

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

- - -

In the Matter of the :  
Application Seeking :  
Approval of Ohio Power :  
Company's Proposal to : Case No. 14-1693-EL-RDR  
Enter into an Affiliate :  
Power Purchase Agreement :  
for Inclusion in the Power:  
Purchase Agreement Rider. :

In the Matter of the :  
Application of Ohio Power :  
Company for Approval of : Case No. 14-1694-EL-AAM  
Certain Accounting :  
Authority. :  
- - -

PUBLIC REDACTED VERSION OF CONFIDENTIAL PROCEEDINGS

before Ms. Greta See and Ms. Sarah Parrot, Attorney  
Examiners, at the Public Utilities Commission of  
Ohio, 180 East Broad Street, Room 11-D, Columbus,  
Ohio, called at 9:00 a.m. on Friday, October 2, 2015.

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(REDACTED PORTION )

EXAMINER SEE: Let's go back on the  
record.

Ms. Fleisher.

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FURTHER CROSS-EXAMINATION

By Ms. Fleisher:

Q. All right, Mr. Thomas, so I have a  
document which is a discovery response  
from AEP. It's ELPC INT 3-12 in which you're listed  
as a responding witness. I'm not going to show you  
the document because it contains OVEC confidential  
information that you're not permitted to see, but I'm  
going to read you some entries from it that are not  
related to OVEC and ask you some questions about  
that --

A. Okay.

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1 Q. -- if that will work. So the request  
2 this is responding to is: "For each of the PPA  
3 Units, identify whether the unit experienced any  
4 outages during January 6, 7, or 8, 2014; January  
5 7 or 8, 2015; or February 19 or 20, 2015. For  
6 each identified outage, identify the duration of the  
7 outage and the cause of the outages reported to PJM."

8 So I have a spreadsheet in response which  
9 lists two separate outages for [REDACTED]

10 [REDACTED]  
11 described as a [REDACTED]

12 And I was wondering if you know whether that would be  
13 related to [REDACTED].

14 A. I don't believe the [REDACTED] outage  
15 would be related to [REDACTED] at all.

16 Q. Okay. And then there's a second outage  
17 listed for [REDACTED]

18 [REDACTED], and that's described  
19 as [REDACTED] Would that have been related  
20 to [REDACTED]?

21 A. Yes, this particular outage was related  
22 to [REDACTED]. What we did as the co-owners, when  
23 Duke, who was the owner at the time, [REDACTED] the  
24 auxiliary boiler which helps start up the big boiler  
25 and the igniters, which is basically what helps bring



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1 the unit on [REDACTED].

2 And when they came out for the [REDACTED]  
3 in the first outage you just talked about, when they  
4 were ready to come back on [REDACTED], then there  
5 was what they call [REDACTED]  
6 [REDACTED] that provides [REDACTED]  
7 [REDACTED], and so at that point in time [REDACTED]  
8 [REDACTED] be able to start the  
9 unit up.

10 What we have done to address that issue,  
11 though, is we have gone back and now [REDACTED] that  
12 unit to be able to [REDACTED]  
13 [REDACTED] to eliminate this issue.

14 MS. FLEISHER: Your Honors, I'd move to  
15 strike everything starting -- the part regarding  
16 fixing the problem. That wasn't what I asked about.  
17 Certainly redirect could deal with that.

18 MR. NOURSE: Well, your Honor, I mean, it  
19 relates. She's asking whether [REDACTED] caused  
20 the outage, and so I think it's fair to say it's not  
21 going to happen again based on the repair. If we  
22 want to extend the time here to be inefficient, we  
23 can cover it on redirect.

24 MS. FLEISHER: Well, I mean, your Honors,  
25 any answers can then have a mitigating explanation,

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1 so by that definition, everything becomes responsive.  
2 I don't know, I could ask him, "Please don't talk  
3 about any steps you took to fix the problem," but I  
4 don't know how to handle that.

5 MR. NOURSE: Well, I disagree because --

6 EXAMINER SEE: Thank you.

7 MR. NOURSE: It's not always the case  
8 that repairs have been made.

9 EXAMINER SEE: Thank you, Mr. Nourse.

10 Thank you, Ms. Fleisher.

11 I'm going let the answer stand as it was  
12 given.

13 Q. (By Ms. Fleisher) Then I also have  
14 entries for -- an entry for [REDACTED]

15 [REDACTED], described as [REDACTED]

16 [REDACTED]

17 Would that have been related to [REDACTED]?

18 A. I don't believe so, no.

19 Q. And then one for [REDACTED]

20 [REDACTED] Would

21 that have been related to [REDACTED]?

22 A. Based on the description, I would say  
23 yes, the [REDACTED] and ultimately caused the  
24 unit to come out of service.

25 Q. And I have one for [REDACTED]

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1 [REDACTED]  
2 [REDACTED] Would that have been  
3 related to [REDACTED]?

4 A. The primary issue for this particular  
5 outage is not related to [REDACTED]. The length of  
6 the outage that you're discussing, there were two  
7 components here. One was an issue with the  
8 [REDACTED] on the [REDACTED] that controls the  
9 [REDACTED], and the other one was a [REDACTED]  
10 which the [REDACTED] is the part that kept us out,  
11 getting that repaired safely.

