

1 PLACE: Macon County Courthouse
2 Franklin, North Carolina
3 DATE: January 15, 2020
4 DOCKET NO.: E-7, Sub 1214
5 TIME IN SESSION: 7:00 p.m. to 7:48 p.m.
6 BEFORE: Chair Charlotte A. Mitchell, Presiding
7 Commissioner ToNola T. Brown-Bland
8 Commissioner Lyons Gray
9 Commissioner Daniel G. Clodfelter
10 Commissioner Kimberly W. Duffley
11 Commissioner Jeffrey A. Hughes

12
13 IN THE MATTER OF:
14 Docket No. E-7, Sub 1214
15 Application by Duke Energy Carolinas, LLC, for
16 Adjustment of Rates and Charges Applicable to
17 Electric Utility Service in North Carolina

18
19 VOLUME 1
20
21
22
23
24

1 A P P E A R A N C E S:

2 FOR DUKE ENERGY CAROLINAS:

3 Camal Robinson, Esq.

4 Senior Counsel

5 Duke Energy Corporation

6 P.O. Box 1551/NCR 20

7 Raleigh, North Carolina 27602

8

9 FOR THE USING AND CONSUMING PUBLIC:

10 David T. Drooz, Esq.

11 Public Staff

12 North Carolina Utilities Commission

13 4326 Mail Service Center

14 Raleigh, North Carolina 27699-4300

15

16

17

18

19

20

21

22

23

24

1 T A B L E O F C O N T E N T S

2 E X A M I N A T I O N S

3 PAGE

4 VICTORIA ESTES

5 Statement.....14

6 ELSA ENSTROM

7 Statement.....17

8 PATRICIA BAILEY

9 Statement.....19

10 Examination by Commissioner Hughes.....21

11 AL BERNARD

12 Statement.....21

13 WILLIAM THOMAS

14 Statement.....23

15 Examination by Commissioner Brown-Bland.....24

16 Examination by Mr. Drooz.....25

17 CALLIE MOORE

18 Statement.....26

19 TAMARA ZWINAK

20 Statement.....28

21 PAT MCGEE

22 Statement.....33

23 Examination by Commissioner Hughes.....34

24

OFFICIAL COPY
Feb 03 2020

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

T A B L E O F C O N T E N T S
E X A M I N A T I O N S (Cont'd.)

	PAGE
KATIE BRECKHEIMER	
Statement.....	35
DEBRA UCETTA	
Statement.....	36

E X H I B I T S

IDENTIFIED/ADMITTED

Tamara Zwinak Exhibit 1	38/38
-------------------------------	-------

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

2 CHAIR MITCHELL: Good evening. Let's come to
3 order and go on the record, please.

4 I'm Charlotte Mitchell, Chair of the North
5 Carolina Utilities Commission. With me tonight are
6 Commissioners ToNola D. Brown-Bland, Lyons Gray, Daniel
7 G. Clodfelter, Kimberly W. Duffley, and Jeffrey A Hughes.

8 I now call for hearing Docket Number E-7, Sub
9 1214, which is the Application of Duke Energy Carolinas,
10 which I'll refer to as Duke, for an Adjustment of Rates
11 and Charges Applicable to Electric Utility Service in
12 North Carolina.

13 On September 30th, 2019, Duke filed an
14 Application with the Commission Requesting Authority to
15 Adjust and Increase its Rates for Retail Service in North
16 Carolina, along with supporting direct testimony and
17 exhibits of 19 witnesses. By its application, Duke
18 requests authority to increase its retail rates and
19 charges to produce additional annual North Carolina
20 retail revenues of approximately \$445 million. Duke
21 further proposes to partially offset the increase by
22 refunding sums related to the federal Tax Cut and Jobs
23 Act, which would result in a net revenue increase of
24 \$290.8 million.

1 In support of the requested increase, Duke
2 states that recent work to modernize its electric system,
3 generate cleaner power, efficiently restore service to
4 customers after major storm damage, responsibly close
5 coal ash basins and operate active coal plants, and
6 continue to provide reliable, efficient, and high quality
7 service to its North Carolina customers, has made it
8 necessary to request a net base rate increase in its
9 retail revenues.

10 On October 29th, 2019, the Commission issued an
11 Order Establishing this General Rate Case, Suspending
12 Rates, Scheduling Hearings, and Requiring Public Notice.
13 The Order scheduled hearings, established intervention,
14 and testimony due dates and discovery deadlines, and
15 required that Duke provide public notice of its request
16 to its customers.

17 Several hearings have been scheduled at
18 locations around the state for the purpose of receiving
19 testimony from public witnesses addressing the proposed
20 rate adjustment, and that is the purpose of the hearing
21 this evening. An evidentiary hearing has been scheduled
22 to begin on March 23rd, 2020, in Raleigh for the purposes
23 of receiving testimony from the expert witnesses of the
24 parties in this proceeding.

1 On December 16th, 2019, Duke filed a Notice of
2 Corrective Filing incorporating pertinent appendices to
3 the direct testimony of one of its witnesses that had
4 been filed on September 30th, 2019.

