
11 customers as well.

12 Q. But you are aware that they intervened?

13 A. I am aware of the intervention. I don't
14 believe that that represent -- I don't believe that
15 any represented themselves as being exclusively
16 residential.

17 Q. Okay. And I believe you testified
18 earlier that you did not believe that one party
19 should have veto power over settlement, correct?

20 A. I would -- I would answer that by saying
21 I believe that having OCC onboard a settlement, I
22 certainly believe that that represents far more
23 diversity than when OCC is not on a settlement. And
24 I base that again upon many years of these types
25 of -- reviewing these types of settlement documents.

1 Q. But you don't believe that OCC should
2 have absolute veto power over whether a settlement is
3 approved or not, do you?

4 A. What I see in this settlement, I don't
5 see where residential consumers got anything as a
6 whole.

7 MR. WYGONSKI: Your Honor, I would move
8 to strike the answer. That wasn't what I was asking.
9 I was just asking if he believed that OCC should have
10 veto power or not.

11 EXAMINER WALSTRA: Could you just reask
12 the question?

13 MR. WYGONSKI: Okay. Thank you, your
14 Honor.

15 EXAMINER WALSTRA: I will instruct the
16 witness to answer the question.

17 Q. (By Mr. Wygonski) Mr. Williams, I was
18 just asking if you believe that OCC should have veto
19 power over settlement?

20 A. I certainly wish we did. But again,
21 that's why we find ourselves in these kinds of
22 hearings. When -- when OCC is not given, you know --
23 when the interests of represent -- residential
24 customers are not fully represented in a case, then
25 we are in matters like this. I hope I answered.

1 Q. Mr. Williams, isn't it true that the
2 Commission has specifically held in past cases that
3 OCC does not have veto power?

4 MR. SEMPLE: Objection, your Honor, this
5 is a hypothetical question and vague as to veto
6 power.

7 EXAMINER WALSTRA: I don't think it was
8 hypothetical. I think it was a very specific
9 question.

10 MR. SEMPLE: Okay. Then my objection is
11 just that the term veto power is vague and undefined.

12 EXAMINER WALSTRA: Overruled.

13 A. I believe I've seen language like that in
14 different orders.

15 Q. Okay. And it is true that OCC is the
16 only party contesting that settlement today, correct?

17 A. I believe that's the case. Although I
18 believe that there are also parties that neither
19 supported or opposed the settlement.

20 MR. WYGONSKI: Okay. If I could have
21 just a minute, your Honor, I think I am done but I
22 want to just double-check.

23 EXAMINER WALSTRA: Okay.

24 MR. WYGONSKI: Your Honor, I have no
25 further questions. Mr. Williams, thank you for your

1 time.

2 THE WITNESS: Thank you.

3 EXAMINER WALSTRA: Thank you.

4 MR. SEMPLE: One moment, please.

5 Just a brief redirect, your Honors

6 - - -

7 REDIRECT EXAMINATION

8 By Mr. Semple:

9 Q. Mr. Williams, you remember you were just
10 asked whether or not OCC was the only party objecting
11 to the proposed stipulation?

12 A. Yes, I do.

13 Q. Okay. How much of the increase in
14 revenue is allocated to residential consumers?

15 MS. GRUNDMANN: Your Honor, I object to
16 this line of questioning. It's not within the scope
17 of any party's questions on cross. And so to address
18 something that's totally separate from who has or has
19 not opposed the Stipulation, it's completely outside
20 the scope and inappropriate on redirect.

21 MR. WYGONSKI: Your Honor, OMAEG would
22 join that as well.

23 MS. WHITFIELD: As would Kroger.

24 MS. COHN: As would OEG.

25 MR. D'ASCENZO: As would the Company.

1 MR. BOBB: As would OP&E.

2 EXAMINER WALSTRA: Response?

3 MR. SEMPLE: Your Honors, the witness was
4 asked about who was involved with the Stipulation and
5 I would like him to be able to respond as to why OCC
6 is the only party objecting.

7 MS. GRUNDMANN: Your Honor, just to
8 respond briefly to that, that's precisely the problem
9 that that's a question he easily could have done if
10 it were in the scope of questions asked.

11 If he wanted to redirect his witness
12 because his witness failed to realize that another
13 party may have not joined or supported the
14 Stipulation, that would have been appropriately
15 within the scope of the questions asked on cross
16 exam. But to seek to elicit new information about
17 the reasons for joining and not joining is not within
18 the scope of cross exam.

19 EXAMINER WALSTRA: I tend to agree. I
20 think that was a very -- almost contextual question.
21 I think everyone understands OCC is the only one that
22 did not sign on to the stip and the question you
23 asked did not seem to be related to that statement,
24 so I'll sustain the objection.

25 MR. SEMPLE: Okay. No further questions.

1 Thank you.

2 EXAMINER WALSTRA: Thank you. For real
3 this time.

4 THE WITNESS: Thanks, your Honor.

5 EXAMINER WALSTRA: If OCC would like to
6 move their exhibit.

7 MR. SEMPLE: Yes, your Honors, we would
8 like to move that Jim Williams' testimony be admitted
9 in the record as Exhibit 3.

10 EXAMINER WALSTRA: Any objections?

11 Hearing none, it will be admitted

12 (EXHIBIT ADMITTED INTO EVIDENCE.)

13 EXAMINER WALSTRA: Duke?

14 MS. BRAMA: Thank you, your Honors. Duke
15 would move to admit Hearing Exhibits 16, 17, and 18
16 into the record. We have other exhibits that we
17 think are administrative notice appropriate as they
18 are prior orders of the Commission.

19 EXAMINER WALSTRA: I believe I just had
20 16 and 17.

21 MS. BRAMA: Oh, I'm sorry. 18 was
22 also -- I apologize, was also a document in the
23 record, was the Motion to Intervene, so 16 and 17.

24 EXAMINER WALSTRA: Any objections to Duke
25 Exhibits 16 or 17?

1 Hearing none, those will be admitted.
2 (EXHIBITS ADMITTED INTO EVIDENCE.)
3 EXAMINER WALSTRA: Go off the record.
4 (Discussion off the record.)
5 (Thereupon, at 12:35 p.m., a lunch recess
6 was taken.)

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1 Wednesday Afternoon Session,
2 October 5, 2022.

3 - - -

4 EXAMINER SANDOR: All right. Let's go on
5 the record.

6 All right. Returning from lunch, as we
7 had discussions off the record earlier this morning,
8 we are going to be conducting this afternoon's
9 portion of the hearing virtually via Webex. The only
10 note I will make is for any parties intending to
11 speak or who are going to speak, please do keep your
12 camera on while the witness is on the stand. With
13 that, OCC may call Mr. Woolridge.

14 MS. O'BRIEN: Thank you, your Honors.
15 And thank you for the accommodations by the parties
16 and by Karen, the court reporter. OCC would now like
17 to call Dr. J. Randall Woolridge.

18 MR. SCHMIDT: Dr. Woolridge, you have
19 been promoted. If you can enable your audio and
20 video. Thank you.

21 MS. O'BRIEN: Your Honor, at this point
22 OCC would like to mark OCC Exhibit No. 1 which is the
23 supplemental testimony in opposition to the
24 settlement of J. Randall Woolridge, Ph.D.

25 EXAMINER SANDOR: So marked.

1 (EXHIBIT MARKED FOR IDENTIFICATION.)

2 EXAMINER SANDOR: Let me swear the
3 witness in real quick. Dr. Woolridge, please raise
4 your right hand.

5 (Witness sworn.)

6 EXAMINER SANDOR: Thank you. Please
7 proceed, Ms. O'Brien.

8 MS. O'BRIEN: Okay. So marked OCC
9 Exhibit 1 which is the supplemental testimony in
10 opposition to the settlement by J. Randall Woolridge,
11 Ph.D.

12 EXAMINER SANDOR: So marked.

13 MS. O'BRIEN: And would like to mark as
14 OCC Exhibit 2 which is the direct testimony of J.
15 Randall Woolridge, Ph.D., filed on September 2, 2022.

16 EXAMINER SANDOR: So marked.

17 (EXHIBIT MARKED FOR IDENTIFICATION.)

18 MS. O'BRIEN: Thank you, your Honor.

19 - - -

20 J. RANDALL WOOLRIDGE, PH.D.
21 being first duly sworn, as prescribed by law, was
22 examined and testified as follows:

23 DIRECT EXAMINATION

24 By Ms. O'Brien:

25 Q. Good afternoon, Dr. Woolridge.

1 A. Good afternoon. I'd like to apologize,
2 by the way, for the little mess. I -- seriously I
3 really like to come to Columbus. Just as long as
4 Penn State is not playing football there, that's when
5 I like to come.

6 Q. Thank you, Dr. Woolridge. So do you have
7 before you what I have marked as OCC Exhibit No. 1,
8 which is the supplemental testimony in opposition to
9 the settlement?

10 A. Yes, I do.

11 Q. And did you prepare this testimony?

12 A. I did.

13 Q. I guess first let me back up. I
14 apologize. Could you please state your name for the
15 record.

16 A. Oh. My name is initial J. Randall
17 Woolridge, and that's spelled W-O-O-L-R-I-D-G-E.

18 Q. Okay. And what is your position?

19 A. I am a professor of finance at Penn State
20 University.

21 Q. Okay. And we've established that you
22 have before you what is OCC Exhibit No. 1, which is
23 your supplemental testimony in opposition to the
24 settlement, correct?

25 A. Yes.

1 Q. And did you prepare this testimony?

2 A. I did.

3 Q. Okay. And do you have any corrections to
4 make to your testimony today?

5 A. No, I don't.

6 Q. Okay. And if I were to ask you the
7 questions in OCC Exhibit No. 1, would your answers be
8 the same today?

9 A. Yes.

10 Q. Thank you. Now, do you also have before
11 you what's been previously marked as OCC Exhibit No.
12 2 which is the direct testimony of J. J. Randall
13 Woolridge filed on September 2, 2022?

