

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

Pursuant to Ohio Revised Code (“R.C.”) 4903.10 and Ohio Adm. Code 4901-1-35, the Environmental Law & Policy Center, Ohio Environmental Council, Environmental Defense Fund, Natural Resources Defense Council, and Vote Solar hereby file this application for rehearing of the November 8, 2017 Finding and Order (“Order”) of the Public Utilities Commission of Ohio (“Commission”) in this proceeding. The Commission’s Order adopted amendments to the net metering rule contained in Ohio Adm. Code 4901:1-10-28. Among other rulings, the Commission’s Order directed that utilities should not provide any compensation to net metered customer-generators for capacity value provided by excess generation from net metering systems.

As further explained in the accompanying Memorandum in Support, removing the capacity component from compensation for net metered customer-generators is unlawful and unreasonable for three reasons:

1. The Commission's decision to remove the capacity component from compensation is unlawful because it treats net metered customer-generators less favorably than non-net metered customers, in direct violation of the requirement under R.C. 4928.67 that net metering customer-generators be treated identically.

2. The Commission unreasonably removed compensation for the capacity value that net metered customer-generators provide to the utility and other ratepayers, since the utility can forecast generation from net metering systems at peak times to reduce capacity purchase requirements. Ignoring that generation during times of peak demand allows the utility to buy more capacity than it actually needs, saddling all customers with the additional cost.
3. The Commission unreasonably relies on time-of-use tariffs as sufficient to fully compensate net metered customer-generators, without noting that many Ohio customers must pay high fees for new meters to participate in time-of-use rates (if they exist at all), and existing time-of-use rates are not well-designed to compensate net metered customer-generators for contributions to lowering peak demand.

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The decision to calculate net metered customer-generators' credit for excess generation to include only the energy component of the utility's standard service offer fails to account for the fact that net metered customer-generators can predictably reduce demand at peak times. Ignoring that peak reduction gives utilities a free pass to purchase more capacity than they need, resulting in higher costs for all customers. Or, if utilities do actually incorporate excess

generation from net metered customer-generators into their load forecasts as a demand-side reduction and procure less capacity as a result, then those net metered customer-generators are in fact providing capacity value to the system for which they should be fairly compensated.

Moreover, the Commission's reliance on the use of advanced meters and time-of-use rates as a mechanism to account for the value of distributed generation in reducing peak demand is premature and unreasonable. Many Ohio utility customers would have to pay high fees for installation of smart meters and communications technology to even potentially be able to utilize such rates. To the extent time-of-use rates are available, an initial examination suggests they are not necessarily well-suited to valuing generation by net metered customer-generators at peak times. For these reasons and as further detailed below, the Order is therefore unlawful and unreasonable under R.C. 4903.10 and O.A.C. 4901-1-35.

II. FACTS

The Commission has previously ruled on the issue of capacity compensation for net metering customer-generators in this same proceeding. The Commission began this five year rule review in 2012, pursuant to R.C. 111.15(B), which requires all state agencies to conduct a review of their rules every five years, and determine whether to continue the rules without change, amend, or rescind the rules. ELPC, OEC, and Vote Solar, as well as other environmental advocates, submitted comments on how to improve the net metering rules in Ohio.¹

When the Commission issued a final rule on January 15, 2014, the rule *did* require utilities to provide net metered customer-generators with credit for the capacity value of excess

¹ See Joint Comments of ELPC, Sierra Club, OEC, Solar Energy Industries Association ("SEIA"), and Vote Solar Initiative (Jan. 7, 2013); Reply Comments of ELPC, Sierra Club, OEC, SEIA, and Vote Solar Initiative (Feb. 6, 2013).

generation. In its Second Entry on Rehearing, the Commission explained that decision as follows:

While Ohio Power may contend that it does not receive capacity from the customer generator, this is an oversimplification of the issue. In reality, the net metering customer-generator has offset their demand, which requires less capacity to be procured by the EDU for the area. While Ohio Power may not receive a supply of capacity from the customer-generator, it has in actuality received a demand-side reduction in the amount of capacity that it must procure.²

The Commission affirmed this approach in a Third Entry on Rehearing, further noting that,

this determination is consistent with R.C. 4928.67(A)(1), which requires that the contract or tariff for net metering must be identical in rate structure, all retail rate components, and any monthly charges to the contract or tariff to which the same customer would be assigned if that customer were not a customer-generator. . . . Additionally, by using the SSO rate, the Commission ensures that customer-generators are credited for providing electricity without requiring that a demand meter be installed.³

Although the Commission finalized the net metering rule in July 2014, it subsequently withdrew the rule from Joint Committee on Agency Rule Review prior to it taking effect. In November 2015, the Commission issued a new proposed rule for stakeholder comment, which, like the final 2014 version of the rule, provided for net metering customer-generators to receive compensation for the capacity value of their excess generation. The Environmental Advocates and other interested stakeholders filed comments and reply comments pursuant to the Commission order in December 2015 and January 2016.⁴

Nearly two years after the most recent comments were filed by interested stakeholders, the Commission issued its November 8, 2017 Order with a final net metering rule. According to the Order, “the credit for excess generation for customer-generators on the utility’s standard net

² Second Entry on Rehearing (May 28, 2014) at 21.

³ Third Entry on Rehearing (July 23, 2014) at 5-6.

⁴ Joint Comments of ELPC, OEC, Natural Resources Defense Council (“NRDC”), EDF, and Vote Solar (Dec. 18, 2015); Joint Reply Comments of ELPC, OEC, and NRDC (Jan. 8, 2016); Letter Supporting the Joint Reply Comments of the ELPC, OEC, and NRDC by EDF (Jan. 15, 2016).

metering tariff shall be a monetary credit calculated at the energy-only component of the electric utility's standard service offer ("SSO") and applied to a customer-generator's total bill."⁵ The Commission dismissed the idea of providing compensation for the capacity value of excess generation based solely on the cursory statement that, "[a]s Duke points out in its reply comments, the electric utilities must maintain capacity in order to meet customer demand at peak usage."⁶ At the same time, the Commission did recognize that "customer-generators may generate electricity at times of peak demand, and with advanced meters capable of measuring hourly interval usage data, these peak load contributions should be incorporated into a customer-generator's bill."⁷ However, the Commission ruled that "customer-generators using advanced meters should receive the benefit of their peak load contributions in the form of lower bills for electric service, instead of in the form a higher credit for excess generation."⁸

The result of the Commission's approach is that net metered customer-generators have two choices: (1) to receive no compensation for the capacity value of their excess generation; or, (2) to pursue appropriate compensation for their peak reduction value through time-of-use tariffs, a route with many obstacles not addressed by the Commission's Order.

III. ARGUMENT

The Commission's Order properly recognizes the fact that "customer-generators may generate electricity at times of peak demand,"⁹ producing important benefits by decreasing the amount of capacity that utilities must purchase at such times and lowering overall prices for all customers. That is especially true for distributed solar, by far the predominant type of net

⁵ Order at 17.

⁶ *Id.*

⁷ *Id.*

⁸ *Id.*

⁹ *Id.*

metered generation in Ohio,¹⁰ which tends to generate the most electricity during times of peak demand on hot, sunny days.¹¹ The main point of dispute between the Commission and Environmental Advocates is how the net metering rule should appropriately compensate this value in order to maximize benefits for all Ohio ratepayers.