5 On December 23rd, the Commission issued an
6 Order allowing Duke witness Larry Hatcher to adopt the
7 direct testimony of witness James Henning.

8 On January 10th, 2020, Duke filed with the
9 Commission Affidavits of Publication and Certifications
10 of Notice to its retail customers regarding these public
11 hearings.

12 The following parties have been allowed to
13 intervene in this proceeding: Carolina Industrial Group
14 for Fair Utility Rates III, Carolina Utility Customers
15 Association, Incorporated, the North Carolina Sustainable
16 Energy Association, Vote Solar, the Sierra Club, NC WARN,
17 Incorporated, the Center for Biological Diversity and
18 Appalachian Voices, the Commercial Group, Apple,
19 Facebook, and Google, the North Carolina Justice Center,
20 the North Carolina Housing Coalition, the Natural
21 Resources Defense Council, and the Southern -- the
22 Southern Alliance for Clean Energy and Harris Teeter.

23 Numerous statements of position have been
24 received to date by the Commission and filed in the

1 official docket for this proceeding, and that brings us
2 to the hearing tonight.

3 Pursuant to the State Ethics Act, I remind all
4 members of the Commission of their duty to avoid
5 conflicts of interest, and inquire if any Commissioner
6 has a known conflict of interest with regard to the
7 matters coming before us this evening?

8 (No response.)

9 Please let the record reflect that no conflicts
10 have been identified, so we will proceed.

11 I'll now call on parties to announce their
12 appearances for the record, beginning with the Applicant.

13 MR. ROBINSON: Madam Chairman, members of the
14 Commission, my name is Camal Robinson, appearing on
15 behalf of Duke Energy Carolinas.

16 CHAIR MITCHELL: Good evening.

17 MR. DROOZ: David Drooz with the Public Staff
18 representing consumers in these proceedings.

19 CHAIR MITCHELL: Good evening, Mr. Drooz.

20 UNIDENTIFIED FEMALE: Madam Chairman, excuse me
21 for interrupting, but we can't hear a word you all are
22 saying.

23 BAILIFF: Everybody's going to have to go to
24 the podium. That's the only working mic other than

1 what's in front of you.

2 CHAIR MITCHELL: Are you all able to hear me as
3 I speak into this microphone? Okay. Well, I will
4 continue and I will speak louder.

5 All right. Before we begin tonight, I'm going
6 to say a few words regarding the process that we're going
7 to use. We appreciate your coming out tonight to voice
8 your views on this important matter, and we welcome your
9 testimony.

10 In conducting this hearing the Commission
11 functions in a judicial capacity, as we are required to
12 do under North Carolina state law. We largely follow the
13 rules of North Carolina, the North Carolina Rules of
14 Civil Procedure, and the Rules of Evidence. Because we
15 function -- because we function as a court (microphone
16 feedback) -- okay. I'm going to keep going.

17 All right. Because we function as a court, we
18 cannot respond to your questions, but rather we're here
19 to receive evidence from you all in the form of your
20 testimony to us. The Public Staff, represented tonight
21 by Mr. Drooz, which represents the Using and Consuming
22 Public, is made a party to this proceeding pursuant to
23 North Carolina law. In this proceeding the Public Staff
24 will investigate the case being made by Duke and will

1 make appropriate recommendations to the Commission with
2 respect to Duke's application. The Public Staff will
3 assist all of you in providing your testimony tonight.
4 The Public Staff is set to file its testimony in this
5 case, setting forth its recommendations to the
6 Commission, on February 18th. That testimony will be
7 available on our website for you to review should you
8 wish to do so.

9 In order to facilitate a full and fair
10 opportunity for all of you to speak tonight, or those of
11 you who wish to speak tonight, we will use the following
12 process. Witnesses who wish to testify must register
13 first with the Public Staff and will be called in the
14 order listed on the roster. In order to allow each
15 person an equal amount of time, there will be a limit of
16 three minutes for each witness to speak; therefore,
17 witnesses should do their best to avoid cumulative or
18 repetitive testimony. To comply with the Rules of
19 Procedure and Evidence, I must have witnesses swear or
20 affirm his or her testimony prior to providing that
21 testimony. This means that when you hear your name
22 called, please proceed to the stand, and I will deliver
23 the oath. At that point you may begin your testimony.
24 Only one witness may testify at a time.

1 Please refrain from offering opinions or
2 matters not specified in the Notice of Hearing for this
3 docket. Tell us how this request affects you, tell us
4 what you need to tell us about the revenue increase
5 requested by Duke, or the service provided to you by the
6 Company. Witnesses should address their testimony to the
7 Commission, not to the audience, not to representatives
8 of the Company, but rather to the Commission. In lieu of
9 oral testimony, if you wish, you may submit written
10 testimony as long as you're willing to swear to its
11 accuracy. Written statements must be submitted by the
12 person under oath during this hearing.

