

COMMONWEALTH OF PENNSYLVANIA
PUBLIC UTILITY COMMISSION
* * * * *

PA Public Utility Commission,)	R-2018-3000124
Office of Consumer Advocate,)	C-2018-3001029
Jason Dolby,)	C-2018-3001074
Peoples Natural Gas Company)	C-2018-3001152
LLC, James Fedell,)	C-2018-3001473
Office of Small Business)	C-2018-3001556
Advocates,)	
)	
vs)	
Duquesne Light Company)	
1308(d) Proceeding)	
)	
Public Input Hearing)	

Pages 39 through 144 Piatt Place
 Hearing Room 2019
 301 Fifth Avenue
 Pittsburgh, PA 15222

Thursday, June 14, 2018

Met, pursuant to notice, at 1:00 p.m.

BEFORE:

KATRINA L. DUNDERDALE, Administrative Law Judge

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1 P R O C E E D I N G S

2 (1:02 o'clock p.m.)

3 ADMINISTRATIVE LAW JUDGE

4 DUNDERDALE: Good afternoon. I am Katrina
5 Dunderdale. I'm the administrative law judge
6 who's been assigned to handle this proceeding, to
7 conduct the hearings and to prepare a recommended
8 decision that concerns Duquesne Light company's
9 request for an increase in its distribution rate
10 base. Duquesne Light filed its request on
11 March 28, 2018, and this matter is docketed at
12 R-2018-3000124. Today's date is Thursday,
13 June 14, 2018, and the time now is 1:02 p.m. I'm
14 conducting this hearing in Hearing Room 2019 in
15 the Piatt Building, which is located at 301 Fifth
16 Avenue, Pittsburgh, Pennsylvania.

17 Before we get started with
18 receiving testimony from the public, I just want
19 to provide you all with a brief explanation about
20 the rate investigation process of the Public
21 Utility Code and a basic timeline for this case,
22 including what has happened so far in this
23 investigation and what I expect will happen in
24 the future. I then am going to explain how you
25 can participate in today's public input hearing.

1 And because there's a large quantity of important
2 information to convey, I am going to be referring
3 to written material that's in front of me. After
4 that, I will give the attorneys for the company,
5 for the Commission's Bureau of Investigation and
6 Enforcement, for the Office of Consumer Advocate,
7 and any other attorneys who may be present for
8 other parties, I will give them an opportunity to
9 make a brief opening statement.

10 The court reporter whom you see up
11 here, her purpose here is to transcribe
12 everything said today, so please remember two
13 people cannot talk at the same time and have her
14 still do her job. So for that reason, I will not
15 allow anyone else to talk over another person who
16 is already speaking. That meaning that I ask
17 that you withhold from clapping or booing or
18 commenting loudly for or against anything that
19 might be said by a person who is testifying or by
20 one of the attorneys who may be speaking. And
21 for that reason, I will also ask that you please
22 turn off or silence all cell phones so that you
23 don't interrupt any witness or attorney who is
24 speaking. If there's someone that you wish to
25 speak with on your phone, then please leave from

1 the back of the room and conduct your
2 conversation outside this room.

3 All right. Let me just provide you
4 some background on this base rate filing. As I
5 indicated, on March 28, 2018, Duquesne Light
6 Company filed its Supplement Number 174 Tariff to
7 become effective on May 28, 2019. This filing
8 contained a proposed general increase in the
9 electric distribution rates of approximately
10 \$133.8 million.

11 Of that \$133.8 million increase,
12 the proposed increase includes \$52.2 million of
13 revenue, which are currently recovered under
14 surcharges and then the remaining \$81.6 million
15 would represent the increase to customers over
16 current charges. If approved, the total bill for
17 an average residential customer using
18 600-kilowatt hours would increase monthly from
19 \$98.15 to \$106.80, or an 8.82 percent increase.
20 An average commercial customer who would be using
21 10,000-kilowatt hours would increase monthly from
22 \$984.94 to \$1,013.71, which is a 2.92 per
23 cent increase. The average industrial customer using
24 200,000-kilowatt hours would increase from
25 \$18,730.50 to \$19,165.27, which is a 2.32 percent

1 increase.

2 On April 19, 2018, the Public
3 Utility Commission suspended the start date of
4 the proposed increase to base rates until
5 December 29, 2018, and it started an
6 investigation. The Commission assigned this case
7 to the Office at Administrative Law Judge to
8 conduct such hearings as necessary for the
9 purpose of determining the lawfulness, justness,
10 and reasonableness of the rates, rules and
11 regulations contained in the proposed changes.

12 Back on May 3, 2018, I conducted a
13 prehearing conference with the active parties, at
14 which time I established a litigation schedule
15 that included scheduling the two public input
16 hearings, one this afternoon and one this
17 evening, as well as scheduling evidentiary
18 hearings to be conducted in Harrisburg from
19 Wednesday, August 15th through Friday,
20 August 17th.

21 Since March 2018, various
22 individuals and entities have filed complaints or
23 petitions to intervene against Duquesne Light.
24 To date, there are approximately 15 corporations
25 or entities and 2 individuals who are connected

1 with this proceeding, including 6 formal
2 complaints. This rate investigation ordered by
3 the Commission back in April will be carried out
4 by these parties who filed petitions to intervene
5 or filed complaints in addition to some statutory
6 parties. Those parties that are considered
7 statutory parties are ones who have been
8 established by the Commonwealth of Pennsylvania
9 to represent specific people and/or interests and
10 two of those are here today. One of them is the
11 Commission's Bureau of Investigation and
12 Enforcement, sometimes called BIE which
13 represents the public interest generally; the
14 Office of Consumer Advocate, which represents the
15 interest of residential customers; and the Office
16 of Small Business Advocate, which represents the
17 interest of small commercial and industrial
18 customers.

19 All of these parties collectively
20 will scrutinize Duquesne Light's proposed rate
21 increase to see whether the company's claimed
22 expenses and requested returns are just and
23 reasonable and whether Duquesne Light's revenue
24 numbers have been fairly and accurately
25 developed. In addition, they will scrutinize how

1 the company proposes to allocate the revenue
2 increase among the various classes or types of
3 customers. These parties likely will propose
4 Duquesne Light make changes to its claims as we
5 go through the course of this proceeding.

6 Duquesne Light has already filed
7 its testimony in written form. Written
8 testimonies from the parties other than Duquesne
9 Light will be filed by June 25, 2018, and as I
10 indicated the hearings on all the file testimony
11 is currently scheduled for August 15 through 17th
12 in Harrisburg. Briefs will be due from these
13 parties after the hearing and my recommended
14 decision will be completed in October of 2018.
15 The parties will be able to file written
16 exceptions if they do not agree with my
17 recommended decision and, after that, the
18 Commission will enter a Final Order on or before
19 December 29, 2018.

20 All right. That's all the legal
21 stuff. This is the part that has to do with you,
22 the public. The purpose of today's hearing is to
23 hear from you, members of the public. So I'm not
24 looking at the lawyers now, I'm looking around
25 the room because it's to hear from the public and

1 consumers regarding Duquesne Light's existing and
2 proposed rates as well as it's customer service.
3 All of these parties I mentioned will have an
4 opportunity to make their positions known through
5 testimony and exhibits, but the public input
6 hearing is uniquely designed and intended just to
7 take the testimony of you, of the public, of
8 consumers. And for that reason, it's pretty
9 important. It's important to me and it's
10 important to the Commission to hear from more
11 than just the lawyers and the corporations and so
12 on that are involved.

13 We have a policy regarding how we
14 handle these public input hearings, and it gives
15 you three options today, any of you who have
16 signed up or indicated that you would like to
17 testify, or excuse me, speak today. One of those
18 options is you may testify formally. That means
19 that I will put you under oath or by affirmation
20 and you will be subject to cross-examination
21 questions from attorneys.

22 The second option is you may make
23 an unsworn or unaffirmed statement. It will be
24 considered off-the-record. It will not be
25 subject to cross-examination questions. The

1 court reporter will not transcribe your statement
2 and it will not be considered by me or by the
3 Commission in our decision.

4 The third option is you don't
5 actually speak today, but you can provide
6 information to the Commission's Bureau of
7 Investigation and Enforcement, and they're here,
8 the Office of Consumer Advocate or the Office of
9 Small Business Advocate, for them to use at a
10 future hearing in Harrisburg at their discretion.

11 I encourage you. I suspect one or
12 more of the attorneys are going to encourage you
13 to please testify under oath. The reason for
14 that is because I and the Commission can then use
15 your testimony. And we only have to use the --
16 excuse me. We can use your testimony when we go
17 to enter our final decision. So it really is
18 important.

19 I'm going to be paying attention as
20 you testify. You might notice I'm not always
21 looking at you. That's probably because I'm
22 taking notes. It actually is important that we
23 hear from you and we actually do want that.

24 Let me just remind you, we only
25 have use of this particular space for a few

1 hours. We do have a 6 o'clock public input
2 hearing in Beaver Falls, which means we may not
3 have a lot of time. And so I'm going to ask you
4 that you keep your remarks concise and to the
5 point. If someone testifies before you and they
6 basically say what you were going to say anyway,
7 you can simply refer to that person and say that
8 you agree with what they said. I'm still going
9 to want some information from you like who are
10 you and are you a customer and so on, but you can
11 certainly shorten your testimony by indicating
12 that you agree with the person who testified
13 first.

14 If there are a lot of people who
15 have signed up, and if I don't think I can get
16 through you all, I may impose time limits.
17 That's just in order for me to allow as many
18 people as possible to participate. And I haven't
19 actually looked at my list yet, but we might be
20 okay, but please keep in mind to be concise.

21 Please make sure that if you want
22 to testify and you have not already signed up on
23 the list at the back of the room, that you do so
24 now. The nice lady back there is from the
25 Commission's Communication Office, and she may

1 have some other material that's there. Some of
2 the material may be available about this
3 proceeding. Some may be available about public
4 utilities in general, consumer issues that
5 consumers often deal with. So please feel free
6 to talk to her and take that material.

7 Let me just ask, did the company
8 bring any representatives to talk to people if
9 they want?

10 MR. KANAGY: Yes, Your Honor.

11 ADMINISTRATIVE LAW JUDGE

12 DUNDERDALE: If you have any individual service
13 problems with Duquesne Light -- it might not have
14 anything to do with their base rate. It might
15 not have anything to do with what we're here to
16 talk about today, or it might. There are going
17 to be some individuals and employees from
18 Duquesne Light who have left their office to come
19 down and talk to you guys. They are here just to
20 answer questions if they can and to try and be
21 helpful. I highly recommend if you have any
22 questions, again about this or anything else as a
23 consumer, that you take advantage of their
24 presence. Not very often in our media world do
25 we have an opportunity to talk to somebody

1 face-to-face, and this is one of those few.

2 Where in the room?

3 MR. KANAGY: Stand up.

4 (People standing.)

5 ADMINISTRATIVE LAW JUDGE

6 DUNDERDALE: Those nice people over there,
7 they've just indicated they're from Duquesne
8 Light. Thank you very much.

9 And so when the proceeding is over,
10 please feel free to go talk to them. That's why
11 they're here.

12 All right. One of the last things
13 I want to do is just to emphasize, this is a
14 legal proceeding. I mean, I am sitting here in a
15 robe, but it is a legal proceeding. It's not as
16 formal as a courtroom generally would be, but
17 it's still an important official proceeding. So,
18 therefore, I'm going to ask you to extend the
19 same courtesy to anyone who is speaking that you
20 probably would assume you'd have to just from
21 watching TV shows about courtroom proceedings.
22 So if somebody -- if you really think you need to
23 talk to somebody about something, please leave
24 the room and come back later, all right?

25 All right. Now, Counsel for the

1 parties, I'm going to start with Duquesne Light,
2 which is here in front of me on the right and
3 then just ask you all to kind of go to your right
4 and then back. And if you'd like to make a brief
5 remark -- please, one per party, one attorney per
6 party, and indicate who you are, who you
7 represent, and then if you'd like to make a brief
8 remark, please feel free. And let me just remind
9 you to make sure you can always see the court
10 reporter.

11 MR. KANAGY: Thank you, Your Honor.
12 Good afternoon everyone. I'm am Anthony Kanagy.
13 I'm of the attorneys for Duquesne Light Company.
14 With me today, as well, is Tishekia Williams.
15 She's counsel for Duquesne Light as well.

16 We want to thank you for coming out
17 today. We encourage you to testify. And again,
18 I want to reiterate what Judge Dunderdale said.
19 If you have questions about your service or about
20 anything from the company, please see the company
21 people or me or Tishekia after the hearing. And
22 if we can't answer your questions, we'll
23 certainly get back to you. So thanks again and
24 we encourage you to testify.