The Commission has effectively held that net metered customer-generators should either receive zero compensation for the capacity value of their excess generation at times of peak demand, or should be compensated by saving more money on their bills at times of peak demand through a time-of-use rate. That approach is unlawful and unreasonable for three reasons. Foremost, R.C. 4928.67 requires utilities to provide net metered customer-generators with contracts and tariffs that are “identical in rate structure,” including “all retail rate components” to the tariffs for non-customer-generators. The Commission’s Order violates R.C. 4928.67 by compensating net metered customer-generators for lowering peak system demand differently than non-customer-generators who get full capacity compensation for helping to decrease peak system demand. Second, the Commission’s approach may leave some net metered customer-generators with no compensation for their capacity value, inconsistent with broad national recognition that distributed generation can in fact reliably help to meet peak demand. Finally, the Commission unreasonably concluded, without any supporting factual analysis, that time-of-use tariffs are sufficient to fully compensate net metered customer-generators, when an initial

¹⁰ According to information collected by the U.S. Energy Information Administration (“EIA”), as of the end of 2016 there were 3,171 total net metered customer-generators in Ohio, of which 2,836 had photovoltaic (solar) installations. Looking specifically at residential customers, 2,122 of the 2,331 net metered residential customer-generators in Ohio in 2016 had solar installations. Form EIA-861M, 2016 Net Metering Detailed Data, *available at* <https://www.eia.gov/electricity/data/eia861m>.

¹¹ As examples of typical peak load in Ohio: in 2016, AEP Ohio’s peak system load was August 11 at 1 pm, FirstEnergy’s peak load was August 11 at 3 pm, Duke’s peak load was July 25 at 2 pm, and Dayton Power & Light’s peak load was July 25 at 5 pm. Case No. 17-501-EL-FOR, AEP Long-Term Forecast Report (April 17, 2017) at 53; Case No. 17-913-EL-FOR, FirstEnergy Long-Term Forecast Report (Apr. 17, 2017) at 34; Case No. 17-888-EL-FOR, Duke Long-Term Forecast Report (June 29, 2017) at 34; Case No. 17-1928-EL-FOR, Dayton Power & Light Long-Term Forecast Report (Apr. 11, 2017) at 42.

review suggests that time-of-use tariffs are not easily available to many Ohio customers and may be poorly designed for purposes of sending the right market signal regarding the value of generation at times of peak demand.

A. The Commission’s Order is unlawful because Ohio Revised Code 4928.67(A)(1) requires net metering tariffs for net metered customer-generators to be identical in rate structure and components to tariffs for non-net metered customers.

The statute and underlying current regulations governing net metering require that net metering tariffs provide net metered customer-generators with a credit for excess generation during a billing period.¹² The net metering statute also provides that net metering tariffs and contracts, “*shall be identical in rate structure, all retail rate components, and any monthly charges to the contract or tariff to which the same customer would be assigned if that customer were not a customer-generator.*”¹³ (Emphasis added.) Moreover, as the Commission recognized in issuing the 2014 version of this rule, R.C. 4928.67(B)(3)(b) specifies that a net metering credit shall be for the value of the “electricity” generated, not for some subcomponent of that value.¹⁴

The language of R.C. 4928.67(A) makes clear that the legislature has resolved this issue in a way that appropriately encourages the deployment of distributed generation in Ohio on equal footing with other resources: rates for net metered customer-generators must be “identical” to those for non-net metered customers. For net metered customer-generators to have an “identical” rate structure and components, their contribution to lowering peak demand should be treated the same as any other customer’s, regardless of whether they do so by lowering their electricity usage or by proactively providing electricity to the grid. Under the utilities’ standard service offer tariffs, a non-net-metered customer saves money on both the energy *and* capacity components of their bill when they contribute to lower system demand at peak times by

¹² R.C. 4928.67(B)(3)(b); O.A.C. 4901:1-10-28(A)(6)(c).

¹³ R.C. 4928.67(A)(1).

¹⁴ Third Entry on Rehearing at 5.

reducing their electricity usage. This reflects the fact that, as long as the utility can produce a reasonable forecast of that usage, the utility can accordingly procure less capacity. As the Commission previously held in its Second Entry on Rehearing in this proceeding, the same principle holds true for net metering customer-generators that generate excess electricity:

[T]he net metering customer-generator has offset their demand, which requires less capacity to be procured by the EDU for the area. While . . . [the utility] may not receive a supply of capacity from the customer-generator, it has in actuality received a demand-side reduction in the amount of capacity that it must procure.¹⁵

As explained further below, multiple jurisdictions have similarly recognized the ability for distributed generation to reliably reduce capacity requirements.

Thus, the Commission’s decision on this point was simply outside its statutory authority. The legislature has spoken on this issue by requiring equal treatment of net metered customer-generators with non-net metered customers, and for good reason: the electrons traveling to and from their houses and facilities are the same. Those electrons should be valued in the same way in order to avoid artificial barriers to deployment of distributed generation consistent with state policy under R.C. 4928.02(C) and (K). The reimbursement rate for net metered customer-generators must therefore reflect that they provide a valuable service to the distribution utility—the same as any other customer that contributes to lower peak demand. Lower peak demand means lower prices for all. Less strain during peak usage times also increases the overall reliability of the electric grid, ensuring that customers who need electricity will have it when they need it. The Commission must provide full compensation for net metered customer-generators to maximize these benefits for all customers and to comply with R.C. 4928.67.

B. Net metering customer-generators provide capacity value to the grid, allowing the utility to purchase less capacity because they can reliably lower peak demand.

¹⁵ Second Entry on Rehearing at 21 (citing *FirstEnergy Corp. v. Pub. Util. Comm.*, 2002-Ohio-2430, ¶ 13 (“R.C. 4928.67 and the commission's net-metering rule speak in terms of measuring and charging or crediting for ‘electricity’ produced or consumed.”)).

1. Distributed generation can reliably lower peak demand and reduce capacity requirements.

As discussed above, the Commission itself has recognized that distributed generation can lower capacity requirements and thus benefit all customers.¹⁶ A string of thorough analyses by regulators, utilities, and advocates supports this conclusion. In recent years, PJM has even built the value of distributed solar into the load forecasting process for its capacity auctions. The Commission's elimination of compensation for this capacity value is unreasonable because it fails to confront the significant factual record showing that the capacity value of distributed generation can be and has been quantified. Where there is such value, the Commission must compensate it in order to "[e]nsure the availability to consumers of adequate, reliable, safe, efficient, nondiscriminatory, and reasonably priced retail electric service" pursuant to R.C. 4928.02(A), and to appropriately encourage the deployment of distributed generation as required by R.C. 4928.02(C) and (K).

Numerous other jurisdictions have recognized the capacity value of distributed generation in both technical studies and in rate design. The Environmental Advocates provided several citations to analyses quantifying the capacity value of distributed solar, which is by far the most common type of distributed generation in Ohio, in our January 8, 2016 Reply Comments.¹⁷ For even more examples, Figure 1 below, sourced from a report created for the South Carolina Public Service Commission, provides a sample list of past studies of the benefits and costs of distributed generation.¹⁸ (Nearly all of the studies focus on distributed solar because it is the

¹⁶ *Supra* at 7; Second Entry on Rehearing at 21.

¹⁷ Joint Reply Comments of ELPC, OEC, and NRDC (Jan. 8, 2016) at 5 n.6; *supra* n. 10.

¹⁸ Energy and Environmental Economics ("E3"). *South Carolina Act 236 Cost Shift and Cost of Service Analysis* (Dec. 18, 2015) (prepared on behalf of South Carolina Office of Regulatory Staff), available at <http://www.regulatorystaff.sc.gov/electric/industryinfo/Documents/Act%20236%20Cost%20Shifting%20Report.pdf>.

predominant type of distributed generation installed by utility customers, as is the case in Ohio.)

