

PUBLIC UTILITIES COMMISSION OF OHIO

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In the Matter of the Regulation:  
of the Purchased Gas Adjustment:Case No.  
Clauses Contained within the :21-218-GA-GCR  
Rate Schedules of Duke Energy :  
Ohio, Inc and Related Matters. :

In the Matter of the Audit of :  
the Uncollectible Expense Rider:Case No.  
of Duke Energy Ohio, Inc. and :21-318-GA-UEX  
Related Matters. :

In the Matter of the :  
Application of Duke Energy :Case No.  
Ohio, Inc. for Approval of :21-418-GA-PIP  
an Adjustment to its Interim :  
and Temporary PIPP Plan :  
Rider Case. :

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PROCEEDINGS

Before Ms. Greta See and Mr. Ian Kieffer,  
Attorney Examiners, held at the Public Utilities  
Commission of Ohio, 180 East Broad Street,  
Hearing Room 11-C, Columbus, Ohio, on Wednesday,  
April 10, 2024, at 10:00 A.M.

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Armstrong & Okey, Inc.  
222 East Town Street, 2nd Floor  
Columbus, Ohio 43215  
(614) 224-9481

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APPEARANCES:

Ms. Elyse H. Akhbari  
139 East Fourth Street, 1303 Main  
Cincinnati, Ohio 45202

On behalf of Duke Energy Ohio. Inc.

Ms. Amy Botschner O'Brien  
and  
Ms. Lauren Williams  
Assistant Attorneys General  
30 East Broad Street, 26th Floor  
Columbus, Ohio 43215

On behalf of the Staff of the  
Public Utilities Commission of Ohio.

Mr. Michael Nugent  
6100 Emerald Parkway  
Dublin, Ohio 43015

On behalf of IGS Energy.

Mr. Michael William  
Associate Consumers' Counsel  
65 East State Street, 7th Floor  
Columbus, Ohio 43215

On behalf of the Office of the  
Ohio Consumers' Counsel.

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2	Independent Accountant's	8	16
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DUKE ENERGY EXHIBITS

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Wednesday Morning,  
April 10, 2024.

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ATTORNEY EXAMINER KIEFFER: Good morning everyone. The Public Utilities Commission of Ohio has scheduled for hearing this morning at this time and place three cases. Case No. 21-218-GA-GCR, being titled In the Matter of the Regulation of the Purchased Gas Adjustment Clauses Contained within the Rate Schedules of Duke Energy Ohio.

Case No. 21-318-GA-UEX, In the matter of the Audit of the Uncollectible Expense Rider of Duke Energy Ohio.

And the final case, Case No. 21-418-GA-PIP, In the Matter of the Application of Duke Energy Ohio for Approval of an Adjustment to its Percentage of Income Payment Plan Rider.

My name is Ian Kieffer, and I am the Attorney Examiner assigned to this case by the Commission. And here to my left is Attorney Examiner Greta See.

At this time I would like to take appearances of the parties. On behalf of the

1 Company.

2 MS. AKHBARI: Good morning. On  
3 behalf of the Company Elyse Akhbari on behalf of  
4 Duke Energy Ohio, Inc.

5 ATTORNEY EXAMINER KIEFFER: On  
6 behalf of the Staff of the Commission.

7 MS. WILLIAMS: Lauren Williams on  
8 behalf of the Staff of the Public Utilities  
9 Commission of Ohio.

10 ATTORNEY EXAMINER KIEFFER: Do we  
11 have any intervening parties present?

12 MR. NUGENT: Good morning, your  
13 Honor. On behalf of Interstate Gas Supply, LLC  
14 Michael Nugent, 6100 Emerald Parkway, Dublin,  
15 Ohio 43016

16 MR. WILLIAM: Good morning, your  
17 Honors. On behalf of Duke's residential utility  
18 consumers, the Office of the Ohio Consumers'  
19 Counsel by Bill Michael.

20 ATTORNEY EXAMINER KIEFFER: Do we  
21 have any members of the public present who would  
22 like to make a statement today?

