

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application Seeking)	
Approval of Ohio Power Company's Proposal)	Case No. 18-1392-EL-RDR
to Enter into Renewable Energy Purchase)	
Agreements for Inclusion in the Renewable)	
Generation Rider)	
)	
In the Matter of the Application of Ohio)	Case No. 18-1393-EL-ATA
Power Company to Amend Its Tariffs)	

**MOTION TO INTERVENE OF
THE OHIO MANUFACTURERS' ASSOCIATION ENERGY GROUP**

Pursuant to R.C. 4903.221 and Ohio Adm. Code 4901-1-11, the Ohio Manufacturers' Association Energy Group (OMAEG) respectfully moves the Public Utilities Commission of Ohio (Commission) to intervene in these matters with the full powers and rights granted to intervening parties. As demonstrated in the attached memorandum in support, OMAEG has real and substantial interests that these proceedings may adversely affect, and no existing parties adequately represent those interests. The Commission should grant this motion because OMAEG satisfies the standard for intervention set forth by statute and in the Commission's rules. A memorandum in support is attached.

Respectfully submitted,

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MEMORANDUM IN SUPPORT

On September 27, 2018, the Ohio Power Company (AEP Ohio) filed an Application seeking approval from the Public Utilities Commission of Ohio (Commission) to include the costs associated with two solar energy projects, a 300 MW nameplate capacity solar facility and a 100 MW nameplate capacity solar facility, in the Renewable Generation Rider (Rider RGR). AEP Ohio also seeks approval to enter into two 20-year renewable energy purchase agreements for the solar projects’ energy, capacity, and environmental attributes to facilitate the development of the solar resources and to amend its tariffs.¹ Specifically, AEP Ohio seeks cost recovery for the purchase agreements and debt equivalency costs through a nonbypassable charge for the life of the two renewable energy projects.² In the same Application, AEP Ohio asks the Commission to approve a “Green Tariff” that will give both shopping and nonshopping customers an option to purchase green power, which AEP Ohio claims will contribute to “the development of in-state renewable energy resources in another way.” AEP Ohio states that the revenues associated with customers’ participation in the Green Tariff will offset a portion of the net cost of the two solar

¹ See Application (September 27, 2018); Direct Testimony of William A. Allen, et al. (September 27, 2018).

² Application at 1-2.

projects.³ AEP Ohio filed this Application roughly a week after it asked the Commission to amend its Long-Term Forecast Report (LTFR) in a separate proceeding and find that a need exists for AEP Ohio to procure at least 900 MW of renewable generation resources in Ohio.⁴ AEP Ohio seeks to consolidate these proceedings.⁵

Ohio's state policy to ensure effective competition by restructuring Ohio's energy markets has served Ohio's public utility customers by giving those customers the benefit of competitive markets that do not favor affiliates of the distribution utilities.⁶ Here, AEP Ohio, a distribution utility, seeks permission to charge customers for generation service developed and/or owned by AEP Ohio and/or its affiliates. This anti-competitive request by AEP Ohio will impact customers throughout AEP Ohio's service territory by depriving those customers of the competitive markets that Ohio law attempts to ensure.

The Commission's decisions related to AEP Ohio's Renewable Generation Rider (Rider RGR) explicitly provide that any cost recovery for renewable projects will be considered by the Commission on a case-by-case basis.⁷ As AEP Ohio seeks cost recovery for the development of renewable projects, it cites R.C. 4928.143(B)(2)(c) as justification for doing so. Per that statute, AEP Ohio is required to demonstrate a "resource planning need" for these projects before

³ Id. at 3.

⁴ See *In the Matter of the 2018 Long-term Forecast Report on Behalf of Ohio Power Company and Related Matters*, Case No. 18-501-EL-FOR, Amendment to the Long-Term Forecast Report of Ohio Power Company (September 19, 2018).

⁵ See Motion to Consolidate (September 27, 2018).

⁶ See R.C. 4928.02 (stating that it is the policy of the State of Ohio to ensure effective competition in the provision of retail electric service by avoiding anticompetitive subsidies from noncompetitive retail electric service to a competitive retail electric service).

⁷ See *In the Matter of the Application Seeking Approval of Ohio Power Company's Proposal to Enter into an Affiliate Power Purchase Agreement for Inclusion in the Power Purchase Agreement Rider, et al.*, Case Nos. 14-1693-EL-RDR, et al. (AEP Ohio PPA Case), Second Entry on Rehearing at 57 (November 3, 2016) and Fifth Entry on Rehearing at 32 (April 5, 2017).

Commission approval.⁸ Moreover, Ohio Adm. Code 4901:1-35-03(C)(9)(b)(i) provides that AEP Ohio must show a need for the proposed renewable energy resources *before* it may seek cost recovery for those resources. Specifically, the rule provides that the “need for the proposed facility must have already been reviewed and determined by the commission through an integrated resource planning process.”⁹

AEP Ohio submits that it has satisfied the requirement that the need for the proposed renewable energy resources be determined because it filed an amendment to its 2018 LTFR in Case No. 18-501-EL-FOR.¹⁰ Plainly, filing an amendment to a long-term forecast report is not the same as the Commission determining necessity. AEP’s LTFR proceeding has not even proceeded through the discovery process to a hearing, let alone resulted in a Commission order and determining that need exists as required by Ohio law. Thus, it appears that, at this point, this proceeding to recover costs for specific projects is premature.