As shown in the third column of the list of benefits examined, despite the numerous variations in the methodology employed for individual analyses, every single study represented in this sample contains an evaluation of capacity value. The details of the methodologies differ for a variety of reasons (e.g., location, presence of a wholesale capacity market, etc.), but at a high level they all ascribe some affirmative capacity value to distributed solar (*i.e.*, net metering customer-generators) on the basis of how typical solar performance reliably aligns with peak system loads that drive the need for generation capacity. These studies show that net metered customer-generators provide benefits to the grid that go beyond the mere energy component of generation, and that value should be recognized by the Commission.

Figure 1: Value of Solar and NEM Cost-Benefit Study Examples

EXAMPLES OF RECENT NEM VALUE STUDIES FROM STATES, UTILITIES, CONSULTANCIES, AND STAKEHOLDERS																									
STATE	STUDY	BENEFITS ANALYZED											COSTS ANALYZED				BENEFIT/COST TESTS								
		Avoided Energy (incl. O&M, fuel costs)	Avoided Fuel Hedge	Avoided Capacity (generation and reserve)	Avoided Losses	Avoided or Deferred T&D Investment	Avoided Ancillary Services	Market Price Reduction	Avoided Renewables Procurement	Monetized Environmental	Social Environmental	Security Enhancement/Risk	Societal (incl. economic/jobs)	PV Integration	Program Administration	Bill Savings (Utility Revenue Loss)	Utility/DER Incentives	Total Resource Cost Test (TRC)	Program Administrator/Utility Cost Test (PACT/UCT)	Cost of Service (COS) Analysis	Ratpayer Impact Measure (RIM)	Participant Cost Test (PCT)	Societal Cost Test (SCT)	Revenue Requirement Savings: Cost Ratio	Net Cost Comparison of NEM, FIT, Other
	Included		●										●	●			●	●							
	Included as a sensitivity		●																						
	Represented/captured in other values		●																						
ARIZONA	Crossborder Energy (2013)	●		●	●	●	●	●	●			●	●	●			●	●			●				
ARIZONA	APS/SAIC (2013)	●		●	●	●	●							●			●	●							
CALIFORNIA	E3 (2013)	●		●	●	●	●							●	●	●	●				●	●			
CALIFORNIA	Crossborder Energy (2013)	●		●	●	●	●							●	●	●	●				●				
COLORADO	Xcel (2013)	●	●	●		●	●							●											
HAWAII	E3 (2014)	●		●	●	●	●	●				●													●
MAINE	Clean Power Research (2015)	●		●	●	●	●	●						●											
MASSACHUSETTS	La Capra Associates (2013)	●		●	●	●	●					●	●			●	●	●			●				
MICHIGAN	NREL (2012)	●		●	●	●	●			●															
MINNESOTA	Clean Power Research (2014)	●	●	●	●	●	●							●											
MISSISSIPPI	Synapse Energy Economics (2014)	●		●	●	●	●			●				●	●	●	●	●			●			●	
NORTH CAROLINA	Crossborder Energy (2013)	●		●	●	●	●	●	●			●	●	●		●	●								
NEW JERSEY	Clean Power Research (2012)	●		●	●	●	●		●	●		●	●	●											
SOUTH CAROLINA	E3 (2015)	●		●	●	●	●							●	●	●	●				●	●			
NEVADA	E3 (2014)	●		●	●	●	●							●	●	●	●	●	●		●	●	●		
PENNSYLVANIA	Clean Power Research (2012)	●	●	●	●	●	●		●	●				●											
TENNESSEE	TVA (2015)	●		●	●	●	●					●		●											
TEXAS (AUSTIN)	Clean Power Research (2014)	●	●	●	●	●	●		●					●											
TEXAS (SAN ANTONIO)	Clean Power Research (2013)	●	●	●	●	●	●							●											
VERMONT	Vermont PSC (2013)	●		●	●	●	●					●				●					●				

These studies find that distributed generation, especially distributed solar, has reliable capacity value even though environmental conditions affect solar generation. The capacity values are calculated to reflect expected output at the typical peak times, which tend to be consistent from year to year (e.g., late afternoons on hot days). They also base production estimates on historical weather data which, at an average level, takes into account the likelihood of clouds and precipitation. The risk of unavailability is therefore already baked into the estimates. Additionally, it is worth noting that the wide geographic distribution of small distributed solar systems tends to reduce the variability in generation caused by local conditions like clouds. Whereas a single large cloud may significantly reduce solar production from a centralized solar power station, the effects on an aggregate collection of distributed systems are diluted because only a few fall in its shadow at any given time. While there may be variations in how each study forecasts generation from distributed solar at peak times, in aggregate they show that the Ohio utilities can feasibly incorporate distributed generation into their load forecasts in order to reduce their capacity requirements and save money for customers.

In addition to these studies, it is notable that PJM has in recent years offered practical recognition of the ability of distributed solar to reliably reduce peak demand. As described in Environmental Advocates' January 8, 2016 Reply Comments, as of 2016 PJM has incorporated distributed solar into its peak load forecasts for purposes of determining wholesale capacity requirements to be met through its capacity auctions.¹⁹ The latest forecast from November 2017 projects the addition of hundreds of megawatts of distributed solar in Ohio over the next decade, which will decrease peak demand in the relevant PJM zones and thus lower capacity prices for

¹⁹ Joint Reply Comments of ELPC, OEC, and NRDC (Jan. 8, 2016) at 4 & nn. 3, 4.

all customers in those markets.²⁰ However, a key component in realizing these benefits and developing the market for distributed generation is to recognize and compensate the value of distributed generation in reliably reducing peak demand.

The Commission's Order considers none of this record evidence demonstrating that credit for capacity value is justified. The sum total of the Commission's discussion of this issue is that "the electric utilities must maintain capacity in order to meet customer demand at peak usage."²¹ The above evidence shows that the utilities can do so using reliable methodologies for calculating peak demand reduction contributions from distributed solar, just as PJM currently does, and that those peak demand reduction contributions can lower costs for all customers. The Commission does not need to precisely quantify this value in order to recognize and account for it in net metering rate design, but rather must simply recognize the evidence showing that there is some capacity value from distributed generation. Instead, the Commission unreasonably ignored this evidence.

2. It is unreasonable to ignore the capacity value of distributed generation in setting rules for net metering rates.

As explained above, R.C. 4928.67(A) resolves the policy debate of whether the Commission may treat net metered customer-generators differently in non-net metering customers in setting rates. However, even if the General Assembly had not made that decision, reason would require the Commission to account for the factual evidence of the capacity value of distributed generation in net metering rates in order to appropriately encourage its deployment and put it on an even footing with other electricity resources, consistent with R.C. 4928.02(C)

²⁰ PJM 2017 Load Forecast Report (Jan. 2017), <https://www.pjm.com/~media/library/reports-notices/load-forecast/2017-load-forecast-report.ashx>, Table B-8; PJM Load Analysis Subcommittee, Distributed Generation Update (Nov. 15, 2018) at 14, 15, 40, *available at* <http://www.pjm-miso.com/-/media/committees-groups/subcommittees/las/20171115/20171115-item-03-pjm-distributed-solar-generation-forecast-2018.ashx>.