14 A. I do.

15 Q. And did you prepare this testimony,
16 Dr. Woolridge?

17 A. Yes, I did.

18 Q. And do you have any changes or
19 corrections to this testimony?

20 A. No.

21 Q. And if I were to ask you the questions
22 contained in this testimony today, would your answers
23 be the same?

24 A. Yes.

25 MS. O'BRIEN: With that, your Honors, I

1 would move OCC Exhibit Nos. 1 and 2 into evidence,
2 subject to cross-examination, and I tender the
3 witness for cross.

4 EXAMINER SANDOR: Thank you.

5 Duke.

6 - - -

7 CROSS-EXAMINATION

8 By Ms. Brama:

9 Q. Good afternoon, Dr. Woolridge. My name
10 is Liz Brama, I am an attorney representing the Duke
11 Energy Ohio. Nice to meet you via Webex.

12 A. Good afternoon.

13 Q. So I am going to ask you some questions
14 about your supplemental direct and direct testimony.
15 Do you have those available to you to refer to as I
16 ask questions?

17 A. I do.

18 Q. And are you using paper copies or are you
19 using a screen?

20 A. I have a paper copy here.

21 Q. Is it unmarked and unannotated?

22 A. Yes.

23 Q. Okay. Duke Energy Ohio also sent a note
24 to your counsel ahead of our cross-examination asking
25 if you could also have a copy of Mr. D'Ascendis's

1 testimony, second supplemental testimony regarding
2 the settlement. Do you have that available to you?

3 A. I believe I do.

4 Q. It was previously marked in this
5 proceeding as Duke Exhibit 15 for what that's worth.

6 MS. O'BRIEN: And I believe that was the
7 link that I sent to you, Dr. Woolridge.

8 THE WITNESS: Oh, you had to turn off --
9 I have -- I have it, you know, in electronic form. I
10 don't have it in paper form right now.

11 By Ms. Brama:

12 Q. Are you able to pull it up on your
13 screen, Dr. Woolridge, to refer to it if asked
14 questions?

15 A. Let me do that right now.

16 EXAMINER SANDOR: Take your time.

17 A. Yes, I have that now.

18 Q. Okay. I won't start there but I just
19 wanted to make sure you had the documents available
20 to you so we move through your cross we can do that
21 efficiently.

22 A. I do.

23 Q. Thank you again. And I would like to
24 start by asking you a question actually about your --
25 just generally about your direct and supplemental

1 direct testimony.

2 Dr. Woolridge, it's my understanding that
3 your position in this proceeding is that an equity
4 range for Duke Energy Ohio of 7.9 to 8.95 percent
5 would be appropriate, and then you choose your
6 proposed ROE within that range; is that a fair
7 statement?

8 A. That is correct.

9 Q. And do you know -- and your proposed ROE
10 is 8.48 percent? Is that also right?

11 A. That is correct.

12 Q. Okay. And so you note in your testimony,
13 if you wouldn't mind starting at page 6 of your
14 direct testimony, so that will be OCC Exhibit 2.

15 A. Yes.

16 Q. You note there starting at line 5 in your
17 analysis -- you know, the range that we just talked
18 about and you rely primarily on the DCF model and you
19 use an ROE of 8.84 percent; is that right?

20 A. Yes.

21 Q. Okay. And you state on page 6 starting
22 at line 7 that, "The 8.84 percent ROE is in the upper
23 end of my equity cost rate range and is at the lower
24 end of Staff's rate range of 8.84 to 9.85 percent
25 range." Did I read that correctly?

1 A. It is, yes.

2 Q. So coming back -- well, first of all,
3 isn't it true, Dr. Woolridge, that the 8.84 percent
4 ROE that you support was not really as much at the
5 lower end of Staff's ROE range but rather was the
6 very bottom point of Staff's range?

7 A. I agree.

8 Q. Okay. So coming back to your 7.9 to
9 8.95 percent range, by my math that seems -- that
10 means something like 80 percent of your range is
11 actually below 8.8 percent; does that math sound
12 about right?

13 A. That sounds about right, yes.

14 Q. Okay. And isn't it true, Dr. Woolridge,
15 that since January of 2018 there have been only three
16 authorized ROEs for United States electric utility
17 that was below 8.80 percent?

18 A. I'll accept that subject to check. I
19 don't know if that's true or not.

20 Q. Okay. Would you agree with me that Duke
21 witness Mr. D'Ascendis's testimony provides data
22 regarding authorized ROEs for electric utilities
23 going back to January 1, 2018?

24 A. Yes.

25 Q. Okay. Now, for those three items that

1 were below 8.8 percent, do you know -- and if you
2 don't, it's okay but do you know that one of those
3 results of 8.80 was the result of a finding of
4 imprudence followed by a Maine Commission initially
5 complaint investigation?

6 A. I'm not entirely sure if I knew all the
7 details but I'll accept that subject to check.

8 Q. Okay. And do you -- will you accept that
9 for the other two that had ROEs below 8.8 percent,
10 they were for vertically integrated utilities and
11 accompanied by authorized equity ratios from 53 and
12 54-and-a-half percent?

13 A. Yeah. I don't recall. I'm sorry. So I
14 will have to accept that subject to check.

15 Q. Okay. I would like to take a closer look
16 at some of the authorized ROEs that are close to your
17 range. At this point I will ask you to pull up Mr.
18 D'Ascendis's second supplemental testimony that we
19 just talked about that's Duke Exhibit 15. And in
20 particular I would like to have you look at
21 Attachment DWD-SS-1. Let me know when you are there,
22 please.

23 A. Can you please repeat that attachment,
24 please?

25 Q. Yes. It's Attachment -- it's Attachment

1 1 effectively to Mr. D'Ascendis's second supplemental
2 direct testimony in this proceeding.

3 A. Okay.

4 Q. Are you there?

5 A. I'm on DWD Supp 1; is that correct?

6 Q. Yes. So this document, if you look at
7 the -- depending on which way you have it oriented, I
8 have it upright here, the upper left corner says
9 recently authorized ROEs by RRR -- RRA, excuse me,
10 ranking. Do you see that?

11 A. Yeah. I am looking for that. I am
12 looking at -- there's six pages in DWD Supp 1, right?

13 Q. Yes, correct.

14 A. Okay.

15 Q. Yeah. So -- and you have to turn it a
16 little bit because the header is on one side with the
17 number but --

18 A. Which page and Attachment 1, please?

19 Q. If we could look at page 2 of that
20 exhibit.

21 A. Okay.

22 Q. So you can see this is the document we
23 were just talking about a few moments ago,
24 Dr. Woolridge, that presents data regarding ROEs and
25 capital structures for United States electric

1 utilities going back to January 1, 2018; is that
2 right?

3 A. You know, ma'am, I'm sorry. I am looking
4 at this DWD -- I am looking at Attachment DWD/supp/1.
5 There's six pages to it. I am trying to find the
6 page that lists the peer group and their Value Line
7 data, so I think --

8 Q. Might be on a different -- are you
9 perhaps on -- if you go to the first page of that
10 document, might you be in the supplemental testimony
11 of Mr. D'Ascendis instead of the second supplemental
12 testimony of Mr. D'Ascendis?

13 A. Okay. I think you're right. Okay. Oh,
14 I'm sorry. Okay. Now I have the right one. I
15 apologize.

16 Q. Not a problem. So are you in Attachment
17 1 -- I should say Attachment DWD --

18 A. Okay. Sorry. Yes.

19 Q. Okay. Just to make the record clear, so
20 we are at Attachment DWD-SS-1 to Duke Energy Ohio
21 Exhibit 15.

22 A. Yes.

23 Q. Which is -- okay. And that says in the
24 upper left corner, if you orient the page to the
25 right side up, recently authorized ROEs by RRA

1 ranking.

2 A. Okay.

3 Q. That's correct? That's what you are
4 seeing?

5 A. Yes.

6 Q. Okay. And this is the data we were just
7 talking about a few moments ago. It's ROE and
8 capital structure for electric utilities in the
9 United States since January 1, 2018. Would you agree
10 with that?

11 A. Yes.

12 Q. Okay. So now, if you could go to page 2
13 of this exhibit -- this attachment I should say.

14 A. Okay.

15 Q. And you can see dates in the column --
16 there is a column labeled "Date," right? You can see
17 all the individual dates in which these ROEs were
18 authorized?

19 A. Yes.

20 Q. Okay. And if we go down to November 19,
21 2020.

22 A. Yes.

23 Q. There are two distribution utility ROEs
24 for Rochester Gas and Electric and New York State Gas
25 & Electric Corp. that received authorized returns of

1 8.80 percent; is that right?

2 A. I see that, yes.

3 Q. Okay. And if you go to page 3, same
4 attachment.

5 A. Okay.

6 Q. And if we look at 11 -- November 18,
7 2021, Central Hudson Gas & Electric received an
8 authorized return of 9.00 percent. Do you see that?

9 A. Yes, I do.

10 Q. And two months later on January 20 of
11 2022, Niagara Mohawk Power received a 9.0 percent
12 ROE, correct?

13 A. That's correct.

14 Q. And the most recent authorized ROE for a
15 New York utility is on April 14, 2022 for Orange and
16 Rockland utilities; is that right?

17 A. Yes.

18 Q. And that received a 9.2 percent from the
19 Commission; is that right?

20 A. Yes. I see that, yes.

21 Q. Okay. This is all New York utilities; is
22 that right?

23 A. They are.

24 Q. Okay. We are going to come back to that
25 in just a minute, but I just wanted to talk about

1 that for a moment in the context of where ROEs have
2 been and where they are now even for lower ROE
3 utilities.

4 So let's talk for a moment about your
5 overall analysis with respect to comparable ROEs. I
6 am going to have you -- don't totally close out of
7 Mr. D'Ascendis's second supplemental, we are going to
8 come back to, but if you could turn to your -- your
9 second -- your supplemental direct at page 3.

10 A. Yes.

11 Q. Okay. And on your page 3 you state
12 that -- make sure I can get to the right line here.
13 I am not there yet. I need to get myself to the
14 right spot.

