BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Commission's Review of Chapter 4901:1-22 of the Ohio Administrative Code Regarding Interconnection Services.	))))	Case No. 18-884-EL-ORD

REPLY COMMENTS OF DUKE ENERGY OHIO, INC.

On August 1, 2018, the Attorney Examiner issued an entry commencing the Public Utilities Commission of Ohio's (Commission) five-year review of the rules in O.A.C. Chapter 4901:1-22 (1-22), relating to electric interconnection services and standards. Pursuant to that order, a workshop was held on September 11, 2018. The Commission's entry of January 29, 2020 called for comments on staff's proposed changes to that chapter, with due dates of March 13, 2020, for initial comments, and April 3, 2020, for reply comments. In accordance with the Commission's schedule, Duke Energy Ohio, Inc., (Duke Energy Ohio) respectfully submits its reply comments.

I. DUKE ENERGY OHIO OPPOSES THE IMMEDIATE ADOPTION OF IEEE 1547-2018 AND ITS RIDE-THROUGH PROVISIONS.

For the reasons given in its initial comments, Duke Energy Ohio opposes the immediate adoption of IEEE 1547-2018 and its ride-through provisions.[1] The Dayton Power and Light Company (DP&L) argues that immediate adoption would be the "most efficient" and is necessary "to be prepared in the event we see a large amount of DERs in the future."[2] However, premature wholesale adoption can lead to unforeseen consequences, including potential safety and reliability issues. Duke Energy Ohio believes that more study is necessary before this standard can be adopted in Ohio.

[1] Initial Comments of Duke Energy Ohio, Inc., pp. 1-2 (March 13, 2020) (Duke Energy Ohio Comments).
[2] Comments of the Dayton Power and Light Company, pp. 1-2 (March 13, 2020) (DP&L Comments).

II. DUKE ENERGY OHIO OPPOSES COMMENTS OFFERING OVER-SIMPLIFIED GUIDANCE ON THE QUESTION OF JURISDICTION.

Duke Energy Ohio opposes comments that encourage the Commission to adopt an over-simplified and/or erroneous approach on the question of jurisdiction. Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company propose a flow chart to determine the question of jurisdiction, which is incorrect as a matter of law in a number of respects.[3] Just for one instance, the second diamond from the top in the flow chart suggests that a generator may choose to be state-jurisdictional by adhering to state net metering rules. But state net metering rules are not an element of the test to determine jurisdiction over an interconnection. Additionally, One Energy states as a blanket proposition that "behind-the-meter interconnections. . . should be the exclusive jurisdiction of Ohio."[4] But this is not always true; for example, interconnections behind a municipality's meter are under that municipality's jurisdiction, not FERC's or the states. Without detailing every error of law, Duke Energy Ohio opposes these and similar overbroad pronouncements about the scope of FERC and/or state jurisdiction.

III. REPLY COMMENTS PERTAINING TO SPECIFIC RULES AND PROPOSALS

A. Certain proposals for additions to the rules should be rejected, as they are more likely to generate confusion than to offer any benefit.

Duke Energy Ohio opposes a number of proposed additions to the rules, as detailed below. Although these proposals are well-intentioned, they fail to account for important concerns and are likely to cause confusion.

First, the Ohio Manufacturers' Association Energy Group (OMAEG)'s proposal for improving "cost allocation" for distribution system upgrades suffers from several flaws. OMAEG

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[3] Comments of Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company, p. 13 (March 13, 2020).

[4] Initial Comments Submitted on Behalf of One Energy Enterprises LLC, p. 4 (March 13, 2020) (One Energy Comments).

proposes that utilities quantify and discount for the benefits that a distributed energy resource (DER) offers to the distribution system when determining how much to assess that applicant for the costs associated with interconnecting that DER.[5] But a DER does not become a permanent part of the distribution system. Any such benefits are speculative and variable. The exact amount of benefit to the system will vary based on the addition and removal of other DERs. And, in any event, the interconnector itself may cease generation at any time and remove all such benefits. Duke Energy Ohio opposes reducing the costs of upgrades based on such difficult-to-calculate and impermanent benefits to the distribution system.

