

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

- - -

In the Matter of the :
Establishment of :
4901:1-10-10(B) Minimum : Case No. 16-1511-EL-ESS
Reliability Performance :
Standards for Ohio Power :
Company. :

- - -

PROCEEDINGS

before Ms. Greta See, Attorney Examiner, at the
Public Utilities Commission of Ohio, 180 East Broad
Street, Room 11-C, Columbus, Ohio, called at
10:02 a.m. on Wednesday, January 10, 2018.

- - -

ARMSTRONG & OKEY, INC.
222 East Town Street, 2nd Floor
Columbus, Ohio 43215-5201
(614) 224-9481 - (800) 223-9481

- - -

APPEARANCES:

American Electric Power Service Corporation
By Ms. Christen M. Blend
and Mr. Steven T. Nourse
1 Riverside Plaza
Columbus, Ohio 43215

On behalf of Ohio Power Company.

Mike DeWine, Ohio Attorney General
Public Utilities Section
By Mr. Thomas G. Lindgren,
Assistant Attorney General
180 East Broad Street, 6th Floor
Columbus, Ohio 43215

On behalf of the Staff of the Public
Utilities Commission of Ohio.

Bruce J. Weston, Consumers' Counsel
Office of the Ohio Consumers' Counsel
By Terry L. Etter,
Assistant Consumers' Counsel
65 East State Street, 7th Floor
Columbus, Ohio 43215

On behalf of the Residential Customers of
Ohio Power Company.

- - -

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

INDEX

- - -

WITNESS	PAGE
Joel B. Trad	
Direct Examination by Ms. Blend	6
Cross-Examination by Mr. Etter	9

- - -

AEP OHIO EXHIBITS	IDENTIFIED	ADMITTED
1 Direct Testimony of Joel B. Trad on Behalf of Ohio Power Company in Support of the Joint Stipulation and Recommendation	6	15
2 AEP Ohio's Application to Establish Minimum Reliability Standards in Accordance with OAC 4901:1-10-10(B)	6	15

- - -

JOINT EXHIBIT	IDENTIFIED	ADMITTED
1 Joint Stipulation and Recommendation	6	15

- - -

Wednesday Morning Session,
January 10, 2018.

- - -

EXAMINER SEE: Scheduled for hearing at
this time, before the Public Utilities Commission, is
Case No. 16-1511-EL-ESS, being entitled In the Matter
of the Establishment of -- I'm sorry, strike that.
In the Matter of the Application of Ohio Power
Company for the Establishment of Reliability
Standards Pursuant to Ohio Administrative Code
4901:1-10-10 (B) .

My name is Greta See. I am the Attorney
Examiner assigned to this proceeding.

At this time, I'd like to take
appearances of the parties.

On behalf of the Company.

MS. BLEND: Thank you, your Honor. On
behalf of Ohio Power Company, Christen M. Blend and
Steven T. Nourse, American Electric Power Service
Corporation, 1 Riverside Plaza, Columbus, Ohio 43215.

EXAMINER SEE: On behalf of Ohio
Consumers' Counsel.

MR. ETTER: Yes. Good morning, your
Honor. On behalf of Ohio's residential utility
consumers, the Office of the Ohio Consumers' Counsel,

Bruce Weston, Consumers' Counsel, Terry L. Etter,
Assistant Consumers' Counsel. We are now at 65 East
State Street, 7th Floor, Columbus, Ohio 43215.

EXAMINER SEE: And on behalf of the Staff
of the Public Utilities Commission.

MR. LINDGREN: On behalf of the Staff of
the Public Utilities Commission, Mike DeWine by
Thomas G. Lindgren, 30 East Broad Street, 16th Floor,
Columbus, Ohio 43215.

EXAMINER SEE: Okay. Thank you.

Are there any members of the public
present who wish to make a statement?

(No response.)

EXAMINER SEE: Let the record reflect
that there are no members of the public present.

Ms. Blend.

MS. BLEND: Thank you, your Honor. Ohio
Power Company calls Joel B. Trad.

EXAMINER SEE: Mr. Trad, if you would
please raise your right hand.

(Witness sworn.)

EXAMINER SEE: Thank you. Have a seat.

THE WITNESS: Thank you.

EXAMINER SEE: Go ahead, Ms. Blend.

MS. BLEND: Thank you, your Honor.

1 A. Joel B. Trad. Business address is 700
2 Morrison Road, Gahanna, Ohio 43230.

3 Q. And by whom are you employed and in what
4 capacity?

5 A. Ohio Power Company. I'm the Director of
6 Engineering.

7 Q. Thank you.

8 You have in front of you three exhibits
9 that were previously marked and I'd like you to
10 identify each of those. So, first, could you please
11 identify for the record what has been marked as AEP
12 Ohio Exhibit 1?

13 A. Direct Testimony of Joel B. Trad on
14 Behalf of Ohio Power Company in Support of the Joint
15 Stipulation and Recommendation.

