

## **THE PUBLIC UTILITIES COMMISSION OF OHIO**

**IN THE MATTER OF THE APPLICATION  
OF OHIO POWER COMPANY TO UPDATE  
ITS ENERGY EFFICIENCY AND PEAK  
DEMAND REDUCTION RIDER TARIFF.**

**CASE No. 18-440-EL-ATA**

**IN THE MATTER OF THE APPLICATION  
OF OHIO POWER COMPANY TO UPDATE  
ITS ENHANCED SERVICE RELIABILITY  
RIDER TARIFF.**

**CASE No. 18-441-EL-ATA**

### **FINDING AND ORDER**

Entered in the Journal on March 28, 2018

#### **I. SUMMARY**

{¶ 1} The Commission approves the proposed Energy Efficiency and Peak Demand Reduction Rider and Enhanced Service Reliability Rider tariffs filed by Ohio Power Company d/b/a AEP Ohio on March 13, 2018.

#### **II. DISCUSSION**

{¶ 2} Ohio Power Company d/b/a AEP Ohio (AEP Ohio) is an electric distribution utility as defined in R.C. 4928.01(A)(6) and a public utility as defined in R.C. 4905.02, and, as such, is subject to the jurisdiction of this Commission.

{¶ 3} R.C. 4928.141 provides that an electric distribution utility shall provide consumers within its certified territory a standard service offer (SSO) of all competitive retail electric services necessary to maintain essential electric services to customers, including a firm supply of electric generation services. The SSO may be either a market rate offer in accordance with R.C. 4928.142 or an electric security plan (ESP) in accordance with R.C. 4928.143.

{¶ 4} R.C. 4909.18 provides, in part, that a public utility may file an application to establish any rate, charge, regulation, or practice. If the Commission determines that the application is not for an increase in any rate and does not appear to be unjust or unreasonable, the Commission may approve the application without the need for a hearing.

{¶ 5} In Case No. 13-2385-EL-SSO, et al., the Commission modified and approved an ESP for AEP Ohio for the period of June 1, 2015, through May 31, 2018. Among other matters, the Commission approved AEP Ohio's request to continue the Enhanced Service Reliability Rider (ESRR) and the Energy Efficiency and Peak Demand Reduction (EE/PDR) Rider. *In re Ohio Power Co., Case No. 13-2385-EL-SSO, et al. (ESP 3 Case)*, Opinion and Order (Feb. 25, 2015) at 49, 68.

{¶ 6} In Case No. 16-574-EL-POR, the Commission approved AEP Ohio's EE/PDR program portfolio plan for 2017 through 2020. *In re Ohio Power Co., Case No. 16-574-EL-POR (EE/PDR Case)*, Opinion and Order (Jan. 18, 2017).

{¶ 7} On March 13, 2018, in Case No. 18-440-EL-ATA, AEP Ohio filed an application to amend the language in its EE/PDR Rider tariff. Following consultation with Staff, AEP Ohio proposes to modify the EE/PDR Rider tariff to provide that the rider "is subject to reconciliation, including, but not limited to, refunds to customers, based upon the impact to the carrying charge rate recovered through this Rider of changes in Federal corporate income taxes due to the Tax Cuts and Jobs Act of 2017 or based upon the results of audits ordered by the Commission in accordance with the January 18, 2017 Opinion and Order in Case No. 16-574-EL-POR." On that same date, in Case No. 18-441-EL-ATA, AEP Ohio also filed an application to modify the language in its ESRR tariff to provide that the rider "is subject to reconciliation, including, but not limited to, refunds to customers, based upon the impact to the carrying charge rate recovered through this Rider of changes in Federal corporate income taxes due to the Tax

Cuts and Jobs Act of 2017 or based upon the results of audits ordered by the Commission in accordance with the February 25, 2015 Opinion and Order in Case Nos. 13-2385-EL-SSO, et al.”

{¶ 8} On March 21, 2018, Staff filed its review and recommendations. Following its review, Staff concludes that the proposed tariffs appropriately clarify that the EE/PDR Rider and the ESRR are subject to reconciliation. Staff, therefore, recommends that the new tariff language be approved.

{¶ 9} The Commission finds that AEP Ohio’s proposed EE/PDR Rider and ESRR tariffs, as filed on March 13, 2018, are reasonable, consistent with the *ESP 3 Case* and the *EE/PDR Case*, and in the public interest. The Commission has previously directed that the EE/PDR Rider and the ESRR be audited on an annual basis for accounting accuracy and prudence, with the riders subject to reconciliation as a result of the annual audits. *ESP 3 Case*, Opinion and Order (Feb. 25, 2015) at 49; *EE/PDR Case*, Opinion and Order (Jan. 18, 2017) at 6. AEP Ohio’s proposed tariffs are consistent with the Commission’s prior directives and make clear that the EE/PDR Rider and the ESRR are subject to reconciliation and adjustment. We, therefore, find that AEP Ohio’s EE/PDR Rider and ESRR tariffs should be approved. We further find that no hearing is necessary in these proceedings.

### III. ORDER

{¶ 10} It is, therefore,

{¶ 11} ORDERED, That AEP Ohio’s proposed EE/PDR Rider and ESRR tariffs, as filed on March 13, 2018, be approved. It is, further,

{¶ 12} ORDERED, That AEP Ohio be authorized to file tariffs, in final form, consistent with this Finding and Order. AEP Ohio shall file one copy in these case dockets and one copy in its TRF docket. It is, further,

{¶ 13} ORDERED, That the effective date of the new tariffs shall be a date not earlier than the date upon which the final tariff pages are filed with the Commission. It is, further,

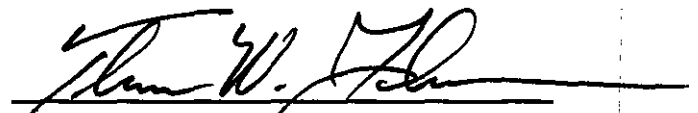
{¶ 14} ORDERED, That nothing in this Finding and Order shall be binding upon this Commission in any future proceeding or investigation involving the justness or reasonableness of any rate, charge, rule, or regulation. It is, further,

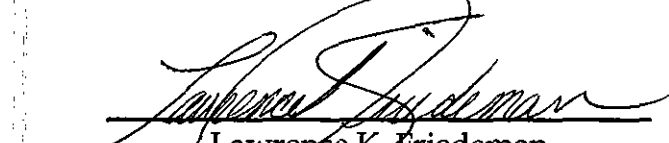
{¶ 15} ORDERED, That a copy of this Finding and Order be served upon all interested persons and parties of record.

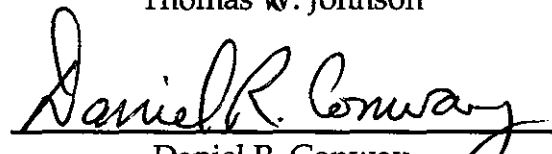
THE PUBLIC UTILITIES COMMISSION OF OHIO

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MAR 28 2018



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