13 Any party may ask you -- any party may ask
14 questions of the witnesses tonight. This means that if
15 you come to the stand to provide testimony, you may be
16 asked questions by counsel for the Public Staff or
17 counsel for the Company or any members of the Commission.
18 Testimony tonight is being recorded by our court reporter
19 and, therefore, to ensure the accuracy of her transcript
20 and of our record, we ask that you not engage in
21 unconventional modes of testimony. And by this, I mean
22 please -- please speak your testimony and speak slowly
23 and clearly into the microphone and refrain from
24 unconventional modes such as singing. This makes it more

1 difficult for the court reporter to understand the
2 testimony that you're providing. In addition, please do
3 your best to remain quiet when you are not testifying.
4 Please don't disturb the hearing by clapping, booing,
5 hissing, or otherwise reacting to testimony provided.
6 This makes it difficult for the Commissioners to hear
7 your testimony and for the court reporter to take an
8 accurate transcript.

9 As a final reminder, the Commission and the
10 parties are not allowed to respond to your questions
11 during this hearing. However, both representatives of
12 the Public Staff and the Company will be here tonight
13 after the hearing to answer questions that you may have
14 should you so wish.

15 Okay. It's my understanding that the Applicant
16 would like to provide an opening statement, so Counsel,
17 if you would, please proceed.

18 MR. ROBINSON: Yes, Madam Chairman. I call
19 Lisa Leatherman, our District Manager.

20 MS. LEATHERMAN: Good evening, Chairman
21 Mitchell, and Commissioners. I am Lisa Leatherman, the
22 District Manager for the far six western counties in
23 North Carolina, and I would be remiss if I didn't include
24 that it's also the home to the Eastern Band of Cherokee

1 Indians which is a sovereign nation in North Carolina.

2 So welcome to Franklin. We are glad to have
3 the Commission here and our customers. And we have a
4 number of customers that have signed up to speak, and we
5 want to let you know that we are here to listen and
6 learn, and that also that we have a team of
7 representatives from Duke here to answer any questions
8 that customers have -- may have regarding our operations,
9 billing, energy efficiency, or any other topics that they
10 may have.

11 So we are here and available to answer those
12 questions for the customers. If we can't do that
13 tonight, we will collect the customer's contact
14 information and follow up with them as soon as we can
15 after this meeting. So, again, thank you for being here.

16 CHAIR MITCHELL: Thank you. Before we begin,
17 any preliminary matters from counsel?

18 MR. ROBINSON: Nothing from the Company.

19 CHAIR MITCHELL: All right. Mr. Drooz, please
20 call your first witness.

21 MR. DROOZ: This is the one mic I know is
22 working so I'll speak here. I will call the names in the
23 order that you signed up. At the end I'll ask if there's
24 anyone else. When I call your name, please come up

1 through that little gate and to the microphone, and you
2 will be sworn in by the Commission, and after that please
3 just state your name and whether you are a customer of
4 Duke Energy Carolinas, and then make your statement.

5 The first one is Victoria Estes.

6 THE WITNESS: Good evening, everybody. I'm
7 Victoria Estes.

8 CHAIR MITCHELL: Let me get you sworn in.

9 VICTORIA ESTES; Having first been duly sworn,
10 Testified as follows:

11 STATEMENT BY MS. ESTES:

12 I am from Asheville, North Carolina, and I am a
13 volunteer on behalf of the Center for Biological
14 Diversity, and I am also a Duke Energy customer.

15 Duke's 2019 gross profit was \$17.25 billion, a
16 2.99 percent increase from 2018, money which came from
17 our pockets, and I'll tell you what it pays for. Eighty
18 million dollars a year goes to influence elected
19 officials, nonprofits, and businesses in North Carolina.
20 Duke continues to fund dirty fossil fuels, like natural
21 gas and coal, which poison our communities and cause
22 irreparable damage to our planet, fueling climate change.
23 Their profit also goes to investing in unsustainable and
24 publicly unpopular projects such as the Atlantic Coast

1 Pipeline, as well as cost recovery for coal ash cleanup
2 and storm recovery relief and other issues that they
3 could have easily avoided.

4 As consumers, we have a responsibility to hold
5 Duke accountable for their continued destruction of our
6 climate and precious resources. They are using the
7 public's money to fund what the public does not want, and
8 they're doing so by greenwashing us. They have
9 repeatedly come to the courts to receive the green light
10 for increasing the cost of energy for ratepayers, us, by
11 submitting deceptive schemes to supposedly streamline our
12 energy grids for the future of renewable energy, when, in
13 fact, Duke's own 15-year plan shows no proposed increase
14 in renewables past 8 percent by 2033, which is absolutely
15 unacceptable. Evidence shows that most of the grid work
16 proposed are high dollar unnecessary projects such as
17 undergrounding power lines.