15 On page 3, line 4, you say "OCC's ROE
16 recommendation of 8.84 percent is not out of line
17 with the average authorized ROE for electric
18 distribution companies." Is that -- did I read that
19 correctly?

20 A. Yes.

21 Q. So your comparison point here is electric
22 distribution companies, that's what it says on the
23 page, right?

24 A. Yes.

25 Q. Now, if we turn to page 6 of your second

1 supplement -- I keep saying second supplement. I
2 apologize, your supplemental testimony.

3 A. Yes.

4 Q. And there you say on lines 18 through 20,
5 "I have concluded that Duke's investment risk is very
6 similar to the average of the proxy groups." Is that
7 right?

8 A. That's correct.

9 Q. And the proxy group does not consist of
10 electric distribution companies; is that fair?

11 A. That's correct.

12 Q. Now, on page 7 to 8 of the same piece of
13 testimony including Table 1, just generally for
14 context, here -- are you there, Dr. Woolridge?

15 A. Yes.

16 Q. Okay. There you average ROEs for all
17 types of electric utilities; is that fair? Both
18 elected distribution and vertically integrated
19 utilities?

20 A. That is correct, yes.

21 Q. And you also include gas distribution
22 companies in this particular analysis, right?

23 A. Yes.

24 Q. And this particular analysis is about
25 comparing 30-year treasury yields.

1 A. Yes.

2 Q. Yes. Okay. So one more data point here.
3 We keep going to page 10 and generally refer you to
4 page 10 to 11 including the figure on page 11. Are
5 you there?

6 A. Yeah, I am.

7 Q. Now we are comparing the performance of
8 S&P utility stocks as a whole to the S&P 500 in an
9 effort to show strong demand for utility stocks; is
10 that right?

11 A. Well, I just compare the performance of
12 the S&P utilities and the S&P 500.

13 Q. But by utilities in this case we mean
14 holding companies, the entire entity, not necessarily
15 the regulated in a particular state?

16 A. And all the proxy companies are holding
17 companies, and so those are the ones that trade in
18 the marketplace.

19 Q. Right. Okay. And on page 10 to 11, that
20 continues into Figure 4 on page 12, that's also about
21 holding companies, right?

22 A. Yes.

23 Q. Okay. And those holding conditions might
24 include gas as well as electric operating utilities;
25 is that right?

1 A. They may, yes.

2 Q. And in a number of cases the holding
3 company will have operating utilities across multiple
4 states in which they operate, not just in Ohio; is
5 that right?

6 A. Yes, that's correct.

7 Q. And even if the Duke holding company data
8 was specifically relevant to the electric
9 distribution company, we don't have the specific Duke
10 holding company data on figures 3 and 4 or on these
11 pages of your testimony; isn't that right?

12 A. That's correct.

13 Q. Okay. So now I would like to turn to
14 your supplemental direct at page 12.

15 A. Yes.

16 Q. And here we are going to look at -- find
17 the right spot here -- where you claim that Ohio
18 authorized ROEs have been out of step with national
19 ROEs for the past decade.

20 A. Yes, I see that.

21 Q. Okay. Now, do you believe that that
22 means that the Ohio Public Utilities Commission has
23 been approving rates and ROEs that are not just and
24 reasonable for the past decade?

25 A. Yeah, I'm just looking at the authorized

1 ROEs nationally for just the Ohio, and I would say
2 Ohio where national ROEs went down, authorized --
3 ROEs in Ohio did not with -- with over the decade, so
4 I am just saying that I am making the observation. I
5 am not looking at each case and saying whether they
6 are -- they are, you know, they are not -- they don't
7 meet Hope and Bluefield standards. I am just noting
8 that they are -- they are above what other states are
9 offering -- authorizing.

10 Q. So just to be clear, you are not
11 necessarily here to testify that the Public Utilities
12 Commission of Ohio has specifically been approving
13 rates in ROEs that are not just and reasonable for
14 the past decade, is that right?

15 A. I haven't looked at them, I am just
16 making the observation they are higher than the
17 national averages.

18 Q. Okay. So let's look at your Figure 5 on
19 this testimony which is at page 13 still. Do you see
20 that there?

21 A. Yes.

22 Q. I am going to keep asking you if we are
23 on the same place just because I can't -- I can't
24 tell, so hopefully we can figure it out via the
25 screen here. Now I note in your Figure 5 that it

1 shows that the Ohio Commission recently approved a
2 9.7 percent ROE for Ohio Power in 2021; is that
3 right?

4 A. That's correct.

5 Q. And Duke -- and the Ohio Commission also
6 approved a 9.84 percent ROE for the Duke Energy Ohio
7 in 2018. Do you see that?

8 A. Yes.

9 Q. And are you aware those outcomes, like
10 this one, were both the products of settlements that
11 were approved by the Commission?

12 A. I don't think I knew that.

13 Q. Okay. So are you taking a position that
14 approving these ROEs as part of settlements, the
15 Commission made decisions that did not benefit
16 customers or the public interest?

17 A. I'm just saying they are much higher than
18 the national averages. That's the only observation
19 I'm making.

20 Q. Okay.

21 A. I haven't looked specifically at the case
22 and the settlement, so I don't know all the details
23 of the settlement.

24 Q. The reason I am asking you this question,
25 Dr. Woolridge, is because there is a particular

1 standard for approval of settlements in Ohio, and one
2 relates to whether the settlement is in the public
3 interest.

4 And what I hear you saying, and correct
5 me if I am wrong, is that you are not taking a
6 position on whether the approval of those ROEs and
7 those settlements was in the public interest; is that
8 right?

9 A. I am not making any statements about
10 those cases, that's correct.

11 Q. Okay. And are you making any statements
12 about whether the settlements in those cases,
13 including the ROEs, violated a regulatory principle
14 in Ohio?

15 A. I have not made any observations about
16 those cases.

17 Q. Okay. And from the Figure 5, slightly
18 different question, the 9.5 ROE in the settlement in
19 this case would you agree is 20 basis points lower
20 than an ROE the Ohio Commission just approved for
21 Ohio Power in November of 2021?

22 A. That is correct.

23 Q. Okay. Now, I am going to have you skip
24 around just a little bit and if you could go to page
25 7, so backtracking a little, of your supplemental

1 testimony.

2 A. Yes.

3 Q. Okay. I am going to be looking for you
4 to tell me when you get there. So in your
5 supplemental testimony at page 7, lines 17 through
6 19, you state that between 2018 and 2021, "authorized
7 electric ROEs declined by about 20 basis points,
8 while the 30-year Treasury yield decreased by over
9 150 basis points"; is that right?

10 A. Yes.

11 Q. And your argument is that -- and again I
12 will quote, "authorized ROEs for utilities did not
13 decline as much as the record low interest rates"; is
14 that a fair characterization?

15 A. Yes.

16 Q. Now, your CAPM model uses the 30-year
17 treasury yield as the risk free rate; is that right?

18 A. I do.

19 Q. So for you the 30-year treasury yield is
20 a singular input to the calculation of the CAPM cost
21 of equity calculation, right?

22 A. The 30-year treasury, yes, is part of the
23 CAPM calculation.

24 Q. Okay. But your -- in any event, your
25 recommendation in this proceeding is based primarily

1 on the DCF analysis, not your CAPM analysis; is that
2 right?

3 A. Yes, that's correct.

4 Q. And the DCF, including any adjustments,
5 is based on projected growth rates; is that right?
6 Different model.

7 A. Yes.

8 Q. And the DCF does not include interest
9 rates directly in its calculation, right?

10 A. No, not directly.

11 Q. So your models are not based on simply
12 moving the ROE on a one-for-one basis with current
13 30-year treasury yields, are they?

14 A. No, they are not.

15 Q. Okay. So turning back a little bit
16 further to page 3 of your supplemental direct.

17 A. Yes, I'm there.

18 Q. I would like to turn to your argument
19 that the settlement ROE is too high because average
20 ROE for electric distribution companies in the first
21 half of 2022, the average has been 9.13 percent. Is
22 that a fair characterization of one of your points?

23 A. Yes. I observed where they were in 2020,
24 '21, and '22, 20 -- 2021 and '22, yes.

25 Q. Okay. So but the 9.13 percent that you

1 reference on line 19 is the data from -- what you
2 reference is the first half of 2022; is that right?

3 A. That's correct.

4 Q. And now that's 37 basis points below the
5 stipulated 9.50 percent ROE in this proceeding; is
6 that right?

7 A. Yes.

8 Q. But it's also -- I'm sorry?

9 A. Yes, yes -- I agree.

10 Q. Okay. But it's also 29 basis points
11 above your recommended ROE, right?

12 A. Yes, I agree.

13 Q. Do you know what the median authorized
14 ROE for the period 2018 to 2022 is for electric
15 utilities?

16 A. I don't know that number. I imagine
17 Mr. D'Ascendis has it though.

18 Q. Okay. So let's turn to page 13 because
19 there is a data point on that page that relates to
20 this topic that I don't quite follow, and I want to
21 make sure that we're clear on what you are saying.

22 A. Yes, I'm there.

23 Q. Okay. So looking at Figure 5, you claim
24 that this is comparing Ohio ROEs to national average
25 delivery only ROEs; is that a fair characterization

1 of Figure 5?

2 A. Yes.

3 Q. Now, I don't see a source in your
4 testimony for the blue line in this graph, for the
5 data behind it. Can you point me to where in your
6 testimony you provided the actual data points so that
7 we can test them for accuracy?

8 A. I -- I provided them in my workpapers.

9 Q. Okay. They are not in your testimony
10 itself?

11 A. No, no. They are in my workpapers. I
12 mean, the source is the same source that
13 Mr. D'Ascendis used. It's Regulatory Research
14 Associate, S&P, Cap IQ. They changed their name, but
15 we used the same source.

16 Q. Okay. It's just not listed in your
17 testimony directly, so I just wanted to make sure I
18 understood where the data was coming from and how we
19 could compare it. So looking at this blue line in
20 Figure 5 and where it ends in 2022, that seems to be
21 squarely at the 9.0 percent line; is that right?

