Oct 21 2020

## **INFORMATION SHEET**

PRESIDING: Commissioner Clodfelter, Presiding; Chair Mitchell; and Commissioners Brown-Bland, Gray, Duffley, Hughes, McKissick

PLACE: Held Via Videoconference

DATE: Thursday, October 5, 2020

TIME: 1:30 p.m. – 4:59 p.m.

DOCKET NOS.: E-2, Sub 1219 and E-2, Sub 1193

COMPANY: Duke Energy Carolinas, LLC; Duke Energy Progress, LLC

DESCRIPTION: E-2, Sub 1219, In the Matter of Duke Energy Progress, LLC, for Adjustment of Rates and Charges Applicable to Electric Utility Service in North Carolina; E-2, Sub 1193, Application of Duke Energy Progress, LLC, for an Accounting Order to Defer Incremental Storm Damage Expenses Incurred as a Result of Hurricanes Florence and Michael and Winter Storm Diego

VOLUME NUMBER: 19

APPEARANCES (See attached.)

WITNESSES (See attached.)

EXHIBITS (See attached.)

\_\_\_\_\_

COPIES ORDERED: Downey, Culpepper, Holt, Cummings, Edmondson, Grantmyre, Dodge, Jost, Little, Luhr, Force, Townsend, Robinson, Somers, Kells, Mehta, Lee, Cress, Ross, Ledford, Smith, Schauer, Heslin, Su, Crystal and Beverly

**CONFIDENTIAL TRANSCRIPTS and EXHIBITS ORDERED**: Robinson, Heslin, Somers, Kells, Jagannathan, Mehta, Lee, Cress, Ross, Jenkins, Beverly, Ledford, Smith, Crystal, Su, Force, Townsend, Downey, Schauer, Culpepper, Cummings, Dodge, Edmondson, Grantmyre, Holt, Jost, Little, Luhr and Coxton

REPORTED BY: Joann BunzeTRANSCRIPT PAGES:172PREFILED PAGES:557TOTAL PAGES:729DATE FILED:October 9, 2020

OFFICIAL COPY

PLACE:	Held via	Vi deoconference
--------	----------	------------------

DATE: Monday, October 5, 2020

TIME: 1:30 P.M. - 4:59 P.M.

DOCKET NO.: E-2, Sub 1219

E-2, Sub 1193

BEFORE: Commissioner Daniel G. Clodfelter, Presiding Chair Charlotte A. Mitchell Commissioner ToNola D. Brown-Bland Commissioner Lyons Gray Commissioner Kimberly W. Duffley

Commissioner Jeffrey A. Hughes

Commissioner Floyd B. McKissick, Jr.

IN THE MATTER OF: DOCKET NO. E-2, SUB 1219 Application by Duke Energy Progress, LLC, for Adjustment of Rates and Charges Applicable to Electric Utility Service in North Carolina

and



Page 2

## DOCKET NO. E-2, SUB 1193

Application of Duke Energy Progress, LLC for an Accounting Order to Defer Incremental Storm Damage Expenses Incurred as a Result of Hurricanes Florence and Michael and Winter Storm Diego

VOLUME 19

Γ

		Page 3
1	APPEARANCES:	
2	FOR DUKE ENERGY PROGRESS, LLC:	
3	Camal Robinson, Esq., Associate General Counsel	
4	Brian Heslin, Esq., Deputy General Counsel	
5	Duke Energy Corporation	
6	550 South Tryon Street	
7	Charlotte, North Carolina 28202	
8		
9	Lawrence B. Somers, Esq., Deputy General Counsel	
10	Duke Energy Corporation	
11	410 South Wilmington Street	
12	Raleigh, North Carolina 27601	
13		
14	James H. Jeffries, IV, Esq.	
15	McGui reWoods LLP	
16	201 North Tryon Street, Suite 3000	
17	Charlotte, North Carolina 28202	
18		
19	Andrea Kells, Esq.	
20	McGui reWoods LLP	
21	501 Fayetteville Street, Suite 500	
22	Raleigh, North Carolina 27601	
23		
24		

```
Page 4
       A P P E A R A N C E S Cont'd:
1
2
       Molly McIntosh Jagannathan, Esq., Partner
 3
       Kiran H. Mehta, Esq., Partner
 4
       Troutman Pepper Hamilton Sanders LLP
5
       301 South College Street, Suite 3400
6
       Charlotte, North Carolina 28202
7
8
       Brandon F. Marzo, Esq.
9
       Troutman Pepper
10
       600 Peachtree Street, NE, Suite 3000
11
       Atlanta, Georgia 30308
12
13
       FOR CAROLINA INDUSTRIAL GROUP FOR FAIR UTILITY RATES
14
       II and III:
15
       Christina D. Cress, Esq.
16
       Bailey & Dixon, LLP
17
       Post Office Box 1351
18
       Raleigh, North Carolina 27602
19
20
       FOR CAROLINA UTILITY CUSTOMERS ASSOCIATION, INC.:
21
       Robert F. Page, Esq.
22
       Crisp & Page, PLLC
23
       4010 Barrett Drive, Suite 205
24
       Raleigh, North Carolina 27609
```

