

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE REVIEW OF THE
POWER PURCHASE AGREEMENT RIDER
OF OHIO POWER COMPANY.

CASE NO. 18-1003-EL-RDR

ENTRY ON REHEARING

Entered in the Journal on June 15, 2022

I. SUMMARY

{¶ 1} The Commission grants the applications for rehearing filed by Ohio Consumers Counsel and jointly by Ohio Manufacturers' Association Energy Group and The Kroger Company on May 20, 2022, for the purpose of further consideration of the matters specified in the applications for rehearing.

II. PROCEDURAL BACKGROUND

{¶ 2} Ohio Power Company d/b/a AEP Ohio (AEP Ohio) is an electric distribution utility as defined in R.C. 4928.01(A)(6) and a public utility as defined in R.C. 4905.02, and, as such, is subject to the jurisdiction of this Commission.

{¶ 3} R.C. 4928.141 provides that an electric distribution utility shall provide consumers within its certified territory a standard service offer (SSO) of all competitive retail electric services necessary to maintain essential electric services to customers, including a firm supply of electric generation services. The SSO may be either a market rate offer in accordance with R.C. 4928.142 or an electric security plan (ESP) in accordance with R.C. 4928.143.

{¶ 4} In Case No. 13-2385-EL-SSO, et al., the Commission modified and approved AEP Ohio's application for an ESP for the period of June 1, 2015, through May 31, 2018, pursuant to R.C. 4928.143. *In re Ohio Power Co.*, Case No. 13-2385-EL-SSO, et al. (*ESP 3 Case*), Opinion and Order (Feb. 25, 2015), Second Entry on Rehearing (May 28, 2015), Fourth Entry on Rehearing (Nov. 3, 2016), Seventh Entry on Rehearing (Apr. 5, 2017). Among other matters, the Commission authorized AEP Ohio to establish a placeholder Power Purchase Agreement (PPA) Rider and required AEP Ohio to justify any future

request for cost recovery in a separate proceeding. *ESP 3 Case*, Opinion and Order (Feb. 25, 2015) at 20-22, 25-26.

{¶ 5} Subsequently, in Case No. 14-1693-EL-RDR, et al., the Commission modified and approved a stipulation and recommendation pertaining to AEP Ohio's proposal to populate the placeholder PPA Rider approved in the *ESP 3 Case*. *In re Ohio Power Co.*, Case No. 14-1693-EL-RDR, et al. (*PPA Rider Case*), Opinion and Order (Mar. 31, 2016), Second Entry on Rehearing (Nov. 3, 2016), Fifth Entry on Rehearing (Apr. 5, 2017). The Commission directed that the PPA Rider be subject to an annual audit. *PPA Rider Case*, Opinion and Order (Mar. 31, 2016) at 89-90.

{¶ 6} By Entry dated June 13, 2018, the Commission directed Staff to issue a request for proposal to acquire audit services for the initial audit of AEP Ohio's PPA Rider for the period of June 1, 2016, through December 31, 2017.

{¶ 7} On July 11, 2018, the Commission selected Vantage Energy Consulting, LLC (Vantage) to conduct the prudency and performance audit of AEP Ohio's PPA Rider. Vantage filed its audit report under seal on January 11, 2019. A redacted version of the audit report was filed in the public docket on August 8, 2019.

{¶ 8} By Entry dated December 13, 2019, the attorney examiner established a procedural schedule for this matter, with motions for intervention due by January 10, 2020, and initial and reply comments due by January 17, 2020, and February 7, 2020, respectively.

{¶ 9} Timely motions to intervene in this proceeding were filed on various dates by Industrial Energy Users-Ohio, Ohio Manufacturers' Association Energy Group (OMAEG), The Kroger Co. (Kroger), and Ohio Consumers' Counsel (OCC) and the motions to intervene were granted by the Commission.

{¶ 10} In accordance with the established procedural schedule, initial and reply comments were filed by AEP Ohio, OCC, and OMAEG/Kroger.

{¶ 11} By Finding and Order issued on April 20, 2022, the Commission adopted, to the extent set forth in the Finding and Order, certain recommendations of the audit report regarding AEP Ohio's PPA Rider for the period June 1, 2016 through December 31, 2017.

{¶ 12} R.C. 4903.10 provides that any party who has entered an appearance in a Commission proceeding may apply for rehearing with respect to any matters determined in the proceeding by filing an application within 30 days of the entry on the order upon the Commission's journal.

{¶ 13} On May 20, 2022, applications for rehearing were filed by OCC and jointly by OMAEG and Kroger.

{¶ 14} On May 31, 2022, AEP Ohio filed a memorandum contra the applications for rehearing.

{¶ 15} The Commission believes that sufficient reason has been set forth by OCC and OMAEG/Kroger to warrant further consideration of the matters specified in the applications for rehearing. Accordingly, the applications for rehearing filed by OCC and OMAEG/Kroger should be granted for the purpose of further consideration of the matters specified therein.

III. ORDER

{¶ 16} It is, therefore,

{¶ 17} ORDERED, That OCC's and OMAEG/Kroger's applications for rehearing be granted for further consideration of the matters specified therein. It is, further,

{¶ 18} ORDERED, That a copy of this Entry on Rehearing be served upon all parties and interested persons of record.

COMMISSIONERS:

Approving:

Jenifer French, Chair

M. Beth Trombold

Lawrence K. Friedeman

Daniel R. Conway

Dennis P. Deters

GNS/hac

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Case No(s). 18-1003-EL-RDR

Summary: Entry on Rehearing granting the applications for rehearing filed by Ohio Consumers Counsel and jointly by Ohio Manufacturers' Association Energy Group and The Kroger Company on May 20, 2022, for the purpose of further consideration of the matters specified in the applications for rehearing electronically filed by Ms. Mary E. Fischer on behalf of Public Utilities Commission of Ohio