25 ADMINISTRATIVE LAW JUDGE

1 DUNDERDALE: Thank you.

2 MS. MILLER: I'm going to try to do
3 this without having my back to everybody. I'll
4 have to get a little creative here.

5 Good afternoon, everybody, and
6 thank you for coming out today. My name is Gina
7 Miller and this is my colleague John Coogan, and
8 we represent to Commission's Bureau of
9 Investigation and Enforcement in this case.
10 That's also known as I&E. I&E represents the
11 public interest in rate proceedings for the
12 Commission, and that basically means for our
13 purposes today we're trying to ensure that
14 Duquesne's rates are just, reasonable, and
15 nondiscriminatory, but also enable Duquesne to
16 provide safe and reliable services at the same
17 time.

18 So with that in mind, we've been
19 conducting an extensive investigation into the
20 rate filing for the past several months, and
21 aiding us with that investigation is our team of
22 expert witnesses, accountants, engineers,
23 analysts. So we already know a great deal about
24 the filing, but one thing that's missing from our
25 analysis is what you can provide today, your

1 input into the rate filing, which we know is a
2 very vital part of the case.

3 So I want to thank you for coming
4 out again. And I do urge you to please testify
5 on the record if you can, and that way we know
6 that we can use it in our case. So thanks again.

7 ADMINISTRATIVE LAW JUDGE

8 DUNDERDALE: Mr. Zambito.

9 MR. ZAMBITO: Good afternoon. I'm
10 Dave Zabito with the law firm of Cozen &
11 O'Connor. I represent People's Natural Gas
12 Company. People's is the local natural gas
13 distribution company in the area. People's is a
14 customer of Duquesne Light's, so we are
15 contesting the rate increase generally. People's
16 is also a developer and soon-be owner of combined
17 heat power plants, and we are specifically
18 contesting Duquesne's proposed 220 percent
19 increase in the back-up rate that would apply to
20 combined power plants.

21 Thank you.

22 MR. DEMANCHICK: Good afternoon,
23 everyone. My name is Philip Demanchick, and I'm
24 an assistant consumer advocate for the Office of
25 Consumer Advocate. With me here today is

1 David Evrard. He's a consumer advocate as well.

2 The Office of Consumer Advocate was
3 established to represent the interests of
4 residential ratepayers in front of the Public
5 Utility Commission. That includes proceedings
6 dealing with electricity, water, wastewater and
7 natural gas and telephone issues. In addition,
8 our office represents consumers in front of other
9 public, state and federal courts, as well as
10 other agencies at the federal level.

11 After reviewing Duquesne's
12 proposal, the OCA file a formal complaint in this
13 matter. Currently, we are investigating and
14 looking into their filings, and we look forward
15 to filing direct testimony on June 25th. But
16 again, today, we are here to listen to your
17 comments, and I just want to reiterate what
18 everyone has said, we encourage you to testify on
19 the record. Doing so will allow us to use your
20 position and your comments in coming up with our
21 position in front of the Commission. Again, if
22 you have any questions after the proceeding,
23 please feel free to come up to talk to either one
24 of us. We'd be more than happy to talk to you.
25 And we have some information in front about our

1 office and what we do. Again, thank you for
2 coming out today. I appreciate it.

3 ADMINISTRATIVE LAW JUDGE

4 DUNDERDALE: Ms. Hempstead.

5 MS. HEMPSTEAD: Thank you,
6 Your Honor.

7 ADMINISTRATIVE LAW JUDGE

8 DUNDERDALE: We can't hear you, so if it's
9 easier, you can actually just kind of come up and
10 turn around. Then she can hear you and they can
11 see you.

12 MS. HEMPSTEAD: Thank you. So my
13 name is Emma Hempstead. I am part of the
14 Pittsburgh's based Fair Shake Environmental Legal
15 Service. So I, along with my colleagues Emily
16 Collins, Patrick Auth and Mark Zibis (phonetic),
17 represent Metro Resources Defense Counsel, an
18 intervener in this rate case. MRDC is
19 participating in this proceeding to ensure that
20 the important role of electric utility rate in
21 place regarding the use of energy efficiency and
22 distributed renewable energy resources are
23 brought to bear in the ultimate decision on
24 Duquesne Light's proposed rate increase.
25 Depending on how their structured, utility rates

1 and programs can help to expand the use of
2 efficiency and renewables or it can impede their
3 expansion for reasons that we'll elaborate in our
4 submission with expert testimony. MRDC opposes
5 the 8.82 residential increase. We believe it
6 will disproportionately harm low-income customers,
7 unfairly allocating costs to multi-unit apartment
8 dwellers and we will present a submission to that
9 effect, but just to give some background.

10 And we believe that moving forward
11 with this rate increase during the pendency of
12 the alternative docket in the PUC and the House
13 Bill 1782 moving forward with broad-based support
14 in the legislature may limit opportunities to
15 better align utility's business models and
16 revenue streams with our policy objectives of
17 decreasing energy use through more efficient
18 consumption and dramatically reducing greenhouse
19 gas pollution. So we appreciate the public
20 comments and we appreciate the opportunity to
21 participate in furtherance of expanding the use
22 of energy efficiency, renewable energy, and
23 electrification of transportation in the Duquesne
24 service area.

25 ADMINISTRATIVE LAW JUDGE

1 DUNDERDALE: Thank you. Is there any other
2 attorney who is here representing an individual
3 and I have not asked you or you have not had an
4 opportunity to speak?

5 (No response.)

6 ADMINISTRATIVE LAW JUDGE

7 DUNDERDALE: All right. In that case, let's go
8 ahead and get started.

9 Are there any legislators or staff
10 members of legislators present?

11 (No response.)

12 ADMINISTRATIVE LAW JUDGE

13 DUNDERDALE: All right. With that, let me call
14 the first witness for this hearing. When I call
15 your name, please on up. We don't have a
16 microphone, so please just try and be aware that
17 you need to speak up. The room is not all that
18 big so you should be fine, but do please try to
19 speak up. If the court reporter can't hear you
20 or I can't hear you, we'll just ask you to repeat
21 yourself.

22 You will see on the desk here --
23 and I'm sorry we don't have a podium, so the desk
24 is the closest thing we have -- but you will see
25 that there are questions there. The law requires

1 you to state on the hearing record your name,
2 your address, your occupation, your place of
3 employment and whether you are a customer of
4 Duquesne Light currently. So, therefore, I have
5 that sheet there to kind of remain you. Please
6 answer those before you actually get started.

7 When you testify under oath, the
8 attorneys here may ask you questions about your
9 testimony. Frequently they don't, but sometimes
10 they do. The questions are normal. They're not
11 a personal attack. Sometimes as attorneys we
12 forget that just being asked a question can
13 sometimes be a little disconcerting for people.
14 So if they ask you questions, it doesn't mean you
15 said anything wrong. It's just attorneys who
16 want to make sure that something is clear.
17 Sometimes I do. It's solely for the purpose of
18 making sure that I understand what you're telling
19 me, all right, because I need to make sure the
20 court reporter has very clear information on the
21 transcript.

22 Just do the best you can. Ask the
23 question as well as you can, and if you don't
24 understand it, you're allowed to say so and
25 that's fine too. But I wouldn't worry about it.

1 If you're reading from a prepared
2 statement and you have an extra copy with you if
3 you could give it to the court reporter before
4 you begin to testify. That's always helpful. I
5 recognize that -- I think the second witness has
6 already done that for me. So that's always very
7 helpful for the court reporter.

8 All right. So let's go ahead and
9 get started. The first person on my list is
10 Mr. David McGaffin. Come up, sir. If you don't
11 mind standing right over there.

12 MR. MCGAFFIN: All right.

13 ADMINISTRATIVE LAW JUDGE

14 DUNDERDALE: Are you going to testify or make a
15 statement.

16 MR. MCGAFFIN: I'm going to
17 testify.

18 ADMINISTRATIVE LAW JUDGE

19 DUNDERDALE: Great. Please raise your right hand
20 for me.

21 (Witness sworn.)

22 ADMINISTRATIVE LAW JUDGE

23 DUNDERDALE: Thank you. If you'd answer the
24 questions for me, please, I'd appreciate it.

25 MR. MCGAFFIN: All right. My name

1 is David McGaffin. I live at 119 Napora Lane,
2 Zelienople, Pennsylvania. My job, I'm the
3 director of Pittsburgh Operations for Forest City
4 Realty Trust. I primarily manage the Station
5 Square property in Pittsburgh, and I'm personally
6 a customer of Duquesne Light, and also my
7 employer is a customer of Duquesne Light.

8 ADMINISTRATIVE LAW JUDGE

9 DUNDERDALE: Thank you. So what would you like
10 me to know?

11 DAVID McGAFFIN

12 Called as a witness, having been first duly
13 sworn, testified as follows:

14 DIRECT TESTIMONY

15 MR. McGAFFIN: So I'd like to say
16 that I am fully in support of justified rate
17 increases for Duquesne Light. Duquesne Light,
18 from my perspective, provides reliable service to
19 my personal acts and to my business accounts. I
20 wouldn't like to see that service degrade. So
21 any rate increase that is justified, we are -- I
22 am in support of.

23 I am also in support of the
24 Rider 16 increase as long as the amount is
25 justified. I don't feel that customers who

1 aren't generating electricity should bear the
2 expense of the infrastructure that's required to
3 provide support to small generation customers.
4 That's about it.

5 ADMINISTRATIVE LAW JUDGE

6 DUNDERDALE: Okay. Any questions. Duquesne?

7 MR. KANAGY: No.

8 ADMINISTRATIVE LAW JUDGE

9 DUNDERDALE: Any other party? Mr. Zambito?

10 - - - - -

11 CROSS-EXAMINATION

12 BY MR. ZAMBITO:

13 Q. Good afternoon, Mr. McGaffin. How are you
14 doing?

15 A. Fine. How are you?

16 Q. Do you have any properties that are subject
17 to Rider 16?

18 A. No, I don't.

19 Q. So your interest in Rider 16 is simply
20 ensuring that it's just and reasonable?

21 A. Right, and that it doesn't get charged to
22 customers to are not generating.

23 Q. And have you spoken with anybody from
24 Duquesne Light Company about your testimony
25 today?

1 A. I have spoken with Adam Goldbach a little
2 bit about this.

3 Q. And what did Mr. Goldbach ask you to testify
4 as to?

5 A. He just -- I wanted some explanation of the
6 increase on Rider 16, and whether it would impact
7 us or not.

8 Q. What specifically was your interest in
9 Rider 16?

10 A. Well, my interest is that it doesn't get
11 charged to the customers that are not generating.

12 Q. Are you aware of how extensive the use of
13 Rider 16 currently is?

14 A. I am not.

15 Q. Are you aware of the impact it would have
16 upon you or your company?

17 A. I am not.

18 Q. Did Duquesne Light specifically ask you to
19 discuss Rider 16?

20 A. No.

21 Q. Did you ask them to explain Rider 16?

22 A. No -- I did ask for an explanation.

23 Q. And what piqued your interest in Rider 16?

24 A. Well, I work with Duquesne Light closely
25 and, you know, I'm aware of the rate increase and

1 just had been asking some questions, because it
2 does impact our budget projections. And, you
3 know, I didn't really know a whole lot about
4 Rider 16, and I did some research, and I can't
5 honestly say whether I know if the amount of
6 increase is justified financially, but I don't
7 think the customers that are not generating
8 should have to pay for the back-up.

9 Q. Is that the explanation that Duquesne Light
10 gave to you?

11 A. No, that's my explanation.

12 Q. I'm sorry. Could you state the name of the
13 Duquesne Light employee again?

14 A. Adam Goldbach.

15 Q. And could you spell his last name?

16 A. G-O-L-D-B-A-C-H.

17 Q. And do you know what his title is?

18 A. No, I don't.

19 MR. ZAMBITO: No further questions.

20 ADMINISTRATIVE LAW JUDGE

21 DUNDERDALE: All right. Thank you. Any other
22 questions from any other party?

23 (No response.)

24 ADMINISTRATIVE LAW JUDGE

25 DUNDERDALE: Sir, thank you very much for your

1 time.

2 MR. McGAFFIN: Okay. Thank you.

3 ADMINISTRATIVE LAW JUDGE

4 DUNDERDALE: The next person on my list is
5 Mr. Gregory Reed who also brought a statement,
6 which I'm going to give you.

7 DR. REED: This is lengthy. I
8 apologize but I hope to get through it quickly.

9 ADMINISTRATIVE LAW JUDGE

10 DUNDERDALE: That's fine. All right. I'm
11 assuming you're going to testify?

12 DR. REED: Yes, ma'am.

13 ADMINISTRATIVE LAW JUDGE

14 DUNDERDALE: Raise your right hand for me,
15 please.

16 (Witness sworn.)

