

August 29, 2017

INDIANA UTILITY

REGULATORY COMMISSION

IURC CAUSE NO. 44953
REBUTTAL TESTIMONY OF DIANA L. DOUGLAS
FILED AUGUST 29, 2017

**REBUTTAL TESTIMONY OF
DIANA L. DOUGLAS
DIRECTOR, RATES AND REGULATORY PLANNING
DUKE ENERGY BUSINESS SERVICES LLC
ON BEHALF OF DUKE ENERGY INDIANA, LLC
CAUSE NO. 44953
BEFORE THE INDIANA UTILITY REGULATORY COMMISSION**

I. INTRODUCTION

1

2 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

3 A. My name is Diana L. Douglas and my business address is 1000 East Main Street,
4 Plainfield, Indiana 46168.

5 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

6 A. I am employed by Duke Energy Business Services LLC, an affiliate of Duke Energy
7 Indiana, LLC ("Duke Energy Indiana" or "Company"), as Director, Rates and
8 Regulatory Planning. Duke Energy Indiana is a wholly owned, indirect subsidiary
9 of Duke Energy Corporation.

10 **Q. PLEASE DESCRIBE YOUR DUTIES AS DIRECTOR, RATES &**
11 **REGULATORY PLANNING.**

12 A. As Director, Rates & Regulatory Planning, I am responsible for the preparation of
13 financial and accounting data used in Company rate filings.

14 **Q. PLEASE BRIEFLY DESCRIBE YOUR EDUCATIONAL AND**
15 **PROFESSIONAL BACKGROUND.**

16 A. I am a graduate of Indiana University, holding a Bachelor of Science Degree in
17 Business, with a major in Accounting, with additional post-graduate course-work

DIANA L. DOUGLAS

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1 within the MBA program of Indiana University. Since my employment with the
2 Company or its affiliates as a permanent employee in 1980, I have held various
3 financial and accounting positions supporting the Company and its affiliates. My
4 position prior to Director, Rates & Regulatory Planning, was that of manager
5 responsible for fuel and joint ownership accounting. I have also had management
6 responsibility for emission allowance accounting, general accounting for the
7 Commercial Business Unit, and power marketing and trading settlements and back
8 office operations. I have also held positions in Corporate Accounting, Budgets and
9 Forecasts, and Payroll. I am a Certified Public Accountant ("CPA") and a member
10 of the Indiana CPA Society.

11 **Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY IN THIS**
12 **PROCEEDING?**

13 A. The purpose of my rebuttal testimony is to briefly respond to a recommendation
14 made by Indiana Office of Utility Consumer Counselor ("OUCC") witness
15 Mr. Leon A. Golden regarding required reporting related to the Staunton Solar PPA
16 and also to a recommendation made by OUCC witness Ms. Chrystal L. Thacker
17 regarding reporting treatment in the Company's quarterly Rider No. 68 filings of
18 any non-fuel related MISO charges or credits related to the Staunton Solar PPA.

19 **II. RECOMMENDED REPORTING REQUIREMENTS**

20 **Q. WHAT REPORTING REQUIREMENTS WERE RECOMMENDED BY**
21 **MR. GOLDEN RELATED TO THE STAUNTON SOLAR PPA?**

1 A. Mr. Golden recommended Duke Energy Indiana file an initial Solar Project Report
2 containing certain information detailed in his testimony on page 8 and subsequent
3 annual updates (1) detailing any changes to the information provided in the initial
4 report or previous annual reports and (2) including a monthly summary of actual
5 solar generation output for the facility.

6 **Q. DOES DUKE ENERGY INDIANA AGREE TO PROVIDE THE**
7 **RECOMMENDED REPORTING?**

8 A. Yes. As to the initial Solar Project Report, Duke Energy Indiana will make a filing
9 with the requested information within one month of a final order in this proceeding.
10 Thereafter Duke Energy Indiana will also make an annual filing that details any
11 changes to the initial report as well as a monthly summary of actual output.

12 **III. RECOMMENDED RIDER NO. 68 TREATMENT**

13 **Q. WHAT DID MS. THACKER RECOMMEND RELATED TO NON-FUEL**
14 **RELATED MISO CHARGES INCLUDED IN RIDER NO. 68?**

15 A. Ms. Thacker recommended that any non-fuel related MISO charges or credits
16 related to the Staunton Solar PPA that are included in the Company's Rider No. 68
17 filing be identified in testimony and listed as separate line items in the filed exhibits
18 in that case. She further recommended that any and all supporting documentation
19 be provided to the OUCC for auditing.

20 **Q. WHAT IS RIDER NO. 68?**

21 A. Rider No. 68 refers to the Company's Standard Contract Rider No. 68 –
22 Midcontinent Independent System Operator (MISO) Cost and Revenue Adjustment.

1 This rider tracks certain non-fuel – related MISO charges and credits above or
2 below amounts included in base rates and is filed quarterly in Cause No. 42736
3 RTO-xxx.

4 **Q. DOES THE COMPANY ANTICIPATE RECEIVING ANY SPECIFICALLY**
5 **IDENTIFIABLE NON-FUEL –RELATED MISO CHARGES AND CREDITS**
6 **ASSOCIATED WITH THE STAUNTON SOLAR PPA THAT WOULD BE**
7 **INCLUDED IN RIDER NO. 68?**

8 A. No. Duke witness Mr. Scott E. Tharp explained in his direct testimony that because
9 the Staunton Solar Facility project is interconnecting to Duke Indiana's distribution
10 system rather than the transmission system, it will be treated as behind the meter
11 generation ("BTMG") for MISO purposes. This means that, for MISO purposes,
12 the Facility will not be tracked as a generating resource for which separate
13 settlement charges and credits will be received. Instead, Duke Energy Indiana's
14 load will be less than what it otherwise would have been absent the available
15 capacity and energy output of the Staunton Solar Facility. This lower load amount
16 will be used by MISO in determining Duke Energy Indiana's non-fuel-related
17 MISO charges that will be included in its Rider No. 68 filings.¹ This is the same
18 BTMG treatment that is used for the Company's four other 5 MW solar power
19 purchase agreements that were approved by the Commission in its August 19, 2015
20 order in Cause No. 44578.

¹ This lower load amount will also be used by MISO in determining any fuel-related MISO charges to be included in the Company's FAC or Rider 70 filings.

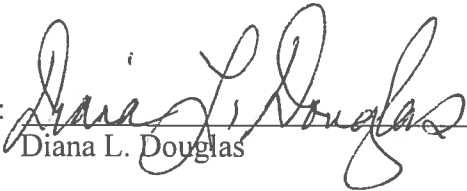
IV. CONCLUSION

A. Yes.

A. Yes, it does.

VERIFICATION

I hereby verify under the penalties of perjury that the foregoing representations are true to the best of my knowledge, information and belief.

Signed: 
Diana L. Douglas

Dated: 8-29-17