



**Public Utilities
Commission**

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April 28, 2019

Docketing Division
Public Utilities Commission of Ohio
180 East Broad Street
Columbus OH 43215

RE: *In the Matter of the Application of Ohio Power Company to Update Its Enhanced Service Reliability Rider, Case No. 19-1747-EL-RDR*

Dear Docketing Division:

Enclosed please find Staff's Reply Comments in the Matter of Ohio Power Company to Update Its Enhanced Service Reliability Rider, Case No. 19-1747-EL-RDR.

Tamara S. Turkenton
Director, Rates and Analysis Department
Public Utilities Commission of Ohio

David Lipthratt
Chief, Accounting and Finance Division
Public Utilities Commission of Ohio

Enclosure

Cc: Parties of Record

Ohio Power Company
Case No. 19-1747-EL-RDR

SUMMARY

On September 5, 2019, Ohio Power Company (Company) filed an application in Case No. 19-1747-EL-RDR (Application) to update its Enhanced Service Reliability Rider (ESRR) rates. The Application was filed to recover the operation and maintenance (O&M) and capitalization costs that the Company incurred in 2018 as part of its vegetation management program. The Company requested total recovery of \$13,605,071, which includes carrying charges and an over-recovery credit of \$8,907,531. The Company requested a rate of 2.09795% of base distribution revenue for its ESRR, a decrease of 1.38492% from the current rate of 3.48287%. A customer's monthly ESRR charge would be determined by multiplying the new rate of 2.09795% by the base distribution charges on the customer's monthly bill.

On December 31, 2019, Staff filed its Review and Recommendation on the Company's Application.

On February 25, 2019, the Company filed its initial comments in response to Staff's Review and Recommendation.

STAFF RECOMMENDATION

Since filing Staff's Review and Recommendation, Staff has discussed with the Company the various recommendations made by Staff. Based on these discussions, Staff amends its recommended adjustment as it relates to the capital carrying charges. Staff agrees with the Company that the adjustment originally recommended in Staff's Review and Recommendation erroneously removed accrued capital carrying charges that have not yet been recovered by the Company. As a result, Staff revises its original recommendation to include the \$30,840 related to capital carrying charges in the calculation of the ESSR revenue requirement, resulting in a 2018 revenue requirement of \$34,216,608 before consideration of any over/under collections. This adjustment represents Staff's only revision to its original Review and Recommendation.

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

4/28/2020 10:42:27 AM

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Case No(s). 19-1747-EL-RDR

Summary: Reply Comments in the Matter of Ohio Power Company to Update Its Enhanced Service Reliability Rider electronically filed by Zee Molter on behalf of PUCO Staff