17 ADMINISTRATIVE LAW JUDGE

18 DUNDERDALE: Thank you. If you'd go ahead and
19 answer those questions first and then you can get
20 started.

21 DR. REED: Certainly. My name is
22 Dr. Gregory Reed. My address is 5024 Northfield
23 Drive in Gibsonia, Pennsylvania. I am a
24 professor at the University of Pittsburgh. I'm
25 also the owner and sole proprietor of Power Grid

1 Energy Consulting, LLC. I am not a customer of
2 Duquesne Light.

3 ADMINISTRATIVE LAW JUDGE

4 DUNDERDALE: Okay. Go ahead.

5 DR. GREGORY REED,
6 Called as a witness, having been first duly
7 sworn, testified as follows:

8 DIRECT TESTIMONY

9 DR. REED: Just to preface my
10 statement, they're lengthy. I appreciate the
11 opportunity to get through them and I have a lot
12 to say. They are more specifically in relation
13 to distribution assets including generation
14 assets at the distribution and consumer level.

15 ADMINISTRATIVE LAW JUDGE

16 DUNDERDALE: Let me just stop you just for a
17 moment. If it makes it easier, I can see about
18 admitting this into the evidence and then you can
19 simply add to your statement. Would you like
20 that?

21 DR. REED: I'm sorry.

22 ADMINISTRATIVE LAW JUDGE

23 DUNDERDALE: Then you can simply add to your
24 statement. In other words, I can put it in as it
25 is, and then you can add to your statement, so

1 you wouldn't necessarily have to read through all
2 of it. Would that be helpful?

3 DR. REED: That would be helpful,
4 yeah. Although I would like to get through
5 everything in here.

6 ADMINISTRATIVE LAW JUDGE

7 DUNDERDALE: That's fine. Do I have any
8 objection from an attorney if I admit this as an
9 exhibit?

10 MR. ZAMBITO: I would like a copy
11 of it for purposes of cross-examination if you
12 are going to admit it into the record.

13 ADMINISTRATIVE LAW JUDGE

14 DUNDERDALE: We might be able to provide that.

15 Okay. I'm going to mark it as
16 Judge's Exhibit 1, and that way you can simply
17 speak from it but you don't necessarily have to
18 recite it, okay?

19 DR. REED: Okay. Thank you.

20 (Judge's Exhibit No. 1 was marked
21 and entered into evidence.)

22 DR. REED: So again, my name is Dr.
23 Gregory Reed. I testify today as a 32 year
24 veteran of the electric power industry. I'll be
25 brief in my overview, but I have held positions

1 in engineering, research and development,
2 executive management and education throughout my
3 career with electric and gas utility, the
4 Consolidated Edison Company of New York, with
5 global manufacturers and technology providers
6 including Westinghouse Electric, ABB, and
7 Mitsubishi Electric, a global international
8 consulting firm in the power industry, DNV-KEMA,
9 and today as an academic with the University of
10 Pittsburgh.

11 I work across a broad range of
12 activities and constituents in this area and have
13 worked on many complex projects and technologies
14 worldwide supporting the activities of all
15 entities, including about 200 electric and gas
16 utilities across the globe. Thus, I feel very
17 qualified today to speak to the distribution rate
18 increase requested by Duquesne Light for which
19 this hearing has been scheduled.

20 I'd first like to state that the
21 electric power industry, as a whole throughout
22 the US, is at a crossroads as it relates to
23 distribution system integration and generation
24 assets, both at the utility distribution level
25 and at the end-use, industrial, commercial and

1 residential levels. Never before has generation
2 been integrated at the distribution and consumer
3 end of the system to the penetration levels we
4 are experiencing in recent years, and which are
5 projected to increase exponentially in the years
6 ahead. Indeed, for many decades, and since the
7 formation of the electric power industry in the
8 US in the early 1900s, and up until just the
9 early part of the 21st century, the traditional
10 system design and the operation of the power
11 system has been from generation at large
12 centralized plants, to the transmission of
13 distribution system eventually to local end
14 users. The proliferation in recent years of
15 distribution and consumer-end level generation is
16 a new paradigm that is evolving in the industry,
17 for which legacy infrastructure was not designed
18 or built to integrate effectively or efficiently.
19 This new era of distributed generation
20 penetration at these lower voltage levels of the
21 system, coupled with the challenge that many of
22 them are renewable resources, such as solar and
23 wind, as examples, are thus variable and
24 intermittent in their nature, require new
25 developments for integration into our existing

1 infrastructures in a reliable and safe manner.

2 In my opinion, industry
3 deregulation that began in the 1990s and which
4 eventually eliminated the vertically integrated
5 utility, primarily separating generation from
6 T&D, today has unintended consequences when it
7 comes to distribution level generation asset
8 ownership and operation. In simple terms,
9 "wires" utilities, or strictly "T&D" utilities,
10 such as Duquesne Light, and many more like them
11 across the country, are today often prohibited by
12 policy and regulation from owning and operating
13 generation assets at any level of the system for
14 customers or other third-party applications for
15 which they can recover costs.

16 Thus, in terms of distribution
17 level generation or consumer-end generation that
18 is built with excess capacity that can be fed
19 into the utility distribution system, the
20 consumer-end generating entity itself is then
21 responsible for the ownership and operation of
22 these assets. I strongly believe that this puts
23 at serious risk our regional and national
24 electricity reliability and security. In
25 addition, I also believe that this also puts at

1 risk a national need, and the attainment of
2 stated goals, to enhance electricity resiliency,
3 increase sustainability, and at the same time
4 preserve strong economic viability of electricity
5 service to all consumers.

6 Within the new market environment
7 that is rapidly developing, it is my opinion that
8 "wires" utilities such as Duquesne Light, provide
9 our best and most experienced option of
10 maintaining, developing and enhancing these five
11 important aspects, which I repeat here as
12 electricity reliability, security, resiliency,
13 sustainability, and economics. I could easily
14 add safety to this list, which is also of
15 paramount importance from an operational sense.
16 I believe that policy and regulation, not only in
17 Pennsylvania but across the country, should align
18 with today's market paradigms, and allow for
19 "wires" utilities to participate in generation
20 development, ownership, and operation for
21 consumers, including both for individual facility
22 applications where warranted, as well as for
23 applications within microgrid-type developments.

24 I go on and it's in the record of
25 my written testimony a description of microgrids.

1 I'll shorten that here and say that microgrids
2 are self-contained energy networks, smaller grids
3 that provide enough energy resources to meet the
4 supply and demand of the given geographic area.
5 They tend to be one or several or more buildings
6 in size, at the most 10 to 20 megawatts at the
7 smallest, 10s to 100s of kilowatts. I state this
8 because much of the local generation assets at
9 the distribution level and the consumer end were
10 being developed, in some cases, in the sense of
11 microgrids.

12 I would like to explain a little
13 bit about a specific microgrid project with his
14 te Duquesne Light Wood's Run Microgrid project
15 which represents a very important demonstration
16 of the technologies, infrastructure, and
17 operational aspects of these self-supporting
18 energy and grid systems. This project not only
19 provides an opportunity for Duquesne Light but
20 utilities across the country, to learn in a
21 controlled manner how microgrids will interact
22 with consumers and the larger grid
23 interconnection, including islanding scenarios
24 and many other operational situations. Through
25 this project, Duquesne Light has the ability to

1 understand more of what consumers will be or may
2 be installing and operating at distribution level
3 and customer-end sites, and what technologies
4 need to be further developed, improved upon to
5 meet industry operational and interconnection
6 standards, and to inform themselves and the
7 industry in relation to best practices for
8 designing, constructing, and operating within a
9 microgrid environment. Microgrids are a very new
10 and dynamically developing area of the power
11 industry, and in some cases even represent
12 disruptive change. And this is an important area
13 that requires better understanding, more research
14 and analysis, and additional opportunities for
15 demonstration and early-stage developments. For
16 these reasons and others, microgrids have
17 actually become an important focus area of my own
18 professional activities.

19 There's also an important
20 educational aspect to the Wood's Run microgrid
21 project that Duquesne Light is embarking upon,
22 not only for the industry, but for future
23 professionals, including engineers, technicians,
24 and other supporting utility personnel, and it
25 can serve as a live test-bed of technological

1 research in the future.

2 The University of Pittsburgh
3 through our energy institute is a partner with
4 Duquesne Light on this project. We provided
5 technical support on the development, design, and
6 concept of the project, and will remain involved
7 through faculty and student interactions on the
8 project implementation phases to help further
9 education and research activities. This is an
10 important collaboration that the entire industry
11 is actually following.

12 It's very exciting and puts
13 Pittsburgh and our region in the spotlight in
14 terms of its importance. We have, in many ways,
15 become a model here in Pittsburgh for others to
16 follow and to learn from. It represents just one
17 of many other microgrid and district energy type
18 projects that we are investing and analyzing as a
19 partner with the City of Pittsburgh, related to a
20 larger regional effort on future energy
21 developments. Pittsburgh, through our collective
22 industry, academic and community partnerships,
23 has recently emerged nationally and even globally
24 as a recognized leading region in the area of
25 microgrid technology development and

1 demonstration. This type of activity supports
2 regional and economic development. We are proud
3 of this, and it should be noted that Duquesne
4 Light's participation in this initiative is
5 essential. We're bringing awareness to the
6 opportunity and effectively addressing challenges
7 in the microgrid sector, and accelerate the
8 development of solutions that otherwise would
9 require prolonged time frames to achieve.

10 This microgrid also provides an
11 important community service and offers advantages
12 to Duquesne Light's customers. With the on-site
13 generation assets at Wood's Run, Duquesne Light
14 would be able to recover more quickly from
15 unexpected outages, or "black swan" type events
16 in that part of their system and they would also
17 be able to address other emergency situations in
18 a much quicker manner.

19 Duquesne Light's operations,
20 engineering, and service departments are located
21 at Wood's Run, which is essentially the "central
22 nervous system" of their operations. By
23 establishing a microgrid there with generation
24 assets, they would provide high levels of
25 reliability and resiliency for their operations

1 and their critical facilities. Duquesne Light
2 will be able to respond to outages, disasters and
3 other events throughout their entire system in a
4 more expeditious and timely manner. This type of
5 resiliency, offered through the implementation of
6 a microgrid, cannot be overlooked, especially in
7 times of peril and utmost need.

8 We are experiencing a higher
9 frequency of occurrence of natural disasters and
10 man-made threats to our energy and electricity
11 infrastructure across the globe on a yearly
12 basis, that can continue to threaten our energy
13 security and resiliency. Microgrids are one very
14 viable and important solution that other areas of
15 the country are also considering in response to
16 these changing environmental impacts, as well as
17 from potential terrorist threats.

18 Electric utilities, including
19 Duquesne Light, are the backbone of the entire
20 power industry and have the knowledge, expertise,
21 tools, and other capabilities, developed over
22 many decades, to provide the most reliable means
23 possible for this new era of generation
24 interconnection at the distribution level. This
25 interconnection activity is upsetting the

1 "one-way" flow of traditional supply, not only
2 with a "two-way" flow of electricity but with an
3 "n-way" flow of electricity coming into and out
4 of the distribution system. It is critical that
5 utilities play a more direct role in this
6 integration of distribution and consumer-end
7 resources. Many elements of this issue need to
8 change and be developed technically, including
9 areas such as relay protection, control,
10 operation, energy storage devices, advanced power
11 electronics technologies, all as examples. And,
12 thus, policy and regulations must also change and
13 align with contemporary market evolution, in
14 order to establish opportunities for utility
15 participation at all levels.

16 I'd like to pose the following
17 question, along with my own answer to it. When
18 it comes to consumer or distribution level
19 generation development and ownership, and more
20 critically "operation" of such generation assets,
21 which might be established by industrial or
22 commercial facilities, industrial or commercial
23 parks, communities or neighborhoods and other
24 similar sites and related infrastructures, all of
25 whom are not primarily in the business of

1 electricity generation or delivery, are these the
2 entities that we want to rely upon for the
3 reliable, secure, and safe service of electricity
4 to our own homes and businesses? My emphatic
5 answer to this question is no. I much prefer
6 that the electric utilities provide this service
7 in order to maintain the system integrity and the
8 many other aspects already addressed in this
9 testimony. No other entity has the capability to
10 perform these functions that give us, as
11 consumers, the ability to feel confident in our
12 energy and electricity supply, in my opinion. I
13 would much rather see an environment in which
14 utilities could at least partner with the likes
15 of the above-mentioned entities and to offer
16 services that establish a sound business, market,
17 and technological approach to the challenges that
18 we face.

