



**Public Utilities
Commission**

Mike DeWine, Governor
Sam Randazzo, Chairman

Commissioners

M. Beth Trombold
Lawrence K. Friedeman
Dennis P. Deters
Daniel R. Conway

September 1, 2020

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

RE: *In the Matter of Ohio Power Company to Adjust the Economic Development Cost
Recovery Rider Rate, Case No. 20-1340-EL-RDR.*

Dear Docketing Division:

Enclosed please find the Staff's Review and Recommendations regarding the application filed by Ohio Power Company to adjust its Economic Development Cost Recovery Rider Rate, Case No. 20-1340-EL-RDR.

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

Enclosure
Cc: Parties of Record

Ohio Power Company
Case No. 20-1340-EL-RDR

SUMMARY

On July 31, 2020, Ohio Power Company (Company) filed an application for approval to adjust its Economic Development Cost Recovery Rider (EDR). The EDR provides the Company with timely recovery of costs resulting from Commission-approved reasonable arrangements as well as half of the program costs associated with the Company's Energy Efficiency/Peak Demand Rider for sub-transmission and transmission customers, half of the Interruptible Credit, and the entire Automaker Credit. In its application, the Company proposes to adjust the EDR percentage from its current level of 2.09796% to 2.23580%. This percentage is applied to a customer's base distribution bill to determine the amount to charge or credit a customer's monthly bill.

The proposed EDR rate includes a forecasted under recovery of \$457,017 as of September 30, 2020, and a forecasted delta revenue, including carrying costs equal to \$6,694,706 from October 1, 2020 through March 31, 2021. The total proposed revenue requirement for the period of October 1, 2020 through March 31, 2021 is \$7,151,724, resulting in the proposed rate of 2.23580%.

The proposed EDR includes delta revenue amounts that result from reasonable arrangements approved by this Commission in, Case No. 15-1857-EL-AEC with Timken Steel Corporation, Case No. 17-2132-EL-AEC with JSW Steel Ohio, Inc. and Case No. 19-124-EL-AEC with PRO-TEC Coating Company, LLC. In addition, the EDR includes costs related to the Commission's Order in Case No. 16-1852-EL-SSO, that authorized the Company to include half of the program costs associated with the EE/PDR Rider for SubTran/Tran customers, half of the Interruptible Credit, and the entire Automaker Credit.

The Company requests that the updated EDR rate become effective on the first billing cycle for October 2020.

STAFF REVIEW AND RECOMMENDATIONS

The Staff's investigation was designed to ensure that the Company's policies and practices comport with sound ratemaking principles and Commission policies, confirm that its books and records are reliable sources of cost data, and ultimately determine if the Application request is just and reasonable. Based on that investigation, the Staff concludes that the proposed EDR rate accurately reflects the current and projected costs through March 31, 2021.

CONCLUSION

The Staff believes that the application filed on July 31, 2020, reflects the current and projected costs, and recommends approval of the application for the proposed rates to become effective on the first billing cycle for October 2020.

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

9/1/2020 11:22:18 AM

in

Case No(s). 20-1340-EL-RDR

Summary: Staff Review and Recommendation regarding the application filed by Ohio Power Company to adjust its Economic Development Cost Recovery Rider Rate electronically filed by Zee Molter on behalf of PUCO Staff