23 Okay. Let the record reflect there  
24 are no members of the public present which  
25 offered testimony at this time.

Before we have the company begin their case are there any preliminary matters that you would like to discuss before we mark any potential exhibits or address witnesses?

All right. So I propose we mark exhibits first, then propose any witness the Company may have. Duke, proceed.

MS. AKHBARI: Thank you, your Honor. We would propose for Duke Energy Ohio Exhibit 1 the direct testimony of Jeff L. Kern in support of the stipulation. And this is filed on behalf of Duke Energy Ohio, Inc.

Then we prpopse as Joint Exhibit 1 the Amended Stipulation and Recommendation. And this includes Commission Ordered exhibits. And I will read each one.

So Commission Ordered Exhibit 1 as attached to the Amended Stipulation and Recommendation is the Independent Accountant's Report on the Uniform Purchased Gas Adjustment for the 12-month period ended August 30th, 2021. This is prepared by Deloitte and Touche, LLP. I guess we will also refer to this as the GCR Report.

Commission Ordered Exhibit 2 as

1 attached to the Amended Stipulation and  
2 Recommendation is the Independent Accountant's  
3 Report on Applying Agreed Upon Procedures  
4 Detailing a Review by Deloitte and Touche, LLP.  
5 And this is also in one of the Exeter reports.

6 And then finally Commission Ordered  
7 Exhibit 3, the Independent Accountant's Report  
8 on Applying Agreed Upon Procedures Detailing a  
9 Review by Deloitte and Touche, LLP, also known  
10 as the PIP Report. And this is again Commission  
11 Ordered Exhibit 3 attached to the Amended  
12 Stipulation and Recommendation.

13 ATTORNEY EXAMINER SEE: Let's go off  
14 the record for just a moment.

15 (DISCUSSION OFF THE RECORD)

16 ATTORNEY EXAMINER KIEFFER: Back on  
17 the record. Ms. Akhbari, please continue.

18 MS. AKHBARI: Finally, your Honor,  
19 on behalf of the Company, Duke Exhibit 2 we have  
20 the Proof of Publication as associated with this  
21 matter. This was filed on February 2nd of 2022.

22 ATTORNEY EXAMINER KIEFFER: All  
23 right. So those exhibits are so marked.

24 (EXHIBITS MARKED FOR IDENTIFICATION)

25 ATTORNEY EXAMINER KIEFFER: Do you



1 have any witnesses you would like to call?

2 MS. AKHBARI: We do. Would you  
3 prefer I do that at this time?

4 ATTORNEY EXAMINER SEE: I am sorry,  
5 did you also mark Duke 2?

6 MS. AKHBARI: Yes. At this time  
7 Duke Energy Ohio would call Mr. Jeff Kern.

8 (WITNESS SWORN)

9 - - -

10 JEFF L. KERN

11 called as a witness, being first duly sworn,  
12 testified as follows:

13 DIRECT EXAMINATION

14 By Ms. Akhbari:

15 Q. Good morning, Mr. Kern. Thank you  
16 for being with us today.

17 A. Good morning.

18 Q. Could you please state your name for  
19 the record?

20 A. Jeff Kern.

21 Q. Thank you. And, Mr. Kern, by whom  
22 are you employed?

23 A. Duke Energy Business Services.

24 Q. And you have some documents before  
25 you this morning, Mr. Kern. Could you start by

1 identifying Duke Energy Ohio Exhibit 1?

2 A. That is a copy of my testimony.

3 Q. Was this testimony prepared by you  
4 or at your direction?

5 A. Yes, it was.

6 Q. And do you have any changes to your  
7 testimony today?

8 A. No, I do not.

9 Q. And if I were to ask you the same  
10 questions contained in your testimony today  
11 would your answers remain the same?