19 A second question to ask, when
20 these assets, such as distributed generation,
21 have an emergency outage or require maintenance
22 or dealing with other issues, and these assets
23 will experience issues, who will be best at
24 addressing these problems, the independent owner
25 or commercial facility operator or community

1 board or neighborhood coalition or the
2 electricity utility? Again, my clear answer to
3 this question is the electric utility. It is
4 their primary business and their area of
5 expertise and capability developed over many
6 decades.

7 It is time that policy and
8 regulations adapt to today's rapidly changing
9 industry environment, and allow the "wires"
10 utilities the distribution to at least
11 competitively participate in the distribution of
12 consumer-end generation markets.

13 Furthermore, based on this
14 background, I would like to address more
15 specifically the tariff being considered today.
16 I would like to begin with how this relates to
17 social equity and to disadvantaged areas and
18 members of the community. Many of the entities
19 that first and foremost have the means and
20 resources, financially and otherwise, to install,
21 own, and operate their own generation assets are
22 indeed the entities that are doing so. This may
23 include installing solar panels on the roof of a
24 building or buildings, as well as ground-mounted
25 solar farms and wind turbines where land is

1 available, and include both individuals with the
2 financial means to do so, as well as many
3 industrial and commercial entities. This may
4 also include installing a combined heat and power
5 plant, which are likely much more applicable to
6 industrial or commercial entities. There are
7 many other resource options available, and I
8 offer these simply as examples. Regardless of
9 the type of resource, when these entities provide
10 their own generation for their operations, to
11 which neither I nor Duquesne Light, in this case,
12 is at all opposed to, the use of these resources
13 naturally reduces the amount of electricity that
14 needs to be supplied by the utility, whether they
15 are recovering rates through billing of their
16 service or not. In all cases, the utility still
17 needs to maintain its distribution system, keep
18 it reliably available and with enough capacity to
19 service such an entity in the case that their own
20 generation is lost due to an outage, emergency,
21 natural or manmade disaster, or other related
22 issues. As such, the utility's costs for
23 maintaining and operating its distribution assets
24 are the same, regardless of whether or not load
25 from their system is being taken by a given

1 consumer or consumers. This includes not only
2 residential consumers but also small business and
3 small commercial entities, which are largely
4 unable to afford installing their own generation
5 assets.

6 Thus, in the case of independent
7 generation assets that are owned and operated by
8 consumers, this effectively results in "lost
9 revenue" to the utility, yet the utility has the
10 same cost to incur. These costs must then be
11 aggregated or spread out among other consumers,
12 who do not have their own generation resources.
13 These consumers today, and in the long run,
14 increasingly are those who do not have the means,
15 resources, or capabilities to install, own, and
16 operate their own generation, and in many or most
17 cases, this represents lower-income consumers and
18 neighborhoods, and certain disadvantaged
19 populations. As a result, these consumers end up
20 paying a higher rate for their electricity, yet
21 they are among the most economically vulnerable
22 across society. And this, in my opinion, creates
23 a serious social issue as it relates to social
24 equity and economic status preferentially of
25 distributed energy resources.

1 By allowing utilities to
2 participate in the distribution generation side
3 of the market, a fairer and more equitable
4 costing structure could be established and
5 deployed for distribution and consumer-end
6 resources, that would be much more balanced and
7 fair to all ratepayers, and not disadvantaged as
8 it is today to under-represent and lower-income
9 areas of a given community. This has played out
10 in other parts of the country, such as in Hawaii
11 and Nevada. We should not make these same
12 mistakes here in Pennsylvania, and we should
13 learn from the lessons that other states have
14 experienced to date. A model that is fair and
15 equitable to all is achievable, but I do not
16 believe that ultimately it is possible without
17 the electricity utility's ability to participate
18 in the distribution and consumer and generation
19 market.

20 Short of that ability for the
21 utilities to participate, the rate increase being
22 proposed by Duquesne Light provides an
23 interconnection tariff to independent
24 distribution and consumer-end generation assets
25 that allows the utility the distribution to

1 maintain its distribution system in a proper and
2 reliable manner, through a revenue model that is
3 consistent with contemporary costs.

4 There is, from my understanding, a
5 history specific to the Duquesne Light case, in
6 which this tariff under Rider 16 was originally
7 set at \$6.04 per kilowatt, but that it may have
8 been reduced several years ago since only one
9 entity within Duquesne Light's territory was even
10 subject to the tariff.

11 Regardless, with the growth and
12 proliferation, and in some cases, significant
13 plans for additional generation by numerous
14 entities that would fall under the definition
15 subject to the tariff, Duquesne Light's request
16 to bring the rate in-line with contemporary
17 charges seems reasonable in my opinion. If
18 benchmarked to other utilities and regions,
19 within and outside of Pennsylvania, the rate
20 increase to \$8 per kilowatt is not an
21 unreasonable request.

22 Finally, in closing, I would like
23 to state that without responsible policy or
24 regulatory change in reference to the "wires"
25 utility being in a position to own and operate

1 distribution and consumer-end generation
2 resources in the future, we prevent the best
3 opportunity to provide equitable and reliable
4 service to all consumers.

5 I am very grateful for the
6 opportunity to offer testimony and would be
7 pleased to answer any questions. Thank you.

8 ADMINISTRATIVE LAW JUDGE

9 DUNDERDALE: All right. Before I ask if there
10 are any questions, I'm going to hand this around
11 to some attorneys because attorneys like to see
12 paperwork. It makes us more comfortable.

13 All right. Any questions on cross
14 from Duquesne Light?

15 MR. KANAGY: No, Your Honor.

16 ADMINISTRATIVE LAW JUDGE

17 DUNDERDALE: BIE?

18 MS. MILLER: Yes, Your Honor.

19 ADMINISTRATIVE LAW JUDGE

20 DUNDERDALE: Go ahead.

21 - - - - -

22 CROSS-EXAMINATION

23 BY MS. MILLER:

24 Q. Thank you, Dr. Reed. I think you might have
25 said this at the outset, but is it correct you

1 are not personally a Duquesne Light customer?

2 A. I am not. I'm in the First energy Penn
3 Power territory.

4 Q. And your employer is the University of
5 Pittsburgh?

6 A. My employer is the University of Pittsburgh,
7 yes.

8 Q. Do you know if they are customers of
9 Duquesne Light?

10 A. They are.

11 Q. And they've authorized you to come and speak
12 today?

13 A. They -- I am here as an industry
14 professional and as an individual.

15 Q. But not as an employee of the University of
16 Pittsburgh?

17 A. I am not here representing the University of
18 Pittsburgh in any official capacity, no.

19 MS. MILLER: Just one moment,
20 please, Your Honor.

21 BY MS. MILLER:

22 Q. Dr. Reed, have you personally conducted any
23 investigation into Duquesne Light's rate increase
24 beyond what you testified to today?

25 A. Just beyond -- how beyond what I've

1 testified. And again, just some very simple
2 benchmarking.

3 Q. And you're not here to express the
4 University of Pittsburgh's position --

5 A. No.

6 Q. -- regarding a rate increase?

7 A. No. I'm am not, no.

8 MS. MILLER: Your Honor, I would
9 move to strike his testimony.

10 ADMINISTRATIVE LAW JUDGE

11 DUNDERDALE: I'm sorry.

12 MS. MILLER: I would move to strike
13 Dr. Reed's testimony.

14 ADMINISTRATIVE LAW JUDGE

15 DUNDERDALE: On what basis?

16 MS. MILLER: He's not a customer of
17 the service territory. His employer is but has
18 not authorized him to speak in their capacity.

19 ADMINISTRATIVE LAW JUDGE

20 DUNDERDALE: All right. I'm going to hold off
21 with that.

22 DR. REED: Can I answer that?

23 ADMINISTRATIVE LAW JUDGE

24 DUNDERDALE: Actually not yet because you may not
25 need to.

1 MR. KANAGY: Your Honor, if I may,
2 he is working -- I think he said he's working
3 with the company on the microgrid project.

4 ADMINISTRATIVE LAW JUDGE

5 DUNDERDALE: He did.

6 MR. KANAGY: And he is interested
7 in the microgrid project, and as his role as a
8 professor and working with students, so I do
9 think he has standing to testify.

10 ADMINISTRATIVE LAW JUDGE

11 DUNDERDALE: Okay. I'm going to ask the other
12 parties for cross-examination questions and then
13 I'll deal with the issue of the admission of the
14 testimony.

15 Mr. Zambito.

16 MR. ZAMBITO: Thank you,
17 Your Honor.

18 - - - - -

19 CROSS-EXAMINATION

20 BY MR. ZAMBITO:

21 Q. Good afternoon, Dr. Reed.

22 A. Good afternoon.

23 Q. I&E counsel took some of my questions --
24 your statement, did you read everything in your
25 written statement?

1 A. For the most part, yes.

2 Q. So I don't have to go through this.

3 A. I eliminated some things on my background
4 and some other detailed that I think were common
5 knowledge about the operation of the power
6 system.

7 Q. So we've established you're not a customer,
8 correct?

9 A. Correct.

10 Q. And you're not speaking on behalf of the
11 University of Pittsburgh, correct?

12 A. I am not.

13 Q. Are you aware that the University of
14 Pittsburgh is a member of the Duquesne Industrial
15 Interveners Groups --

16 A. I am.

17 Q. -- who have intervened in this case?

18 A. I am.

19 Q. Are you aware of the position that the
20 University of Pittsburgh is taking as part of
21 that group.

22 A. I am. I am.

23 Q. Are your positions consistent with those of
24 your employer?

25 A. They're not contradictory to it.

1 Q. Could you explain that, please?

2 A. Again, these are my own opinions as a
3 32-year professional of the industry and as an
4 individual.

5 Q. Are you speaking on behalf of the University
6 of Pittsburgh Center for Energy?

7 A. Again, I'm not here on behalf of the
8 University in any official capacity.

9 Q. What is your role with the Pittsburgh,
10 University of Pittsburgh Center for Energy?

11 A. I'm the director of the Center for Energy
12 and the director of the Energy Grid Institute.

13 Q. And what --

14 A. And I'm a professor in the Swanson School of
15 Engineering.

16 Q. What do you do as the director of the Center
17 for --

18 A. I manage our research and educational
19 activities across a very broad range of
20 energy-related subjects.

21 Q. Where does the -- I'm sorry, is it the
22 Energy Institute or the Center for Energy?

23 A. Both the Center for Energy and the Energy
24 Grid Institute. It's two entities.

25 Q. Could you distinguish between the two of

1 them?

2 A. The Energy Grid Institute represents
3 activities that we are currently developing at
4 the Pittsburgh Innovation Center, which is an
5 off-campus facility. So it's an extension of our
6 Center for Energy but simply a distinction of
7 where those activities are located as opposed to
8 our traditional campus activities.

9 Q. And how are they funded?

10 A. Through various means, government funding,
11 industry support, foundation and community
12 support. We have various constituents.

13 Q. Do you play a roll in soliciting that
14 funding?

15 A. I play a roll in proposing and developing
16 the programs, managing the programs, and in
17 certain cases conducting the research, yes.

18 Q. So you play a role in soliciting funding for
19 the Center and the Institute.

20 A. Yes.

21 Q. I'll come back to that. Have you spoken
22 with anybody from Duquesne Light regarding your
23 testimony today?

24 A. No.

25 Q. Have you communicated in any way with

1 somebody from Duquesne Light?

2 A. I indicated to Ben Morris and Jessica Rock
3 that I intended to testify here.

4 Q. Who are Ben Morris and Jessica Rock?

5 A. I don't know their exact titles. They're
6 employees at Duquesne Light. Jessica I believe
7 is Director of Marketing and Communications.

8 Ben, I don't know Ben's s exact title, but he is
9 involved in operations.

10 Q. Are in here today?

11 A. They are not.

12 Q. Did you seek them out to discuss your
13 testimony today or did they seek you out?

14 A. Neither really. I simply informed them that
15 I planned to testify.

16 Q. Did you tell them the general content of
17 your testimony?

18 A. I explained both to the University of
19 Pittsburgh Facility of Management Personnel as
20 well as to Mr. Morris and Jessica Rock generally
21 my comments, but did not seek input from either
22 entity.

23 Q. Did they give you input?

24 A. No, they did not.

25 Q. Dr. Reed, you testified that you're

1 generally in favor of distributive generation,
2 correct?