²¹ Order at 17.

and (K). Regulators in other jurisdictions have applied the concept of the capacity value of solar in making real-world decisions about rates. As noted in the Environmental Advocates' comments in these proceedings, numerous other regulators in the region and across the nation require that utilities credit excess generation from distributed generation at the full retail rate.²² It is true that these credits may not exactly match the capacity value of each individual distributed generation system. However, they provide "rough justice" in compensating for that capacity value in order to appropriately incentivize deployment of a resource that benefits *all* utility customers by preventing utilities from buying more electricity than they actually need at a higher cost.

As one example, in 2014, South Carolina Act 236 established a net metering program as well as targets and incentives for DG installations in the state. In the initial rulemaking that established the terms and conditions for net metering, Duke Energy Carolinas ("DEC") and Duke Energy Progress ("DEP") were signatories to a settlement agreement under which the valuation methodology for net metered generation includes a benefit component for avoided marginal capacity costs. The calculation is based on the utilities' most recent integrated resource plan or avoided cost formula for qualifying facilities under the Public Utility Regulatory Policies Act ("PURPA").²³ These values are updated annually in each utility's fuel clause adjustment update.²⁴ In DEC service territory, the most recently adopted value is 1.399 cents/kWh.²⁵ In DEP service territory, the most recently adopted value is 1.328 cents/kWh.²⁶ Similarly, earlier

²² Joint Reply Comments of ELPC, OEC, and NRDC (Jan. 8, 2016) at 6 & n.7.

²³ South Carolina Public Service Commission, Case No. 2014-246-E, *In re Generic Proceeding Pursuant to the Distributed Energy Resource Program Act*, Order No. 2015-0194 (Mar. 20, 2015) at 8.

²⁴ *Id.* At 22.

²⁵ South Carolina Public Service Commission, Case No. 2017-3-E, *In re Annual Review of Base Rates for Fuel Costs of Duke Energy Carolinas, LLC*, Order No. 2017-597 (Oct. 17, 2017) at 17.

²⁶ South Carolina Public Service Commission, Case No. 2017-1-E, *In re Annual Review of Base Rates for Fuel Costs of Duke Energy Progress, LLC*, Order No. 2017-405(A) (Oct. 11, 2017) at 6.

this year the Michigan Public Service Commission set a new avoided cost methodology for compensating qualifying facilities under PURPA that likewise recognizes a capacity value for the generation from those facilities.²⁷ Taking into account “the availability and reliability of output from the” facility, the Michigan PSC provided for capacity compensation at a rate derived from the avoided capacity cost of a natural gas combustion turbine.²⁸

Both of these examples show that, as a practical matter, resource planning (including Ohio utilities’ procurement of capacity for SSO customers) can incorporate distributed generation resources in order to realize their capacity value. Therefore, it was unreasonable for the Commission to limit the valuation of excess generation from net metered customer-generators to its energy value.

C. Ohio utilities have yet to fully deploy advanced meters and develop time-of-use tariffs sufficient to fully compensate net metered customer-generators.

The Commission’s Order concludes that net metered customer-generators will receive appropriate compensation for their contributions to reducing peak load through time-of-use pricing using advanced meters.²⁹ That approach rests on two incorrect premises. First, many Ohio customers do not have advanced meters, including net metered customer-generators, and would be required to pay extra fees to obtain them. Further, to the extent Ohio utilities have developed time-of-use tariffs, the design of those tariffs has never been tailored to recognize the full benefits conferred by distributed generation in reducing peak demand.

U.S. Energy Information Administration (“EIA”) data shows that, as of 2016, millions of Ohio customers did not have the “advanced” meters necessary for them to participate in time-of-use tariffs. Approximately two million FirstEnergy customers and more than 200,000 Dayton

²⁷ Michigan Public Service Commission, Case No. U-18090, *In re Method and Avoided Cost Calculation for Consumers Energy Co. to Comply with PURPA*, Opinion and Order (Nov. 21, 2017) at 1-2.

²⁸ *Id.* at 2, 3.

²⁹ Order at 17.

Power & Light customers had neither AMR nor AMI meters.³⁰ The same is true for more than 700,000 AEP customers, and although AEP is planning to deploy smart meters more fully across its territory, that process will not be complete for another three years.³¹ There are no such plans for FirstEnergy and Dayton Power & Light.

For many of these customers, the utility simply has no time-of-use tariffs available. That is the case for residential customers in FirstEnergy and Dayton Power & Light territory.³² For example, FirstEnergy's Standard Service Offer tariff has no time-of-day option for residential "RS" customers, and thus there is no residential net metered customer-generator option available that offers higher compensation for electricity generated at times of peak demand.³³

Furthermore, even if FirstEnergy were to develop a residential time-of-day rate, under the relevant metering tariff³⁴ a customer must pay a \$105 fee for installation of a time-of-day meter, and must also either provide a communication link to the utility or pay a \$50 per month fee for a utility-provided link. In other words, a residential net metered customer-generator in the territory of a utility without universal smart meter deployment would be subject to sizeable, unique charges not applicable to a normal residential customer in order to obtain any excess generation compensation through time-of-use rates based on their contribution to reducing peak demand. Such a situation violates R.C. 4928.67(A) and certainly, as a practical matter, would deter a customer from going down this path.

³⁰ U.S. Energy Information Administration, Form 861, 2016 Advanced Meters Data, *available at* <https://www.eia.gov/electricity/data/eia861>.

³¹ Pub. Util. Comm. Ohio, Case No. 13-1939-EL-RDR, *In re AEP gridSMART Phase 2*, Opinion and Order (Feb. 1, 2017) at 8 (approving stipulation for AEP installation of 894,000 smart meters, which is expected to take 48 months from the issuance of the order).

³² See Exhibits A and B (FirstEnergy and DP&L SSO tariffs).

³³ Exhibit A.

³⁴ See Exhibit C (FirstEnergy – Ohio Edison metering tariff).

Even for those utility territories where customers can have smart meters installed without being subject to special fees, it is by no means clear that the existing time-of-day rates are appropriate for net metering customer-generators to “receive the benefit of their peak load contributions in the form of lower bills for electric service” as the Commission contemplated.³⁵ For example, under AEP’s current time-of-day rate for SSO customers, the time-varying portion of the rate is only in the Generation Capacity Rider.³⁶ Since a participating net metered customer-generator would receive excess generation credit only under AEP’s Generation Energy Rider, this rate may not fully compensate for the peak demand reduction value of that excess generation. Additionally, AEP has very broadly defined on-peak and off-peak hours, setting on-peak hours as 7 a.m. to 9 p.m. on non-holiday weekdays. Without a critical peak pricing structure that more specifically offers higher compensation for the few hours of the highest system peak, this time-of-day tariff will not send the right signal regarding the value of distributed generation at peak demand.

At the least, these issues highlight the importance of the Commission conducting some analysis of existing time-of-use rates before presuming that they are an appropriate vehicle for compensating the capacity value of excess generation from net metering systems. The Commission’s ongoing PowerForward initiative offers an ideal opportunity to delve into these important questions. However, it is unreasonable for the Commission to eliminate net metered customer-generators’ access to credit for capacity value through the SSO rate before the utilities have established viable rate options for customers to be fairly compensated.³⁷ While the

³⁵ Order at 17.

³⁶ Exhibit D (AEP SSO tariff).

³⁷ Although customers have the option to enter into a net metering contract with a competitive supplier, such a supplier is unlikely to offer any compensation for capacity value without the customer having an advanced meter that can provide the information necessary for an individual Peak Load Contribution calculation and settlement at PJM. Furthermore, without any knowledge of what net metering contracts

Commission and participating stakeholders are having the necessary conversations about how to best value the contributions of distributed generation in reducing peak demand, the reasonable approach in the meantime, and the approach required under R.C. 4928.67, is to provide compensation for excess generation at the SSO rate to ensure fair and non-discriminatory compensation for net metering customer-generators.

