

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Ohio)
Power Company to Adjust Its Pilot) Case No. 13-568-EL-RDR
Throughput Balancing Adjustment Rider.)

**MOTION TO INTERVENE
BY
THE OFFICE OF THE OHIO CONSUMERS' COUNSEL**

The Office of the Ohio Consumers' Counsel ("OCC") moves to intervene in this case that involves the charges customers will pay due to the decoupling pilot program that the Public Utilities Commission of Ohio ("PUCO") authorized in Ohio Power Company's distribution rate proceeding.¹ OCC is filing on behalf of all of Ohio Power's approximately 1.2 million residential electricity consumers.² The reasons the PUCO should grant OCC's Motion are further set forth in the attached Memorandum in Support.

Respectfully submitted,

BRUCE J. WESTON
OHIO CONSUMERS' COUNSEL

/s/ Terry L. Etter

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¹ *In the Matter of the Pre-Notification of the Application of Columbus Southern Power Company and Ohio Power Company, Individually and, if Their Proposed Merger Is Approved, as a Merged Company (collectively AEP Ohio) for an Increase in Electric Distribution Rates*, Case No. 11-351-EL-AIR, et al., Opinion and Order (December 14, 2011) ("11-351 Order") at 9-10.

² See R.C. Chapter 4911, R.C. 4903.221 and Ohio Adm. Code 4901-1-11.

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MEMORANDUM IN SUPPORT

The Stipulation in Ohio Power's distribution rate case requires Ohio Power to calculate the difference between its authorized usage-based distribution rate revenues and the usage-based distribution rate revenues it actually collects during calendar years 2012, 2013 and 2014.³ The calculation is only for the residential and small business (GS-1) customer classes. The difference is to be collected from or returned to customers through the Throughput Balancing Adjustment Rider.⁴ The balance in the Rider was initially set at \$0.00, and Ohio Power is to make annual filings showing the overcollection or undercollection amounts for each of the three years. Rate increases resulting from the Rider are capped at 3% of the total annual distribution revenues of a customer class.

On March 1, 2013, Ohio Power filed its first application under the Rider. Ohio Power claims that it undercollected by approximately \$5.9 million in the CSP Rate Zone and \$9.4 in the OP Rate Zone.⁵ Through the Rider, Ohio Power proposes to collect approximately 0.08 cents per kWh from residential customers and 0.05 cents per kWh from GS-1 customers in the CSP Rate Zone, and 0.13 cents per kWh from residential

³ Case No. 11-351, Stipulation and Recommendation (November 23, 2011), Attachment Y.

⁴ The Rider will extend past 2015 unless otherwise ordered by the PUCO. 11-351 Order at 10.

⁵ See Application (March 1, 2013) ("Application"), Schedule 1.

customers and 0.02 cents per kWh from GS-1 customers in the OP Rate Zone.⁶ OCC has authority under law to represent the interests of all Ohio Power’s approximately 1.2 million residential electricity customers, pursuant to R.C. Chapter 4911.

R.C. 4903.221 provides, in part, that any person “who may be adversely affected” by a PUCO proceeding is entitled to seek intervention in that proceeding. The interests of Ohio’s residential consumers may be “adversely affected” by these cases, especially if the consumers were unrepresented in a proceeding involving the rates that Ohio Power’s residential customers may pay for electricity. Thus, this element of the intervention standard in R.C. 4903.221 is satisfied.

R.C. 4903.221(B) requires the PUCO to consider the following criteria in ruling on motions to intervene:

- (1) The nature and extent of the prospective intervenor’s interest;
- (2) The legal position advanced by the prospective intervenor and its probable relation to the merits of the case;
- (3) Whether the intervention by the prospective intervenor will unduly prolong or delay the proceeding; and
- (4) Whether the prospective intervenor will significantly contribute to the full development and equitable resolution of the factual issues.

First, the nature and extent of OCC’s interest is representing Ohio Power’s residential consumers. This interest is different from that of any other party and especially different than that of the utility whose advocacy includes the financial interest of stockholders.

⁶ See *id.*

Second, OCC's advocacy for consumers will include, *inter alia*, advancing the position that Ohio Power's customers should receive adequate service at a reasonable rate under Ohio law.⁷ OCC's position is therefore directly related to the merits of this case that is pending before the PUCO, the authority with regulatory control of public utilities' rates and service quality in Ohio.

Third, OCC's intervention will not unduly prolong or delay the proceedings. OCC, with its longstanding expertise and experience in PUCO proceedings, will duly allow for the efficient processing of the case with consideration of the public interest.

Fourth, OCC's intervention will significantly contribute to the full development and equitable resolution of the factual issues. OCC will obtain and develop information that the PUCO should consider for equitably and lawfully deciding the case in the public interest.

OCC also satisfies the intervention criteria in the Ohio Administrative Code (which are subordinate to the criteria that OCC satisfies in the Ohio Revised Code). To intervene, a party should have a "real and substantial interest" according to Ohio Adm. Code 4901-1-11(A)(2). As the residential utility consumer advocate, OCC has a very real and substantial interest in this case in which the PUCO must address whether Ohio Power is providing adequate service under Ohio law.

In addition, OCC meets the criteria of Ohio Adm. Code 4901-1-11(B)(1)-(4). These criteria mirror the statutory criteria in R.C. 4903.221(B) that OCC already has addressed and that OCC satisfies.

⁷ R.C. 4905.22.

Ohio Adm. Code 4901-1-11(B)(5) states that the PUCO shall consider the “extent to which the person’s interest is represented by existing parties.” While OCC does not concede the lawfulness of this criterion, OCC satisfies this criterion in that it uniquely has been designated as the state representative of the interests of Ohio’s residential utility consumers. That interest is different from, and not represented by, any other entity in Ohio.

Moreover, the Supreme Court of Ohio confirmed OCC’s right to intervene in PUCO proceedings, in deciding two appeals in which OCC claimed the PUCO erred by denying its interventions. The Court found that the PUCO abused its discretion in denying OCC’s interventions and that OCC should have been granted intervention.⁸

OCC meets the criteria set forth in R.C. 4903.221, Ohio Adm. Code 4901-1-11, and the precedent established by the Supreme Court of Ohio for intervention. On behalf of Ohio residential consumers, the PUCO should grant OCC’s Motion to Intervene.

Respectfully submitted,

BRUCE J. WESTON
OHIO CONSUMERS’ COUNSEL

/s/ Terry L. Etter

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⁸ See *Ohio Consumers’ Counsel v. Pub. Util. Comm.*, 111 Ohio St.3d 384, 2006-Ohio-5853, ¶¶13-20 (2006).

CERTIFICATE OF SERVICE

I hereby certify that a copy of this Motion to Intervene was served on the persons stated below via electronic transmission this 11th day of April 2013.

/s/ Terry L. Etter
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Summary: Motion Motion to Intervene by the Office of the Ohio Consumers' Counsel electronically filed by Ms. Deb J. Bingham on behalf of Etter, Terry L.