Γ

	Page 5
1	APPEARANCES Cont'd:
2	FOR NC JUSTICE CENTER, NC HOUSING COALITION, NATURAL
3	RESOURCES DEFENSE COUNCIL and SOUTHERN ALLIANCE FOR
4	CLEAN ENERGY:
5	Gudrun Thompson, Esq., Senior Attorney
6	David L. Neal, Esq., Senior Attorney
7	Tirrill Moore, Esq., Associate Attorney
8	Southern Environmental Law Center
9	601 West Rosemary Street, Suite 220
10	Chapel Hill, North Carolina 27516
11	
12	FOR SIERRA CLUB:
13	Bridget Lee, Esq.
14	Sierra Club
15	9 Pine Street
16	New York, New York 10005
17	
18	Catherine Cralle Jones, Esq.
19	Law Office of F. Bryan Brice, Jr.
20	127 W. Hargett Street
21	Raleigh, North Carolina 27601
22	
23	
24	

```
Page 6
       A P P E A R A N C E S Cont'd:
1
2
       FOR NC WARN:
 3
       Matthew D. Quinn, Esq.
 4
       Lewis & Roberts PLLC
5
       3700 Glenwood Avenue, Suite 410
       Raleigh, North Carolina 27612
6
7
8
       FOR FAYETTEVILLE PUBLIC WORKS COMMISSION:
9
       James West, Esq., General Counsel
10
       955 Old Wilmington Road
11
       Fayetteville, North Carolina 28301
12
13
       FOR UNITED STATES DEPARTMENT OF DEFENSE AND ALL OTHER
14
       FEDERAL EXECUTIVE AGENCIES:
15
       Emily Medlyn, Esq., General Attorney
16
       United States Army Legal Services Agency
17
       9275 Gunston Road, Suite 4300 (ELD)
18
       Fort Belvoir, Virginia 22060
19
20
       FOR VOTE SOLAR:
21
       Thadeus B. Culley, Esg., Regulatory Counsel
22
       Senior Regional Director
23
       1911 Ephesus Church Road
24
       Chapel Hill, North Carolina 27517
```

```
Page 7
       A P P E A R A N C E S Cont'd:
1
2
       FOR NORTH CAROLINA LEAGUE OF MUNICIPALITIES:
 3
       Deborah Ross, Esq.
 4
       Fox Rothschild LLP
5
       434 Fayetteville Street, Suite 2800
6
       Raleigh, North Carolina 27601
7
8
       FOR NORTH CAROLINA SUSTAINABLE ENERGY ASSOCIATION:
9
       Peter H. Ledford, Esq., General Counsel
10
       Benjamin Smith, Esq., Regulatory Counsel
11
       North Carolina Sustainable Energy Association
12
       4800 Six Forks Road, Suite 300
13
       Raleigh, North Carolina 27609
14
15
       FOR THE COMMERCIAL GROUP:
16
       Alan R. Jenkins, Esq.
17
       Jenkins At Law, LLC
18
       2950 Yellowtail Avenue
19
       Marathon, Florida 33050
20
21
       Brian O. Beverly, Esq.
22
       Young Moore and Henderson, P.A.
23
       3101 Gl enwood Avenue
24
       Raleigh, North Carolina 27622
```

		Page 8
1	APPEARANCES Cont'd:	
2	FOR NORTH CAROLINA CLEAN ENERGY BUSINESS ALLIANCE:	
3	Karen Kemerait, Esq.	
4	Fox Rothschild LLP	
5	434 Fayetteville Street, Suite 2800	
6	Raleigh, North Carolina 27601	
7		
8	FOR HARRIS TEETER:	
9	Kurt J. Boehm, Esq.	
10	Jody Kyler Cohn, Esq.	
11	Boehm, Kurtz, & Lowry	
12	36 East Seventh Street, Suite 1510	
13	Cincinnati, Ohio 45202	
14		
15	Benjamin M. Royster, Esq.	
16	Royster and Royster, PLLC	
17	851 Marshall Street	
18	Mount Airy, North Carolina 27030	
19		
20		
21		
22		
23		
24		

	Page 9
1	APPEARANCES Cont'd:
2	FOR HORNWOOD, INC.:
3	Janessa Goldstein, Esq.
4	Corporate Counsel
5	Utility Management Services, Inc.
6	6317 Oleander Drive, Suite C
7	Wilmington, North Carolina 28403
8	
9	FOR THE USING AND CONSUMING PUBLIC AND ON BEHALF OF
10	THE STATE AND ITS CITIZENS IN THIS MATTER THAT AFFECTS
11	THE PUBLIC INTEREST:
12	Margaret A. Force, Esq., Assistant Attorney General
13	Teresa Townsend, Esq., Special Deputy Attorney General
14	North Carolina Department of Justice
15	Post Office Box 629
16	Raleigh, North Carolina 27603
17	
18	
19	
20	
21	
22	
23	
24	