16 Q. And was this testimony prepared by you or
17 at your direction?

18 A. Yes, it was.

19 Q. Do you have any corrections or changes to
20 your testimony at this time?

21 A. No.

22 Q. And if you'll turn -- well, actually, if
23 you'll look next at AEP Ohio Exhibit 2. Can you
24 identify that document for the record?

25 A. That was the -- the Application to

1 Establish Minimum Reliability Performance Standards.

2 Q. Thank you.

3 And will you please identify what has
4 been marked as Joint Exhibit 1.

5 A. Joint Exhibit 1 is the Stipulation and
6 Recommendation agreement.

7 Q. Thank you.

8 MS. BLEND: And just for clarity of the
9 record, your Honor, AEP Ohio Exhibit 1, Mr. Trad's
10 testimony, at page 2, lines 10 through 12, references
11 that Joint Exhibit 1, the Stipulation and
12 Recommendation, would be included as Exhibit JBT-1 to
13 the testimony. That was inadvertently omitted, but
14 Joint Exhibit 1 is the document that was intended to
15 be included as an exhibit to AEP Exhibit 1.

16 EXAMINER SEE: Okay. So are you making a
17 revision to his testimony to strike that last phrase?

18 MS. BLEND: We can -- your Honor, may
19 with strike page 2, lines 9 through 12, just to
20 clarify the record?

21 EXAMINER SEE: Page 2, lines 9 through
22 12?

23 MS. BLEND: Yes, of AEP Ohio Exhibit 1.

24 EXAMINER SEE: Are there any objections
25 to the motion to strike their own testimony, correct

1 it?

2 MS. BLEND: Correct, yes.

3 MR. LINDGREN: No objections.

4 MR. ETTER: No objections.

5 MS. BLEND: Thank you.

6 With that correction, I move for the
7 admission of AEP Ohio Exhibits 1 and 2, and Joint
8 Exhibit No. 1, subject to any cross-examination. And
9 I also wanted to note for the record that AEP Ohio
10 and Staff previously stipulated to the admission of
11 AEP Ohio Exhibit 2 and Joint Exhibit 1.

12 EXAMINER SEE: Okay. Before we proceed,
13 Ms. Blend, AEP Ohio Exhibit 3, did you intend to move
14 that into the record?

15 MS. BLEND: May we go off the record for
16 a moment?

17 EXAMINER SEE: Yes. Let's go off the
18 record.

19 (Discussion off the record.)

20 EXAMINER SEE: Any cross-examination of
21 this witness, Mr. Etter?

22 MR. ETTER: Yes. Thank you.

23 - - -

24 CROSS-EXAMINATION

25 By Mr. Etter:

1 Q. Good morning, Mr. Trad.

2 A. Good morning.

3 Q. My name is Terry Etter. I'm an attorney
4 for the Office of the Ohio Consumers' Counsel. I'll
5 just have a few questions for clarification here this
6 morning. If you don't understand a question that I
7 ask, just let me know and I'll be glad to repeat it
8 or rephrase it.

9 If you turn to page 3 of your testimony.
10 On lines 14 and 15, you mention that the Stipulation
11 establishes forward-looking reliability standards for
12 AEP Ohio. Do you see that?

13 A. Yes.

14 Q. What do you mean by "forward-looking"?

15 A. We're looking -- we're looking at
16 reliability from the standpoint of where we're going
17 to be in the future.

18 Q. So these -- these standards aren't
19 standards that were set for last year. These are for
20 2018 and forward; is that correct?

21 A. Correct.

22 Q. Okay. Thank you.

23 Now, if you turn to page 4, lines 3
24 through 8, you mention what are called the SAIFI and
25 CAIDI standards that would be in effect for

1 performance year 2018 and starting in performance
2 year 2019; is that right?

3 A. Yes, sir.

4 Q. Do you know what AEP Ohio's SAIFI and
5 CAIDI standards were for 2017?

6 A. The SAIFI standard, 1.20. CAIDI
7 standard, 150.0.

8 Q. So the numbers in the Stipulation are
9 lower than the numbers that were in effect for
10 2017; is that correct?

11 A. Yes.

12 Q. And when we're talking about lower
13 numbers for SAIFI and CAIDI, that's supposed to
14 reflect an improvement in service; is that correct?

15 A. It's an indicator, yes.

16 Q. Okay. Now, on line 15 of page 4, you
17 mention that when it comes to the worst-performing
18 circuits, AEP Ohio will incorporate prudent actions
19 to address the issues under its control. Do you see
20 that?

21 A. Yes.

22 Q. Can you give an example of an issue that
23 would be under AEP Ohio's control and a prudent
24 action that AEP Ohio might take to address it?

25 A. An issue under control would be a -- a

1 cause code, a cause due to equipment or hardware
2 failure that we would address.

3 Q. Okay.

4 A. Could you -- could I ask you to clarify
5 your question again? Re-ask it?

6 Q. For example, what actions might AEP Ohio
7 take --

8 A. Okay.

9 Q. -- to address that problem.

10 A. An action we could take, depending on the
11 circumstance, would be do a circuit inspection,
12 identify, if we could, a segment of that line that
13 where we have facilities that need to be replaced,
14 and then go ahead and make the arrangements and
15 replace them.

