

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Toledo)
Edison Company to update its pole)
attachment rate) Case No. 19-1039-EL-ATA

**REVIEW AND RECOMMENDATION
SUBMITTED ON BEHALF OF THE STAFF OF
THE PUBLIC UTILITIES COMMISSION OF OHIO**

On May 1, 2019, Toledo Edison (TE) filed a letter in this docket in order to be in compliance with its own pole attachment tariff which stated that the company will file to revise its pole attachment rate no later than May 1st of each year. In the letter filed May 1, 2019, TE noted that the Commission had not yet approved TE's prior year's update filed in Case 18-565-EL-ATA. While TE did not file a formal application with its May 1, 2019 letter, TE stated that it was prepared to submit its annual update when the prior year's updates were approved. Pursuant to the July 17, 2019 Opinion and Order in Case Nos. 18-1604-EL-UNC, et al., the Commission approved the pole attachment rate in Case No. 18-565-EL-ATA when it approved the stipulation jointly filed in these cases and deemed the rate effective July 17, 2019.

On October 31, 2019, TE filed its formal application in this docket seeking to revise its pole attachment rate using 2018 data which results in the annual pole attachment rate going from \$9.68 per year to \$9.83 per year. The application also removes the tariff language requiring TE to file an application with the commission to update its pole attachment rate by May 1st of each year as ordered by the Commission in its August 28, 2019, Finding and Order in Case No. 18-565-EL-ATA.

This application is being filed pursuant to Section 4901:1-3-4 Ohio Administrative Code (O.A.C.), as adopted in Case No. 13-579-AU-ORD, Commission Entry dated November 30, 2016 in Case No. 13-579-AU-ORD and Commission Finding and Order dated October 24, 2018 in Case No. 18-47-AU-COI. Pursuant to Commission Entry dated November 30, 2016 in Case No. 13-579-AU-ORD, the application is subject to a 60-day automatic approval process. Because the formal application in this case was not filed until October 31, 2019, that date shall be considered day zero with respect to the 60-day automatic approval process.

On November 21, 2019, the Ohio Cable Telecommunications Associations (OCTA) filed a motion to intervene as well as objections to TE's application in this docket. In regard to the rate calculation, OCTA objects to TE's appurtenance factor because it did not include non-unitized FERC Account 364 investments in the appurtenance factor calculation. The OCTA further objected to TE's newly proposed tariff language stating that pole attachment rate changes will be effective 60 days after filing unless ordered by the Commission. The OCTA argues that the proposed language is inconsistent with the automatic approval process in effect today.

On December 2, 2019, TE filed a response to OCTA's objections. In regard to the calculation of TE's appurtenance factor, TE argues that this case follows exactly the same methodology that TE followed in Case No. 15-975-EL-ATA. TE contends in that case the Commission thoroughly reviewed the Company's records supporting its appurtenance factor calculations and permitted their use in the formula rates. TE further argues that OCTA overlooks the fact that appurtenance costs are removed from the non-unitized amounts when the total net pole cost is multiplied by the calculated appurtenance factor.

On December 19, 2019, TE amended its application to remove the tariff language objected to by OCTA rendering OCTA's objection to the proposed tariff language moot.

Staff has reviewed the pole attachment rate calculations as well as the source of the data used in the calculations provided by TE and has found them to be consistent with the formula contained in rule 4901:1-3-4(D)(2) as well as prior Commission decisions. The Staff agrees that allocating non-unitized FERC Account 364 investment in the same proportion as the 98% of the total FERC Account 364 investment used to calculate TE's appurtenance factor is a reasonable approach in this case.

As such, Staff believes that approval of the application will promote public convenience and result in the provision of adequate service for a reasonable rate, rental, toll, or charge. Therefore, Staff recommends that the application be automatically approved on December 30, 2019, with an effective date of January 1, 2020.

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Summary: Staff Review and Recommendation electronically filed by Jason Well on behalf of PUCO Staff