18 In 2013, Duke Energy Carolina proposed a 15
19 percent ratepayer increase and got approved for 5.1
20 percent. In 2017, they proposed a 13 percent increase
21 and were approved for 1.2 percent. This year Duke Energy
22 is proposing a 10.3 increase. By people continuing to
23 stand up and hold corporations like Duke accountable for
24 their sneaky, underhanded investments in fossil fuels, we

1 can demand that our hard-earned money doesn't go into the
2 pockets of these that are poisoning our communities and
3 profiting off of our most valuable asset, which is the
4 planet that sustains our life. And instead, we can
5 ensure that our money goes into investing in sustainable
6 energy practices that secures a healthy future for our
7 children and grandchildren.

8 We don't want to pay for fossil fuels. We want
9 to pay for an entirely new GIP which focuses on a just
10 transition to clean energy. The time to act to save our
11 planet is now, and a 15-year plan of only an eight
12 percent increase in renewables is just not acceptable. A
13 multi-billion dollar a year corporation can and should do
14 more to secure our future.

15 Thank you. That is all.

16 CHAIR MITCHELL: Thank you very much. Hang on
17 one second. Questions for the witness?

18 MR. ROBINSON: No.

19 MR. DROOZ: No.

20 CHAIR MITCHELL: Questions by Commissioners?

21 (No response.)

22 CHAIR MITCHELL: Thank you, Ms. Estes. You may
23 step down.

24 (Witness excused.)

1 MR. DROOZ: Next is Elsa Enstrom.

2 ELSA ENSTROM; Having first been duly sworn,

3 Testified as follows:

4 STATEMENT BY MS. ENSTROM:

5 My name is Elsa Enstrom. I am from Arden,
6 North Carolina, and I am also a Duke customer. And I am
7 -- I'm here along with Victoria from the Center for
8 Biological Diversity, excuse me, as a volunteer
9 expressing my concern.

10 What we're concerned about is we believe that
11 this rate increase will be used to fund dirty
12 infrastructure such as -- such as gas plants. There's
13 plans to build more natural gas plants which, as was
14 previously mentioned, is a dirty type of fuel that is not
15 sustainable, not safe for our environment long term.
16 We're also very concerned about the potential pipeline
17 which has plans to go underneath the Appalachian Trail,
18 which is a very important cultural piece of our heritage
19 here.

20 We're also very concerned that they will use
21 this increase to help pay for what they caused as far as
22 environmental problems for many communities. They've
23 been required to fix a lot of their coal ash projects,
24 and they want to use this money to fix those problems.

1 They should not be given money to fix problems that they
2 created. They should be forced to use the money they
3 already have. They're a multi-billion dollar
4 corporation.

5 We're also concerned about their plans for the
6 grid, for the power grid. Their plans do not actually
7 help to create a more sustainable grid. They just -- as
8 previously mentioned, they will make it maybe look a
9 little bit nicer, look a little bit more modern, but
10 there are no plans for true sustainability, true steps
11 towards making us more renewable in the future and saving
12 our planet. So we submit that there should be a new grid
13 improvement plan that is created.

14 We are also very concerned about the amount of
15 money that Duke Energy uses for lobbying and for
16 political purposes to push their agenda, and we're very
17 concerned that the money that we will be asked to pay
18 will go towards this agenda. And we are also very
19 concerned about where they plan on investing this surplus
20 money, that often it will end up with investors in the
21 Company; it will not end up going back into the
22 communities that they have affected and they have harmed.

23 Thank you very much.

24 CHAIR MITCHELL: Thank you. Questions for this

1 witness?

2 MR. ROBINSON: Not from the Company.

3 CHAIR MITCHELL: Questions from Commissioners?

4 (No response.)

5 CHAIR MITCHELL: Thank you very much. You may
6 step down.

7 (Witness excused.)

8 MR. DROOZ: Patricia Bailey. And while Ms.
9 Bailey is coming in place, please remind everyone, make
10 sure your ringers and sound on your phones are turned
11 off. Thank you.

12 PATRICIA BAILEY; Having first been duly sworn,
13 Testified as follows:

14 STATEMENT BY MS. BAILEY:

15 My name is Patricia Bailey. I live in Sylva,
16 North Carolina. I'm just an ordinary Duke customer. I
17 came over the mountain tonight just to speak against this
18 proposed rate increase.

19 I just retired, and I was sitting down making a
20 budget when I received my bill, \$111, and this little
21 folder in it. And I just, as a -- I've never done
22 anything like this. I just wanted to say I'm concerned
23 that a portion of this increase is being used for those
24 expenses to clean up the coal ash pits. I think that

1 should be totally separate, that the residential
2 customers like myself who are now on a fixed income
3 should not be required to pay for cleaning up those coal
4 ash pits because that is a cost of doing proper business,
5 of Duke doing proper business. It's unfortunate. It was
6 a mistake maybe made by another generation, but the
7 current residential customer should not have to pay for
8 that.

9 I think that the 6.8 percent residential rate
10 -- proposed rate increase is more than I can handle and
11 -- on a fixed income. And so I'm just really speaking
12 for customers like myself who are retired and on fixed
13 incomes. So I didn't bring any data with me other than
14 that, but I am concerned about being asked to clean up --
15 help clean up those coal ash pits which I think is
16 something that Duke should pay for.