22 A. That's -- that looks like it is. As it
23 turns out, while I was preparing my testimony, the
24 newer data came out, so I don't know if that data
25 made that -- that graph because I think I was

1 preparing this in the middle of July, and the S&P
2 came out, so I got the number -- the 9.1 -- what is
3 it? The 9.13 number for 2022, but that graph is
4 probably made prior to that where I just had the
5 first quarter.

6 Q. Okay. So you were preparing a graph
7 that's in testimony contesting the settlement back in
8 July of this year?

9 A. This data came out in the middle of -- I
10 mean, first of all, I think I spent three different
11 months preparing this testimony, kind of got pushed
12 back. But that data is published probably sometime
13 in late July, early August which is --

14 Q. Okay.

15 A. So I would say the data that I get was
16 correct. The graph had probably not been updated at
17 that point because it was in the process of going
18 back and forth with attorneys, that sort of thing.

19 Q. Okay. So when it says national average
20 delivery only authorized ROEs decline to 9.0 percent
21 in the text box in Figure 5, that too would need to
22 be updated; is that right?

23 A. The text is okay. Just the graph hasn't
24 been updated.

25 Q. Okay. But we just discussed that you

1 said average electric distribution only utility ROEs
2 in 2022 averaged 9.13 percent, didn't they?

3 A. Yes. And the first quarter was 9.0.

4 Q. Okay. So again, the text box would need
5 to be updated as well as the data points in the
6 graph, right?

7 A. What would have to be updated?

8 Q. The text box at the bottom below the blue
9 line --

10 A. Oh, yes. I'm sorry. You're right. I'm
11 sorry. I missed your reference there. Okay.

12 Q. Okay.

13 A. I agree.

14 Q. Now, the header of this Figure 5 states
15 that this figure is "Authorized ROEs for Ohio
16 Electric Utilities." Did you see that?

17 A. Yes.

18 Q. But I see that the fourth text box at the
19 bottom of the figure -- or, excuse me, below the
20 header includes a separate data point for a Duke gas
21 ROE; is that right?

22 A. I'm sorry. I am missing your point.

23 Q. Sure. If you look at the text boxes
24 across the top of this graph in Figure 5, that shows
25 ROE outcomes for various utilities.

1 A. Yes.

2 Q. The fourth box from the left is for Duke
3 C-12-1685-GA-AIR. I think I read that correctly.

4 A. Yes, yes.

5 Q. That's a gas utility ROE, is it not?

6 A. I believe so, yes.

7 Q. Okay. Now, I also notice that while this
8 graph implies that you are plotting specific data
9 points for annual national averages on the blue line,
10 your text boxes along the top don't align with the
11 ROEs on the Y axis. And by that I mean isn't it
12 correct, for example, that this 9.84 percent text box
13 is at the top of the Y axis rather than aligned with
14 where 9.84 would appear on the graph?

15 A. Yeah. It wasn't exact -- they aren't
16 exactly. They are just kind of ballpark where they
17 are, but you are right. I would agree all those
18 boxes are above the numbers that -- the ROE numbers,
19 I agree with that.

20 Q. Okay. I just wanted to ask because it
21 has the sort of visual effect of widening any
22 perceived gap, so it's helpful to understand what we
23 are looking at there.

24 A. I agree. That wasn't done intentional,
25 but I agree with you. Probably they should be moved

1 down.

2 Q. Okay. Thank you. Now, your 9.13 percent
3 data point is from your direct testimony at page 20
4 initially; is that right? Do you recall that?

5 A. I'll -- I'll agree, subject to check,
6 yes.

7 Q. Okay. So when you -- we talked earlier
8 about your comment that 9.13 percent was for the
9 first half of 2022. I am wondering did you literally
10 mean through June of 2022, or does your data end at
11 some other month in 2022?

12 A. It included things that were -- that were
13 published by S&P in their mid-year report, so it came
14 out late July, early August, but it would be cut off
15 at June 30.

16 Q. Okay. Now, could you go back to page 3
17 of your supplemental direct testimony, please?

18 A. Yes.

19 Q. And there on lines 12 through 14, you say
20 "Mr. D'Ascendis tries to make the point that the
21 settlement ROE of 9.50 percent is not significantly
22 different than those approved by state commissions
23 for electric distribution companies. However, Dr. --
24 Mr. D'Ascendis's analysis is dated." Did I read that
25 correctly?

1 A. That's correct.

2 Q. Now, that 9.13 percent ROE is the average
3 of three data points from 2022; is that right?

4 A. Yes.

5 Q. And those three data points, as you said,
6 are from the first half roughly of 2022; is that
7 correct?

8 A. Yes.

9 Q. And Mr. D'Ascendis's data that we just
10 looked at in his Attachment DWD-SS-1 to his second
11 supplemental testimony includes data through at least
12 May 23 of 2022; is that right?

13 A. I'll accept that, subject to check, yes.

14 Q. Okay. My point is it's basically the
15 same time frame as the data point of the 9.13 that
16 you are using as your benchmark for 2022; is that
17 right?

18 A. Yes, generally.

19 Q. Okay. So do you recall, Mr. -- or,
20 Dr. Woolridge, I apologize if I call you Mr., I will
21 try not to, but would you agree with me that the 9.13
22 average for 2022 is comprised of two 9.0 ROEs from
23 New York and one 9 -- I'm sorry, two -- an ROE from
24 New York of 9.0 and one of 9.2 and one from New
25 Hampshire at 9.2? Does that ring a bell?

1 A. I believe that's correct, yes.

2 Q. Okay. And that's only three data points
3 for electric distribution utilities in the first half
4 of 2022, right?

5 A. Yes.

6 Q. Now, isn't it true, Dr. Woolridge, that
7 the data in Mr. D'Ascendis's Attachment 1 to the
8 second supplemental testimony shows that from January
9 1, 2018, until April of 2022, no New York electric
10 distribution ROE was above 9.0 percent; is that
11 right?

12 A. I don't know. I'll accept that, subject
13 to check.

14 Q. Okay. We just talked about the fact that
15 New York did have a 9.2 ROE earlier in 2022, right?
16 Do you recall that discussion today?

17 A. Yes.

18 Q. Okay. So I told you I was going to ask
19 you to go back to Mr. D'Ascendis's Attachment 1. If
20 you could turn to that for a moment, please.

21 A. Which is what? His original testimony?

22 Q. No, the same one we looked at before.

23 A. Okay.

24 Q. Second supplemental direct at Attachment
25 DWD-SS-1.

1 A. Yes.

2 Q. So if you start -- start at the -- at
3 page 3 of 6, which is the end of the ROE data. Do
4 you have that there?

5 A. Which page again?

6 Q. Page 3.

7 A. Page 3, okay. Yeah.

8 Q. Yep. So we talked about the 9.2 and the
9 9.2 and the 9.0 which are the last three distribution
10 only utilities on page 3. Do you see that?

11 A. Yes, uh-huh.

12 Q. And if we go to add a few additional data
13 points from -- just to have a little bit broader
14 array, in mid-December of 2021, there is an electric
15 distribution company in New Jersey that was
16 authorized an ROE of 9.60 percent. Do you see that?

17 A. I do see that, yes.

18 Q. And also in 2021, if we keep moving up,
19 we can see that there is a 9.35 for Maine and a 9.60
20 for Delaware. Do you see that?

21 A. I do, yes.

22 Q. And there is a 9.60 for New Jersey and a
23 9.55 for Maryland. You might need to flip --

24 A. Yes.

25 Q. You see that. Okay. Okay. Now, if we

1 could please go back to your supplemental direct
2 testimony at page 9.

3 A. Yes.

4 Q. Now, we are on line 1 of page 9 where it
5 states that "Mr. D'Ascendis disputes my statement
6 that interest rates are still at historically low
7 levels by noting that interest rates are at levels
8 not seen since 2014." Did I read that correctly?

9 A. That's correct.

10 Q. Then you go on to say in that same
11 segment of your testimony in Figure 2, "I show the
12 yields on 10-year treasury yields since 20" -- excuse
13 me, "since 1953," right?

14 A. Yes.

15 Q. Now on the remainder of this page and in
16 Figure 2, you are discussing 10-year treasury yields;
17 is that right?

18 A. Yes.

19 Q. So I would like to turn to what
20 Mr. D'Ascendis actually said to compare to how you
21 portrayed it here. So going back to Mr. D'Ascendis's
22 same piece of testimony we have been looking at at
23 page 9. It is second supplemental testimony, Duke
24 Exhibit 15 for the record.

25 A. Yes.

1 Q. Okay. And at -- oh, I'm sorry. I
2 misdirected you. I meant to say page 11, not page 9.

3 A. Okay. Yes, I'm there.

4 Q. Okay. Now, if we look at what Dr.
5 D'Ascendis says here, he didn't say that interest
6 rates are at levels not seen since 2014 generally,
7 but rather he said, starting on line 16, "As shown on
8 page 1 of Dr. Woolridge's Exhibit JRW-2, current
9 A-rated public utility bond yields at are levels last
10 seen in 2011, and as shown on page 2 of
11 Dr. Woolridge's Exhibit JRW-8, 30-year treasury bonds
12 are at levels last seen in 2018. The closing 30-year
13 treasury bond yield of 3.40 percent on September 7,
14 2022, is similar to interest rates last seen in
15 2014." Did I read his testimony correctly?

16 A. You did.

17 Q. And so he is talking about three
18 different data points there, right?

19 A. Yes, he is.

20 Q. And the one that relates to 30-year --
21 that relates to 2014 is actually about 30-year
22 treasury bond yields, not 10-year treasury bond
23 yields, right?

24 A. Yes.

25 Q. Now, do you use 10-year treasury yields

1 in your CAPM analysis, Dr. Woolridge?

2 A. No. But in Figure 2, I use 10. I was
3 trying to find a long series of interest rates.
4 That's the reason I used -- the longest series I
5 could find was a 10-year. 30 years, I couldn't find
6 30 years, so I -- the only reason I used 10 years in
7 that example is because of trying to get data back in
8 long -- long historic time period.

