# BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

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

# MOTION TO INTERVENE AND MEMORANDUM IN SUPPORT OF INDUSTRIAL ENERGY USERS-OHIO

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October 4, 2018

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## BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

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## MOTION TO INTERVENE OF INDUSTRIAL ENERGY USERS-OHIO

Industrial Energy Users-Ohio ("IEU-Ohio") hereby respectfully moves the Public Utilities Commission of Ohio ("Commission"), pursuant to R.C. 4903.221 and Rule 4901-1-11, Ohio Administrative Code ("OAC"), for leave to intervene in the above-captioned matter with the full powers and rights granted by the Commission, specifically by statute, or by the provisions of the Ohio Administrative Code to intervening parties. The reasons supporting this motion are set out in the accompanying Memorandum in Support.

Respectfully submitted,

/s/ Matthew R. Pritchard

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## Before The Public Utilities Commission of Ohio

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Inclusion in the Renewable Generation
Rider

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Power Company to Amend its Tariffs

Case No. 18-1393-EL-ATA

## **MEMORANDUM IN SUPPORT**

In support of this Motion to Intervene, IEU-Ohio states that it is an association of ultimate customers. A current listing of IEU-Ohio member companies is available on IEU-Ohio's website at <a href="http://www.ieu-ohio.org/member\_list.aspx">http://www.ieu-ohio.org/member\_list.aspx</a>. IEU-Ohio's members purchase substantial amounts of electric and related services from Ohio's electric distribution utilities ("EDU"), including Ohio Power Company ("AEP-Ohio").

IEU-Ohio's members work together to address matters that affect the availability and price of utility services. Additionally, IEU-Ohio seeks to promote customer-driven policies that will assure an adequate, reliable, and efficient supply of energy for all consumers at competitive prices. To this end, IEU-Ohio has worked and will continue to work to produce legislative, regulatory, and market outcomes that are consistent with the State electric policy contained in R.C. 4928.02.

In a prior case, the Commission approved a settlement that included a term in which AEP-Ohio committed to develop up to 900 MW of renewable generation. *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, Case Nos. 14-1693-EL-RDR, et al., Opinion and Order at 42-44 (Mar. 31, 2016). Subsequently, AEP-Ohio sought and received approval of a separate "placeholder" rider, the Renewable Generation Rider ("RGR"), to recover the costs of renewable projects not recovered through the sale of power in the PJM markets. 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 at 20-22 (Apr. 25, 2018). In the amendment to the Long Term Forecast Report, AEP-Ohio is seeking a determination of need for up to 900 MW of renewable generation. In the Matter of the Long-Term Forecast Report of the Ohio Power Company and Related Matters, Case No. 18-501-EL-501-EL-FOR, Amendment to the 2018 Long-Term Forecast Report of Ohio Power Company (Sept. 19, 2018).

In this proceeding, AEP-Ohio seeks "an order approving (1) the inclusion of two solar energy resources totaling 400 MW nameplate capacity solar energy in [AEP-Ohio's] Renewable Generation Rider (RGR); [and] (2) the creation of a new Green Power Tariff (Green Tariff) under which customers may purchase renewable energy certificates (RECs) for the solar energy resources' environmental attributes." Application at 1. The solar resources would be acquired through renewable energy purchase agreements with 20 year terms. *Id.* at 2. The RGR would collect the difference between AEP-Ohio's cost of the REPAs and market revenues for the output and capacity of the solar facilities and an adder to account for an alleged "debt

equivalency cost" of the REPAs. Application, Direct Testimony of William A. Allen at 10 and 14-15. According to the Application, the REPAs would produce customer savings over their life, but expose customers to an initial charge under nearly all modelled scenarios. Application at 2 and Direct Testimony of John F. Torpey at Ex. JFT-1.

### R.C. 4903.221 provides:

Any other person who may be adversely affected by a public utilities commission proceeding may intervene in such proceeding, provided:

- (A) That such other person files a motion to intervene with the commission no later than:
- (1) Any specific deadline established by order of the commission for purposes of a particular proceeding; or, if no such deadline is established;
- (2) Five days prior to the scheduled date of hearing. The public utilities commission may, in its discretion, grant motions to intervene which are filed after the deadlines set forth in divisions (A)(1) and (2) of this section for good cause shown.
- (B) That the commission, in ruling upon applications to intervene in its proceedings, shall consider the following criteria:
  - (1) The nature and extent of the prospective intervenor's interest;
- (2) The legal position advanced by the prospective intervenor and its probable relation to the merits of the case;
- (3) Whether the intervention by the prospective intervenor will unduly prolong or delay the proceedings;
- (4) Whether the prospective intervenor will significantly contribute to full development and equitable resolution of the factual issues.

See, also, Rule 4901-1-11, OAC. Under R.C. 4903.221 and the Commission's rule, the Commission is to liberally grant intervention. *Ohio Consumers' Counsel v. Pub. Utils. Comm'n of Ohio*, 111 Ohio St. 3d 384 (2006).

Under the applicable requirements, IEU-Ohio should be granted intervention.

Initially, IEU-Ohio has an interest that may be affected by this matter because members are customers of AEP-Ohio that will be billed for the above market costs of the generation and the debt equivalency cost of the REPAs if the Application is approved. Accordingly, IEU-Ohio has an interest in the outcome of this proceeding.

Additionally, IEU-Ohio's participation will not unduly prolong or delay this proceeding. The Commission has not set a date by which intervention must be filed and this motion complies with the requirements of R.C. 4903.221. Further, IEU-Ohio is an experienced participant in Commission proceedings and participated in each of the proceedings leading to AEP-Ohio's request in this case.

Finally, IEU-Ohio's participation will contribute to the full development and equitable resolution of the factual issues. As a party with significant experience in regard to the issues involving the provision of utility services by rate regulated utilities in various Commission proceedings, IEU-Ohio can provide the Commission with a point of view of the matter before the Commission from the large industrial customer's prospective. This insight and experience will assist the Commission in reaching an equitable outcome.

Based on these representations, IEU-Ohio is entitled to intervene with the full powers and rights granted by the Commission, specifically by statute and by the provisions of the Ohio Administrative Code, to intervening parties. Therefore, the Commission should grant its Motion to Intervene.

Respectfully submitted,

/s/ Matthew R. Pritchard

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## **CERTIFICATE OF SERVICE**

In accordance with Rule 4901-1-05, Ohio Administrative Code, the PUCO's efiling system will electronically serve notice of the filing of this document upon parties. In addition, I hereby certify that a service copy of the foregoing *Motion to Intervene and Memorandum in Support of Industrial Energy Users-Ohio* was sent by, or on behalf of, the undersigned counsel for IEU-Ohio to the following parties of record on October 4, 2018, *via* electronic transmission.

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## **ATTORNEY EXAMINERS**

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