Ohio Adm. Code 4901-1-11 permits intervention by an affected party that has a real and substantial interest in the proceeding and that is so situated that the disposition of the proceeding may impair or impede its ability to protect that interest and whose interest is not adequately represented by an existing party. Similarly, R.C. 4903.221 authorizes intervention in accordance with Commission-established deadlines where a party: may be adversely affected by the proceeding; will contribute to a full development and equitable resolution of factual issues; and will not unduly prolong or delay the proceedings.

OMAEG is a non-profit entity that strives to improve business conditions in Ohio and drive down the cost of doing business for Ohio manufacturers. OMAEG members and their

⁸ R.C. 4928.143(B)(2)(c).

⁹ Ohio Adm. Code 4901:1-35-03(C)(9)(b)(i).

¹⁰ Application at 8.

representatives work directly with elected officials, regulatory agencies, the judiciary, and the media to provide education and information to energy consumers, regulatory boards and suppliers of energy; advance energy policies to promote an adequate, reliable, and efficient supply of energy at reasonable prices; and advocate in critical cases before the Commission. OMAEG members purchase electric services from AEP Ohio and would see their bills impacted should the Commission authorize AEP Ohio to proceed with the requested projects.

OMAEG has been a participant in other cases before the Commission involving rates charged by AEP Ohio and costs recovered from customers, including AEP Ohio's electric security plan cases, which approved the creation of the placeholder Rider RGR to recover costs associated with new renewable energy resources subject to Commission approval pursuant to R.C. 4928.143(B)(2)(c) and cost recovery through the PPA Rider.¹¹ Here, OMAEG has an interest in ensuring that any projects approved by the Commission are permissible under Ohio law and serve to benefit AEP Ohio's customers. Additionally, OMAEG has an interest in confirming that all issues surrounding AEP Ohio's request are fully addressed over the course of this proceeding. OMAEG is concerned by the extremely accelerated procedural schedule proposed by AEP Ohio, which calls for a deadline for intervention approximately 11 days after the Application was filed (and a deadline for intervention that falls on a Sunday), roughly three additional weeks to prepare and file testimony on AEP Ohio's Application, and an abbreviated discovery response timeframe leading up to the hearing on the Application.¹² OMAEG hopes to

¹¹ See *In the Matter of the Application of Ohio Power Company for Authority to Establish a Standard Service Offer Pursuant to R.C. 4928.143, in the Form of an Electric Security Plan*, Case Nos. 16-1852-EL-SSO, et al., Opinion and Order (April 25, 2018) and *In the Matter of the Application Seeking Approval of Ohio Power Company's Proposal to Enter into an Affiliate Power Purchase Agreement for Inclusion in the Power Purchase Agreement Rider*, et al., Case Nos. 14-1693-EL-RDR, et al., Opinion and Order (March 31, 2016). Also see *In the Matter of the Application of Columbus Southern Power Company and Ohio Power Company, Individually and, if Their Proposed Merger is Approved, as a Merged Company (collectively, AEP Ohio) for an Increase in Electric Distribution Rates*, et al., Case Nos. 11-351-ELAIR, et al., Entry (November 1, 2011).

¹² Application at 6-7.

ensure that all parties are not only afforded the opportunity to be heard on these important issues, but also that AEP Ohio's customers have adequate time to assess the Company's proposal and respond appropriately before the Commission renders a decision in this matter.

OMAEG has a direct, real, and substantial interest in the issues raised in this proceeding and is so situated that the disposition of the proceeding may, as a practical matter, impair or impede its ability to protect that interest. OMAEG is regularly and actively involved in Commission proceedings and, as in previous proceedings, OMAEG's unique knowledge and perspective will contribute to the full development and equitable resolution of the issues in this proceeding. OMAEG's interest will not be adequately represented by other parties to the proceeding and its timely intervention will not unduly delay or prolong the proceeding.

As discussed above, OMAEG satisfies the criteria for intervention set out in R.C. 4903.221 and Ohio Adm. Code 4901-1-11. OMAEG, therefore, respectfully requests that the Commission grant this motion, allow OMAEG to intervene with the full powers and rights granted by the Commission to intervening parties, and make OMAEG a full party of record.

Respectfully submitted,

/s/ Kimberly W. Bojko
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Counsel for OMAEG

CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing was served upon all parties of record via electronic mail October 4, 2018.

/s/ Brian W. Dressel
Brian W. Dressel

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Summary: Motion Motion to Intervene electronically filed by Mr. Brian W Dressel on behalf of
The Ohio Manufacturers' Association Energy Group