9 Q. Okay.

10 A. That's the only reason I used 10.

11 Q. Sorry. I didn't mean to interrupt. So
12 we have you talking about 10-year treasury yields and
13 Dr. -- Mr. D'Ascendis is talking about 30-year
14 treasury yields.

15 Okay. So now if we could please turn to
16 your direct testimony, Dr. Woolridge, so this would
17 be your OCC Exhibit 2. And I will ask you to turn to
18 page 19. Let me know when you are there, please.

19 A. I'm there.

20 Q. Okay. On lines 3 to 5, you say that
21 average electric ROEs in 2014 were 9.76 percent; is
22 that right?

23 A. Yes.

24 Q. And if we look at your Figure 5 in your
25 direct testimony on this same page, 19, we can see

1 that the blue line for electric utility ROEs never
2 dipped below 9.5 percent, and actually it was closer
3 to 9.75 percent throughout 2014; is that right?

4 A. I believe so, yes.

5 Q. And so if we go back up to your average
6 data on the same page, you note that average ROEs in
7 2018, another time frame Mr. D'Ascendis referenced,
8 were 9.56 percent; is that right?

9 A. Yes, uh-huh.

10 Q. And again, if we look at Figure 5, in
11 2018, the blue line never touches or dips below that
12 9.5 percent mark, right?

13 A. Yes.

14 Q. Now, your narrative doesn't speak to
15 average electric utility ROEs in 2011 in the words,
16 but if we look at Figure 5, would you agree it's fair
17 to say that the same blue line shows that ROEs in
18 2011 never dipped below 10.0 percent?

19 A. That's right, yes.

20 Q. Okay. So I would like to change subjects
21 from this point, Dr. Woolridge.

22 A. Those are authorized ROEs for electric
23 utilities. They include vertically integrated and
24 distribution only.

25 Q. Understood. Thank you. Let's talk about

1 cap structure briefly, if we could. Staying in your
2 direct testimony for a moment, would you please turn
3 to page 5?

4 A. I'm there.

5 Q. And on lines 14 through -- oh, yeah, on
6 lines 14 through 17 or so, you say "I have adjusted
7 the capital structure ratios to be more reflective of
8 the capital structures of other publicly held
9 electric distribution companies. This capital
10 structure includes a common equity ratio of 50.00
11 percent." Did I read that correctly?

12 A. That's correct.

13 Q. And that's the same equity ratio you
14 support in your settlement testimony or supplemental
15 testimony; is that right?

16 A. That's correct.

17 Q. And you consider this 50.00 percent ratio
18 to be of "very small" difference from the settled
19 50.50 percent equity ratio; is that right?

20 A. Yes, I agree.

21 Q. Okay. Now, we just talked about the fact
22 your adjusted equity ratio -- or that you adjusted
23 the equity ratio to be more reflective of publicly
24 held electric distribution companies, your range of
25 39.57 percent to 40.85 percent common equity ratios

1 actually pertains to Duke Energy Corporation, the
2 parent, under the parent holding companies, right?

3 A. Yeah. I talk about the parent holding
4 company and its capital structure because obviously
5 we are using the holding companies that estimate the
6 cost of equity capital, so the appropriate comparison
7 would be the comparison proposed by Duke compared to
8 the -- whatever the holding companies have, because
9 we are using their -- their capital structures and
10 their -- their stock to estimate the cost of equity
11 capital.

12 Q. I understand that's your -- I understand
13 that's your position, Dr. Woolridge. I just am
14 asking what data you are comparing to, and I think we
15 can agree it's the holding company data in general
16 for your cap structure comparison.

17 A. Yes, I agree.

18 Q. Okay. Now, on page 6 of your
19 supplemental testimony, and you say the same thing in
20 your direct, feel free to pull it up though, you
21 stated that -- you highlighted the fact that the
22 parent company has more debt than proposed for Duke
23 which is evidence of double leverage. Do you need
24 me --

25 A. Yes.

1 Q. -- to point you to a location?

2 A. No. That's okay.

3 Q. Okay. I'm going to have to ask you to
4 wait to finish answering until I finish my questions
5 so we don't mess up the transcript here. I will try
6 to do the same. I am not always perfect at it.

7 So for your proposition that the parent
8 company has more debt than proposed for Duke being
9 evidence of double leverage, you point to two items
10 on page 6 of your direct. Your own direct -- excuse
11 me. You said two things in your supplemental, one
12 being your own direct testimony and then the second
13 is you take us through Moody's investment or service
14 publication; is that right?

15 A. Yes.

16 Q. So I would like to talk about this
17 evidence of double leverage. So, first of all, you
18 quote basically the same block paragraphs from the
19 Moody's article in both your direct and supplemental
20 direct testimony, right?

21 A. Yes.

22 Q. And that's what we see kind of in block
23 quotes at the bottom of page 4 through page 5 of your
24 testimony -- your supplemental testimony; is that
25 right?

1 A. Yes.

2 Q. Okay. So on the bottom of page 4 of your
3 supplemental testimony -- let me know when you are
4 there.

5 A. I'm there.

6 Q. You quote a portion of the Moody's
7 average that says "U.S. utilities use leverage at the
8 holding-company level to invest in other businesses,
9 make acquisitions and earn higher returns on equity.
10 In some cases, an increase in leverage at the parent
11 can hurt the credit profiles of its regulated
12 subsidiaries." Did I read that correctly?

13 A. Yes.

14 Q. Okay. So a couple questions about this.
15 First of all, this just says factually that U.S.
16 utilities use leverage at the holding company to
17 invest in other businesses at times; is that right?

18 A. It does.

19 Q. It doesn't specify particular amounts or
20 individual utilities that are -- where this is an
21 issue, does it?

22 A. That's correct.

23 Q. And then in this same place, the same
24 portion of this article, it says an increase in
25 leverage can hurt credit profiles of subsidiaries.

1 It doesn't say necessarily a specific fact of
2 leverage or an amount of leverage, right?

3 A. No, it doesn't.

4 Q. Okay. And then it says that this can
5 hurt the regulated subsidiary, not necessarily that
6 it will hurt the regulated utility. Again, quoting
7 that correctly?

8 A. Yes.

9 Q. So skipping to page 5, the next time you
10 start talking through this article, at the last block
11 quote When Moody's talks about the potential risks of
12 double leverage down the road, it says the risk is
13 "if regulators were to ascribe the debt at the parent
14 level to the subsidiaries or adjust the authorized
15 return on equity"; is that right?

16 A. That's correct.

17 Q. So the risk Moody's is referencing in
18 this particular quote is not one to customers of
19 double leveraging itself, but rather the risk of
20 regulators applying the parent company's debt levels
21 to the operating utility's capital structure or ROE,
22 right?

23 A. I don't think so. I mean -- I mean,
24 obviously the previous paragraph talks about the
25 credit profiles so, you know, so the one on page -- I

1 guess that's page 4 talked about the parent company
2 credit profiles or the debt at the parent level. So
3 on -- and on the second paragraph it talked about
4 how, you're right, if utility regulators recognized
5 double leverage, then it could -- it could hurt the
6 parent companies.

7 Q. Okay. So that assumes double leverage is
8 naturally an issue for the particular utility in
9 question. Are you aware, Dr. Woolridge, the
10 difference between the stand-alone regulatory
11 principle and determining a utility's cost to capital
12 versus the double leverage approach?

13 A. I'm aware that people use that argument.
14 I don't know where it comes from.

15 Q. Oh, okay. That's -- okay. Isn't it
16 true, Dr. Woolridge, that Duke Energy Ohio issues its
17 own debt without guarantees?

18 A. Yes.

19 Q. Isn't it also true that Duke Energy Ohio
20 has its own bond rating?

21 A. Yes, it does, but obviously the parent --
22 the amount of debt the parent has has a big impact on
23 them.

24 Q. And the amount of equity at the parent --
25 or that the utility has also makes a difference,

1 doesn't it?

2 A. Oh, it does; but, I mean, obviously the
3 impact of the parent is significant.

4 Q. So that leaves the question of whether
5 Duke Energy Ohio is asking for a cap structure
6 consistent with those approved in the jurisdiction.
7 Now, isn't it true, Dr. Woolridge, if you know, the
8 Public Utilities Commission of Ohio has recently
9 approved a 54.43 percent equity ratio for ALP -- AEP?

10 A. I am not familiar with that. Yeah, I am
11 not familiar with that.

12 Q. So you don't know that's a settlement for
13 AEP to which OCC signed on?

14 A. I am not, no.

15 Q. Okay. Isn't it also true, if you know,
16 Dr. Woolridge, that Duke Energy Corp. has multiple
17 utility subsidiaries in addition to Duke Energy Ohio,
18 some of which are not regulated?

19 A. Yes, I know.

20 Q. And isn't it also true that Duke Energy
21 Corporation isn't obligated to invest in any of its
22 subsidiaries at any particular level, is it?

23 A. No.

24 Q. And, in fact, Duke Energy Corporation has
25 an incentive on behalf of its investors to make

1 decisions about where to invest funds among its
2 subsidiaries in order to achieve reasonable returns,
3 right?

4 A. Well, obviously Duke is managing a -- a
5 lot of subsidiaries, so they have to allocate capital
6 to where they see it's fit.

7 Q. Okay. And isn't it also true that the
8 subsidiaries, and particularly the regulated
9 operating utility subsidiaries of Duke Energy Corp.,
10 have different bond rates and cost structures?

11 A. Yeah. I think their bond ratings are
12 generally similar. I've looked at several different
13 ones, but they are generally similar.

14 Q. But they operate, don't they,
15 Dr. Woolridge, in different states with different
16 cost recovery mechanisms, different regulatory
17 environments, infrastructure programs, et cetera,
18 that might affect their individual risk levels?

19 A. Oh, yeah. Again, the proxy companies --
20 that's part of the thing you deal with proxy
21 companies. They are not on -- they won't be
22 identical. You have to use things like credit
23 ratings to see if they can stay in the same ballpark
24 with respect to risk.