17 That's all.

18 CHAIR MITCHELL: Thank you, Ms. Bailey. Any
19 questions for the witness?

20 MR. ROBINSON: Nothing from the Company.

21 MR. DROOZ: Nothing.

22 CHAIR MITCHELL: Commissioner Hughes?

23 MS. BROWN-BLAND: Just a minute.

24 CHAIR MITCHELL: Ms. Bailey, question from --

1 THE WITNESS: One question? I'm sorry. Excuse
2 me.

3 EXAMINATION BY COMMISSIONER HUGHES:

4 Q What month, what time of year was your -- was
5 the bill number that you gave?

6 A January. And I -- and by the way, I have a
7 1,200 square foot farmhouse in Sylva, and it does not
8 have -- it's not dependent upon electric heating in the
9 winter. My bills in the summer are more expensive. I
10 would like to expand a heat pump system in my house, but
11 with these kind of bills I can't afford it. That's more
12 -- because partly because it's more environmentally
13 friendly. So I don't heat with electricity much in the
14 winter.

15 (Witness excused.)

16 MR. DROOZ: Al Bernard.

17 AL BERNARD; Having first been duly sworn,

18 Testified as follows:

19 STATEMENT BY MR. BERNARD:

20 My name is Al Bernard. I live here in
21 Franklin, and I am a Duke customer.

22 I've been in construction for 35 years, and
23 I've had to have insurance for all my jobs. When I go to
24 Cashiers and Highlands, I have to have a million dollars

1 insurance to work on the houses. And I've only had five
2 problems in 35 years that I had to use my insurance.

3 I can't understand why Duke does not have
4 insurance to cover the coal ash problem and the other
5 problems that they've been having. I don't have a lot
6 data. I don't know all the numbers and all this. I just
7 know that they should be covered in one way or another.
8 Somebody should be taking care of this, and they should
9 have the foresight to look ahead when they started
10 storing all this coal ash and all this stuff that one day
11 something was going to catch up. It's like if I go to a
12 job and I tear a roof off and I leave the shingles laying
13 beside the house when I leave, who's going to clean that
14 up? Who has to pay for that? I do. It's my job.
15 That's what I have insurance for. I pay the people that
16 work for me, and they're insured. Anything happens to
17 them, they're taken care of. It's like us, we should be
18 insured that we shouldn't have to pay for this stuff.

19 I mean, my wife is disabled. I'm 67 years old
20 and I still have to work because her medicine's \$1,100 a
21 month. I can't afford a rate hike. I did put gas heat
22 in my house. Took all the electric baseboard heaters
23 out. I had a few screw-in fuses in my house; I had to
24 replace those, put a new box outside and all that. That

1 was just done recently. And I just can't afford a rate
2 hike for something that I shouldn't have to pay for.

3 And that's all I have to say.

4 CHAIR MITCHELL: Thank you, Mr. Bernard.

5 Questions for the witness?

6 MR. ROBINSON: No.

7 MR. DROOZ: No.

8 CHAIR MITCHELL: All right. You may step down.

9 Thank you.

10 (Witness excused.)

11 MR. DROOZ: William Thomas.

12 WILLIAM THOMAS; Having first been duly sworn,

13 Testified as follows:

14 STATEMENT BY MR. THOMAS:

15 A few months ago I -- several months ago I got
16 a notice about Duke Power installing smart meters, and
17 then about two months later a smart meter was installed.
18 After the meter was installed I went to plug something
19 into the outlet like I normally do, and everything was
20 fine before the smart meter was put it in, and when I
21 went to plug it in, a spark jumped from the plug to the
22 outlet. And after that, about a month later when I got
23 my bill, my power jumped up 33 percent. My power bill
24 jumped up 33 percent. And that was mild, mild weather.

1 We were having mild weather. It didn't get real cold
2 until middle of November. And I also have propane as a
3 backup.

4 And another thing about the smart meter is it's
5 not -- I'm renting a place. I'm not responsible for the
6 power meter, and I don't feel that it's fair to charge me
7 for the meter. And I don't feel it's fair to charge
8 people in Macon County for the coal ash pits which, if
9 I'm correct, were put in around 1982. The coal-fired
10 power plants were put in in 1982. And we had --
11 Nantahala Power had nothing to do with the coal-fired
12 power plants put in.

13 And that's all.

14 CHAIR MITCHELL: Questions for Mr. Thomas?

15 MR. ROBINSON: No, but we encourage Mr. Thomas
16 to speak with some of our Company representatives in the
17 back regarding your meter issue.

18 THE WITNESS: Okay.

19 MR. DROOZ: No questions. Thank you.

20 CHAIR MITCHELL: Mr. Thomas, we have -- there's
21 a question for you from Commissioner Brown-Bland.

22 EXAMINATION BY COMMISSIONER BROWN-BLAND:

23 Q Mr. Thomas, can you state where you reside?

24 A Franklin, North Carolina.

1 Q All right. And with regard to the meter issue,
2 when you saw the spark jump out of your outlet or some --
3 did you contact anyone with the Company or have them to
4 come out to check it out?