IV. CONCLUSION

The Commission's decision to remove the capacity component from compensation is unlawful because it fails to treat net metering customer-generators identically, as required by R.C. 4928.67. Further, as a practical matter, if the Public Utilities Commission of Ohio fails to account for the fact that excess generation from rooftop solar and other net metered customer-generators does in fact reduce peak demand and provide appropriate compensation to those net metered customer-generators, the market will not get the right signal. Ohio will see fewer people installing solar, resulting in higher peak demand and higher prices for all customers. The Environmental Advocates therefore respectfully request reconsideration of the November 8, 2017 Finding and Order in the above-captioned case.

December 8, 2017

Respectfully submitted,

/s/ Miranda Leppla
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Miranda Leppla (0086351)
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Counsel for Ohio Environmental Council

may be offered by competitive suppliers, the Commission must make sure the utility net metering tariff offers a reasonable default option compliant with Ohio law.

/s/ Madeline Fleisher

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/s/ Robert Dove

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*Counsel for Natural Resources Defense
Council*

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Application for Rehearing has been electronically filed with the Public Utilities Commission of Ohio and has been served upon all parties to the case via electronic mail on December 8, 2017.

/s/ Miranda Leppla
Miranda R. Leppla

RIDER GEN
Generation Service Rider

APPLICABILITY:

For customers taking the Standard Service Offer electric generation service ("SSO Generation Service") from the Company, the following Standard Service Offer Generation Charges (SSOGC) by rate schedule, will apply, effective for service rendered beginning June 1, 2017, for all kWhs per kWh, unless otherwise noted. For billing purposes, the winter rates shall be applicable during each winter billing period as defined in the Electric Service Regulations.

Capacity costs will be developed based on the results from annual PJM capacity auctions (including incremental auctions) and allocated to each Company and tariff schedule based on the average of coincident peaks, including distribution losses, for the months of June through September of the year prior to the applicable PJM delivery year. The calculated wholesale capacity costs are used to develop capacity charges.

These calculated wholesale capacity costs will be converted to an energy basis and will then be subtracted from the SSO competitive bid process ("CBP") results to develop the non-capacity related energy charges.

RATE:

<u>Capacity Charges</u>	<u>Summer</u>	<u>Winter</u>
RS*	1.6303¢	1.6303¢
GS	1.4407¢	1.4407¢
GP	1.2457¢	1.2457¢
GSU	1.0247¢	1.0247¢
GT	0.8775¢	0.8775¢
STL	0.0000¢	0.0000¢
TRF	1.0901¢	1.0901¢
POL	0.0000¢	0.0000¢
<u>Energy Charges</u>	<u>Summer</u>	<u>Winter</u>
RS*	4.7100¢	3.8771¢
GS	4.7100¢	3.8771¢
GP	4.5468¢	3.7429¢
GSU	4.4192¢	3.6379¢
GT	4.4148¢	3.6342¢
STL	4.7100¢	3.8771¢
TRF	4.7100¢	3.8771¢
POL	4.7100¢	3.8771¢

* Customers participating in the Percentage of Income Payment Plan (PIPP) program shall pay 5.4170¢, for all kWh per kWh, in lieu of the Rate RS Capacity and Energy Charges shown above.



RIDER GEN
Generation Service Rider

TIME-OF-DAY OPTION:

For customers with the appropriate qualifying time-of-day metering and who elect to be served under the Time-Of-Day Option, the charge by rate schedule will be as shown below, for all kWhs, per kWh:

<u>Capacity Charges</u>	<u>Summer</u>			<u>Winter</u>		
	<u>Midday Peak</u>	<u>Shoulder Peak</u>	<u>Off-Peak</u>	<u>Midday Peak</u>	<u>Shoulder Peak</u>	<u>Off-Peak</u>
GS	1.4407¢	1.4407¢	1.4407¢	1.4407¢	1.4407¢	1.4407¢
GP	1.2457¢	1.2457¢	1.2457¢	1.2457¢	1.2457¢	1.2457¢
GSU	1.0247¢	1.0247¢	1.0247¢	1.0247¢	1.0247¢	1.0247¢
GT	0.8775¢	0.8775¢	0.8775¢	0.8775¢	0.8775¢	0.8775¢

<u>Energy Charges</u>	<u>Summer</u>			<u>Winter</u>		
	<u>Midday Peak</u>	<u>Shoulder Peak</u>	<u>Off-Peak</u>	<u>Midday Peak</u>	<u>Shoulder Peak</u>	<u>Off-Peak</u>
GS	8.2905¢	5.2903¢	3.1557¢	4.5568¢	5.2097¢	2.9361¢
GP	8.0033¢	5.1070¢	3.0464¢	4.3990¢	5.0293¢	2.8345¢
GSU	7.7787¢	4.9636¢	2.9609¢	4.2756¢	4.8882¢	2.7550¢
GT	7.7709¢	4.9587¢	2.9579¢	4.2713¢	4.8833¢	2.7522¢

Midday-peak time shall be noon to 6 p.m. EST, Monday through Friday, excluding holidays.

Shoulder-peak time shall be 6 a.m. to noon and 6 p.m. to 10 p.m. EST, Monday through Friday, excluding holidays.

Holidays are defined as New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Off-Peak shall be all other hours.

A customer may terminate its participation in this time-of-day option at any time effective with the next scheduled meter reading. A qualifying customer may return to the time-of-day option at any time after a hiatus from the time-of-day option of at least one (1) year.

METERING:

The customer must arrange for time-of-day metering consistent with the Company's Miscellaneous Charges, Tariff Sheet 75.

RIDER GEN
Generation Service Rider

APPLICABILITY:

For customers taking the Standard Service Offer electric generation service ("SSO Generation Service") from the Company, the following Standard Service Offer Generation Charges (SSOGC) by rate schedule, will apply, effective for service rendered beginning June 1, 2017, for all kWhs per kWh, unless otherwise noted. For billing purposes, the winter rates shall be applicable during each winter billing period as defined in the Electric Service Regulations.

Capacity costs will be developed based on the results from annual PJM capacity auctions (including incremental auctions) and allocated to each Company and tariff schedule based on the average of coincident peaks, including distribution losses, for the months of June through September of the year prior to the applicable PJM delivery year. The calculated wholesale capacity costs are used to develop capacity charges.

These calculated wholesale capacity costs will be converted to an energy basis and will then be subtracted from the SSO competitive bid process ("CBP") results to develop the non-capacity related energy charges.

RATE:

<u>Capacity Charges</u>	<u>Summer</u>	<u>Winter</u>
RS*	1.7325¢	1.7325¢
GS	1.4056¢	1.4056¢
GP	1.0344¢	1.0344¢
GSU	1.0630¢	1.0630¢
GT	0.7690¢	0.7690¢
STL	0.0000¢	0.0000¢
TRF	0.9839¢	0.9839¢
POL	0.0000¢	0.0000¢
<u>Energy Charges</u>	<u>Summer</u>	<u>Winter</u>
RS*	4.7100¢	3.8771¢
GS	4.7100¢	3.8771¢
GP	4.5468¢	3.7429¢
GSU	4.4192¢	3.6379¢
GT	4.4148¢	3.6342¢
STL	4.7100¢	3.8771¢
TRF	4.7100¢	3.8771¢
POL	4.7100¢	3.8771¢

* Customers participating in the Percentage of Income Payment Plan (PIPP) program shall pay 5.4170¢, for all kWh per kWh, in lieu of the Rate RS Capacity and Energy Charges shown above.