25 Q. Okay. If we were to use the double

1 leveraging approach that you recommend taking to its
2 natural conclusion, we would be applying the same
3 cost of capital to every subsidiary of Duke Corp.,
4 wouldn't we?

5 A. Well, I haven't used double leverage. I
6 am just recognizing that -- what it is, what it's
7 recognized by the credit rating agencies. I haven't
8 used any specific double leverage, but I've just
9 recognized it as existing here.

10 Q. Okay. Thank you. That's helpful. So
11 when we understand that Duke Energy has multiple
12 subsidiaries and operating company utilities, isn't
13 it correct that to know which Duke Energy electric
14 distribution business or extent to which Duke Energy
15 Ohio's electric distribution business was using any
16 kind of double leverage, we would need to show
17 specifically how much debt equity was infused into
18 the distribution business, or at least into DEO as a
19 whole, right?

20 A. I don't understand your -- the point you
21 are making there.

22 Q. Okay. Let me rephrase it or maybe ask
23 you a little simpler question. In order to know
24 whether double leverage was happening or the extent
25 of double leverage, we would need to know how much

1 debt the parent company was infusing right down to at
2 least Duke Energy Ohio, if not the electric
3 distribution business, correct?

4 A. The fact that Duke Energy -- Duke Energy,
5 the parent, has a much lower equity ratio than Duke
6 Energy Ohio in itself is evident that there's double
7 leverage because they don't have identical capital
8 structures.

9 Q. I understand they don't have identical
10 capital structures, Dr. Woolridge. But my question
11 is because there are multiple entities within Duke,
12 to understand whether or not Duke Energy Ohio was
13 actually double leveraged, you would have to compare
14 how the parent company was using its leverage across
15 the multiple utilities, wouldn't you?

16 A. Yeah. You would have to look at their --
17 but obviously, again, on the surface, it certainly
18 appears, but that -- you know, because obviously they
19 are not asking for the same capital structure as the
20 parent. They are asking for Duke Energy Ohio's
21 capital structure.

22 Q. Okay. I understand that's your point on
23 the surface, but we don't have a record of specific
24 sources of debt infused or dividends paid back to
25 Duke Energy or any of the specific details that we

1 would need to determine whether there was double
2 leverage happening with Duke Energy Ohio and in its
3 electric distribution business, do we?

4 A. Okay. I would agree to an extent. I
5 haven't traced all that. I am just making a general
6 statement, but I agree with you.

7 Q. Okay. Okay. Thank you. And last
8 question I have is in your supplemental direct
9 testimony, and again, I am just referring generally,
10 if you need a page reference, I am happy to point,
11 but, Dr. Woolridge, you make the argument that the
12 settlement violates regulatory principles prong three
13 of the Commission's three-part test because it
14 results in rates to consumers that are not just and
15 reasonable; is that a fair characterization of your
16 testimony?

17 A. Yes.

18 Q. Okay. Did you conduct any particular
19 evaluation of the actual customer rates that result
20 from the settlement as opposed to the capital
21 structure or ROE?

22 A. I have not put a dollar amount on it --

23 Q. Okay.

24 A. -- in terms of the settled versus OCC's
25 position. I haven't put a dollar amount on it, no.

1 MS. BRAMA: Okay. Thank you. That's all
2 I have.

3 EXAMINER SANDOR: Okay. Any additional
4 cross?

5 Okay. Hearing none, any redirect from
6 OCC?

7 MS. O'BRIEN: Yes, just briefly. If I
8 could just have one moment.

9 EXAMINER SANDOR: Yes.

10 MS. O'BRIEN: We can all stay on camera.
11 I just need to find something.

12 EXAMINER SANDOR: Yeah. Just take a
13 moment.

14 MS. O'BRIEN: Okay. I think I'm ready.

15 EXAMINER SANDOR: Okay. Go ahead.

16 - - -

17 REDIRECT EXAMINATION

18 By Ms. O'Brien:

19 Q. Okay. Just briefly, Dr. Woolridge, do
20 you recall some questions by Ms. Brama regarding the
21 settlement in the Ohio Power Company case or AEP rate
22 case?

23 A. Yeah. I believe -- I mean, yeah, I think
24 I do remember the one. The AEP or most recent one, I
25 wasn't aware of.

1 Q. Okay. And I believe -- do you recall
2 questions regarding the return on equity and the
3 capital structure that was adopted in that case as a
4 result of the settlement?

5 A. I believe I knew that the RO -- the
6 capital structure Ms. Brama mentioned to me, but I
7 don't remember her saying anything about the ROE.

8 Q. Okay. Well, with respect to -- with
9 respect to the provisions in the AEP settlement or
10 the Ohio Power settlement -- if I say AEP you'll
11 recognize it's Ohio Power Company, right?

12 A. Yes.

13 Q. Okay. Would you -- are you aware of any
14 provisions in that settlement that would justify
15 perhaps a higher return on equity, for example,
16 consumer friendly provisions?

17 A. I really do not. I haven't reviewed that
18 case. I mean, obviously settlements involve give and
19 take on different factors and that's kind of a
20 generic statement about settlements. But, no, I am
21 not familiar with the specifics of that case.

22 Q. Okay. Would -- I mean, in your opinion
23 if a settlement had a higher return on equity or a
24 different capital structure than what you recommend,
25 would those ROEs and capital structures -- could they

1 be offset by more consumer friendly -- provisions of
2 the settlement?

3 MS. BRAMA: Objection. Calls for
4 speculation. The witness has already said he doesn't
5 know anything about this settlement particularly.

6 MS. O'BRIEN: I am asking in general.

7 EXAMINER SANDOR: I will allow this
8 question, and then we will see where this goes.

9 A. I agree. I mean, as I said, in any
10 settlement there is a give and take on different
11 factors, one being ROE capital structure and another
12 thing could be with respect to rate -- other things.
13 Many different elements of utility ratemaking which,
14 you know, certain factors may be -- may be friendly
15 to the consumers' side if the ROE is not, but that's
16 a general statement. Everybody -- Mr. D'Ascendis and
17 I, that's something we could agree on, there is give
18 and take in settlements.

19 MS. O'BRIEN: Sure. And thank you so
20 much, Dr. Woolridge. That's all I have.

21 EXAMINER SANDOR: Okay. Any recross on
22 that?

23 MS. BRAMA: No, your Honors.

24 EXAMINER SANDOR: Okay. Thank you.

25 You are excused, Mr. Woolridge. Thank

1 you for joining us.

2 THE WITNESS: Thank you. I want to thank
3 you very much for accommodating me today. I very
4 much appreciate it.

5 EXAMINER SANDOR: No problem. Thanks for
6 joining. Enjoy the rest of your day.

7 Okay. OCC, your exhibits.

8 MS. O'BRIEN: Okay. Yes, your Honor. At
9 this time I would like to move for admission of
10 what's been previously marked as OCC Exhibit No. 1.

11 EXAMINER SANDOR: Any objections to its
12 admission?

13 Hearing none, OCC Exhibit 1 is admitted.

14 (EXHIBIT ADMITTED INTO EVIDENCE.)

15 MS. O'BRIEN: And also at this time I
16 would like to move for admission of what's been
17 marked as OCC Exhibit 2.

18 EXAMINER SANDOR: Any objections?

19 Okay. Hearing none, OCC Exhibit 2 is
20 also admitted into the record.

21 (EXHIBIT ADMITTED INTO EVIDENCE.)

22 EXAMINER SANDOR: Thank you, Ms. O'Brien.

23 MS. O'BRIEN: Thank you.

24 EXAMINER SANDOR: All right. I believe
25 we are heading next to beginning some Staff

1 witnesses. So, Staff, if you would like to go ahead.

2 MR. EUBANKS: Yes, your Honor. Before I
3 call anyone to the stand, I would first like to
4 request for the Staff Report to be marked as Staff's
5 Exhibit 1.

6 EXAMINER SANDOR: So marked.

7 (EXHIBIT MARKED FOR IDENTIFICATION.)

8 MR. EUBANKS: And if there is no
9 opposition from the parties, I would like to have the
10 Staff Report moved into evidence.

11 EXAMINER SANDOR: Let's just keep it
12 until all the Staff witnesses go, if that's okay.

13 MR. EUBANKS: Okay.

14 EXAMINER SANDOR: We will have it marked
15 though.

16 MR. EUBANKS: Okay. At this time I would
17 like to call to the stand James Zell.

18 MR. SCHMIDT: We have no Mr. Zell
19 connected at the moment.

20 EXAMINER SANDOR: I think he is showing
21 on the screen now.

22 MR. ZELL: Can you see me? Can you hear
23 me?

24 EXAMINER SANDOR: Yes, we can see and
25 hear you.

1 MR. ZELL: Okay.

2 EXAMINER SANDOR: All right. Please
3 raise your right hand.

4 (Witness sworn.)

5 EXAMINER SANDOR: All right. Thank you.

6 - - -

7 JAMES ZELL

8 being first duly sworn, as prescribed by law, was
9 examined and testified as follows:

10 DIRECT EXAMINATION

11 By Mr. Eubanks:

12 Q. Hello, sir. Could you state and spell
13 your name for the record.

14 A. Yes. It's James Zell, J-A-M-E-S, Z, as
15 in zebra, E-L-L.

16 Q. And your position with Staff?

17 A. I am an Administrator in the Financial
18 Analysis Section of the Rates and Analysis
19 Department.

20 Q. And did you prepare testimony for this
21 case?

22 A. Yes, I did.

23 Q. Did you docket it with the Commission?

24 A. Yes, I did.

25 MR. EUBANKS: I would like to have marked

1 as Staff's Exhibit 2 the testimony of James Zell that
2 was docketed with the Commission.

3 EXAMINER SANDOR: So marked.

4 (EXHIBIT MARKED FOR IDENTIFICATION.)

5 Q. (By Mr. Eubanks) Would you like to make
6 any changes or corrections to your testimony?

7 A. No.

8 Q. If I were to ask you the same questions
9 that can be found in your testimony, would you
10 provide the same answers?

11 A. Yes, I would.

12 MR. EUBANKS: And with that I have no
13 further questions for the witness. I would like to
14 ask that Staff's Exhibit 2 be admitted into the
15 record, subject to cross-examination.