5 A No.

6 Q Have you had anyone come check it out, an
7 electrician?

8 A No.

9 Q And can you tell us approximately when it was?

10 A It was about -- short -- right after the meter
11 was put in, installed.

12 Q Okay. Do you remember what time of year? Was
13 it like July, August, September?

14 A I'd say it was probably September.

15 Q Okay. Thank you.

16 MR. DROOZ: If you don't mind, I have a follow-
17 up question on that.

18 EXAMINATION BY MR. DROOZ:

19 Q Mr. Thomas, have you had any circuit breaker
20 trips or other electrical fault issues since that spark
21 incident?

22 A No, nothing besides the meter being installed.

23 Q Thank you. That's all.

24 CHAIR MITCHELL: Thank you, Mr. Thomas. You

1 may step down.

2 (Witness excused.)

3 MR. DROOZ: Callie Moore.

4 CALLIE MOORE; Having first been duly sworn,

5 Testified as follows:

6 STATEMENT BY MS. MOORE:

7 CHAIR MITCHELL: Before you begin, will you
8 please state your name and address for the record?

9 THE WITNESS: Yes. My name is Callie Moore,
10 and my address is 3190 Tusquittee Road, Hayesville, North
11 Carolina.

12 While I am not a Duke ratepayer currently, I am
13 a member of the Council for Collaborative Impact through
14 Hinton Rural Life Center. And the Council for
15 Collaborative Impact works on issues of poverty and
16 breaking the cycle of poverty in Cherokee, Clay, Graham,
17 and then Towns County which is in North Georgia. So many
18 of the people that we're working with and the communities
19 that we're working with are Duke ratepayers.

20 Tens of thousands of Duke customers in Western
21 North Carolina, and particularly far Western North
22 Carolina which is where I live and work, are in poverty,
23 deep poverty. They can't afford to buy food for their
24 children. Their children have to bring bags of food home

1 over the weekend, otherwise, they won't have a meal.

2 In 2018, Duke had a net income of \$3.03 billion
3 and paid no federal taxes. And so to raise the rates of
4 these tens of thousands of people that live in poverty in
5 Western North Carolina, and I'm sure in other places in
6 North Carolina, to pay for anything that Duke wants to
7 do, to me -- so when this was announced, it was Duke
8 needs to do this. Okay. From where I come from, this is
9 not a need, this is a want. When they have \$3.03 billion
10 of net income, it's not a need.

11 I'm also the Western Regional Director for an
12 environmental advocacy organization called Mountain True.
13 And from Mountain True's perspective, we're very
14 concerned, like some of the other speakers, that Duke
15 should be investing in solar and wind energy as a
16 response to the climate crisis. While burning gas is
17 cleaner, arguably, than burning coal, we would like to
18 see, for the health of the environment and people that
19 live in Western North Carolina and throughout North
20 Carolina, we would like to see there be a healthier
21 environment and a cleaner environment. And the way to
22 get there is not to keep investing in other fossil fuels
23 and different fossil fuels. The way to get there is to
24 invest in solar and wind energy. Thank you.

1 CHAIR MITCHELL: Thank you, Ms. Moore.

2 Questions for the witness?

3 MR. ROBINSON: No.

4 MR. DROOZ: No.

5 CHAIR MITCHELL: Questions by Commissioners?

6 (No response.)

7 CHAIR MITCHELL: All right. You may step down.

8 (Witness excused.)

9 MR. DROOZ: Tamara Zwinak.

10 TAMARA ZWINAK; Having first been duly affirmed,

11 Testified as follows:

12 CHAIR MITCHELL: Before you begin, would you
13 please state your name and your address for the record?

14 THE WITNESS: Sure. My name is Tamara Zwinak.
15 I live at 83 Firefly Lane in Franklin, North Carolina.

16 CHAIR MITCHELL: You may proceed.

17 STATEMENT BY MS. ZWINAK:

18 I'm a Duke customer. I've been a Duke customer
19 since 2017 continuously, and I just had to throw this
20 together because I just found out about this meeting when
21 I picked up the Smoky Mountain News today, so bear with
22 me if it's not as cogent and well put together as I'd
23 like, but I want to make several what I think are very
24 important points on a very focused area.

1 I testified previously about a rate increase
2 when you had a hearing, I guess, a couple years ago, and
3 one of the things I talked about then is I couldn't
4 believe you were passing the coal ash cleanup on to us
5 residents. Well, since 2017, you know, we've had Greta
6 Thunberg bring to the world's attention in a very vocal
7 way climate change. Okay. I'm going to touch on climate
8 change, but I want to say my testimony is really going to
9 focus on coal, the use of coal, and its contribution to
10 global warming, and the health impacts of coal power and
11 the contaminants from coal ash.

