

April 4, 2017

Mr. Richard Bulgrin, Attorney Examiner Public Utilities Commission of Ohio 180 East Broad Street Columbus, Ohio 43215

RE: In the Matter of the Application of Ohio Power Company to Initiate Phase 2 of Its gridSMART Project and to Establish the gridSMART Phase 2 Rider, Case No. 13-1939-EL-RDR

Dear Attorney Examiner Bulgrin:

In the Order in this case,¹ the Public Utilities Commission of Ohio ("PUCO") approved a Settlement² allowing Ohio Power Company to expand its gridSMART program.³ The Office of the Ohio Consumers' Counsel ("OCC") initially opposed the Settlement, but, as part of a Global Settlement in other cases, OCC agreed to withdraw its opposition to the Settlement in this case, so long as certain conditions are met.⁴ The conditions are that residential customers will pay 45 percent of the gridSMART Phase 2 costs (instead of 62.4 percent, as proposed in the Settlement), and that the PUCO would approve the annual prudency audit and a review of the operational cost savings credit as modifications to the Settlement.⁵ The PUCO addressed both conditions in its Order in this case.

On March 3, 2017, OCC filed an Application for Rehearing of the Order due to a timing concern. The Order (issued on February 1, 2017) in this case recognizes that OCC does not oppose the Settlement so long as the PUCO gives *final approval* to the conditions in *both* the Global Settlement *and* the Settlement in this case.⁶

The Order in the Global Settlement case was issued on February 23, 2017,⁷ with applications for rehearing due on March 27, 2017 and an entry on rehearing possible 30 days after that. In the Global Settlement case, there would not be "final approval" of the conditions until after no applications for rehearing were filed or after the PUCO denied any filed application for rehearing. Further, were the PUCO to modify its Global Settlement Order in response to an application for rehearing (due by March 27, 2017), then the conditions for OCC to not oppose the Settlement in this case would not have been met. And at that late date, OCC would have foregone its opportunity to oppose the

¹ Opinion and Order (February 1, 2017).

² Joint Ex. 1.

 $^{^{3}}$ Order at 8.

⁴ In the Matter of the Commission Review of the Capacity Charges of Ohio Power Company and Columbus Southern Power Company, Case No. 10-2929-EL-UNC, et al., Joint Stipulation and Recommendation (December 21, 2016) at 14-15.

⁵ *Id*.

⁶ Global Settlement at 14; Order at 25.

⁷ Case No. 10-2929-EL-UNC, Order (February 23, 2017) ("Global Settlement Order").

Mr. Richard Bulgrin, Attorney Examiner April 4, 2017 Page Two

Settlement in this case on rehearing, as the time would be long passed for OCC to file an application for rehearing.

Out of an abundance of caution, due to the timing issue discussed above, OCC filed its Application for Rehearing in this case to protect residential customers' rights. OCC noted that if the Global Settlement Order, including the conditions for OCC's non-opposition to the Settlement in this case, is reflected in a final appealable order,⁸ OCC would withdraw its Application for Rehearing.⁹

No applications for rehearing of the Global Settlement Order were filed within the statutorily prescribed timeframe. Accordingly, OCC's Application for Rehearing filed in this case is no longer necessary and should be withdrawn.

Sincerely,

<u>/s/ Terry L. Etter</u> Terry L. Etter (0067445), Counsel of Record Assistant Consumers' Counsel

cc: Service list

⁸ That is, the Order is left intact because no applications for rehearing are filed or all applications for rehearing are denied. *See* R.C. 4903.11.

⁹ Application for Rehearing at 2-3.

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

4/4/2017 5:22:25 PM

in

Case No(s). 13-1939-EL-RDR

Summary: Correspondence Letter Withdrawing the Application for Rehearing by the Office of the Ohio Consumers' Counsel electronically filed by Ms. Deb J. Bingham on behalf of Etter, Terry L.