16 EXAMINER SANDOR: Thank you.

17 OCC.

18 MS. O'BRIEN: Your Honor, OCC has no
19 cross for Mr. Zell.

20 EXAMINER SANDOR: Okay. Very well. I'm
21 assuming no cross from anyone else.

22 Okay. So, Staff, you have already moved
23 for admission, subject to cross. Any objections to
24 admitting Staff Exhibit 2, direct testimony of
25 Mr. Zell?

1 MS. O'BRIEN: None from OCC.

2 EXAMINER SANDOR: Okay. Hearing none, so
3 admitted.

4 (EXHIBIT ADMITTED INTO EVIDENCE.)

5 EXAMINER SANDOR: Thank you, Mr. Zell,
6 for popping on for a second.

7 Staff may call your next witness.

8 MR. MARGARD: Thank you, your Honor. I
9 have the privilege of offering our next witness.
10 Staff would call Annie Baas.

11 MR. SCHMIDT: Ms. Baas, you've been
12 promoted to the role of panelist. If you could
13 enable your audio and video.

14 MS. BAAS: Okay. I think it should be
15 working.

16 EXAMINER WALSTRA: Can you raise your
17 right hand?

18 (Witness sworn.)

19 EXAMINER WALSTRA: Thank you.

20 Go ahead, Mr. Margard.

21 MR. MARGARD: Thank you, your Honor. I
22 would respectfully request the prefiled testimony of
23 Annie Baas filed in the docket on October 3 of 2022
24 be marked for purposes of identification as Staff
25 Exhibit No. 3.

1 EXAMINER WALSTRA: So marked.

2 (EXHIBIT MARKED FOR IDENTIFICATION.)

3 MR. MARGARD: Thank you.

4 - - -

5 ANNIE BAAS

6 being first duly sworn, as prescribed by law, was
7 examined and testified as follows:

8 DIRECT EXAMINATION

9 By Mr. Margard:

10 Q. Please state your name and business
11 address, please.

12 A. Annie Baas, 180 East Broad Street,
13 Columbus, Ohio 43215.

14 Q. And by whom are you employed and in what
15 capacity, please?

16 A. I am employed by the PUCO. I am a
17 Utility Specialist within the Rates and Analysis
18 Department.

19 Q. Do you have before you what has now been
20 marked as Staff Exhibit No. 3?

21 A. Yes, I do.

22 Q. Can you identify that for us, please?

23 A. It is my testimony.

24 Q. And was that prepared by you or at your
25 direction?

1 A. Yes, it was.

2 Q. And have you had an opportunity to review
3 that document prior to taking the stand today?

4 A. Yes.

5 Q. And do you have any changes, corrections,
6 or amendments of any kind to that document?

7 A. No.

8 Q. If I were to ask you the questions
9 contained in that document today, would your
10 responses be the same?

11 A. Yes.

12 Q. And in your opinion, are those responses
13 true and reasonable?

14 A. Yes.

15 MR. MARGARD: Your Honor, I respectfully
16 move for the admission of Staff Exhibit No. 3,
17 subject to cross-examination, and tender the witness.

18 EXAMINER WALSTRA: Thank you.

19 OCC, go ahead.

20 MS. O'BRIEN: OCC has no cross for
21 Ms. Baas.

22 EXAMINER WALSTRA: Thank you.

23 Thank you, Ms. Baas. You're excused.

24 MR. MARGARD: And I renew my motion.

25 EXAMINER WALSTRA: Any objections to the

1 admission of Staff Exhibit 3?

2 MS. O'BRIEN: No objection from OCC.

3 EXAMINER WALSTRA: Thank you. It will be
4 admitted.

5 (EXHIBIT ADMITTED INTO EVIDENCE.)

6 EXAMINER WALSTRA: Staff, you may call
7 your next witness.

8 MR. MARGARD: Thank you, your Honor.
9 Staff would call Barbara Bossart, please.

10 MR. SCHMIDT: Ms. Bossart, you have been
11 promoted to the role of panelist. If you could
12 enable your audio and video.

13 MS. BOSSART: Hello? Is it working?

14 EXAMINER SANDOR: Yes, we can hear you.
15 Please raise your right hand.

16 (Witness sworn.)

17 EXAMINER SANDOR: Thank you.

18 You may proceed.

19 MR. MARGARD: Thank you, your Honor. I
20 would respectfully request that the testimony in
21 response to objections to the Staff Report of Barbara
22 Bossart filed in the docket on October 3 of 2022, be
23 marked for purposes of identification as Staff
24 Exhibit No. 4.

25 EXAMINER SANDOR: So marked.

(EXHIBIT MARKED FOR IDENTIFICATION.)

- - -

BARBARA BOSSART

being first duly sworn, as prescribed by law, was
examined and testified as follows:

DIRECT EXAMINATION

By Mr. Margard:

Q. Would you state your name and business
address?

A. My name is Barbara Bossart. My business
address is 180 East Broad Street, Columbus, Ohio
4323 -- 43215.

Q. And by whom are you employed and in what
capacity, please?

A. I am employed by the Public Utilities
Commission of Ohio, and I am the Chief of the
Liability and Service Analysis Division in the
Service Monitoring and Enforcement Department.

Q. Thank you. Do you have before you what
has now been marked as Staff Exhibit No. 4?

A. Yes.

Q. And can you identify that for us, please?

A. My testimony to the objections filed in
the Duke case.

Q. And was this prepared by you or at your

1 direction?

2 A. Yes.

3 Q. And have you had an opportunity to review
4 this document prior to taking the stand today?

5 A. Yes.

6 Q. And do you have any changes, corrections,
7 or amendments of any kind to make to this document?

8 A. No, I do not.

9 Q. And if I were to ask you the questions in
10 this document, would your responses today be the
11 same?

12 A. Yes.

13 Q. And in your opinion, are they true and
14 reasonable?

15 A. Yes.

16 MR. MARGARD: Thank you.

17 Your Honor, I respectfully move for the
18 admission of Staff Exhibit No. 4, subject to
19 cross-examination, and tender the witness.

20 EXAMINER SANDOR: OCC.

21 MS. O'BRIEN: OCC has no cross for
22 Ms. Bossart.

23 EXAMINER SANDOR: Okay. All right. Rule
24 on Staff's motion. Any objections to admitting Staff
25 Exhibit 4 into the record?

1 MS. O'BRIEN: No objection from OCC.

2 EXAMINER SANDOR: Okay. Hearing none,
3 Staff Exhibit 4 is admitted.

4 (EXHIBIT ADMITTED INTO EVIDENCE.)

5 EXAMINER SANDOR: And you are excused,
6 Ms. Bossart.

7 MR. MARGARD: Thank you, your Honor. I
8 believe Mr. Lyons has the next witness.

9 EXAMINER SANDOR: Thank you.

10 MR. LYONS: Your Honor, I would like to
11 call Craig Smith to the stand, please.

12 MR. SCHMIDT: Mr. Smith, you have been
13 promoted. If you can enable your audio and video.

14 MR. SMITH: Is it working?

15 MR. LYONS: Yes.

16 EXAMINER WALSTRA: Yes. If you could
17 raise your right hand.

18 (Witness sworn.)

19 EXAMINER WALSTRA: Thank you.

20 Go ahead, Mr. Lyons.

21 - - -

22 CRAIG SMITH

23 being first duly sworn, as prescribed by law, was
24 examined and testified as follows:

25 DIRECT EXAMINATION

1 By Mr. Lyons:

2 Q. All right, Mr. Smith. Could you please
3 state your name for the record, please?

4 A. My name is Craig Smith.

5 Q. And what's your position?

6 A. I am a Manager in the Reliability and
7 Service Analysis Division within the Service and --
8 Service and Monitoring Department at the PUCO.

9 Q. And did you prepare prefiled testimony in
10 this case?

11 A. Yes, I did.

12 MR. LYONS: Your Honor, I would like to
13 mark as Exhibit 5 the prefiled testimony of Craig
14 Smith.

15 Q. (By Mr. Lyons) Mr. Smith, do you have
16 that testimony in front of you?

17 A. Yes, I do.

18 EXAMINER WALSTRA: It will be so marked.

19 (EXHIBIT MARKED FOR IDENTIFICATION.)

20 Q. (By Mr. Lyons) Mr. Smith, do you have any
21 changes or corrections that you would make to your
22 testimony?

23 A. No, I do not.

24 Q. Is it true to the best of your knowledge?

25 A. Yes, it is.

1 MR. LYONS: Your Honor, I would like to
2 move the prefiled testimony into evidence as
3 Exhibit 5, please.

4 EXAMINER WALSTRA: Subject to
5 cross-examination. And I will open it up to OCC.

6 MS. O'BRIEN: Briefly, your Honor.

7 - - -

8 CROSS-EXAMINATION

9 By Ms. O'Brien:

10 Q. Mr. Smith, could you please turn to page
11 6 of your testimony?

12 A. I'm there.

13 Q. Okay. And if you could go to lines 9
14 through 11. You state here that, "Staff acknowledges
15 that at-risk communities are currently struggling
16 with payment of their utility bills and that future
17 economic conditions may increase their struggle."

18 A. Yes.

19 Q. Do you happen to know what the poverty
20 rate in the City of Cincinnati is?

21 A. In the -- last time I looked at any
22 poverty rates I didn't see a Cincinnati rate, but I
23 believe the rate for Ohio is about 12.7 percent.

24 Q. Okay. So, I mean --

25 A. I don't know if the census breaks down

1 the data down to city level. They do it probably to
2 Hamilton County but not down to -- I didn't -- I
3 haven't seen anything on Cincinnati yet.

4 Q. Okay. So you are not disputing that
5 there is -- you are not disputing that there is a
6 poverty level in the City of Cincinnati, are you?

7 A. The whole state has -- there is a certain
8 level of people below the poverty line in Ohio, and
9 last I checked, it's about 12.7. We are above the
10 national average.