Filed pursuant to Orders dated March 31, 2016, and May 24, 2017, in Case Nos.

14-1297-EL-SSO and 17-338-EL-RDR, before

The Public Utilities Commission of Ohio

Issued by: Steven E. Strah, President

Effective: June 1, 2017

RIDER GEN
Generation Service Rider

TIME-OF-DAY OPTION:

For customers with the appropriate qualifying time-of-day metering and who elect to be served under the Time-Of-Day Option, the charge by rate schedule will be as shown below, for all kWhs, per kWh:

<u>Capacity Charges</u>	<u>Summer</u>			<u>Winter</u>		
	<u>Midday Peak</u>	<u>Shoulder Peak</u>	<u>Off-Peak</u>	<u>Midday Peak</u>	<u>Shoulder Peak</u>	<u>Off-Peak</u>
GS	1.4056¢	1.4056¢	1.4056¢	1.4056¢	1.4056¢	1.4056¢
GP	1.0344¢	1.0344¢	1.0344¢	1.0344¢	1.0344¢	1.0344¢
GSU	1.0630¢	1.0630¢	1.0630¢	1.0630¢	1.0630¢	1.0630¢
GT	0.7690¢	0.7690¢	0.7690¢	0.7690¢	0.7690¢	0.7690¢

<u>Energy Charges</u>	<u>Summer</u>			<u>Winter</u>		
	<u>Midday Peak</u>	<u>Shoulder Peak</u>	<u>Off-Peak</u>	<u>Midday Peak</u>	<u>Shoulder Peak</u>	<u>Off-Peak</u>
GS	8.2905¢	5.2903¢	3.1557¢	4.5568¢	5.2097¢	2.9361¢
GP	8.0033¢	5.1070¢	3.0464¢	4.3990¢	5.0293¢	2.8345¢
GSU	7.7787¢	4.9636¢	2.9609¢	4.2756¢	4.8882¢	2.7550¢
GT	7.7709¢	4.9587¢	2.9579¢	4.2713¢	4.8833¢	2.7522¢

Midday-peak time shall be noon to 6 p.m. EST, Monday through Friday, excluding holidays.

Shoulder-peak time shall be 6 a.m. to noon and 6 p.m. to 10 p.m. EST, Monday through Friday, excluding holidays.

Holidays are defined as New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Off-Peak shall be all other hours.

A customer may terminate its participation in this time-of-day option at any time effective with the next scheduled meter reading. A qualifying customer may return to the time-of-day option at any time after a hiatus from the time-of-day option of at least one (1) year.

METERING:

The customer must arrange for time-of-day metering consistent with the Company's Miscellaneous Charges, Tariff Sheet 75.

RIDER GEN
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APPLICABILITY:

For customers taking the Standard Service Offer electric generation service ("SSO Generation Service") from the Company, the following Standard Service Offer Generation Charges (SSOGC) by rate schedule, will apply, effective for service rendered beginning June 1, 2017, for all kWhs per kWh, unless otherwise noted. For billing purposes, the winter rates shall be applicable during each winter billing period as defined in the Electric Service Regulations.

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These calculated wholesale capacity costs will be converted to an energy basis and will then be subtracted from the SSO competitive bid process ("CBP") results to develop the non-capacity related energy charges.

RATE:

<u>Capacity Charges</u>	<u>Summer</u>	<u>Winter</u>
RS*	1.7161¢	1.7161¢
GS	1.4116¢	1.4116¢
GP	1.2084¢	1.2084¢
GSU	0.8028¢	0.8028¢
GT	0.8840¢	0.8840¢
STL	0.0000¢	0.0000¢
TRF	0.8668¢	0.8668¢
POL	0.0000¢	0.0000¢
<u>Energy Charges</u>	<u>Summer</u>	<u>Winter</u>
RS*	4.7100¢	3.8771¢
GS	4.7100¢	3.8771¢
GP	4.5468¢	3.7429¢
GSU	4.4192¢	3.6379¢
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STL	4.7100¢	3.8771¢
TRF	4.7100¢	3.8771¢
POL	4.7100¢	3.8771¢

* Customers participating in the Percentage of Income Payment Plan (PIPP) program shall pay 5.4170¢, for all kWh per kWh, in lieu of the Rate RS Capacity and Energy Charges shown above.

RIDER GEN
Generation Service Rider

TIME-OF-DAY OPTION:

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<u>Capacity Charges</u>	<u>Summer</u>			<u>Winter</u>		
	<u>Midday Peak</u>	<u>Shoulder Peak</u>	<u>Off-Peak</u>	<u>Midday Peak</u>	<u>Shoulder Peak</u>	<u>Off-Peak</u>
GS	1.4116¢	1.4116¢	1.4116¢	1.4116¢	1.4116¢	1.4116¢
GP	1.2084¢	1.2084¢	1.2084¢	1.2084¢	1.2084¢	1.2084¢
GSU	0.8028¢	0.8028¢	0.8028¢	0.8028¢	0.8028¢	0.8028¢
GT	0.8840¢	0.8840¢	0.8840¢	0.8840¢	0.8840¢	0.8840¢

<u>Energy Charges</u>	<u>Summer</u>			<u>Winter</u>		
	<u>Midday Peak</u>	<u>Shoulder Peak</u>	<u>Off-Peak</u>	<u>Midday Peak</u>	<u>Shoulder Peak</u>	<u>Off-Peak</u>
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Midday-peak time shall be noon to 6 p.m. EST, Monday through Friday, excluding holidays.

Shoulder-peak time shall be 6 a.m. to noon and 6 p.m. to 10 p.m. EST, Monday through Friday, excluding holidays.

Holidays are defined as New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Off-Peak shall be all other hours.

A customer may terminate its participation in this time-of-day option at any time effective with the next scheduled meter reading. A qualifying customer may return to the time-of-day option at any time after a hiatus from the time-of-day option of at least one (1) year.

METERING:

The customer must arrange for time-of-day metering consistent with the Company's Miscellaneous Charges, Tariff Sheet 75.

THE DAYTON POWER AND LIGHT COMPANY
MacGregor Park
1065 Woodman Drive
Dayton, Ohio 45432

Seventeenth Revised Sheet No. G10
Cancels
Sixteenth Revised Sheet No. G10
Page 1 of 3

P.U.C.O. No. 17
ELECTRIC GENERATION SERVICE
STANDARD OFFER RATE (SOR)

DESCRIPTION OF SERVICE:

This Tariff Sheet provides the Customer with Generation Service from the Company that will be metered and billed on an energy-only basis.

APPLICABLE:

This rate will be assessed on a service-rendered basis beginning November 1, 2017.

REQUIRED SERVICES:

Customers receiving Generation Service under this Tariff Sheet must also take service under:

Distribution Tariff Sheets No. D17 to D25, based on applicability.
Transmission Cost Recovery Rider – Non-bypassable Sheet No. T8.