3 A. Absolutely. Yes.

4 Q. And you testified that you believe that the
5 wires companies, in the case Duquesne Light
6 Company, should be engaged in developing and
7 distributing --

8 A. That's my main message, absolutely. Again,
9 often and in most cases, electric utilities, the
10 wire companies like Duquesne Light, are
11 prohibited from participating in the
12 construction, ownership, and operation of
13 distributed assets at the distribution level or
14 consumer end. And that's the crux of my
15 testimony is to provide a policy and regulatory
16 environment that allows them to do that, to
17 partner with the likes of a University of
18 Pittsburgh or a People's Gas or a community or an
19 industrial park to be able to provide those
20 assets for them. I think that's a much more
21 reliable and secure way of doing it as compared
22 to these other individual entities bring so many
23 resources online, and really not as strategic a
24 manner street and again with less experience of
25 doing that. So you have a lot of entities who

1 aren't in this business that are beginning to put
2 generation assets on their own facilities, and in
3 a long run this reduces -- it provides risk to
4 reliability, security, safety, resiliency.

5 ADMINISTRATIVE LAW JUDGE

6 DUNDERDALE: Okay, I'm going to interrupt. I'm
7 spending a lot of time on one witness and I have
8 a whole bunch of other witnesses.

9 DR. REED: Yeah, I'm sorry.

10 ADMINISTRATIVE LAW JUDGE

11 DUNDERDALE: So I apologize to -- because I'm
12 going to shorten up. I need you to keep your
13 cross really short now, and I need the others to
14 do as well because I have other participants.

15 MR. ZAMBITO: I'll finish up,
16 Your Honor.

17 BY MR. ZAMBITO:

18 A. But yes, I'm in favor of that.

19 Q. Are you familiar with the concept of a
20 standby rate?

21 A. Yes.

22 ADMINISTRATIVE LAW JUDGE

23 DUNDERDALE: A stand-by?

24 MR. ZAMBITO: Stand-by rate or
25 back-up rate.

1 DR. REED: Yes.

2 BY MR. ZAMBITO:

3 Q. Would you agree that if the back-up rate is
4 too high, it would discourage the development of
5 distributed generated projects?

6 A. It could.

7 Q. When the utility develops it's own
8 distributed generation projects for a microgrid,
9 do you believe that it's appropriate that other
10 ratepayers should share in the expense of that
11 project because of the overall benefit?

12 A. If it improves the reliability of the
13 overall system to all consumers, yes.

14 Q. If a private entity develops a distributed
15 generation project that improves the reliability
16 to the overall system, should other ratepayers
17 also share in that as well?

18 A. In the same way, if it does have tangible
19 reliability improvements, yes.

20 Q. You mentioned that you were partnering with
21 Duquesne Light Company on the Wood's Run Project.

22 A. Yes.

23 Q. I'll finish up now. Could you specify how
24 much money Duquesne Light has contributed to both
25 your institute and your center in the past, and

1 what you anticipate them to be contributing in
2 the future?

3 A. We have a partnership agreement that has not
4 been finalized yet. So I really do not have a
5 number to give you. They have been our partner
6 in our activities at the Energy Innovation Center
7 and to date have provided in-kind interconnection
8 into our laboratory at that facility. Beyond
9 that, there has been no financial exchange from
10 Duquesne Light to the University of Pittsburgh
11 related to my programs.

12 Q. Have they made a commitment, a financial
13 dollar amount commitment?

14 A. There is a partnership agreement that was
15 publicly announced in 2015 towards a \$500,000
16 investment. But again, this has not been --
17 there has been no financial exchange to date on
18 that partnership.

19 Q. So just to summarize, Duquesne Light has
20 committed to contribute a half-million dollars to
21 your institute?

22 A. Yes.

23 Q. No further questions.

24 ADMINISTRATIVE LAW JUDGE

25 DUNDERDALE: OCA?

1 MS. HEMPSTEAD: Yes, Your Honor.

2 ADMINISTRATIVE LAW JUDGE

3 DUNDERDALE: First OCA. No?

4 MR. DEMANCHICK: No.

5 ADMINISTRATIVE LAW JUDGE

6 DUNDERDALE: Okay. Ms. Hempstead.

7 MS. HEMPSTEAD: Yes, Your Honor. I
8 do have a question.

9 - - - - -

10 CROSS-EXAMINATION

11 BY MS. HEMPSTEAD:

12 Q. Could you elaborate on your qualification
13 and background with regard to the issues that you
14 mentioned --

15 A. With what?

16 Q. With regard to the equity issues that you
17 mentioned in your testimony as it relates to --

18 A. Not specifically. Again, I've been in the
19 middle of these issues for many years throughout
20 my career, and especially in recent years because
21 I've been involved quite significantly, and in a
22 national level in regards to microgrid
23 developments. And the more that I participate in
24 that and see what's happening with distributed
25 resources and ownership and operation of

1 resources, I'm seeing the social equity issue be
2 a big problem with what we're doing. And again,
3 I think policy and regulation would help with
4 that.

5 But I don't do social work
6 specifically if that's what you're asking. I'm
7 not sure of the nature of the question. Again,
8 this is all based on my experience and my
9 representation here as an industry professional
10 and years of experience.

11 Q. Is that experience primarily related to your
12 work at the University of Pittsburgh?

13 A. At the University of Pittsburgh as well as
14 at my work with Mitsubishi Electric, with the
15 other organizations including Con Edison in my
16 past that I've worked with. So it's really an
17 evolution of experiences.

18 MS. HEMPSTEAD: No further
19 questions.

20 ADMINISTRATIVE LAW JUDGE

21 DUNDERDALE: Is that it?

22 MS. HEMPSTEAD: Yes.

23 ADMINISTRATIVE LAW JUDGE

24 DUNDERDALE: I have a motion to strike. I'm
25 going to deny it. I'm going to allow the

1 statement to come in for what it's worth. I do
2 recognize this individual is not a customer. We
3 have permitted non-customers to testify
4 periodically. So I'm going to allow it to stand.

5 That very much, sir.

6 DR. REED: Thank you.

7 ADMINISTRATIVE LAW JUDGE

8 DUNDERDALE: All right. The next person on my
9 list, and I'll just apologize ahead of time
10 because I, just two witnesses ago told you that
11 it doesn't take long and then barely any
12 cross-examination and the attorneys just proved
13 that that statement wasn't right. But hopefully,
14 we'll move on fairly quickly.

15 I will note for the record, we do
16 have a bunch of individuals who may be customers
17 but they're also individuals who may be coming
18 with some longer testimony. So for that reason,
19 I am going to try and limit us. No one else gave
20 me a prepared statement, so I don't think I have
21 that in the future. However, I'm probably going
22 to start looking at my watch after about five,
23 certainly after ten minutes. So let's try and
24 keep it a little shorter if we can.

25 All right. That having been said,

1 Mr. Jonathan Potts. I always feel like saying,
2 "come on down."

3 Oh, he does have a written
4 statement. I was wrong. Thank you. Are you
5 going to testify?

6 MR. POTTS: I am.

7 ADMINISTRATIVE LAW JUDGE

8 DUNDERDALE: All right. Would you raise your
9 right hand for me, please?

10 (Witness sworn.)

11 ADMINISTRATIVE LAW JUDGE

12 DUNDERDALE: Thank you. I will ask you to answer
13 those questions, and while you do so I'm going to
14 hand these out, not that we're going to admit the
15 statement but I shouldn't be the only one who
16 gets to look at these notes. If you'd answer the
17 questions for me, please.

18 MR. POTTS: Sure. My name is
19 Jonathan Potts. I'm here on behalf of my
20 employer, Robert Morris University which is
21 located at 6001 University Boulevard, Moon
22 Township, 15108. The University is a customer of
23 Duquesne Light. I happen to be as well at my
24 home which is at 540 Rossmore Avenue, Pittsburgh
25 15226.

1 ADMINISTRATIVE LAW JUDGE

2 DUNDERDALE: Great. Thank you.

3 JONATHAN POTTS,

4 Called as a witness, having been first duly
5 sworn, testified as follows:

6 DIRECT TESTIMONY

7 MR. POTTS: Good afternoon. As
8 noted my name is Jonathan Potts. I'm the Vice
9 President of Public Relations and Marketing at
10 Robert Morris University in Moon Township, and I
11 speak today on behalf of the University regarding
12 the rate increase request by Duquesne Light. In
13 particular, we are concerned about Duquesne Light
14 Company's proposal to increase the distribution
15 component of the Back-Up Service rate charged to
16 owners of electric power generation facilities
17 taking this type of service by 220 percent.

18 Currently, RMU is exploring the
19 possibility of developing a combined heat and
20 power, or CHP system, in order to increase energy
21 efficiency on campus and provide a more reliable
22 and resilient energy supply. The distribution
23 component of the Back-Up Service in Rider Number
24 16 of Duquesne Light's tariff is proposed to
25 increase by 220 percent as noted, from \$2.50 per

1 kilowatt to \$8.00 per kilowatt. A rate increase
2 of such magnitude could threaten the financial
3 viability of a CHP on our campus, as RMU's
4 primary source of revenue is the tuition paid by
5 our students.

6 Furthermore, the proposed increase
7 to the distribution component of Duquesne Light's
8 Back-Up Service would undermine the Public
9 Utility Commission's own policy statement
10 endorsing CHPs. The Commission has in the recent
11 past emphasized the many benefits of CHPs,
12 including environmental stewardship, reduction in
13 energy consumption, and enhanced reliability.
14 The rate increase currently under consideration
15 would, unfortunately, be a significant impediment
16 to the development of these vital projects.

17 Thank you.

18 ADMINISTRATIVE LAW JUDGE

19 DUNDERDALE: All right. Thank you.

20 Any questions on cross?

21 MS. WILLIAMS: Yes, Your Honor.

22 ADMINISTRATIVE LAW JUDGE

23 DUNDERDALE: Go ahead.

24 MS. WILLIAMS: Thank you.

25 - - - - -

1 CROSS-EXAMINATION

2 BY MS. WILLIAMS:

3 Q. You testified that the increase, the
4 proposed increase to Rider 16 was 220 percent.
5 What is the source of that number?

6 A. I believe I got that from doing our research
7 and consulting with the people on campus who have
8 been, you know, more familiar with our
9 exploration of this project.

10 Q. So the source of your 220 percent increase
11 is RMU --

12 A. It's a public record. I believe -- I did
13 some -- when I was called in to help with this,
14 they did some research, and our staff at the
15 University who have been more closely working on
16 this provided me with that information.

17 ADMINISTRATIVE LAW JUDGE

18 DUNDERDALE: I will also note for the record it's
19 at least in People's materials that are available
20 publicly.

21 BY MS. WILLIAMS:

22 Q. Were you asked to come here and testify by
23 anyone?

24 A. My senior leadership at the University had a
25 discussion and made a decision to send someone,

1 and I was the most likely person.

2 Q. And is Robert Morris University working with
3 People's Natural Gas on this issue?

4 A. We're exploring a project with them. That's
5 all I'm at liberty to say about that.

6 Q. And one last question. You are not
7 currently a customer on Rider 16?

8 A. We're not currently -- we do not currently
9 have a combined heat and power or other microgrid
10 that I'm aware of. So no to the best of my
11 knowledge.

12 MS. WILLIAMS: Thank you.

13 ADMINISTRATIVE LAW JUDGE

14 DUNDERDALE: BIE?

15 MS. MILLER: No, Your Honor.

16 ADMINISTRATIVE LAW JUDGE

17 DUNDERDALE: Mr. Zambito?

18 MR. ZAMBITO: No questions,

19 Your Honor.

20 ADMINISTRATIVE LAW JUDGE

21 DUNDERDALE: OCA?

22 MR. DEMANCHICK: No, Your Honor.

23 ADMINISTRATIVE LAW JUDGE

24 DUNDERDALE: See, that's the way it's supposed to
25 be.

1 Thank you very much.

2 MR. POTTS: Thank you.

3 MS. HEMPSTEAD: No, thank you.

4 ADMINISTRATIVE LAW JUDGE

5 DUNDERDALE: Let me just note for the record that
6 we have been joined by one of our local
7 representatives, Mr. Jake Wheatly. Thank you for
8 coming down.

9 REPRESENTATIVE WHEATLY: Thank you.

10 ADMINISTRATIVE LAW JUDGE

11 DUNDERDALE: And I understand that you don't need
12 to speak today?

13 REPRESENTATIVE WHEATLY: No. I
14 think you have enough speakers today.

15 ADMINISTRATIVE LAW JUDGE

16 DUNDERDALE: All right. Let me call next -- I
17 apologize. I don't know if this is a Mr. or Ms.,
18 Jamie White. A Mr. White, are you going to
19 testify today?

20 MR. WHITE: I am, Your Honor.

21 ADMINISTRATIVE LAW JUDGE

22 DUNDERDALE: All right. If you could raise your
23 right hand for me, please.

24 (Witness sworn.)