11 Q. Okay. Well, I mean, you would agree with
12 me that there are probably measurements that are a
13 more granular level like, for example, the City of
14 Cincinnati, right?

15 A. Yes, but I have no knowledge -- I haven't
16 seen any reports on -- particularly for Cincinnati.

17 Q. Okay. If I were to tell you that it was
18 just below 25 percent, would you have any reason to
19 doubt that?

20 A. For the City of Cincinnati? I would --
21 yes, I would. I would actually request that you tell
22 me what source you are using for that.

23 Q. You can actually look it up on the
24 internet by census data or anything. I guess subject
25 to check, would you accept that?

1 MS. AKHBARI: Your Honor, I would object.

2 MR. LYONS: Objection.

3 MS. AKHBARI: There has not been proper
4 foundation laid this witness knows what Ms. O'Brien
5 is referring to, and he has already stated he doesn't
6 know the answer to dispute the continuation of these
7 questions on this line.

8 MS. O'BRIEN: Your Honor, I asked -- he
9 testifies that Staff acknowledges that there is
10 at-risk communities that are currently struggling to
11 pay their utility bills. I asked him if, subject to
12 check, he would accept that the City -- the City of
13 Cincinnati poverty rate is just below 25 percent. He
14 can answer yes or no.

15 EXAMINER WALSTRA: I think this is
16 assuming facts not in evidence here.

17 MS. O'BRIEN: Well, I mean, I guess
18 that's what I am asking him. If he doesn't know, he
19 can say he doesn't know.

20 EXAMINER WALSTRA: I think he has said
21 that already.

22 MS. O'BRIEN: Okay.

23 Q. (By Ms. O'Brien) But again, you stated
24 you believe that the State of Ohio poverty rate is
25 around 12 percent?

1 A. 12.7 the last report I think I saw of the
2 poverty -- community action agencies put one out. I
3 believe your agency just put one -- in conjunction
4 with them. I think it was 12.7, if I remember right.

5 Q. And -- and you stated -- I believe you
6 said that you thought that -- that that was above the
7 national average?

8 A. Yes. I think the national average is
9 around 11.9.

10 Q. Okay. And do you have any --

11 A. Depends on the year.

12 Q. -- idea of what the poverty levels are
13 in -- within Duke's service territory?

14 A. I do not know the poverty levels in
15 Duke's territory, no.

16 MS. O'BRIEN: Okay. Thank you. That's
17 all I have. Thank you for your time, Mr. Smith.

18 THE WITNESS: You're welcome.

19 EXAMINER WALSTRA: Thank you.

20 Any redirect?

21 MR. LYONS: No, your Honor.

22 EXAMINER WALSTRA: Thank you, Mr. Smith.

23 And would you like to move your exhibit,
24 Mr. Lyons?

25 MR. LYONS: Yes, your Honor. I would

1 like to move what's been marked as Exhibit 5 into
2 evidence.

3 EXAMINER WALSTRA: Any objections?

4 Hearing none, it will be admitted.

5 (EXHIBIT ADMITTED INTO EVIDENCE.)

6 EXAMINER WALSTRA: You can call your next
7 witness.

8 MR. LYONS: Your Honor, I would like to
9 call Krystina Schaefer from Staff to the stand,
10 please.

11 MR. SCHMIDT: Ms. Schaefer, you've been
12 promoted. If you can enable your audio and video.

13 MS. SCHAEFER: Can you guys hear me?

14 EXAMINER SANDOR: We can hear you, but I
15 can't see you. There we go.

16 MS. SCHAEFER: Sorry.

17 EXAMINER SANDOR: That's all right.
18 Please raise your right hand.

19 (Witness sworn.)

20 EXAMINER SANDOR: Thank you.

21 You may proceed.

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KRYSTINA SCHAEFER

being first duly sworn, as prescribed by law, was
examined and testified as follows:

DIRECT EXAMINATION

By Mr. Lyons:

Q. Ms. Schaefer, could you please state your
name for the record?

A. My name is Krystina Schaefer.

Q. What's your position?

A. I work at the Public Utilities Commission
of Ohio. I am the Division Chief of the Grid Mod and
Retail Market Section within the Rates and Analysis
Department.

Q. Thank you. Did you prepare testimony in
this case?

A. I did.

MR. LYONS: Your Honor, I would like to
have marked the testimony of Krystina Schaefer as
Exhibit 6, please.

EXAMINER SANDOR: So marked.

(EXHIBIT MARKED FOR IDENTIFICATION.)

Q. (By Mr. Lyons) Ms. Schaefer, being
familiar with this testimony, do you have any changes
or corrections that you would make to the testimony?

A. No, I don't.

1 Q. If I were to ask you the same questions
2 that are in this testimony today, would your answers
3 be the same as what's been written there?

4 A. Yes.

5 Q. These answers are true to the best of
6 your knowledge?

7 A. Yes.

8 MR. LYONS: Your Honor, I -- without
9 objection, I would like to move Exhibit 6 into
10 evidence, please.

11 EXAMINER SANDOR: Subject to
12 cross-examination.

13 OCC.

14 MS. O'BRIEN: No cross for Ms. Schaefer.
15 Thank you.

16 EXAMINER SANDOR: Okay. All right.
17 Thank you, Ms. Schaefer. You are excused.

18 THE WITNESS: Thank you.

19 EXAMINER SANDOR: Okay. Any objections
20 to Staff Exhibit 6 being admitted?

21 MS. O'BRIEN: None from OCC.

22 EXAMINER SANDOR: Okay. Staff Exhibit 6
23 is admitted.

24 (EXHIBIT ADMITTED INTO EVIDENCE.)

25 EXAMINER SANDOR: You may call your next

1 witness.

2 MR. LYONS: Bob, are you there?

3 MR. EUBANKS: Sorry. I was on mute.

4 Yes, your Honor. I would like to call to the stand
5 Jacob Nicodemus.

6 MR. SCHMIDT: Mr. Nicodemus has been
7 promoted, and I can see him on my screen.

8 MR. NICODEMUS: Can you hear me?

9 EXAMINER WALSTRA: I can hear you. I
10 can't see you yet. There you are.

11 Okay. All right. Go ahead, Mr. Eubanks.
12 I have to swear you in, yes. Please raise your right
13 hand.

14 (Witness sworn.)

15 EXAMINER WALSTRA: Thank you.

16 - - -

17 JACOB NICODEMUS

18 being first duly sworn, as prescribed by law, was
19 examined and testified as follows:

20 DIRECT EXAMINATION

21 By Mr. Eubanks:

22 Q. Hello, sir. Could you state and spell
23 your name for the record?

24 A. Yes. Jacob Nicodemus, N-I-C-O-D-E-M-U-S.

25 Q. And could you state your position with

1 Staff?

2 A. I am a Utility Specialist.

3 Q. Did you prepare testimony for this
4 matter?

5 A. I did.

6 Q. Did you docket it with the Commission?

7 A. Yes.

8 MR. EUBANKS: I would like to have marked
9 as Staff's Exhibit 7 the testimony of Jacob Nicodemus
10 that was docketed with the Commission.

11 EXAMINER WALSTRA: So marked.

12 (EXHIBIT MARKED FOR IDENTIFICATION.)

13 Q. (By Mr. Eubanks) Did you have a chance to
14 review your testimony?

15 A. I did.

16 Q. Do you have any changes or corrections
17 you would like to make?

18 A. I have one small correction. The cover
19 sheet lists me with the "Rates and Analysis
20 Department." I am actually with the "Service
21 Monitoring and Enforcement Department." Other than
22 that, I have no corrections.

23 Q. Okay. If I were to ask you the same
24 questions that can be found in your testimony, would
25 you provide the same answers?

1 A. Yes.

2 MR. EUBANKS: Okay. With that I have no
3 further questions for the witness. I would like to
4 offer him for cross-examination, and I would like to
5 ask that Staff's Exhibit 7 come -- be admitted into
6 the evidence, subject to cross-examination.

7 EXAMINER WALSTRA: Thank you.

8 OCC.

9 MS. O'BRIEN: No cross for Mr. Nicodemus.
10 Thank you.

11 EXAMINER WALSTRA: All right. Thank you,
12 Mr. Nicodemus. You are excused.

13 THE WITNESS: Thank you.

14 EXAMINER WALSTRA: Any objection to the
15 admission of Exhibit 7?

16 MS. O'BRIEN: No objection from OCC.

17 EXAMINER WALSTRA: Thank you. It will be
18 admitted.

19 (EXHIBIT ADMITTED INTO EVIDENCE.)

20 EXAMINER WALSTRA: Staff, all you have
21 left is Mr. Lipthratt; is that correct?

22 MR. EUBANKS: That's correct, your Honor.

23 EXAMINER WALSTRA: I am inclined to call
24 it a day today. And we can reconvene tomorrow 10:00
25 a.m. in person with OCC's next witness, Mr. Defever.

1 I believe that's correct. And then we will do
2 Staff's final witness after him.

3 Does that work for everybody?

4 MR. EUBANKS: Works for Staff, your
5 Honor.

6 MS. O'BRIEN: Works for OCC.

7 MS. AKHBARI: Works for the Company.

8 EXAMINER WALSTRA: 10:00 a.m. back in
9 person. Thank you, everyone, for accommodating and
10 making this work. It worked out well. So thank you
11 all. See you in the morning.

12 (Thereupon, at 3:31 p.m., the hearing was
13 adjourned.)

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1 CERTIFICATE

2 I do hereby certify that the foregoing is
3 a true and correct transcript of the proceedings
4 taken by me in this matter on Wednesday, October 5,
5 2022, and carefully compared with my original
6 stenographic notes.

7
8
9 Karen Sue Gibson, Registered
10 Merit Reporter.

11 (KSG-7345)

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in

Case No(s). 21-0887-EL-AIR, 21-0888-EL-ATA, 21-0889-EL-AAM

Summary: Transcript of Duke Energy Ohio, Inc. hearing held on 10/05/22 - Volume II electronically filed by Mr. Ken Spencer on behalf of Armstrong & Okey, Inc. and Gibson, Karen Sue Mrs.