April 4, 2024

Tanowa Troupe, Secretary

Public Utilities Commission of Ohio

180 East Broad Street, 11th Floor

Columbus, Ohio 43215

Re: *In the Matter of the OVEC Generation Purchase Rider Audits Required by R.C. 4928.148 for Duke Energy Ohio, Inc., The Dayton Power and Light Company, and AEP Ohio*,Case No. 21-477-EL-RDR

Dear Ms. Troupe:

On February 15, 2024, London Economics International LLC (“London Economics”) wrote to PUCO Staff asking for an increase in its budget to perform the audit work in this case. The total amount of the requested increase is redacted, so consumers and Ohio manufacturers are unable to determine how the requested increase would impact them.[[1]](#footnote-2) London Economics gave the following reason for the requested increase:

LEI’s initial budget for preparation and testimony was capped at $20,000. It was LEI [sic] understanding that our budget for preparation and testimony was for professional fees only (and excluded travel and other reimbursable expenses) as noted in LEI’s proposal. LEI now understands that the Commission intends that the preparation and testimony budget must also include reimbursable expenses.[[2]](#footnote-3)

The Office of the Ohio Consumers’ Counsel (“OCC”) and the Ohio Manufacturers’ Association Energy Group (“OMAEG”) recommend that, if the PUCO approves this request, then consumers and Ohio manufacturers should not be charged for the additional cost. The PUCO’s Request for Proposal (“RFP”) for the audit work clearly stated that the $20,000 budget would include the costs related to presenting testimony at the hearing. The RFP stated:

For each audit, the actual costs associated with preparing and presenting expert testimony before the Commission during the applicable hearing will include time and materials not to exceed $20,000 without Commission Staff approval.[[3]](#footnote-4)

In addition, London Economics previously performed audit work for the PUCO in Case Nos. 20-167-EL-RDR and 18-1004-EL-RDR, so London Economics should have been well aware of the PUCO’s budgeting and billing practices for work by independent auditors.

Very truly yours,

|  |  |
| --- | --- |
| */s/ John Finnigan*John Finnigan (0018689)Assistant Consumers’ Counsel | */s/ Kimberly W. Bojko*Kimberly W. Bojko (0069402)Counsel for Ohio Manufacturers’ Association Energy Group |

cc: All Parties of Record & Attorney Examiners

1. OCC and OMAEG object that the total amount of the requested increase was redacted. In another recent OVEC audit case, the auditor also requested a budget increase, and the amount of the requested increase was unredacted. *In the Matter of the Review of the Reconciliation Rider of The Dayton Power and Light Company*,Case No. 20-165-EL-RDR, Change Order Request for increased reimbursement for required testimony electronically by Vantage Energy Consulting LLC. (Jan. 10, 2024). [↑](#footnote-ref-2)
2. London Economics Letter to Rodney Windle (Feb. 15, 2024). [↑](#footnote-ref-3)
3. Entry, Request for Proposal at 7 (May 5, 2021). [↑](#footnote-ref-4)