25 ADMINISTRATIVE LAW JUDGE

1 DUNDERDALE: Thank you. If you'll answer those
2 questions for me, please.

3 Oh, we have a statement here.

4 MR. WHITE: My name is Jamie White.
5 I live at 25 Grandview Avenue, Hickory, PA. I
6 work for LLI Engineering. I'm actually one of
7 the owners, and we are a customer of Duquesne
8 Light through our landlord. I'm am an engineer
9 that designs CHP plants. I'm here --

10 ADMINISTRATIVE LAW JUDGE

11 DUNDERDALE: Go ahead.

12 JAMIE WHITE,

13 Called as a witness, having been first duly
14 sworn, testified as follows:

15 DIRECT TESTIMONY

16 MR. WHITE: Good afternoon, my name
17 is Jamie White and I am a Board Member and
18 speaking on behalf of NAIOP Pittsburgh. I am
19 also a Professional Engineer registered in
20 multiple states including Pennsylvania, who
21 designed utility services within facilities and
22 campuses, including co-gen plants.

23 ADMINISTRATIVE LAW JUDGE

24 DUNDERDALE: Can I stop you for just a minute.

25 Could you tell me that acronym again, NAIOP?

1 MR. WHITE: NAIOP. It's used to
2 stand for National Association of Industrial
3 Office Parks.

4 ADMINISTRATIVE LAW JUDGE

5 DUNDERDALE: Thank you.

6 MR. WHITE: It's a commercial real
7 estate organization.

8 ADMINISTRATIVE LAW JUDGE

9 DUNDERDALE: All right. Thank you very much. Go
10 ahead.

11 MR. WHITE: NAIOP is the largest
12 regional association of developers, owners,
13 investors and professionals of commercial real
14 estate in Pittsburgh. On behalf of the more than
15 350 members, I am here today to express our
16 strong concerns for certain provisions within the
17 proposed Duquesne Light proposed tariff changes.

18 The commercial real estate
19 development in Pennsylvania is a powerful
20 economic engine, creating jobs and generating
21 significant financial contributions to the
22 economy. Within our state alone, commercial real
23 estate contributes \$36.4 billion to the Gross
24 Domestic Product.

25 As the Pittsburgh Chapter of NAIOP,

1 we have deep concerns about these proposed
2 changes and believe that the proposed tariff, if
3 approved, will have a chilling effect on the
4 economy within the Duquesne Light territory.

5 Specifically, we are concerned with
6 Rider 16, which increases the current "Back-Up
7 Service Distribution" charge from \$2.50 per KW to
8 \$8.00 per KW.

9 Several NAIOP members have
10 co-generation projects in various stages of
11 development within the Duquesne Light territory.
12 This increase to the back-up service fee may
13 cause those projects to be cancelled. In fact,
14 Duquesne Light provided an analysis to one of my
15 CHP clients showing that the Duquesne Light fees
16 will be the same after the client installs a
17 3-megawatt CHP plant as the fees are prior to the
18 installation, whereas should the Rider 16 charges
19 remain as per the existing tariff, the project
20 would provide meaningful savings to the client.

21 We believe that co-generation, CHP,
22 solar, wind and other on-site generation
23 utilizing microgrid technology is important for
24 improving the business competitiveness of the
25 region. It will lower overall utility costs.

1 And, most importantly, it will improve the
2 reliability to the existing electric grid by
3 diversifying generation sources.

4 We hope that you will take our
5 membership's concerns with the seriousness with
6 which they are offered, and deny the Rider 16
7 rate increase entirely.

8 On behalf of NAIOP Pittsburgh,
9 thank you for your attention to these issues.

10 ADMINISTRATIVE LAW JUDGE

11 DUNDERDALE: Thank you.

12 Any questions on cross? Duquesne?

13 MS. WILLIAMS: Just one,

14 Your Honor.

15 - - - - -

16 CROSS-EXAMINATION

17 BY MS. WILLIAMS:

18 Q. You testified that someone from Duquesne
19 Light provided an analysis about a pending CHP
20 project. Who was that?

21 A. Who from Duquesne Light?

22 Q. Uh-huh.

23 A. I'm not sure. I can give it to you and you
24 can tell me.

25 ADMINISTRATIVE LAW JUDGE

1 DUNDERDALE: He doesn't know. The answer is he
2 doesn't know.

3 MR. WHITE: I don't know.

4 MS. WILLIAMS: No further
5 questions.

6 ADMINISTRATIVE LAW JUDGE

7 DUNDERDALE: Okay. BIE?

8 MS. MILLER: No questions,
9 Your Honor.

10 ADMINISTRATIVE LAW JUDGE

11 DUNDERDALE: Mr. Zambito.

12 MR. ZAMBITO: No, Your Honor.

13 ADMINISTRATIVE LAW JUDGE

14 DUNDERDALE: OCA?

15 MR. DEMANCHICK: No, Your Honor.

16 ADMINISTRATIVE LAW JUDGE

17 DUNDERDALE: Okay, Ms. Hempstead?

18 MS. HEMPSTEAD: No, Your Honor.

19 ADMINISTRATIVE LAW JUDGE

20 DUNDERDALE: All right. Sir, thank you very
21 much.

22 I will apologize, not to all of you
23 here because I just got my list screwed up, so if
24 you notice that somebody came after you and has
25 testified before you, I apologize. I think I'm

1 about to get it back in order, but I might -- so
2 anyway, I apologize.

3 I do have a Ms. Cherylie Fuller.
4 Did I pronounce that correctly?

5 MS. FULLER: Yes, ma'am.

6 ADMINISTRATIVE LAW JUDGE

7 DUNDERDALE: Please come up. Are you going to
8 testify today?

9 MS. FULLER: Yes, ma'am.

10 ADMINISTRATIVE LAW JUDGE

11 DUNDERDALE: All right. If you'd raise your
12 right hand, please.

13 (Witness sworn.)

14 ADMINISTRATIVE LAW JUDGE

15 DUNDERDALE: Thank you. Would you answer those
16 questions and just make sure you spell your first
17 name.

18 MS. FULLER: My name is Cherylie
19 Fuller, C-H-E-R-Y-L-I-E, Fuller, F-U-L-L-E-R. I
20 live at 7043 Hamilton Avenue, Pittsburgh. I'm
21 retired and yes, I am a Duquesne Light customer.

22 CHERYLIE FULLER,

23 Called as a witness, having been first duly
24 sworn, testified as follows:

25 DIRECT TESTIMONY

1 MS. FULLER: I am against the
2 increase. As a retiree, my husband and I are
3 senior citizens and we are retirees. We are on a
4 fixed income. We receive pension. My husband
5 receives Social Security. I will be receiving
6 Social Security this year, great. I have finally
7 reached that age of coming to where I can afford
8 a little bit more, and that little bit more would
9 not like to go into increased electrical bills.
10 The electrical bills now for our home are sort of
11 astronomical. We are at a income limit to where
12 we do not qualify for any of programs. We do not
13 qualify for LIHEAP, and it's the same with the
14 gas company. So when we -- the more you
15 increase, the more we pay. So where do we get a
16 savings? And we're not here -- we're not so much
17 concerned with the low-income, because we're not
18 considered low income. We're not considered high
19 income. We are in the middle. So my concern is
20 when the bills go up, we are set where we are
21 set, but then no more income is coming in. And I
22 don't want to have to go get another job because
23 my utility bills are going up. Thank you.

24 ADMINISTRATIVE LAW JUDGE

25 DUNDERDALE: Thank you. Any questions on cross.

1 No from Duquesne? BIE?

2 MS. MILLER: No, Your Honor.

3 ADMINISTRATIVE LAW JUDGE

4 DUNDERDALE: Mr. Zambito?

5 MR. ZAMBITO: No.

6 ADMINISTRATIVE LAW JUDGE

7 DUNDERDALE: OCA?

8 MR. DEMANCHICK: No.

9 ADMINISTRATIVE LAW JUDGE

10 DUNDERDALE: Ms. Hempstead?

11 MS. HEMPSTEAD: No.

12 ADMINISTRATIVE LAW JUDGE

13 DUNDERDALE: Thank you very much.

14 MS. FULLER: Thank you.

15 ADMINISTRATIVE LAW JUDGE

16 DUNDERDALE: Ms. Jacqueline Hill. Were you going
17 to testify?

18 MS. HILL: Comment.

19 ADMINISTRATIVE LAW JUDGE

20 DUNDERDALE: Were you going to testify?

21 MS. HILL: Can I comment?

22 ADMINISTRATIVE LAW JUDGE

23 DUNDERDALE: You can comment. It will be off the
24 record. Is that all right?

25 MS. HILL: Yes, ma'am.

1 ADMINISTRATIVE LAW JUDGE

2 DUNDERDALE: All right. That's fine. Go ahead.

3 MS. HILL: My name is Jacqueline
4 Hill. My address is 92 Jeremiah,
5 J-E-R-E-M-I-A-H, Street, Pittsburgh, PA 15218. I
6 am currently retired, and I am a customer of
7 Duquesne Light.

8 I think it's important to take into
9 consideration that Allegheny County is one of the
10 largest populations of senior citizens in the
11 country. So when you talk about increasing
12 consumer rates, you're impacting a group of
13 people whose income, for the most part, is
14 stagnant, will not grow. Because of being on a
15 fixed income, either retirement Social Security.
16 So it makes a difference when you continue to
17 take -- to take these increases without taking
18 that into consideration. The average income of
19 senior citizens in Allegheny County is somewhere
20 around \$890. A number of their rents exceed 50
21 percent of that income. Many are ineligible for
22 the various energy programs. I heard the
23 gentleman who works at Station Square say he was
24 in favor of the rent increase. I say that we
25 shift -- that instead of consumer increase, that

1 we shift it to the commercial and industrial
2 markets and leave consumers alone. Thank you.

3 ADMINISTRATIVE LAW JUDGE

4 DUNDERDALE: All right. Thank you very much.

5 Okay. Mr. Henry McKay. Oh my
6 goodness, he gave me a whole bunch of copies. Is
7 that all one thing?

8 MS. MILLER: No.

9 ADMINISTRATIVE LAW JUDGE

10 DUNDERDALE: Two pages?

11 MR. McKAY: Two pages, yeah.

12 ADMINISTRATIVE LAW JUDGE

13 DUNDERDALE: Not that we're going to be admitting
14 this into the record, Attorneys. I'll be passing
15 this out because a bunch of trees had to die.

16 If you would -- are you going to
17 testify?

18 MR. McKAY: Yes.

19 ADMINISTRATIVE LAW JUDGE

20 DUNDERDALE: Raise your right hand, please.

21 (Witness sworn.)

22 ADMINISTRATIVE LAW JUDGE

23 DUNDERDALE: Thank you. If you'd answer those
24 questions for me first, please.

25 MR. McKAY: My name is Henry McKay.

1 I live at 6522 Landview Road, Pittsburgh
2 Pennsylvania. My job is Pennsylvania Program
3 Director of Solar United Neighbors and I am a
4 customer of Duquesne Light.

5 ADMINISTRATIVE LAW JUDGE

6 DUNDERDALE: Thank you. Go ahead.

7 HENRY MCKAY,

8 Called as a witness, having been first duly
9 sworn, testified as follows:

10 DIRECT TESTIMONY

11 MR. MCKAY: As I said, my name is
12 Henry McKay. I am the Pennsylvania Program
13 Director of Solar United Neighbors. We are a
14 nonprofit organization that helps people go
15 solar, join together, and fight for their energy
16 rights.

17 Today I am speaking on behalf of
18 Solar United Neighbors of Pennsylvania and the
19 Duquesne Light customers who have signed our
20 petition in opposition to this proposed increase
21 in our electricity costs. The signatory of the
22 petition are included on the statement.

23 I am also speaking on behalf of
24 myself, a Duquesne Light customer.

25 We support maintaining and

1 upgrading our electrical grid to be more
2 resilient and capable of integrating solar,
3 battery storage, EVs, and other forms of clean
4 energy. We understand that customers may need to
5 shoulder some of the costs of modernizing the
6 grid. However, we strongly believe that
7 increasing the fixed charge, or customer charge
8 is a fundamentally unfair way to raise revenue.

9 Higher fixed charges erode customer
10 control over our energy costs by weakening the
11 connection between our actual electricity usage
12 and our bills. In doing so, they discourage
13 people from adopting energy efficiency measures
14 and installing solar photovoltaic systems. This
15 is particularly troubling because Allegheny and
16 Beaver Counties each recently earned a grade of
17 "F" on the American Lung Association's State of
18 the Air Report Card. By discouraging distributed
19 solar energy and energy efficiency, higher fixed
20 costs weaken two of our most important tools to
21 improve our air and protect our health.