12 So what I'd like to say is you probably heard
13 in the news today that NASA announced that 2019 was the
14 second hottest year on record. The hottest year was in
15 2016, and 2015 was the third hottest. Thus, it is now an
16 acceptable fact that climate change is real. What's
17 causing climate change is still under discussion. In
18 response to climate change, Governor Cooper issued
19 Executive Order 80, and he's also established a Clean
20 Energy Plan and the -- well, he set forth the Clean
21 Energy Plan and established the North Carolina Climate
22 Change Interagency Council, and I'm sure you're aware of
23 that and involved in that, and I'm sure you've seen his
24 Resolution 80.

1 And in his Resolution 80, one of things he
2 talks about is that the State of North Carolina will
3 support the 2015 Paris Agreement goals and honor the
4 State's commitments to the United States Climate
5 Alliance. And I'm sure you're all on board with that or
6 you're aware of that. And the reason that he -- well,
7 some of the reasons he used to justify that conclusion in
8 the resolution is that, obviously, the effects of more
9 frequent and intense hurricanes, flooding, extreme
10 temperatures, drought, salt water intrusion, and beach
11 erosion. Now, some of these things have nothing to do --
12 well, I guess they do have something to do with you, and
13 that has to do with the use of coal.

14 So these are environmental disruptions that
15 have very extensive and global consequences on a massive
16 scale. Coal power has resulted in irreparable damage to
17 the environment that may be contained, but not reversed,
18 and safe containment is not foolproof. The byproducts of
19 coal power have impacted the health of North Carolina
20 residents for the worse, including neurological impacts,
21 asthma, and increased cancer rates, to name only a few.

22 There are 14 coal-powered plants in North
23 Carolina, all operated by Duke Energy. I don't know if
24 that's factual or not. There was a contamination of

1 water from coal ash that was inadvertently dumped into
2 the Dan River, and one million residents in North and
3 South Carolina had drinking water from exposed rivers and
4 streams. There has been extensive groundwater pollution
5 as well. Although, you know, we do know that a lot of
6 people have local wells, so if that happens to seep into
7 a local well, it may be contaminated by groundwater
8 pollution.

9 But the bottom line is Duke is in the process
10 of cleaning up 126 million tons of coal ash, okay, after
11 a settlement with Catawba River Keepers, and you're
12 closing 31 coal ash basins, I believe -- well, you may
13 not know because you're not representing -- you're
14 representing Duke. So that's in the process. And that's
15 -- that's good news. That's good news.

16 CHAIR MITCHELL: Okay. Ma'am, please move
17 forward with your testimony. You've reached the end of
18 your three minutes.

19 THE WITNESS: Oh, I didn't know I had three
20 minutes. Okay.

21 Anyway, what I wanted to say is there are
22 numerous -- this is from the "Coal Ash, The toxic threat
23 to our health and environment," a report from Physicians
24 for Social Responsibility and Earthjustice. Okay. And

1 coal ash contaminants affect, you know, the -- neurology.
2 They can cause learning disabilities, cancer, so on and
3 so forth, but you can look at that report.

4 So what I want to say, the bottom line is this,
5 these -- they want -- Duke wants to contain coal ash now
6 in lined, I guess, basins. Those may be faulty. But
7 what we need to do is use the revenue streams, the
8 increases that Duke is asking for, okay, that -- by
9 providing services to us to address and establish funds,
10 a health fund for residents and customers who have been
11 damaged by coal ash pollutants and contamination. These
12 contaminants, there are some estimates, will go on for
13 1,000 years, okay? So I'm asking Duke, if you want a
14 rate increase, you need to establish funds to start
15 addressing these health impacts, to address the damage to
16 environment, which includes wildlife, fish, biodiversity,
17 plants, and climate change, okay? And I'm also asking
18 you to establish a fund for displaced workers who are
19 going to lose their jobs when you close these coal
20 plants.

21 So thank you very much for letting me go over.
22 I didn't realize I had three minutes or I would have
23 really contained it.

24 CHAIR MITCHELL: Thank you. Questions for the

1 witness?

2 MR. ROBINSON: No.

3 CHAIR MITCHELL: Questions from the Commission?

4 (No response.)

5 CHAIR MITCHELL: Thank you, ma'am, you may step
6 down.

7 (Witness excused.)

8 MR. DROOZ: Pat McGee.

9 PAT MCGEE; Having first been duly sworn,
10 Testified as follows:

11 CHAIR MITCHELL: Before you begin, will you
12 please state your name and your address for the record?

13 THE WITNESS: Yes. My name is Pat McGee, and
14 my address is 2023 Mashburn Branch Road in Franklin.

15 STATEMENT BY MS. MCGEE:

16 I come here -- I really bow to some of the
17 articulate people that were here before me because this
18 is my first time to ever come to anything like this. But
19 I am a widow of veteran. And I'm on a fixed income, and
20 as Ms. Bailey said, I just cannot afford an increase in
21 my electric bill.

