BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

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In the Matter of the Application of Vectren Energy Delivery of Ohio, Inc. for Authority to Adjust its Distribution Replacement Rider Charges.

Case No. 19-1011-GA-RDR

MOTION TO INTERVENE BY THE OFFICE OF THE OHIO CONSUMERS' COUNSEL

The Office of the Ohio Consumers' Counsel ("OCC") moves to intervene¹ in this case where Vectren Energy Delivery of Ohio, Inc. ("Vectren") proposes to charge residential customers over \$6.4 million for pipeline replacement costs incurred in 2018. OCC is filing on behalf of Vectren's 297,000 residential utility customers. The reasons the Public Utilities Commission of Ohio ("PUCO") should grant OCC's Motion are further set forth in the attached Memorandum in Support.

Respectfully submitted,

Bruce Weston (0016973) Ohio Consumers' Counsel

<u>/s/ Angela O'Brien</u> Angela O'Brien (0097579) Counsel of Record Bryce McKenney (0088203) Assistant Consumers' Counsel

Office of the Ohio Consumers' Counsel 65 East State Street, 7th Floor Columbus, Ohio 43215-4213 Telephone [O'Brien]: (614) 466-9531 Telephone [McKenney]: (614) 466-9585 <u>Angela.obrien@occ.ohio.gov</u> <u>Bryce.mckenney@occ.ohio.gov</u> (Will accept service via email)

¹ See R.C. Chapter 4911, R.C. 4903.221, and Ohio Adm. Code 4901-1-11.

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MEMORANDUM IN SUPPORT

Vectren's Application proposes to charge residential customers over \$6.4 million (\$1.81 per residential customer per month) for pipeline replacement costs that it incurred in 2018 through the Distribution Replacement Rider ("DRR").² Meanwhile, in Case No. 18-298-GA-AIR, *et al.*, Vectren, PUCO Staff, and other parties submitted a settlement that would, among other things, charge customers the balance of Vectren's DRR as of December 31, 2017 through its base rates.³ PUCO approval of that settlement is pending. OCC has authority under law to represent the interests of Vectren's 297,000 residential utility customers, pursuant to R.C. Chapter 4911.

R.C. 4903.221 provides, in part, that any person "who may be adversely affected" by a PUCO proceeding is entitled to seek intervention in that proceeding. The interests of Vectren's residential customers in Ohio may be "adversely affected" by this case, especially if those customers were unrepresented in a proceeding where the PUCO is determining the rates Vectren will charge customers for pipeline replacement costs over the next year. Thus, this element of the intervention standard in R.C. 4903.221 is satisfied.

² Application, Exhibit JCS-5, p. 3 of 6.

³ Application, at ¶ 6.

R.C. 4903.221(B) requires the PUCO to consider the following criteria in ruling on motions to intervene:

- (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.

First, the nature and extent of OCC's interest is representing Vectren's residential customers in this case where Vectren will be setting the rates customers will pay over the next year for pipeline replacement costs Vectren incurred in 2018. This interest is different from that of any other party, and especially different from that of the utility whose advocacy includes the financial interest of stockholders.

Second, OCC's advocacy for residential customers will include advancing the position that rates that customers pay should be no more than what is reasonable and lawful under Ohio law, for service that is adequate under Ohio law. In this case, OCC seeks to ensure that the rates Vectren charges to customers through the DRR are just, reasonable, and consistent with the PUCO's ultimate decision in Case No. 18-298-GA-AIR, *et al.* OCC's position is therefore directly related to the merits of this case pending before the PUCO, the authority with regulatory control of public utilities' rates and service quality in Ohio.

Third, OCC's intervention will not unduly prolong or delay the proceedings. OCC, with its longstanding expertise and experience in PUCO proceedings, will duly allow for the efficient processing of the case with consideration of the public interest.

Fourth, OCC's intervention will significantly contribute to the full development and equitable resolution of the factual issues. OCC will obtain and develop information that the PUCO should consider to equitably and lawfully decide the case in the public interest.

OCC also satisfies the intervention criteria in the Ohio Administrative Code (which are subordinate to the criteria that OCC satisfies in the Ohio Revised Code). To intervene, a party should have a "real and substantial interest" according to Ohio Adm. Code 4901-1-11(A)(2). As the advocate for residential utility customers, OCC has a very real and substantial interest in this case that involves setting the appropriate pipeline replacement rates that customers will pay over the next year.

In addition, OCC meets the criteria of Ohio Adm. Code 4901-1-11(B)(1)-(4). These criteria mirror the statutory criteria in R.C. 4903.221(B) that OCC already has addressed and that OCC satisfies.

Ohio Adm. Code 4901-1-11(B)(5) states that the PUCO shall consider "[t]he extent to which the person's interest is represented by existing parties." While OCC does not concede the lawfulness of this criterion, OCC satisfies this criterion in that it uniquely has been designated as the state representative of the interests of Ohio's residential utility customers. That interest is different from, and not represented by, any other entity in Ohio.

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Moreover, the Supreme Court of Ohio ("Court") confirmed OCC's right to intervene in PUCO proceedings, in deciding two appeals in which OCC claimed the PUCO erred by denying its interventions. The Court found that the PUCO abused its discretion in denying OCC's interventions and that OCC should have been granted intervention in both proceedings.⁴

OCC meets the criteria set forth in R.C. 4903.221, Ohio Adm. Code 4901-1-11, and the precedent established by the Supreme Court of Ohio for intervention. On behalf of Ohio residential customers, the PUCO should grant OCC's Motion to Intervene.

Respectfully submitted,

Bruce Weston (0016973) Ohio Consumers' Counsel

/s/ Angela O'Brien

Angela O'Brien (0097579) Counsel of Record Bryce McKenney (0088203) Assistant Consumers' Counsel

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⁴ See Ohio Consumers' Counsel v. Pub. Util. Comm., 111 Ohio St.3d 384, 2006-Ohio-5853, ¶¶13-20.

CERTIFICATE OF SERVICE

I hereby certify that a copy of this Motion to Intervene was served on the persons stated below via electronic transmission, this 11th day of June 2019.

<u>/s/ Angela O'Brien</u> Angela O'Brien Assistant Consumers' Counsel

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Summary: Motion Motion to Intervene by the Office of the Ohio Consumers' Counsel electronically filed by Ms. Deb J. Bingham on behalf of O'Brien, Angela D.