12 A. Yes, they would.

13 Q. Could you look please at Duke Energy  
14 Ohio Exhibit 2?

15 A. Okay.

16 Q. Do you recognize this as the proof  
17 of publication filed in this case?

18 A. Yes, it is.

19 Q. And finally could you look to Joint  
20 Exhibit 1?

21 A. Okay.

22 Q. And what is this document?

23 A. This is the Amended Stipulation and  
24 Recommendation.

25 Q. And it states that it is amended.

1 Is it your understanding that the amendments in  
2 this document were to signatory attorneys for  
3 this case?

4 A. Yes, that's correct.

5 Q. And does anything about the changes  
6 to the signatory attorneys in this case change  
7 anything as it relates to your testimony in  
8 support of the Stipulation?

9 A. No, it does not.

10 MS. AKHBARI: Your Honor, I have no  
11 further questions for Mr. Kern at this time. I  
12 would tender him for cross-examination and move  
13 for admission of our exhibits pending that  
14 cross-examination.

15 ATTORNEY EXAMINER KIEFFER: Thank  
16 you, Ms. Akhbari. Any cross from Staff or any  
17 interveners?

18 MR. WILLIAM: No, your Honor.

19 MR. NUGENT: No cross, your Honor?

20 ATTORNEY EXAMINER KIEFFER: Do you  
21 have any questions, Attorney Examiner See?

22 ATTORNEY EXAMINER SEE: Yes.

23 EXAMINATION

24 By Attorney Examiner See:

25 Q. Mr. Kern, to your knowledge were all

1 the parties participating in this case invited  
2 to negotiations between the parties?

3 A. Yes, they were.

4 Q. And how do you believe that this  
5 Stipulation benefits ratepayers in the public  
6 interest?

7 A. It resolves cases that have been  
8 sitting out there for three years now since  
9 2021. And it addresses the issues that were  
10 brought up by Exeter in the audit report about  
11 some money that needed to be shifted between the  
12 Choice Program and GCR. And as a result most of  
13 that money can finally be moved from the Choice  
14 over to the GCR.

15 Q. So it's an efficient way to get the  
16 process to occur; correct?

17 A. Correct.

18 ATTORNEY EXAMINER SEE: Thank you.

19 ATTORNEY EXAMINER KIEFFER: You may  
20 step down, sir. Thank you. Any other  
21 witnesses?

22 MS. AKHBARI: No, your Honor. We  
23 have no further witnesses at this time.

24 ATTORNEY EXAMINER KIEFFER: All  
25 right. Are there any objections to the

admission of the previously marked exhibits into evidence?

MS. WILLIAMS: No, your Honor.

MR. WILLIAM: No, your Honor.

MR. NUGENT: No, your Honor.

ATTORNEY EXAMINER KIEFFER: All right. Seeing none, Duke Exhibits 1 and 2 and Joint Exhibit 1 shall be admitted into evidence.

(EXHIBITS HEREBY ADMITTED INTO EVIDENCE)

ATTORNEY EXAMINER KIEFFER: Can we go off the record?

(DISCUSSION OFF THE RECORD)

ATTORNEY EXAMINER KIEFFER: Staff, I encourage you to proceed when you are ready.

MS. WILLIAMS: Yes. Staff would propose to introduce Staff Exhibit 1, the Staff review and recommendations regarding the application filed by Duke Energy Ohio, Inc. to update its gas uncollectible expense rider in case No. 21-318-GA-UEX and dated June 28th, 2021.

ATTORNEY EXAMINER SEE: I am sorry. Repeat that date for me, please.

MS. WILLIAMS: June 28th, 2021.

Staff also proposes to introduce Staff review and recommendation in regard to the second amended application filed by Duke Energy Ohio, Inc. in case No. 21-318-GA-UEx, and the amended application filed in case No. 22-318-GA-UEx dated April 10th, 2023.

And also Staff Exhibit 3, the Duke Energy Ohio, Inc. management and performance audit of gas purchasing practices and policies, Case No. 21-218-GA-GCR prepared by Exeter Associates, Inc. dated December 17th, 2021.

ATTORNEY EXAMINER KIEFFER: Could you say Staff Exhibit 1 one time for me?