22 And I have a son, God forgive me, that works
23 for Duke in Florida, so my name may be mud, but,
24 nevertheless, I know that there is fat that could be cut

1 and other ways to handle it other than increase on to the
2 customers. I thank you.

3 CHAIR MITCHELL: Thank you, ma'am. Questions
4 for the witness?

5 MR. ROBINSON: No.

6 MR. DROOZ: No.

7 CHAIR MITCHELL: Commissioner Hughes. Ms.
8 McGee, Commissioner Hughes has a question for you.

9 THE WITNESS: Oh, I have a question?

10 EXAMINATION BY COMMISSIONER HUGHES:

11 Q Do you have an idea of what your average
12 electric bill is?

13 A Do I have any idea --

14 Q What your average electric bill is?

15 A Yes. It's about 164 a month; sometimes more.
16 That's because I supplement with propane, the heat,
17 during the winter, but I have electric heat.

18 (Witness excused.)

19 MR. DROOZ: That's everyone who signed up. Is
20 there anyone else who would care to make a statement this
21 evening? Okay. If you would please come forward, and I
22 will ask you to put your name and address on the sign-up
23 sheet and then you state your -- make your statement.

24 KATIE BRECKHEIMER; Having first been duly sworn,

1 Instead of focusing on costly fossil fuel modernization
2 projects and grid improvements, Duke should be helping
3 North Carolinians shift to renewable energy, bringing
4 energy bills down, not driving them up, and reducing
5 environmental and climate impacts at the same time.

6 Please make Duke accountable, pay for its mess,
7 and deny their latest rate hike request. Thank you.

8 CHAIR MITCHELL: Thank you. Questions for the
9 witness?

10 MR. ROBINSON: No.

11 MR. DROOZ: No.

12 CHAIR MITCHELL: Thank you, ma'am. You may
13 step down.

14 (Witness excused.)

15 MR. DROOZ: Is there anyone else who would care
16 to speak?

17 DEBRA UCCETTA; Having first been duly sworn,

18 Testified as follows:

19 CHAIR MITCHELL: Please state your name and
20 your address for the record, please, ma'am.

21 THE WITNESS: My name is Debra Uccetta, and I
22 live at 132 Harper Lane in Franklin, North Carolina.

23 STATEMENT BY MS. UCCETTA:

24 I just wanted to go on the record that I do

1 oppose this. I'm on a fixed income. I live in a --
2 probably a 1,000 square foot apartment at the most, and
3 my average bill already is about \$150 a month. I can't
4 afford a rate increase, as well as I'm sure everybody
5 else can't. I feel that we should not have to contribute
6 to the cleanup of the coal ash accident, and I think that
7 everybody involved in this, all the customers, would feel
8 the same way. I just wanted to go on record that that's
9 how I feel.

10 CHAIR MITCHELL: Questions for this witness?

11 MR. ROBINSON: No.

12 MR. DROOZ: No.

13 CHAIR MITCHELL: Questions from the Commission?

14 (No response.)

15 CHAIR MITCHELL: All right. You may step down.

16 Thank you.

17 (Witness excused.)

18 MR. DROOZ: Is there anyone else who would care
19 to speak?

20 (No response.)

21 MR. DROOZ: That's all the public witnesses for
22 this evening.

23 MS. ZWINAK: Actually, can I submit this into
24 evidence as part of my testimony?

1 CHAIR MITCHELL: You may. Please hand it to
2 Mr. Drooz, and he will take care of that for you.

3 Let's -- Mr. Drooz, let's get that exhibit
4 marked, please, sir.

5 MR. DROOZ: We would ask this be marked for
6 identification as Tamara Zwinak Exhibit 1.

7 CHAIR MITCHELL: It shall be so marked.

8 (Whereupon, Tamara Zwinak Exhibit 1
9 was marked for identification and
10 admitted into evidence.)

11 MR. DROOZ: And I will provide a copy to the
12 court reporter.

13 CHAIR MITCHELL: Thank you, sir. Okay. Out of
14 abundance of caution, is there anyone else in the room
15 who wishes to provide testimony tonight?

16 (No response.)

17 CHAIR MITCHELL: Seeing no one, we will be
18 adjourned. Thank you all for coming tonight. We
19 appreciate it.

20 (Proceedings adjourned.)

21

22

23

24

STATE OF NORTH CAROLINA

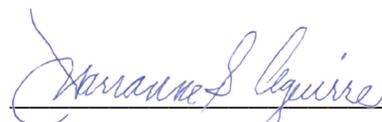
COUNTY OF RUTHERFORD

C E R T I F I C A T E

I, Marianne S. Aguirre, Notary Public/Court Reporter, do hereby certify that the foregoing hearing before the North Carolina Utilities Commission in Docket No E-7, Sub 1214, was taken and transcribed under my supervision; and that the foregoing pages constitute a true and accurate transcript of said Hearing.

I do further certify that I am not of counsel for, or in the employment of either of the parties to this action, nor am I interested in the results of this action.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 28th day of January, 2020.



Marianne S. Aguirre
Notary Public No. 19961490099