

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Commission's Review of Chapter	)	
4901:1-10, Ohio Administrative Code, Regarding	)	Case No. 12-2050-EL-ORD
Electric Companies	)	

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**APPLICATION FOR REHEARING  
OF  
THE OHIO HOSPITAL ASSOCIATION**

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Pursuant to Ohio Revised Code Section (“R.C.”) 4903.10, the Ohio Hospital Association (“OHA”) respectfully submits this Application for Rehearing of the January 15, 2014, Opinion and Order (“Order”) of the Public Utilities Commission of Ohio (“Commission”) amending certain rules within Ohio Administrative Code (“OAC”) Chapter 4901:1-10. The Commission unlawfully and unreasonably denied OHA’s proposed modifications to OAC Rule 4901:1-10-11 and 4901:1-10-07.

As discussed in greater detail in the Memorandum in Support attached hereto, OHA respectfully requests that the Commission grant this Application for Rehearing and modify its January 15, 2015 Order in accordance with this Application for Rehearing.

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## MEMORANDUM IN SUPPORT

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**I. The Commission's Order is unreasonable because OHA's proposed new subsection to address the worst-performing critical human service facility circuits is not redundant with OAC Rule 4901:1-10-08.**

In its initial comments, the OHA recommended that a new subsection be added to OAC Rule 4901:1-10-11 to address the worst performing critical human service facility circuits.<sup>1</sup> This relatively modest modification to the Commission's rules had a twofold purpose: 1) to help identify "fragile" circuits that may serve hospitals so that all reasonable remedial steps can be taken *prior* to an emergency event; and 2) to help improve the channels of communications during disruptions in electrical distribution services.<sup>2</sup>

The Commission unreasonably dismissed OHA's proposal, finding that "OHA's recommendation for [OAC Rule] 4901:1-10-11(D) would be redundant with [OAC Rule] 4901:1-10-08."<sup>3</sup> This conclusion defers to the unsupported assertions made by the electric distribution utilities ("EDUs") that the EDU Emergency Action Plan required under OAC Rule 4901:1-10-08 already encompasses OHA's recommendation.<sup>4</sup> However, even a cursory review of OAC Rule 4901:1-10-08 establishes that it is not redundant with OHA's recommendation.

Under OAC Rule 4901:1-10-08, an EDU must maintain an emergency plan that, in part, provides for policies and procedures for outage response and restoration of service for certain priorities. Among these priorities include restoration of service for facilities designated in OAC

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<sup>1</sup> OHA Comments at 4-5. *See also*, OHA Comments at 3, proposing that the definition of "Critical Human Facility Service Facility" to mean "any location incorporating a state recognized medical emergency service department, a state recognized labor and delivery department or a state recognized behavioral health department."

<sup>2</sup> OHA Comments at 3.

<sup>3</sup> Order at 15.

<sup>4</sup> *See, e.g.*, Dayton Power and Light's ("DP&L") Comments at 7, stating that "the EDU's Emergency Action Plan addresses OHA's concerns."

Rule 4901:1-10-07(A)(4), which includes hospital facilities. Under OAC Rule 4901:1-10-08, an EDU's emergency plan must also "[provide] information to critical customers who are without service."

OHA's recommendation to address the worst performing critical human service facility circuits is not redundant with the provisions of OAC Rule 4901:1-10-08. The EDU emergency plan under OAC Rule 4901:1-10-08 must address the policies and procedures for the restoration of hospitals *after service has already been lost*. In contrast, OHA's recommendation to address the identification of the worst performing critical human service facility circuits is squarely *preventative*. The Commission was unreasonable in not addressing this key distinction before deferring to the comments submitted by the EDUs that OHA's recommendation is redundant with existing rules.