CHARGES: Energy Charge

The following \$/kWh charges will be assessed on a bypassable basis:

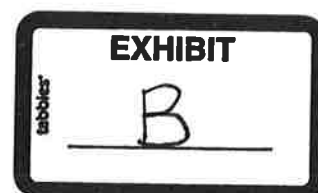
Residential	<u>Non-PIPP</u>	<u>PIPP</u>
0-750 kWh	\$0.0544632	\$0.0543131
Over 750 kWh	\$0.0488366	\$0.0487025
Residential Heating Non-PIPP	<u>Non-PIPP</u>	<u>PIPP</u>
0-750 kWh	\$0.0544632	\$0.0543131
0-750 kWh (S)	\$0.0488366	\$0.0487025
0-750 kWh (W)	\$0.0362623	\$0.0361638
Secondary		
0-1,500 kWh	\$0.0717102	
1,501-125,000 kWh	\$0.0452390	
Over 125,000 kWh	\$0.0422503	
Primary	\$0.0509957	
Primary-Substation	\$0.0504914	
High Voltage	\$0.0504914	

Filed pursuant to the Opinion and Order in Case No. 16-395-EL-SSO dated October 20, 2017 of the Public Utilities Commission of Ohio.

Issued October 31, 2017

Effective November 1, 2017

Issued by
THOMAS A. RAGA, President and Chief Executive Officer



THE DAYTON POWER AND LIGHT COMPANY
MacGregor Park
1065 Woodman Drive
Dayton, Ohio 45432

Seventeenth Revised Sheet No. G10
Cancels
Sixteenth Revised Sheet No. G10
Page 2 of 3

P.U.C.O. No. 17
ELECTRIC GENERATION SERVICE
STANDARD OFFER RATE (SOR)

School	\$0.0522750
Street Lighting	\$0.0522750
Private Outdoor Lighting	

Fixture Charge:	kWh	Non-PIPP	<u>/lamp</u> PIPP
9,500 Lumens High Pressure Sodium	39	\$2.0387261	\$2.0331179
28,000 Lumens High Pressure Sodium	96	\$5.0184026	\$5.0045978

THE FOLLOWING FIXTURES ARE NOT AVAILABLE FOR NEW INSTALLATIONS:

Fixture Charge:	kWh	Non-PIPP	<u>/lamp</u> PIPP
7,000 Lumens (Nominal) Mercury	75	\$3.9206271	\$3.9098421
21,000 Lumens (Nominal) Mercury	154	\$8.0503542	\$8.0282090
2,500 Lumens (Nominal) Incandescent	64	\$3.3456018	\$3.3363986
7,000 Lumens (Nominal) Fluorescent	66	\$3.4501518	\$3.4406610
4,000 Lumens (Nominal) Post Top Mercury	43	\$2.2478262	\$2.2416428

The Fixture Charge shall include a lamp with luminaire, controlled automatically, and where needed an upsweep arm not over six (6) feet in length, on an existing pole, where service is supplied from existing secondary facilities of the Company. The four thousand (4,000) Lumens Post Top Mercury Fixture Charge for underground service only, shall include a post for twelve (12) foot mounting height.

The Summer (S) period shall be the months of June, July, August, September, and October.

The Winter (W) period shall be the months of January, February, March, April, May, November, and December.

ALTERNATIVE ENERGY COMPONENT:

Embedded in the SOR charges is the alternative energy component charge of \$0.0000838 per kWh.

Filed pursuant to the Opinion and Order in Case No. 16-395-EL-SSO dated October 20, 2017 of the Public Utilities Commission of Ohio.

Issued October 31, 2017

Effective November 1, 2017

Issued by
THOMAS A. RAGA, President and Chief Executive Officer

THE DAYTON POWER AND LIGHT COMPANY
MacGregor Park
1065 Woodman Drive
Dayton, Ohio 45432

Seventeenth Revised Sheet No. G10
Cancels
Sixteenth Revised Sheet No. G10
Page 3 of 3

P.U.C.O. No. 17
ELECTRIC GENERATION SERVICE
STANDARD OFFER RATE (SOR)

PIPP:

“PIPP” or “PIPP Plus” or “Percentage of income payment plan plus” means the income-based payment plan for low-income, residential customers administered in accordance with Ohio Revised Code Section 4928.53 and Ohio Administrative Code Section 122:5-3 allowing eligible customers to pay a percentage of household income in lieu of the actual bill for residential service.

TERM:

The charges contained in the Tariff will be updated and reconciled on an annual basis. DP&L will file with the Public Utilities Commission of Ohio on or before April 15 of each year for rates effective June 1 through May 31 of the subsequent year, unless otherwise ordered by the Commission.

There is no minimum required term under this Tariff Sheet; however, if the Customer selects an Alternate Generation Supplier, applicable Switching Fees will apply as defined in Tariff Sheet No. D34.

DEFAULT SERVICE:

Customers who do not select an Alternate Generation Supplier, opt-out of a government aggregation program or are dropped by their Alternate Generation Supplier due to a violation of coordination obligations will be served under this Tariff Sheet.

RULES AND REGULATIONS:

All Generation Service of the Company is rendered under and subject to the Rules and Regulations contained within this Schedule and any terms and conditions set forth in any Service Agreement between the Company and the Customer.

Filed pursuant to the Opinion and Order in Case No. 16-395-EL-SSO dated October 20, 2017 of the Public Utilities Commission of Ohio.

Issued October 31, 2017

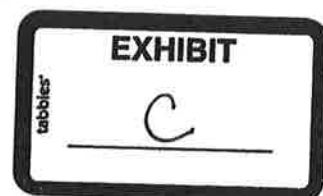
Effective November 1, 2017

Issued by
THOMAS A. RAGA, President and Chief Executive Officer

MISCELLANEOUS CHARGES

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Filed pursuant to Order dated July 2, 2012, in Case No.12-1312-EL-ATA, before

The Public Utilities Commission of Ohio

Issued by: Charles E. Jones, Jr., President

Effective: July 5, 2012

MISCELLANEOUS CHARGES

1. SAME DAY CONNECTION CHARGE

If the customer requests service for the same day on which the request has been made and the service is presently not connected, the Company will charge the customer a fee of \$35.00. (Electric Service Regulations, Sheet 4, Section II, Paragraph E).

2. FIELD COLLECTION CHARGE

When a customer has a delinquent bill, the Company may make a field collection visit to attempt to collect the delinquent amount. A Field Collection charge of \$12.00 shall be applicable once per billing cycle for all collection visits made during a billing cycle by the Company to the customer's premises. (Electric Service Regulations, Sheet 4, Section XI, Paragraph B).

3. RECONNECTION CHARGE

When service has been disconnected for failure to comply with the terms and conditions of the Rate Schedules or Electric Service Regulations of the Company or has been disconnected at the customer's request, (other than for seasonal or temporary discontinuance of service), the following charges for reconnection of service:

Before 12:30 p.m. Monday through Friday, subject to a different time prescribed by Chapter 4901:1-18 of the Ohio Administrative Code;

Same day reconnection \$35.00

After 12:30 p.m. Monday through Friday, subject to a different time prescribed by Chapter 4901:1-18 of the Ohio Administrative Code, but before 3:30 p.m., and the customer requests same day reconnection of service;

Same day reconnection \$60.00

After 12:30 p.m. Monday through Friday, subject to a different time prescribed by Chapter 4901:1-18 of the Ohio Administrative Code;

Next day reconnection \$35.00

NOTE: The customer must contact the Company and provide proof of payment in order to have service reconnected.

Customer requests for reconnection after normal business hours or on Saturday, Sunday, or Company holidays shall be treated as being received on the following business day. When service has been disconnected at the customer's request because of seasonal occupancy of the premises or for a temporary discontinuance of service where the same customer has moved in and out of the same premise within a 12 month period without another party signing for service during that 12 month period, the Company will charge the customer a reconnection fee of \$15.00. (Electric Service Regulations, Sheet 4, Section II, Paragraph F).