MS. WILLIAMS: It is staff review and recommendations regarding the application filed by Duke Energy Ohio, Inc. to update its gas uncollectible expense rider in Case No. 21-318-GA-UEx. And that is dated June 28, 2021.

ATTORNEY EXAMINER KIEFFER: All right. Perfect. Thank you.

Thank you for your patience. So we have Staff Exhibits 1, 2 and 3. Are there any other exhibits you would like to present at this time?

MS. WILLIAMS: No, your Honor.

1 ATTORNEY EXAMINER KIEFFER: All  
2 right. So those exhibits are so marked.

3 (EXHIBITS MARKED FOR THE PURPOSE OF  
4 IDENTIFICATION)

5 ATTORNEY EXAMINER KIEFFER: Would  
6 you like to call any witnesses?

7 MS. WILLIAMS: No, your Honor.

8 ATTORNEY EXAMINER KIEFFER: All  
9 right. So, would you like to say anything about  
10 the exhibits? Any questions?

11 ATTORNEY EXAMINER SEE: No, I don't.

12 ATTORNEY EXAMINER KIEFFER: Are  
13 there any objections to these exhibits?

14 MR. WILLIAM: No, your Honor.

15 MR. NUGENT: No, your Honor.

16 MS. AKHARI: No, your Honor.

17 ATTORNEY EXAMINER KIEFFER: So Staff  
18 Exhibit, 1, 2, and 3 shall be admitted into  
19 evidence.

20 (EXHIBITS HEREBY ADMITTED INTO  
21 EVIDENCE)

22 ATTORNEY EXAMINER SEE: As well as  
23 are there any objections to the admission of  
24 Commission Ordered Exhibits 1, 2 or 3?

25 Hearing none, Commission Ordered

1 Exhibits 1, 2 and 3 are also admitted into the  
2 record.

3 (EXHIBITS HEREBY ADMITTED INTO  
4 EVIDENCE)

5 MS. AMY BOTSCHNER O'BRIEN: Your  
6 Honor, could we go off the record for a minute?

7 ATTORNEY EXAMINER SEE: Yes.

8 (DISCUSSION OFF THE RECORD)

9 ATTORNEY EXAMINER KIEFFER: Let's  
10 go back on the record.

11 Is there anything else Staff would  
12 like to present at this time?

13 MS. WILLIAMS: Just for the record I  
14 would like to move for admission of Staff  
15 Exhibits 1, 2 and 3. I never did it before.

16 ATTORNEY EXAMINER KIEFFER: Thank  
17 you. Are there any objections?

18 MS. AKHBARI: No objections, your  
19 Honor.

20 ATTORNEY EXAMINER KIEFFER: So  
21 those are admitted into evidence.

22 (EXHIBITS HEREBY ADMITTED INTO  
23 EVIDENCE)

24 ATTORNEY EXAMINER SEE: Is there  
25 anything else before we go off the record this



1 morning?

2 Hearing none, the hearing is

3 adjourned. Thank you all.

4 (At 10:20 A.M. the hearing was

5 adjourned)

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CERTIFICATE

I do hereby certify that the foregoing  
is a true and correct transcript of the  
proceedings taken by me in this matter on April  
10, 2024, and carefully compared with my  
original stenographic notes.

\_\_\_\_\_  
Michael O. Spencer,  
Registered Professional  
Reporter.

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

**4/22/2024 12:25:26 PM**

**in**

**Case No(s). 21-0218-GA-GCR, 21-0318-GA-UEX, 21-0418-GA-PIP**

Summary: Transcript April 10th 2024 In the Matter of the Regulation of the Purchased Gas Adjustment Clauses Contained within the Rate Schedules of Duke Energy Ohio, Inc and Related Matters. In the Matter of the Audit of the Uncollectible Expense Rider of Duke Energy Ohio, Inc. and Related Matters. In the Matter of the Application of Duke Energy Ohio, Inc. for Approval of an Adjustment to its Interim and Temporary PIPP Plan Rider Case. electronically filed by Mr. Ken Spencer on behalf of Armstrong & Okey, Inc. and Spencer, Michael O. Mr..