**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-SSO  Case No. 13-2386-EL-AAM |

**PREFILED TESTIMONY**

**OF**

**KRYSTINA M. SCHAEFER**

**Energy & Environment Department**

**Facility, Siting & Environment Division**

**Public Utilities Commission of Ohio**

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

**May 20, 2014**

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

A. My name is Krystina M. Schaefer, and my business address is 180 East Broad Street, Columbus OH 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 present position with the Public Utilities Commission of Ohio and what are your duties?

A. I am an Administrator in the Facilities, Siting and Environmental Analysis Division of the Energy and Environment Department (E&E) at the PUCO. My job duties include: developing, organizing, and directing activities related to energy assurance and smart grid implementation as guided and directed by Federal and State statute and administrative rules; serving as technical expert on issues related to national and state energy assurance, smart grid implementation and transition issues.

4. Q. Please summarize your educational background and work experience.

A. I received a Bachelor of Science in Political Science and business minor from The Ohio State University (2008) and a Master of City and Regional Planning from The Ohio State University (2010). Currently, I am enrolled in the Master of Business Administration program at Capital University.

In July of 2009, I joined the Commission as an intern in the Facilities, Siting, and Environmental Analysis Division of the Energy and Environ­ment Department (E&E). In September of 2010, I was hired full-time as a utility analyst in the Efficiency and Renewables Division of the E&E Department. In March of 2011, I was promoted to my current position.

5. Q. Have you testified in prior proceedings before the Commission?

A. No.

6. Q. What is the purpose of your testimony in this proceeding?

A. The purpose of my testimony is to address the Company’s proposed elim­ination of the Schedule Standby Service (SBS) tariff.

7. Q. Does Staff agree with the elimination of the Schedule Standby Service (SBS) tariff?

A. No, staff believes that as long as the standard service offer (SSO) is in place, the Company has an obligation to continue to provide generation-related backup and planned maintenance services for partial-service cus­tomers. R.C. 4928.141 states that: “an electric distribution utility shall provide consumers, on a comparable and nondiscriminatory basis within its certified territory, a standard service offer of all competitive retail electric services necessary to maintain essen­tial electric service to consumers, including a firm supply of electric gener­ation service.” In addition, R.C. 4928.14 states that “the failure of a supplier to provide retail electric generation service to customers within the certified territory of an electric distribution utility shall result in the sup­plier's customers, after reasonable notice, defaulting to the utility's standard service offer under sections 4928.141, 4928.142, and 4928.143 of the Revised Code until the customer chooses an alternative supplier.”

Originally, Staff interpreted the Company’s testimony to mean that the Company would no longer offer the generation-related services of the SBS tariff. However, based on the Company’s conversation with Staff on May 14, 2014, clarifying the Company’s testimony and response to a data request (INT-13-001), Staff believes the Company’s intent is to eliminate the SBS tariff but still provide generation-related backup and planned maintenance services through the applicable SSO riders. Specifically, the generation-related charges for backup power and planned maintenance ser­vices would be billed under the SSO riders for energy (GENE) and capacity (GENC), based on the actual energy (kWh) used for those services during the given billing period.

Given the potential confusion for partial-service customers, Staff believes that the SBS tariff should be maintained, and instead, reference the applica­ble riders for generation-related services (GENE and GENC), along with the appropriate tariffs for distribution service. This will make it easier for customers to understand how backup and planned maintenance charges will be calculated and ensure that customers are aware that the services are pro­vided through the SSO. Staff believes that these changes will help to fur­ther the energy policy of the State of Ohio, as outlined in R.C. 4928.02(K), which encourages the “implementation of distrib­uted generation across customer classes through regular review and updat­ing of administrative rules governing critical issues such as… standby charges.”

8. 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 **Krystina M. Schaefer** 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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