MISCELLANEOUS CHARGES

4. RETURNED PAYMENT CHARGE

The Company shall charge the customer \$15.00 for processing payments that result from dishonored payment transactions. (Electric Service Regulations, Sheet 4, Section VI, Paragraph H).

5. UNAUTHORIZED USE INVESTIGATION CHARGE

In the event the customer or consumer commits or is the beneficiary of any fraudulent practice in obtaining electric service from the Company, or falsifies any service application, the Company will assess the customer a minimum fee of \$125.00 for the Company's investigation of the unauthorized use of service. The charge will also be assessed where any connection or device is found on the service entrance equipment or premises of the customer or consumer which prevents the meter from accurately registering total consumption used or to be used, or where the service entrance equipment or other property used to supply electric service has been altered to avoid accurate metering or has been damaged.

The Company will also assess the customer an estimated or actual bill representing the electric service fraudulently or falsely obtained and the actual costs to repair or replace any damaged or missing service entrance equipment or other property used to supply electric service.

6. METER TEST CHARGE

The Company will test a meter at the request of the customer. The first test within a 36 month period shall be at no charge to the customer. The Company shall charge \$55.00 for any subsequent tests performed at the customer's request, however, no payment will be required of the customer if the meter is found to be registering incorrectly in accordance with the tolerances specified in Chapter 4901:1-10 of the Ohio Administrative Code. (Electric Service Regulations, Sheet 4, Section IX, Paragraph C).

7. DISCONNECTION/RECONNECTION FOR CUSTOMER WORK CHARGE

When a customer requests the Company to disconnect and/or reconnect there will be a charge to the customer for the Company's actual cost to perform the disconnect / reconnect. This charge will not apply to residential accounts unless such work, at the request of the customer, requires work to be performed by the Company outside normal working hours.

8. TEMPORARY SERVICE DROP CONNECTION CHARGE

When requested by a customer, the Company will provide a Temporary Service Drop Connection for a charge to the customer of \$200. A Temporary Service Drop Connection shall mean the installation of single-phase service up to 200 amps from existing secondary conductors. (Electric Service Regulations, Sheet 4, Section VII, Paragraph A.4).

MISCELLANEOUS CHARGES**9. METER SERVICE CHARGES**

Charges specified in this provision apply to customers that request the Company to install metering and to provide certain meter related services, both of which are necessary to bill the customer's account, and that otherwise are not provided by the Company. These charges are in addition to any charges included in the applicable rate schedule and must be paid by the customer prior to the Company installing the requested metering. The customer is responsible for providing communication links to the interval meter per the Company's specifications. If such a communication link is not installed by the first regularly scheduled interval meter read date, the Company may install a communication link and charge the customer on a monthly basis in accordance with charges specified in this provision.

Replace Meter with Interval Meter and Modem	\$550.00
Replace Meter with Time-of-Day Meter	\$105.00

Company installed communication link charge is \$50.00 per month.

If the Company is required to visit the meter site due to the inability to gain access to the meter location or the necessary communication link has not been installed, or the communication link is not working properly, or the Company elects to make a site visit to read the meter, a charge shall be applicable per site visit of \$50.00.

P.U.C.O. NO. 20

GENERATION ENERGY RIDER

Effective June 1, 2017, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Generation Energy charge as follows:

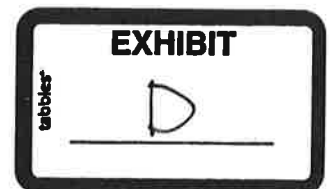
Schedule	Summer (Jun-Sep)	Winter (Oct-May)
	¢/KWH	¢/KWH
Residential RS, RR, RR-1, RS-ES, RS-TOD, RLM, RS-TOD2, CPP, RTP, and RDMS	4.04800	4.04800
PIPP Residential RS, RR, RR-1, RS-ES, RS-TOD, RLM, , , , and RDMS	3.99500	3.99500
Non Demand Metered GS-1, GS-1 TOD GS-2 Recreational Lighting, GS-TOD, GS-2-TOD, and GS-2-ES GS-3-ES EHS SS	4.04800	4.04800
Demand Metered Secondary GS-2 GS-3 EHG	4.04800	4.04800
Demand Metered Primary GS-2 GS-3 GS-4	3.90700	3.90700
Demand Metered Subtransmission/Transmission GS-2 GS-3 GS-4	3.82900	3.82900
Lighting AL SL	4.04800	4.04800

Filed pursuant to Order dated May 24, 2017 in Case No. 17-1160-EL-RDR

Issued: May 25, 2017

Issued by
Julia Sloat, President
AEP Ohio

Effective: June 1, 2017



P.U.C.O. NO. 20

GENERATION CAPACITY RIDER

Effective June 1, 2017, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Generation Capacity charge as follows:

Columbus Southern Power Rate Zone

Rate		c/kWh or \$/Month
RR, RR-1		1.48400
RLM	<u>Winter Rate</u> First 750 KWH Next 150 KWH All Other KWH <u>Summer Rate</u> First 750 KWH Next 150 KWH All Other KWH	2.05850 1.11399 1.30282 2.05850 1.95546 1.82968
RS-ES, RS-TOD	On Peak KWH Off-Peak KWH	2.56811 0.88104
RS-TOD2	Low Cost Hours High Cost Hours	0.32669 14.87116
Schedule CPP	<u>Winter Rate</u> First 800 KWH Over 800 KWH Critical Peak Hours <u>Summer Rate</u> Low Cost Hours Medium Cost Hours High Cost Hours Critical Peak Hours	1.35437 0.00000 32.75087 0.32751 1.02687 2.09908 32.75087
RS-RTP	Per Month	18.05
GS-1, GS-1 TOD		1.37800
GS-2-TOD, GS-2 LMTOD	On-Peak Hours Off-Peak Hours	4.12434 0.01409
Demand Metered Secondary GS-2 GS-3		1.31700
Demand Metered Primary GS-2 GS-3		1.08400
Demand Metered Subtransmission/Transmission GS-4		0.50900

Seasonal Periods

The winter period shall be the billing months of October through May and the summer period shall be the billing months of June through September.

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Julia Sloat, President
AEP Ohio

P.U.C.O. NO. 20

GENERATION CAPACITY RIDER

Effective June 1, 2017, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Generation Capacity charge as follows:

Ohio Power Rate Zone

Rate		c/kWh or \$/Month
RS		1.48400
RDMS	KWH > 400 times billing demand	1.70449
	First 500 on-peak KWH	2.12968
	All Over 500 on-peak KWH	1.58601
	All additional KWH	0.48281
RS-ES, RS-TOD	On Peak KWH	3.07310
	Off-Peak KWH	0.84659
GS-1, EHS, SS, GS-2 Recreational Lighting		1.37800
GS-1 ES	On-Peak Hours	2.81870
	Off-Peak Hours	0.61531
GS-TOD, GS-2-ES	On-Peak Hours	2.25775
	Off-Peak Hours	0.77771
Demand Metered Secondary GS-2 GS-3 EHG		1.31700
Demand Metered Primary GS-2 GS-3 GS-4		1.08400
Demand Metered Subtransmission/Transmission GS-2 GS-3 GS-4		0.50900

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Case No(s). 12-2050-EL-ORD

Summary: Application for Rehearing and Memorandum in Support by The Environmental Law & Policy Center, Ohio Environmental Council, Environmental Defense Fund, Natural Resources Defense Council, and Vote Solar electronically filed by Ms. Miranda R Leppla on behalf of Environmental Law & Policy Center and Ohio Environmental Council and Environmental Defense Fund and Natural Resources Defense Council and Vote Solar