	Page 10
1	APPEARANCES Cont'd:
2	FOR THE USING AND CONSUMING PUBLIC:
3	Di anna W. Downey, Esq.
4	Elizabeth D. Culpepper, Esq.
5	Layla Cummings, Esq.
6	Lucy E. Edmondson, Esq.
7	William E. Grantmyre, Esq.
8	Gina C. Holt, Esq.
9	Tim R. Dodge, Esq.
10	Megan Jost, Esq.
11	John D. Little, Esq.
12	Nadia L. Luhr, Esq.
13	Public Staff - North Carolina Utilities Commission
14	4326 Mail Service Center
15	Raleigh, North Carolina 27699-4300
16	
17	
18	
19	
20	
21	
22	
23	
24	

		Page 11
1	TABLE OF CONTENTS	
2	EXAMINATIONS	
3	JESSICA L. BEDNARCIK	PAGE
4	Examination By Commissioner Brown-Bland	17
5	Examination By Chair Mitchell	18
6	Examination By Commissioner Hughes	20
7	Examination By Commissioner Clodfelter	24
8	Examination By Mr. Marzo	34
9	STEVEN M. FETTER	PAGE
10	Direct Examination By Mr. Mehta	42
11	Prefiled Rebuttal Testimony With	45
12	Attachment A of Steven M. Fetter	
13	Prefiled Testimony Summary ofSteven M. Fetter	74
14	Cross Examination By Mr. Grantmyre	76
15	Redirect Examination By Mr. Mehta	116
16	PANEL OF	PAGE
17	MARCIA E. WILLIAMS, AND JAMES WELLS	
18	Direct Examination By Mr. Marzo	127
	Prefiled Rebuttal Testimony of James Wells	1130
19	Prefiled Testimony Summary of James Wells	199
20	Prefiled Rebuttal Testimony of	203
21	Marcia Williams	200
22	Prefiled Errata of Marcia Williams	337
23	Prefiled Testimony Summary of Marcia Williams	339
24		

Г

		Page 12
1	Testimony From Docket Number E-7, Sub 1214 Transcript	344
2	Volume 27, Page 189, Line 1 through Page 314, Line 5	
3		470
4	Testimony From Docket Number E-7, Sub 1214 Transcript	470
5	Volume 28, Page 11, Line 9 through Page 138, Line 7	
6	Testimony From Docket Number E-7, Sub 1214 Transcript	598
7	Volume 29, Page 15, Line 5 through Page 79, Line 10	
8	Cross Examination By Ms. Luhr	664
9		677
10	Cross Examination By Ms. Lee	695
11	Redirect Examination By Mr. Marzo	
12	Examination By Commissioner Brown-Bland	711
13		
14		
15 16		
16 17		
18		
19		
20		
21		
22 23		
23 24		
- •		

	9		
		Page 13	
1	ΕΧΗΙΒΙΤS		
2	I DENTI FI ED/ADMI TTED		
3	Bednarcik Rebuttal Public Staff	- /38	
4	Cross Examination Exhibits 6, 7, and 9		
5	Confidential Bednarcik Rebuttal	- /38	
6	Public Staff Cross Examination Exhibit 8		
7	Bednarcik Rebuttal AGO Cross	- /38	
8	Exhibit Number 2		
9	Bednarcik Rebuttal Sierra Club DEP Cross Exhibit 2	- /40	
10	Bednarcik Rebuttal Sierra Club	- /40	
11	DEP Cross Exhibit 3		
	Bednarcik Rebuttal Exhibits 1	- /41	
12	through 9	/ / 1	
13	Bednarcik Supplemental Exhibits 1 through 4	- /41	
14	Bednarcik Rebuttal DEP Redirect	- /41	
15	Exhibit 1		
16	Fetter Rebuttal Public Staff Cross Examination Exhibit	86/125	
17	Number 1		
18	Fetter Rebuttal Public Staff Cross Examination Exhibit 2	91/125	
19			
20	Fetter Rebuttal Public Staff Cross Examination Exhibit 3	94/125	
21	Fetter Rebuttal Public Staff	107/125	
22	Cross Examination Exhibit 4		
23	Fetter Rebuttal Public Staff Cross Examination Exhibit 5	110/125	
24			

Γ

			Page 14
1	Fetter Rebuttal DEP Redirect Examination Exhibit Number 1	116/125	
2 3	Fetter Rebuttal DEP Redirect Examination Exhibit Number 2	117/125	
4	Wells Rebuttal Exhibits 1 through 4	128/ -	
5	Williams Rebuttal Exhibits 1	202/ -	
6	and 2		
7 8	Public Staff Wells/Williams Rebuttal Cross Exhibit Numbers 1 through 6	- /663	
9	AGO Wells/Williams Rebuttal Cross Examination Exhibit 1 through 2	- /663	
10		(00)	
11	Williams/Wells Redirect Exhibit 1	6997 -	
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			