22 Higher fixed costs are also
23 regressive in that they disproportionately burden
24 lower-income ratepayers. The proposed cost
25 increase would make up a larger share of a

1 lower-income ratepayer's monthly budget and
2 reduce their control over their costs.

3 Additionally, the proposed rate increase will
4 likely discourage moderate and low-income
5 households from investing in solar.

6 To illustrate this point, consider
7 three hypothetical homeowners who are interested
8 in installing a solar photovoltaic system that
9 would produce just over 90 percent of their
10 annual electricity usage. Keep in mind that the
11 central metric for most people considering going
12 solar is how much money they can save on their
13 electric bill. Solar United Neighbors estimates
14 that under Duquesne Light's proposed new rates, a
15 homeowner with 10,000-kilowatt hours of annual
16 electricity usage considering a 7.5-kilowatt
17 solar system would see their expected year one
18 savings fall by \$2.23. A homeowner with only
19 4,000-kilowatt hours of annual usage considering
20 a 3-kilowatt solar system would see their
21 expected year one savings fall by \$14.57 under
22 the proposed rates. And finally, a homeowner
23 with 3000-kilowatt hours of annual usage
24 considering a 2.3-kilowatt solar system would see
25 their expected annual savings fall by \$16.32

1 under the proposed rates.

2 If we assume that annual
3 electricity usage generally correlates with
4 income, it's clear that the disincentive to go
5 solar created by the proposed rates is stronger
6 for lower-income households. This is
7 fundamentally unfair, disproportionately
8 impacting those families that could most benefit
9 from lower energy costs through rooftop solar.

10 Instead of discouraging people from
11 weatherizing their houses or going solar,
12 Duquesne Light should consider alternative
13 rate-making systems that support and reward clean
14 and efficient energy while still providing
15 adequate revenue, according to the PUC's recent
16 guidance to Utility Docket Number M-2015-2518883.
17 The existing rate-making paradigm rewards
18 consumption and inefficiency by compensating
19 utilities based largely on the volume of
20 electricity they sell. Since utilities are
21 beholden to profit-seeking shareholders, this
22 paradigm inevitably puts them in conflict with
23 the public's interest in reducing energy
24 consumption and controlling electricity costs.

25 Instead, utilities should be

1 financially rewarded based on how well they
2 achieve broadly supported goals that benefit the
3 public. A rate-making paradigm that is
4 performance-based, not volume-based, would allow
5 utilities and their customers to work together
6 towards the cleaner, fairer energy system of the
7 future. And crucially, it would reduce the need
8 for fixed charge increases such as this one.

9 It's time for the Commission to
10 take a firm stand against unfair fixed charges
11 and support performance-based rate-making.

12 Thank you.

13 ADMINISTRATIVE LAW JUDGE

14 DUNDERDALE: I noticed that part of what you
15 handed to me to -- to the court reporter, and I
16 to the attorneys, seems to be some sort of a
17 petition?

18 MR. McKAY: Yes.

19 ADMINISTRATIVE LAW JUDGE

20 DUNDERDALE: And it's addressed to the PUC
21 Commissioners. Did you want me to admit this
22 into the record?

23 MR. McKAY: Yes, please.

24 ADMINISTRATIVE LAW JUDGE

25 DUNDERDALE: All right. I have passed out

1 already copies of this to the attorneys. Is
2 there any objection from the attorneys? I have
3 counted. There appears to be approximately 38
4 names on this petition. It includes names, home
5 address. I think that's it, and it's a petition
6 that indicates that these are customers.

7 MR. KANAGY: Your Honor, we would
8 object to Mr. McKay sponsoring the petition with
9 the customers. I don't believe he's an attorney
10 or authorized to represent them. So we would
11 note our objection.

12 ADMINISTRATIVE LAW JUDGE

13 DUNDERDALE: Yeah. I don't think he's an
14 attorney either. I probably used the wrong term
15 when I said would you like me to "admit" this to
16 the record. I think it's more a question as to
17 whether or not we bring it in and it's something
18 that the Commissioners can see more than anything
19 else. Is there still a standing objection.

20 MR. KANAGY: No objection if it's
21 not in the record.

22 ADMINISTRATIVE LAW JUDGE

23 DUNDERDALE: It would be an exhibit.

24 MR. KANAGY: I think with the
25 qualification that you provided, we're fine,

1 Your Honor.

2 ADMINISTRATIVE LAW JUDGE

3 DUNDERDALE: Okay. Any statement from the BIE?

4 MS. MILLER: We support the
5 admission into the record, Your Honor.

6 ADMINISTRATIVE LAW JUDGE

7 DUNDERDALE: Okay. Mr. Zambito for People's.

8 MR. ZAMBITO: Nothing, Your Honor.

9 ADMINISTRATIVE LAW JUDGE

10 DUNDERDALE: OCA?

11 MR. DEMANCHICK: We support the
12 admission, Your Honor.

13 ADMINISTRATIVE LAW JUDGE

14 DUNDERDALE: Ms. Hempstead says yes or she nods
15 yes.

16 MS. HEMPSTEAD: Yes.

17 ADMINISTRATIVE LAW JUDGE

18 DUNDERDALE: Okay. I'm going to mark it as
19 Judge's Exhibit 2, just this specific -- it is a
20 -- one piece of paper, two-sided and it has 38
21 names and a short petition at the top of it. And
22 I'm going to mark it as Judge's Exhibits 2.

23 (Judge's Exhibit No. 2 was marked
24 for identification.)

25 ADMINISTRATIVE LAW JUDGE

1 DUNDERDALE: All right. Any questions on cross,
2 because I didn't ask that.

3 No?

4 MS. MILLER: No, Your Honor.

5 ADMINISTRATIVE LAW JUDGE

6 DUNDERDALE: And I'm assuming Peoples none?

7 MR. ZAMBITO: No.

8 ADMINISTRATIVE LAW JUDGE

9 DUNDERDALE: OCA?

10 MR. DEMANCHICK: No, Your Honor.

11 ADMINISTRATIVE LAW JUDGE

12 DUNDERDALE: Ms. Hempstead?

13 MS. HEMPSTEAD: None.

14 ADMINISTRATIVE LAW JUDGE

15 DUNDERDALE: Thank you very much.

16 All right. Mr. Todd is it Redbud

17 or --

18 MR. REIDBORD: "Reidbord."

19 ADMINISTRATIVE LAW JUDGE

20 DUNDERDALE: What is it?

21 MR. REIDBORD: "Reidbord."

22 ADMINISTRATIVE LAW JUDGE

23 DUNDERDALE: "Reidbord"?

24 MR. REIDBORD: Yes.

25 ADMINISTRATIVE LAW JUDGE

1 DUNDERDALE: All right. I know that I will
2 eventually need you to spell your name for me.

3 Are you going to testify today?

4 MR. REIDBORD: Yes.

5 ADMINISTRATIVE LAW JUDGE

6 DUNDERDALE: Good. Raise your right hand.

7 (Witness sworn.)

8 ADMINISTRATIVE LAW JUDGE

9 DUNDERDALE: Thank you. Answer those questions
10 for me and spell your last name.

11 MR. REIDBORD: Sure. My name is
12 Todd Reidbord, R-E-I-D-B-O-R-D. I live at
13 1437 Inverness Avenue, Pittsburgh. I'm the
14 president and founder of Walnut Capital. We're a
15 commercial development firm in Pittsburgh. And
16 we are a large commercial customer as well as I'm
17 a personal customer at my house.

18 ADMINISTRATIVE LAW JUDGE

19 DUNDERDALE: Thank you.

20 TODD REIDBORD,

21 Called as a witness, having been first duly
22 sworn, testified as follows:

23 DIRECT TESTIMONY

24 MR. REIDBORD: I'm here to -- we
25 are customers of Duquesne Light, Peoples, all the

1 major utilities in the City of Pittsburgh, large
2 commercial customers. I'm really here to testify
3 that -- to fairness and rate charges. We think
4 that it's appropriate that those who decide to go
5 the route of the microgrids bear the costs of
6 that so that the customers who aren't quite as
7 large as some of the institutions can -- don't
8 have to pay for that and can -- don't have
9 excessive rate increases due to the fact that
10 other customers are using the microgrids.

11 We understand that Duquesne Light
12 needs to provide good, solid, reliable power,
13 which is very important for us and our commercial
14 customers and our tenants. Thank you.

15 ADMINISTRATIVE LAW JUDGE

16 DUNDERDALE: Okay. Any questions on cross.

17 Duquesne?

18 MR. KANAGY: No, thank you.

19 ADMINISTRATIVE LAW JUDGE

20 DUNDERDALE: BIE?

21 MS. MILLER: No, Your Honor.

22 ADMINISTRATIVE LAW JUDGE

23 DUNDERDALE: Peoples?

24 MR. ZAMBITO: No.

25 ADMINISTRATIVE LAW JUDGE

1 DUNDERDALE: OCA?

2 MR. DEMANCHICK: No.

3 ADMINISTRATIVE LAW JUDGE

4 DUNDERDALE: Ms. Hempstead?

5 MS. HEMPSTEAD: No.

6 ADMINISTRATIVE LAW JUDGE

7 DUNDERDALE: Thank you very much.

8 MR. REIDBORD: Thank you.

9 ADMINISTRATIVE LAW JUDGE

10 DUNDERDALE: Okay. Mr. Mark Johnson. Is he
11 still here?

12 MR. JOHNSON: I didn't sign up to
13 testify.

14 ADMINISTRATIVE LAW JUDGE

15 DUNDERDALE: I'm sorry. Say again?

16 MR. JOHNSON: I don't want to
17 testify.

18 ADMINISTRATIVE LAW JUDGE

19 DUNDERDALE: Okay. All right.

20 Ms. Hempstead, I have both
21 Ms. Rosini's name and your name down here. You
22 weren't planning on testifying, were you?

23 MS. HEMPSTEAD: No.

24 ADMINISTRATIVE LAW JUDGE

25 DUNDERDALE: Mr. David Onorato. Is he still

1 here?

2 AUDIENCE MEMBER: He had to leave.

3 He left.

4 ADMINISTRATIVE LAW JUDGE

5 DUNDERDALE: He left?

6 AUDIENCE MEMBER: Yes.

7 ADMINISTRATIVE LAW JUDGE

8 DUNDERDALE: Okay. Ms. Kelsey Krepps.

9 Oh good. I like to have customers
10 or individuals, whether you're a customer or not.

11 MS. KREPPS: It's a mix.

12 ADMINISTRATIVE LAW JUDGE

13 DUNDERDALE: Are you going to testify?

14 MS. KREPPS: Yes.

15 ADMINISTRATIVE LAW JUDGE

16 DUNDERDALE: Great. Please raise your right
17 hand.

18 (Witness sworn.)

19 ADMINISTRATIVE LAW JUDGE

20 DUNDERDALE: Thank you. If you can, please
21 answer the questions for me.

22 MS. KREPPS: Sure. My name is
23 Kelsey Krepps. I live at 16 Gaskill Street, and
24 I am the Western PA outreach coordinator for Penn
25 Future. I also am a customer of Duquesne Light.

1 ADMINISTRATIVE LAW JUDGE

2 DUNDERDALE: Okay. And you spell your name --

3 MS. KREPPS: K-E-L-S-E-Y, Krepps,
4 K-R-E-P-P-S.

5 ADMINISTRATIVE LAW JUDGE

6 DUNDERDALE: All right. Thank you.

7 KELSEY KREPPS,

8 Called as a witness, having been first duly
9 sworn, testified as follows:

10 DIRECT TESTIMONY

11 MS. KREPPS: For the most part --
12 sorry. I apologize. I am sick so please bear
13 with me. But for the most part, I agree with
14 most of the points that's been brought up. I
15 apologize. I also didn't get your name but the
16 program director of the Solar United Neighbors.

17 For the most part, I am concerned
18 about these proposed rates falling on low to
19 middle-income families who are already paying
20 high energy burdens within Pittsburgh.
21 Pittsburgh is nationally ranked as one of the
22 higher cities, within the top ten, as far as
23 energy burdens. These proposed rates, especially
24 on residential consumers, are unfair to them and
25 what they are able to -- to make ends meet.

1 The Public Utility Commission's own
2 independent evaluator has repeatedly reiterated
3 that we're also not implementing as many of our
4 cost-effective energy efficiency measures
5 available to us, and I think instead of
6 increasing residential customer rates that the
7 DLC should support and implement clean energy and
8 more energy efficient measures. Putting these
9 rate on low to middle-income families decreases
10 their potential interest and also makes it less
11 attractive to actually partake in weatherization
12 programs, solar programs, any energy efficiency
13 measures such as retrofitting light fixtures.
14 With our costs that are already high, these kinds
15 of things are as -- as desirable.