Second, OMAEG's proposal to require EDUs to publish online the results of distribution impact studies performed for interconnection applicants, is more likely to cause unnecessary confusion than to "provide valuable data and information for other customers."[6] This would impose an additional burden on the EDU to avoid publishing confidential or otherwise sensitive customer data, and offer little benefit, because such data would not be updated for subsequent additions and withdrawals of DERs from the distribution system or for other changes or upgrades to the distribution system. When out-of-date, such published studies might actually mislead and confuse potential applicants. Thus, Duke Energy Ohio opposes this proposal.

Third, the Ohio Consumers' Counsel's (OCC) and One Energy Enterprises LLC's (One Energy) propose additional rules to micromanage discussions between EDUs and DER customers where existing procedures are adequate and the proposed additions would only cause confusion and would also raise privacy issues.[7] OCC seeks to require EDUs to disclose to the Commission "all instances in which a consumer contacts the utility regarding a complaint or other dispute

[5] Comments of The Ohio Manufacturers' Association Energy Group, pp. 2-4 (March 13, 2020) (OMAEG Comments).
[6] OMAEG Comments, p. 4.
[7] Comments by The Office of the Ohio Consumers' Counsel, p. 5 (March 13, 2020) (OCC Comments); One Energy Comments, pp. 7-8 (March 13, 2020).

related to interconnection."[8] However, such contacts can occur through different Company functions, and tracking would be near-impossible. Furthermore, it is not always clear when a discussion or disagreement or argument becomes a "complaint" or "dispute," generating confusion and inconsistency in reporting both within and among EDUs. And customers themselves may not ***want*** the Commission contacted every time they disagree on something with the EDU, raising a privacy issue. Customers already have avenues for contacting the Commission, both formal and informal, and this is sufficient. For the same reason, One Energy's proposal to formalize mediation is unnecessary.

B. The Commission should reject the proposal to delete the "inverter based equipment" limitation from the Level 1 and Level 2 Review procedures.

Duke Energy Ohio opposes AEP Onsite Partners' proposal to delete the phrases "inverter based equipment package" and "inverter based equipment" from Rules 4901:1-22-06(B)(1)(d) and 4901:1-22-07(B)(1), respectively.[9] Interconnections that are not inverter based require more extensive study than the Level 1 or 2 review procedures can provide. While non-inverter-based future technologies might qualify for Level 1 or 2 review someday, it is highly unlikely to be a possibility before the next rule review.

C. The proposed alternative cost structure for interconnection applications fails to consider overhead costs and is insufficiently substantiated.

Duke Energy Ohio opposes One Energy's proposal to drastically revise the cost structure for interconnection applications. One Energy argues that it is unfair to charge larger DER's an application fee based in part on their nameplate capacity when the EDU is merely "reviewing an application packet."[10] But One Energy does not explain the basis of its proposed cost structure,

[8] OCC Comments, p. 5.
[9] Initial Comments of AEP Onsite Partners, LLC, p. 3 (March 13, 2020).
[10] One Energy Comments, p. 5.

and Duke Energy Ohio believes that this proposal fails to consider the EDU's overhead costs. In order to properly substantiate an alternative cost structure, it would be necessary to review a sample of interconnection projects at each level of review and consider the EDU's costs of reviewing each one. Perhaps an alternate cost structure with a sufficiently robust deposit for studies and a reduced application fee would be supportable. However, as One Energy's alternative cost structure is not substantiated and does not appear to account for EDU overhead costs, Duke Energy Ohio opposes it.

D. The Commission should implement DP&L's proposed revision to Rule 4901:1-22-05(A) to allow EDUs to propose alternative application formats for Commission approval.

DP&L proposes that EDUs be permitted to submit alternative application formats for Commission approval, for use instead of the standard form.[11] Duke Energy Ohio believes this proposal preserves Commission oversight, while giving EDUs some additional flexibility to create an application form that may be more efficient or appropriate for their individual circumstances, and supports this proposal.

Duke Energy Ohio appreciates the opportunity to provide its reply comments to the Commission and respectfully requests that the Commission revise the proposed rules in accordance with the suggestions in Duke Energy Ohio's initial comments and herein.

Respectfully submitted,

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[11] DP&L Comments, pp. 4-5.

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CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing was delivered by U.S. mail (postage prepaid), personal delivery, or electronic mail, on this 3rd day of April 2020, to the following parties.

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