16 Q. Okay. Thank you.

17 Now, on lines 18 to 22 you mention that
18 the 2019 standards will remain in place through at
19 least 2020, unless they are revised under Rule
20 10(B)(7) or in the ESP III Extension case. Do you
21 see that?

22 A. Yes.

23 Q. Okay. Has that ESP Extension case been
24 decided yet?

25 A. No.

1 Q. Okay. So if the standards aren't
2 determined in that case, AEP would file an
3 application under Rule 10(B)(7); is that correct?

4 A. That would be my understanding.

5 Q. Okay. And is that what you discuss at
6 the top of page 5 of your testimony, that application
7 process?

8 A. Yes.

9 Q. Now, on line 6 of page 5, you mention
10 that such an application would account for any
11 increased reliability benefits attributable to the
12 customer funding reflected in the DIR, the Enhanced
13 Service Stability Rider -- Reliability Rider, and the
14 gridSMART riders, correct?

15 A. Yes.

16 Q. Okay. By "customer funding," do you mean
17 that the money that customers pay AEP Ohio through
18 those riders?

19 A. Yes.

20 Q. And on line 20 of page 5, you state that
21 the Stipulation supports AEP's continued investment
22 in programs designed to improve and maintain electric
23 service reliability. Do you see that?

24 A. Yes.

25 Q. What are some of those programs?

1 A. The vegetation program is one. We've got
2 a program for replacing underground cable. We've got
3 a program for replacing poles. We've got an
4 inspection program for inspecting our overhead
5 circuits where we go and mitigate deficiencies that
6 we find on that, which includes or could include
7 replacement of facilities.

8 Q. Is that it?

9 A. That's -- you said "some"?

10 Q. Yeah.

11 A. Yeah, that's some.

12 Q. Okay. Thank you.

13 And on page 6, line 9, you state that the
14 Stipulation establishes a numeric value to judge
15 AEP's system reliability performance. Do you see
16 that?

17 A. Yes.

18 Q. Just to clarify, would that be the SAIFI
19 and CAIDI numbers that are on page 4 of your
20 testimony?

21 A. Yes.

22 MR. ETTER: Thank you. That's all the
23 questions I have.

24 EXAMINER SEE: Mr. Lindgren?

25 MR. LINDGREN: I have no questions, your

1 Honor.

2 EXAMINER SEE: Redirect, Ms. Blend?

3 MS. BLEND: No redirect, your Honor.

4 Thank you.

5 EXAMINER SEE: Okay. Thank you very
6 much, Mr. Trad.

7 THE WITNESS: Thank you.

8 EXAMINER SEE: Are there any objections
9 to the admission of AEP Ohio Exhibit 1, AEP Ohio
10 Exhibit 2, or Joint Exhibit 1?

11 MR. ETTER: No objections.

12 MR. LINDGREN: No objections.

13 EXAMINER SEE: Those exhibits are
14 admitted into the record.

15 (EXHIBITS ADMITTED INTO EVIDENCE.)

16 EXAMINER SEE: Mr. Lindgren.

17 MR. LINDGREN: I have nothing further,
18 your Honor.

19 EXAMINER SEE: Did you have any plan to
20 admit into the record Staff's comments or report?

21 Let's go off the record for just a
22 moment.

23 (Discussion off the record.)

24 EXAMINER SEE: Mr. Lindgren.

25 MR. LINDGREN: No, thank you, your Honor,

1 I have no exhibits to request admission of.

2 EXAMINER SEE: Okay. Mr. Etter?

3 MR. ETTER: No -- no exhibits, your
4 Honor.

5 EXAMINER SEE: Okay. With that, if there
6 is nothing further -- I'm sorry, let's go off the
7 record again.

8 (Discussion off the record.)

9 EXAMINER SEE: The parties have agreed
10 that there is no need for a briefing schedule to file
11 initial or reply briefs, and that being the case,
12 this hearing is adjourned. Thank you, all.

13 (Thereupon, at 10:20 a.m., the hearing
14 was adjourned.)

15 - - -

16

17

18

19

20

21

22

23

24

25

CERTIFICATE

I do hereby certify that the foregoing is a true and correct transcript of the proceedings taken by me in this matter on Wednesday, January 10, 2018, and carefully compared with my original stenographic notes.

Carolyn M. Burke

Carolyn M. Burke, Registered Professional Reporter, and Notary Public in and for the State of Ohio.

My commission expires July 17, 2018.

- - -



This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

1/19/2018 12:14:15 PM

in

Case No(s). 16-1511-EL-ESS

Summary: Transcript In the Matter of the Establishment of 4901:1-10-10(B) Minimum Reliability Performance Standards for Ohio Power Company, hearing held on January 10, 2018. electronically filed by Mr. Ken Spencer on behalf of Armstrong & Okey, Inc. and Burke, Carolyn