16 Additionally, the proposed rates
17 increases for back-up power discourages clean and
18 renewable energy production. Not only are these
19 rates targeting myself and other customers who
20 could be interested in purchasing more clean
21 power, but they're also targeting our natural
22 resources. These proposed rates take away our
23 right to choose what's best for us and kind of
24 force the hands of both low and middle-income
25 families and also people who are more interested

1 in purchasing cleaner power.

2 ADMINISTRATIVE LAW JUDGE

3 DUNDERDALE: Okay. Thank you. Any questions on
4 cross?

5 MR. KANAGY: No.

6 ADMINISTRATIVE LAW JUDGE

7 DUNDERDALE: BIE?

8 MS. MILLER: No, Your Honor.

9 ADMINISTRATIVE LAW JUDGE

10 DUNDERDALE: Peoples?

11 MR. ZAMBITO: No, Your Honor.

12 ADMINISTRATIVE LAW JUDGE

13 DUNDERDALE: OCA?

14 MR. DEMANCHICK: No, Your Honor.

15 ADMINISTRATIVE LAW JUDGE

16 DUNDERDALE: Ms. Hempstead?

17 MS. HEMPSTEAD: No, Your Honor.

18 ADMINISTRATIVE LAW JUDGE

19 DUNDERDALE: All right. Thank you very much.

20 All right. Mr. Nicholas -- that's
21 a great last name. Can you pronounce it?

22 MR. KYRIAZI: "Kyriazi."

23 ADMINISTRATIVE LAW JUDGE

24 DUNDERDALE: "Kyriazi." I love that name. Are
25 you going to testify?

1 MR. KYRIAZI: Yes, Your Honor.

2 ADMINISTRATIVE LAW JUDGE

3 DUNDERDALE: You are.

4 (Witness sworn.)

5 ADMINISTRATIVE LAW JUDGE

6 DUNDERDALE: Thank you. If you would answer
7 those questions and spell your first and last
8 name, please.

9 MR. KYRIAZI: Nicholas Kyriazi,
10 K-Y-R-I-A-Z-I, 517 Avery Street. I'm a retired
11 biomedical engineer, and yes, I am a customer of
12 Duquesne Light.

13 ADMINISTRATIVE LAW JUDGE

14 DUNDERDALE: Thank you. Go ahead.

15 NICHOLAS KYRIAZI,

16 Called as a witness, having been first duly
17 sworn, testified as follows:

18 DIRECT TESTIMONY

19 MR. KYRIAZI: I think Duquesne
20 Light is a good company. I think it does its job
21 well. I think it should operate without
22 subsidies, but certainly, charge what it --
23 enough to cover its cost and make a profit.

24 I am an all-electric customer, and
25 I -- the reason being is I'm afraid of gas and I

1 don't like the idea of flammable fluids coming
2 into my house. And Duquesne Light used to have
3 an electric heat discount which it phased out.
4 It worked that if you used more than a certain
5 quantity of kilowatt hours from November through
6 April you paid a discount rate, a quantity
7 discount.

8 I have two heat pumps in my house,
9 another one in a rental house, and three more in
10 an apartment building that I own. Whenever we
11 have very cold weather, my electric bills are
12 very high. I've heard the kilowatt hours listed
13 for different customers. My kilowatt-hour usage
14 in January was 5,200-kilowatt hours. That
15 equated to a \$669 electric bill. My tenant in my
16 rental house had a heating bill that was over
17 \$800, which is close to her rent.

18 So I would simply like to request
19 that Duquesne Light bring back the quantity
20 electric heat discount.

21 ADMINISTRATIVE LAW JUDGE

22 DUNDERDALE: Thank you. Any questions from
23 Duquesne?

24 MR. KANAGY: No.

25 ADMINISTRATIVE LAW JUDGE

1 DUNDERDALE: BIE?

2 MS. MILLER: No, Your Honor.

3 ADMINISTRATIVE LAW JUDGE

4 DUNDERDALE: Peoples?

5 MR. ZAMBITO: No.

6 ADMINISTRATIVE LAW JUDGE

7 DUNDERDALE: OCA?

8 MR. DEMANCHICK: No, Your Honor.

9 ADMINISTRATIVE LAW JUDGE

10 DUNDERDALE: Ms. Hempstead?

11 MS. HEMPSTEAD: No.

12 ADMINISTRATIVE LAW JUDGE

13 DUNDERDALE: Thank you very much, sir.

14 All right. Ms. Eva Resnick. Is it

15 Resnick Bay?

16 MS. RESNICK-DAY: Resnick-Day.

17 ADMINISTRATIVE LAW JUDGE

18 DUNDERDALE: Is it Resnick-Bay?

19 MS. RESNICK-DAY: Resnick-Day.

20 ADMINISTRATIVE LAW JUDGE

21 DUNDERDALE: Come on up.

22 Are you going to testify?

23 MS. RESNICK-DAY: Yes.

24 ADMINISTRATIVE LAW JUDGE

25 DUNDERDALE: Raise your right hand, please.

1 (Witness sworn.)

2 ADMINISTRATIVE LAW JUDGE

3 DUNDERDALE: Thank you. If you would answer
4 those questions. And you are E-V-A, and if you
5 could spell your last name.

6 MS. RESNICK-DAY: Yeah. So Eva
7 Resnick-Day. E-V-A and then R-E-S-N-I-C-K,
8 hyphenated D-A-Y. I live at 504 Peebles Street,
9 Pittsburgh, PA 15221. I am a customer of
10 Duquesne Light, and I currently work as a
11 community organizer at the Sierra Club.

12 ADMINISTRATIVE LAW JUDGE

13 DUNDERDALE: Go ahead.

14 EVA RESNICK-DAY,
15 Called as a witness, having been first duly
16 sworn, testified as follows:

17 DIRECT TESTIMONY

18 MS. RESNICK-DAY: So, I as a
19 community organizer at the Sierra Club, my goal
20 is to help transition Pittsburgh to renewable
21 energy in a way that benefits all. So we do a
22 lot of work to advocate for cleaner energy
23 sources on the grid that are accessible to
24 customers who are demanding more options for
25 clean energy, but also to have a choice, a clean

1 energy choice that is local so that the clean
2 energy that we're using is helping to improve our
3 health here locally and build our economy and
4 putting control and choice about our energy bills
5 in the hands of our most vulnerable populations.

6 More recently our campaign got
7 extremely concerned with the issue of energy
8 burden in Pittsburgh. We learned that the rates
9 Pittsburghers are paying for their electric and
10 gas bills are so high that it's affecting the
11 ability of many to provide for their families,
12 make rent, put food on the table and afford
13 hospital costs for their families. So the
14 national percent of income used on energy bills
15 is 3.5 percent for families, and in Pittsburgh
16 over a quarter of our low-income families are
17 paying over an astounding 16 percent of their
18 income on their utility bills, one of the worst
19 rates in the country. And actually, Pittsburgh
20 and Cleveland are the only two cities that are
21 ranked in the worst top ten list for both burdens
22 on low-income households and African American
23 households at some of the worst rates in the
24 entire country.

25 So to begin to slowly address this

1 issue, Sierra Club partnered with the grassroots
2 Green Homes Program, with CCI and also Duquesne
3 Light and Peoples Gas are partners on that, where
4 we signed up 300 Homewood families to participate
5 in a free year-long program that provides 12
6 tools and tips to save energy and money on
7 utility bills. The first round of the program in
8 Oakland and Uptown saved participants an average
9 of 15 percent on those bills. Through
10 door-knocking and talking to hundreds of
11 residents in Homewood, we learned that this
12 wasn't just statistics. People were really
13 getting hit hard with bills. Some households
14 were talking to us about getting a \$400
15 electricity bill that they were unable to pay.
16 Lots of folks on fixed incomes reiterated that
17 just saving a few dollars per month would really
18 make a difference in their lives, and folks were
19 lining up and falling over themselves just for
20 energy-efficient light bulbs.

21 And yes, residents care about the
22 environment, but this was about money that they
23 couldn't afford not to save. Nearly every
24 household we talked to spent over 15 minutes
25 without filling out all these long forms to

1 participate in the energy-saving program. So
2 when I got a letter in the mail from Duquesne
3 Light about a significant rate increase, I became
4 extremely concerned for those 300 families we
5 talked to and the hundreds and thousands more
6 that we haven't talked to throughout Pittsburgh.

7 So it's up to the PUC to make sure
8 Duquesne Light's proposed rates are just and
9 reasonable. And the proposed rate increases for
10 as many as 600,000 customers could raise rates 9
11 percent for residential customers while
12 discouraging the energy efficiency and clean
13 renewable energy that's working to create
14 affordable rates and a healthy future for our
15 residents in Pittsburgh.

16 There's so much work that we have
17 to do on energy efficiency before we're adding
18 new capacity, and the cheapest energy is that
19 which isn't used. So if we are doing more to
20 invest in efficiency measures, there's so many
21 non-profits like the Sierra Club and CCI who want
22 to go and help engage residents to maximize these
23 programs and incentivize money and energy
24 savings.

25 Let's educate around changing your

1 thermostat, getting better insulation, increasing
2 solar panels. But when the fixed rate goes up,
3 there's way less incentive for residents to go
4 down those routes and actually save energy in
5 their homes, especially for low income and
6 moderate income families suffering the most from
7 energy burden.

8 And the residents of Pittsburgh
9 have expressed our values and priorities strongly
10 for clean energy and our health. According to a
11 recent study the Sierra Club conducted, 71
12 percent of Pennsylvania voter support moving to
13 100 percent renewable energy by 2030, republican
14 and democrat alike, and in Allegheny County that
15 number is 86 percent, which is by far the highest
16 in the entire state. Our city just passed a
17 really bold Climate Action Plan 3.0 that proposes
18 50 percent greenhouse gas emission reductions by
19 2030 along with many other goals like adding 200
20 megawatts of local renewable energy and
21 efficiency measures. But we can't achieve those
22 bold goals if we are facing fixed rate increases
23 that are disincentiving energy efficiency
24 measures. This is a part of who we are as
25 Pittsburgh. These are our values. We value

1 health, we value equity and justice. We want to
2 be a leader in efficiency and clean energy, and
3 these rate hikes would be a major setback at a
4 time when we must be investing more to move to
5 renewable energy quicker and faster, and at a
6 time when we must be investing more and faster in
7 efficiency measures to protect our lowest income
8 customers in Pittsburgh.

9 So on behalf of the members of the
10 Sierra Club and the thousands of folks, we engage
11 on a regular basis, and a lot of ratepayers who
12 are not able to make it in the middle of the day
13 and take off work to testify here, we oppose the
14 rate increases.

15 ADMINISTRATIVE LAW JUDGE

16 DUNDERDALE: Can you remind me, what does CCI
17 stand for?

18 MS. RESNICK-DAY: Oh, Conservation
19 Consultants, Incorporated. I am -- I am not
20 testifying on behalf of them or the grassroots
21 Green Homes Program, but I am as a Sierra Club
22 employee.

23 ADMINISTRATIVE LAW JUDGE

24 DUNDERDALE: Any questions from Duquesne?

25 MR. KANAGY: No, Your Honor.

1 ADMINISTRATIVE LAW JUDGE

2 DUNDERDALE: BIE?

3 MS. MILLER: No, Your Honor.

4 ADMINISTRATIVE LAW JUDGE

5 DUNDERDALE: People's?

6 MR. ZAMBITO: No, Your Honor.

7 ADMINISTRATIVE LAW JUDGE

8 DUNDERDALE: OCA?

9 MR. DEMANCHICK: No, Your Honor.

10 ADMINISTRATIVE LAW JUDGE

11 DUNDERDALE: And National Resource?

12 MS. HEMPSTEAD: No, Your Honor.

13 ADMINISTRATIVE LAW JUDGE

14 DUNDERDALE: Thank you. Thank you very much.

15 All right. That's the last person

16 I have on my list. Was there anyone who is here

17 who wished to testify but has not?

18 (No response.)

19 ADMINISTRATIVE LAW JUDGE

20 DUNDERDALE: All right. I'm seeing none, so I'm

21 going to go ahead and I'm going to end the

22 proceeding for today. Thank you all for coming.

23 The time now is 2:34 p.m.

24 Thank you.

25 (Whereupon, the hearing was

1 concluded at 2:34 p.m.)

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C E R T I F I C A T E

I hereby certify that the foregoing proceeding,
R-2018-3000124, were reported by me on Thursday,
June 14, 2018, and that I, Diane G. Galvin, read
this transcript and attest that this transcript
is a true and accurate record of the proceedings.

COMMONWEALTH REPORTING COMPANY, INC.

By:

Diane G. Galvin (RH)

Diane G. Galvin
Notary Reporter