**II. The Commission unreasonably ignored the advancement of smart grid technologies when rejecting OHA's recommendation to modify OAC Rule 4901:1-10-07.**

In its initial comments, OHA recommended modifications to the Commission's rules addressing outage reporting to essential facilities, including hospitals. Specifically, OHA recommended that the Commission reduce the amount of time that must elapse before an interruption in service is elevated to the status of an "outage," which is currently four hours or more under OAC Rule 4901:1-10-07(A)(4).<sup>5</sup> Additionally, OHA recommended that, regardless of the duration of the outage, a specific provision for reporting outages to affected essential facilities should be added to OAC Rule 4901:1-10-07 because essential facilities need to be informed as close to real-time as is practical for the utility.<sup>6</sup>

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<sup>5</sup> OHA Comments at 4.

<sup>6</sup> *Id.*

The Commission denied OHA's recommendation that a specific provision for reporting outages to affected essential facilities should be added to OAC Rule 4901:1-10-07, stating that "[w]hile the Commission notes that provisions for reporting outages to affected essential facilities are necessary, these provisions already exist in the rules."<sup>7</sup> However, the Commission unreasonably ignores OHA's additional recommendation that the amount of time that must elapse before an interruption in service is elevated to the status of an "outage" under the rules be reduced.

The advent of major investments in smart grid technologies by all of the Ohio electric utilities makes a reduction in amount of time that must elapse before an interruption in service is elevated to the status of an "outage" feasible.<sup>8</sup> Further, the adoption of these technologies enables information about interruptions, no matter how brief, readily reportable to the hospitals. The periodic, five-year review of the Commission's rules is the proper forum to determine how advances in these technologies should be anticipated and reflected in the rules.

When it first approved AEP-Ohio's gridSMART program in AEP-Ohio's first Electric Security Plan ("ESP II") case, the Commission noted that smart grid technologies "can decrease the scope and duration of electric outages."<sup>9</sup> In a concurring opinion to that decision, then Chairman Alan Schriber emphasized the importance of the program, noting that customers would benefit from better feedback and improved customer service.<sup>10</sup> The Chairman also noted that "[Senate Bill] 221 made it state policy to encourage time-differentiated pricing, implementation of advanced metering infrastructure, development of performance standards and targets for service quality for all

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<sup>7</sup> Order at 8.

<sup>8</sup> See, e.g., the Commission's approval of AEP-Ohio gridSMART riders in the ESP I and II cases; *see also*, <http://www.puco.ohio.gov/puco/index.cfm/consumer-information/consumer-topics/smart-grid-in-ohio/>, indicating that DP&L is to file an application with the Commission by July 1, 2014 for implementation and deployment of smart grid technology; *see also*, <http://www.pennenergy.com/articles/pennenergy/2013/11/firstenergy-plans-2-8b-in-smart-grid-upgrades.html>, reporting that FirstEnergy plans to spend \$2.8 billion in smart grid upgrades.

<sup>9</sup> Columbus Southern Power Company, Case No. 08-917-EL-SSO, *et al.* (March 18, 2009 Order at 37).

<sup>10</sup> *Id.* at 76.

consumers, and implementation of distributed generation.”<sup>11</sup> Advanced metering infrastructure must include the rules and policies that enable customers to fully realize the benefits of the technology.

As the Commission continues encourage the implementation of smart grid technologies by the EDUs, the Commission should also make every effort to ensure that its rules bridge the utility investments in these technologies with the maximum benefit for customers. The Commission missed an opportunity to do so by unreasonably denying OHA’s recommended modifications to OAC Rule 4901:1-10-07.

WHEREFORE, the Ohio Hospital Association respectfully urges the Commission to grant its Application for Rehearing.

Respectfully submitted on behalf of  
OHIO HOSPITAL ASSOCIATION



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<sup>11</sup> *Id.* at 77.

## **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a copy of the foregoing Application for Rehearing was served upon the parties of record listed below this 14<sup>th</sup> day of February 2014 *via* electronic mail.



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Summary: Application for Rehearing of The Ohio Hospital Association electronically filed by  
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