**BEFORE**

**THE PUBLIC UTILITIES COMMISSION OF OHIO**

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| In the Matter of the Application of **Ohio Power Company** for Authority to Establish a Standard Service Offer Pursuant to Section 4928.143, Revised Code, in the Form of an Electric Security Plan.In the Matter of the Application of **Ohio Power Company** for Approval of Certain Accounting Authority. | ::::::::: | Case No. 13-2385-EL-SSOCase No. 13-2386-EL-AAM |

**PREFILED TESTIMONY**

**OF**

**MATTHEW D. SNIDER**

**Rates Division**

**Utilities Department**

**Public Utilities Commission of Ohio**

**Staff Exhibit \_\_\_\_\_**

**May 20, 2014**

1. Q. Please state your name and your business address.

 A. My name is Matthew Snider. My business address is 180 East Broad Street, Columbus, Ohio, 43215.

2. Q. By whom are you employed?

 A. I am employed by the Public Utilities Commission of Ohio (PUCO).

3. Q. What is your current position with the PUCO and what are your duties?

 A. I am a Utility Specialist in the Rates Division within the Utilities Department. My duties include analyzing and auditing the financial statements of Public Utility Companies, for the purpose of ratemaking, that fall under the jurisdiction of the PUCO.

4. Q. Would you briefly state your educational background?

 A. I earned a Bachelor of Science in Business from Miami University with majors in both Finance and Accounting in May of 2009.

5. Q. Please outline your work experience.

 A. Following my graduation from Miami University in 2009. I went to work for Winfree, Ruff & Associates, Ltd, CPAs as a tax accountant. After working there for nearly two years, I joined the Public Utilities Commission in February 2011 as a Utility Auditor 1. Four months later, I was promoted to Utility Auditor 2. In October 2013, I was promoted again to my current position of Utility Specialist 1.

6. Q. What’s the purpose of your testimony?

 A. The purpose of this testimony is to address the Auction Cost Reconciliation Rider (ACRR) which will be replacing an existing mechanism, the Auction Phase in Rider (APIR).

7. Q. What is the Company proposing?

 A. The Company is proposing to collect through this rider all costs associated with the competitive bid process such as auction manager fees, incremental auction costs, costs of contingency plans, and the over or under balancing fees associated with amounts billed to customers versus what was actually paid to auction winners. Recovery of this rider is on a per kWh basis and will be updated quarterly as shown on Exhibit AEM-4.

8. Q. Does Staff agree with the Company’s proposal?

 A. Staff agrees in general with the Company’s proposal as shown on Exhibit AEM-4. However, the Company should be allowed to collect only the prudently incurred costs associated with the competitive bid process; language stating the recovery of all associated auction costs is too vague. Furthermore, Staff is amenable to quarterly updates to the ACRR rider, but Staff recommends that rider ACRR be subjected to an audit by the Commission Staff on an annual basis and recommends that the Commission direct the Company to work with Staff regarding details such as the timeline and dates of the annual filing.

9. Q. Does Staff have any other concerns regarding rider ACRR?

 A. Yes. Because rider ACRR is replacing an existing mechanism, rider APIR, Staff is concerned that there may be an overlap of costs between the two riders. Therefore, Staff recommends that the Commission, through its opinion and order in this case, instruct Staff to ensure that there is no overlap of costs any future audit of the ACRR rider. This way, any future Staff member that may be auditing the ACRR rider will be made aware that this potential for overlap of costs may be an issue and will be watchful of this potential issue.

10. Q. Does this conclude your testimony?

 A. Yes, it does. However, I reserve the right to submit supplemental testi­mony as described herein, as new information subsequently becomes avail­able or in response to positions taken by other parties.

# PROOF OF SERVICE

 I hereby certify that a true copy of the foregoing Prefiled Testimony of **Matthew D. Snider** submitted on behalf of the Staff of the Public Utilities Commission of Ohio,was served by regu­lar U.S. mail, postage prepaid, hand-delivered, and/or delivered via elec­tronic mail, upon the follow­ing par­ties of record, this 20th day of May, 2014.

/s/ Devin D. Parram

**Devin D. Parram**

Assistant Attorney General

**Parties of Record:**

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| campbell@whitt-sturtevant.combarthroyer@aol.comcloucas@ohiopartners.orgcmooney@ohiopartners.orgdconway@porterwright.comdboehm@bkllawfirm.comdborchers@bricker.comedmund.berger@occ.ohio.govfdarr@mwncmh.comgary.a.jeffries@dom.comgpoulos@enernoc.comwilliams@whitt-sturtevant.comglpetrucci@vorys.commhpetricoff@vorys.comtsiwo@bricker.comjmcdermott@firstenergycorp.comjfinnigan@edf.orgjkylercohn@bkllawfirm.comjfinnigan@edf.orgjoseph.clark@directenergy.comjoliker@mwncmh.comjoseph.serio@occ.ohio.govjudi.sobecki@aes.combojko@carpenterlipps.comlfriedeman@igsenergy.comlhawrot@spilmanlaw.commohler@carpenterlipps.comhaydenm@firstenergycorp.com | mjsatterwhite@aep.commswhite@igsenergy.commaureen.grady@occ.ohio.govmkurtz@bkllawfirm.commsmalz@ohiopovertylaw.orgnmcdaniel@elpc.orgplee@oslsa.orgphilip.sineneng@thompsonhine.comricks@ohanet.orgrocco.dascenzo@duke-energy.comsam@mwncmh.comswilliams@nrdc.orgcasto@firstenergycorp.comsasloan@aep.comstephanie.chmiel@thompsonhine.comstephen.chriss@walmart.comstnourse@aep.comtammy.turkenton@puc.state.oh.ustshadick@spilmanlaw.comtobrien@bricker.comtdougherty@theOEC.orgvparisi@igsenergy.comzkravitz@taftlaw.comwhitt@whitt-sturtevant.commyurick@taftlaw.commpritchard@mwncmh.comschmidt@sppgrp.com |