

**ERRATA**

To: Kimberley A. Campbell, Chief Clerk

From: Kim Mitchell

CC:

Date: September 21, 2020

Re: Duke Energy Carolinas, LLC

Docket Number E-7, Sub 1214, Volume 19

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This errata is to correct the spelling of Mr. Bieber's name as it was incorrectly spelled on page 66, line 23; page 67, lines 2 and 16; and page 68, line 3.

1 full understanding of the impact on other rate  
2 schedules, which you just addressed, and then the other  
3 part is revenues. Which I assume that you meant  
4 revenues -- how much revenue DEC collects from each  
5 customer; is that what you mean by revenues?

6 A. No. What I'm talking about is in terms of  
7 the what I call subclasses of the OPT. And there's, I  
8 believe, 10 subclasses. But how does -- how does it  
9 impact the return on rate base? That's how we measure  
10 cost causation. How does it intraclass OPT, and then  
11 interclass with the other non-OPT classes? I don't  
12 have a full picture of that, and because I don't have a  
13 full picture, I take a cautious approach.

14 Q. Sticking with the same statement on page 9,  
15 you also state that we don't have a full understanding  
16 of the rationale for the change; is that correct?

17 A. I did not until this week. Again, the oral  
18 testimony that was provided by Mr. Pirro shed some  
19 light on how that rate was established. I don't  
20 remember the exact timing of it, but I did not have  
21 that at the time that this testimony was filed.

22 Q. Did you review the direct testimony of Harris  
23 Teeter witness Mr. Bieber when you prepared your second  
24 supplemental testimony?

1 A. No.

2 Q. So your -- you did not review Mr. Bieber's  
3 testimony where it contains approximately 10 pages of  
4 questions and answers explaining that DEC's proposed  
5 rate for the OPT secondary under-recovers the  
6 demand-related charges while over-recovering the  
7 energy-related charges relative to the underlying cost  
8 for DEC's own cost of service study?

9 A. I reviewed it in the context of the direct  
10 testimony. I did not go back and try to review his  
11 testimony in terms of how that applied to the  
12 settlement terms we're talking about.

13 Q. Okay. So --

14 A. If you'll tell me which testimony or which  
15 page of his testimony you're speaking of, I'll pull it.

16 Q. Sure. So as I said, Mr. Bieber's testimony  
17 has about 10 pages on this issue and the rationale for  
18 his proposal to make a change like this, but I would  
19 direct you to page 12 of his testimony.

20 A. You said page 12?

21 Q. Yes.

22 A. Okay. I'm there.

23 Q. So do you see the table marked JDD-3 on  
24 page 12?

1 A. I do.

2 Q. And the off-peak energy charge in that table,  
3 which is the last column. And here Mr. Bieber, he  
4 compares the DEC proposed off-peak energy charge of  
5 about 3.2 cents to Kroger's proposed off-peak energy  
6 charge of about 2.9 cents; do you see that?

7 A. I see it, yes.

8 Q. And would you agree that the settlement that  
9 was agreed to by Harris Teeter and DEC falls right in  
10 the middle of these two bookends?

11 A. Yes, I would agree to that. But again, I  
12 don't really have a basis for how these rates were  
13 determined, and I don't -- I don't recall any analysis.  
14 I certainly didn't review any analysis in terms of the  
15 second supplemental.

16 Q. Thank you. You stated in your testimony, and  
17 I think we discussed this with -- earlier today, that  
18 staff would like to see the Commission order a  
19 comprehensive rate design and cost of service study; is  
20 that correct?

21 A. Yes, sir.

22 Q. Now, is there any reason why the Commission  
23 couldn't approve the Harris Teeter and DEC settlement  
24 and then also order a comprehensive rate design and