12 Q. Okay. So would you say generally that  
13 [REDACTED] are not related to [REDACTED]  
14 [REDACTED]?

15 A. I would agree with that.

16 MS. FLEISHER: May I approach, your  
17 Honor?

18 EXAMINER SEE: Yes.

19 Q. Mr. Thomas, I'm giving you a copy of the  
20 2015 PJM Winter Report.

21 MR. NOURSE: Hang on. Can I see that?

22 MS. FLEISHER: Sure. I believe it's  
23 admitted as Exhibit OMA Exhibit 3.

24 MR. NOURSE: Okay.

25 Q. And can you look at page 19 for a minute.

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1 A. A specific part of page 19?

2 Q. Yeah. So there's a paragraph starting,  
3 "The forced outages at the peaks on January 7-8  
4 2015." So, I guess, I think it's easiest if I just  
5 read it into the record. So it says, "The forced  
6 outages at the peaks on January 7-8, 2015, aligned  
7 colder temperatures that occurred the first part of  
8 the month. Prior to that extreme cold-weather  
9 period" --

10 EXAMINER SEE: I'm sorry, can you start  
11 over.

12 MS. FLEISHER: Yeah.

13 Q. "The forced outages at the peaks on  
14 January 7-8, 2015, aligned with colder temperatures  
15 that occurred during the first part of the month.  
16 Prior to that extreme cold-weather period, there was  
17 a rise in temperatures that was most pronounced in  
18 the Southern and Eastern regions of PJM, which  
19 resulted in the cycling of marginal coal units. The  
20 extreme cold temperatures on January 7-8, 2015,  
21 resulted in the restart of the higher cost marginal  
22 coal/steam units. As these units were returned  
23 online and run times increased, the failure rate from  
24 tube leaks increased over the following week, with  
25 forced outage rates peaking on January 15, 2015, at

1 20,788 MW (11.2 percent)."

2 Mr. Thomas, do you know whether any [REDACTED]  
3 [REDACTED] that would have occurred during [REDACTED] at  
4 the PPA units could have been due to this phenomena?

5 MR. NOURSE: Your Honor, I'd just object  
6 because I guess the purpose of this whole exercise is  
7 that there's some wording in this report that  
8 nobody's here to defend that correlates -- I'm not  
9 even sure it correlates weather to increased [REDACTED]  
10 [REDACTED], as much as, perhaps, a factual observation.

11 So I don't think -- first of all, it's  
12 not confidential. Secondly, I don't think it  
13 necessarily conflicts with what his prior answer  
14 gave, and other than that, I'm not sure what the  
15 purpose is. This is already an admitted document in  
16 its entirety into the record.

17 MS. FLEISHER: Your Honors, we're asking  
18 him questions about a confidential document for which  
19 he's the responding witness. He's made an assertion  
20 about what some of these things mean, and so I'm  
21 asking him to consider that in the context of this  
22 document, which is an admitted exhibit.

23 EXAMINER SEE: I'll allow it.

24 Answer the question, Mr. Thomas.

25 A. Well, based on my experience, the

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1 resulting [REDACTED] is directly related to cycling of  
2 the units, not the [REDACTED]. The [REDACTED],  
3 even if it said [REDACTED], the more you cycle a  
4 unit up and down, the metal expands and contracts, so  
5 the more you do those thermal cycles, the more it  
6 will fatigue the various tubes. But it's the cycling  
7 of the unit that is causing the input to the  
8 potential failure rate here, not the [REDACTED].

9 Q. All right. And with respect to [REDACTED]

10 [REDACTED], I have an entry here for [REDACTED]

11 [REDACTED], described as [REDACTED]

12 [REDACTED]

13 [REDACTED] Would that be due to [REDACTED]?

14 A. Can you repeat the description, please?

15 Q. Sure. [REDACTED] as in boy,  
16 then I believe it's [REDACTED]

17 [REDACTED]

18 A. Based on my experience, no, I don't  
19 believe that's related to [REDACTED]. The ID is  
20 the induced draft fan. I can't make that  
21 correlation.

22 Q. And then I have an entry for [REDACTED]

23 [REDACTED], described as

24 [REDACTED] Am I correct that that would have  
25 been due to [REDACTED]?

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1           A.    I believe so, yes.

2           Q.    All right. That's it. And thanks for  
3 your patience in going through that exercise.

4           EXAMINER SEE: Is there any confidential  
5 redirect for this witness, Mr. Nourse?

6           MR. NOURSE: Could we take a brief  
7 recess? Thank you.

8           EXAMINER SEE: Sure.

9           (Recess taken.)

10          EXAMINER SEE: Let's go back on the  
11 record. Mr. Nourse.

12          MR. NOURSE: Thank you, your Honor.  
13 Mr. Thomas --

14          EXAMINER SEE: Mr. Nourse, any  
15 confidential --

16          MR. NOURSE: No, this can all be in the  
17 public session, your Honor.

18          EXAMINER SEE: Okay. Go.

19          (OPEN RECORD.)

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**in**

**Case No(s). 14-1693-EL-RDR, 14-1694-EL-AAM**

Summary: Transcript -of Toby L. Thomas electronically filed by Mr. Steven T Nourse on behalf of Ohio Power Company