

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Ohio Power	)	Case No. 16-1852-EL-SSO
Company for Authority to Establish a Standard	)	
Service Offer Pursuant to R.C. 4928.143, in the	)	
Form of an Electric Security Plan.	)	

In the Matter of the Application of Ohio Power	)	Case No. 16-1853-EL-AAM
Company for Approval of Certain Accounting	)	
Authority.	)	

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**MOTION FOR LEAVE TO FILE  
TESTIMONY OUT OF TIME**

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The Staff of the Public Utilities Commission of Ohio respectfully requests that it be permitted to file the direct testimony of Jacob Nicodemus out of time. A copy of that testimony is attached to this motion, and is being filed simultaneously with this motion, subject to leave being granted.

By Entry issued September 5, 2017, parties were directed to file testimony in support of the stipulation by yesterday, September 13, 2017. Staff submitted its testimony, including that of Mr. Nicodemus, electronically at 4:05 p.m. For whatever reason, his testimony was not received by the Docketing Division and therefore not filed with the other testimony submitted by Staff. Staff submits that this was an inadvertent error, and requests that it be permitted to file that testimony one day late.

No party will be prejudiced by the late filing. All parties were served with a copy of Mr. Nicodemus's testimony together with the other testimony filed by Staff. Consequently, this inadvertence constitutes harmless error.

WHEREFORE, Staff respectfully request that it be permitted to file the testimony of Staff witness Jacob Nicodemus instanter, one day out of time

Respectfully submitted,

**Mike DeWine**  
Ohio Attorney General

/s/ *Werner L. Margard III*

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## CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing Motion for Leave to File Testimony Out of Time was served by electronic mail to the following parties of record, this 14<sup>th</sup> day of September, 2017.

/s/ Werner L. Margard III

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**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Ohio	:	Case No. 16-1852-EL-SSO
Power Company for Authority to Establish	:	
a Standard Service Offer Pursuant to	:	
R.C. 4928.143, in the form of an Electric	:	
Security Plan.	:	
	:	Case No. 16-1853-EL-AAM
In the Matter of the Application of Ohio	:	
Power Company for Approval of Certain	:	
Accounting Authority.	:	

**PREFILED TESTIMONY  
OF  
JACOB J. NICODEMUS  
RELIABILITY AND SERVICE ANALYSIS DIVISION  
SERVICE MONITORING AND ENFORCEMENT DEPARTMENT  
PUBLIC UTILITIES COMMISSION OF OHIO**

**Staff Exhibit \_\_\_\_\_**

**September 14, 2017**

1 1. Q. Please state your name and business address.

2 A. My name is Jacob Nicodemus. My business address is 180 E. Broad Street,  
3 Columbus, Ohio 43215.

4

5 2. Q. By who are you employed?

6 A. I am employed by the Public Utilities Commission of Ohio (PUCO).

7

8 3. Q. Would you briefly state your educational background and work history?

9 A. I have a Bachelor of Applied Science degree in electro-mechanical  
10 engineering from Miami University and have participated in a number of  
11 training seminars related to various areas of the utility industry. I began my  
12 employment at the PUCO in 2009 as a Utility Analyst in the Rates and  
13 Tariffs Department where I worked primarily with gas cost recovery and  
14 related matters, including review of utility tariffs with regard to commodity  
15 costs and rates. I was promoted in 2011 to a Researcher 3 position in the  
16 gas pipeline safety section of the Service Monitoring and Enforcement  
17 Department, and then promoted again in January 2014 to my current posi-  
18 tion.

19

20 4. Q. What is your present position with the PUCO and what are your duties?

21 A. I am a Utility Specialist 2 and am responsible for monitoring and enforcing

1 compliance with various minimum service standards for regulated gas and  
2 electric companies, including, but not limited to, those related to service  
3 reliability and consumer protections.  
4

5 5. Q. What is the purpose of your testimony in this case?

6 A. The purpose of my testimony is to discuss the reliability of Ohio Power  
7 Company's (the Company) distribution system as it relates to whether the  
8 Company has met the requirements of R.C. 4928.143(B)(2)(h).  
9

10 6. Q. Regarding the reliability of a distribution system, please describe your  
11 working knowledge of R.C. 4928.143(B)(2)(h).

12 A. This statute requires that before approving an electric distribution utility's  
13 (EDU) distribution infrastructure incentive as part of its Electric Security  
14 Plan, the Commission must examine the reliability of the EDU's distribu-  
15 tion system to ensure that the EDU's reliability expectations are aligned  
16 with those of its customers and that the EDU is placing sufficient emphasis  
17 on and dedicating sufficient resources to the reliability of its distribution  
18 system.  
19

20 7. Q. How does Staff of the PUCO perform such an examination?  
21

1 A. Staff of the PUCO (Staff) begins by looking at the EDU's approved minimum  
2 reliability performance standards and evaluating whether those standards  
3 have been met.  
4

5 8. Q. Please explain what is meant by "minimum reliability performance  
6 standards."

7 A. The minimum reliability performance standards are industry standards used  
8 to measure and report reliability performance, as defined by the Institute of  
9 Electrical and Electronics Engineers, Inc. (IEEE) and outlined in the "IEEE  
10 Guide for Electric Power Distribution Reliability Indices," also known as  
11 IEEE Std. 1366-2012.  
12

13 9. Q. Which minimum reliability performance standards are used by Ohio  
14 EDUs?

15 A. Per Ohio Administrative Code (Ohio Adm. Code) 4901:1-10-10(B), the  
16 standards used by EDUs are the Customer Average Interruption Duration  
17 Index (CAIDI) and the System Average Interruption Frequency Index  
18 (SAIFI).  
19

20 10. Q. Please explain how CAIDI is calculated and what it measures.

21 A. CAIDI is a measure of the average time required to restore a customer who  
22 experiences an outage, reported as minutes per customer interrupted. It is



1 calculated by summing the duration of all interruptions experienced by  
2 customers, and dividing that number by the total number of individual  
3 customer interruptions.

4  
5 11. Q. Please explain how SAIFI is calculated and what it measures.

6 A. SAIFI is a measure of the average number of interruptions that a customer  
7 may experience, reported as interruptions per customer. It is calculated by  
8 summing the total number of individual customer interruptions, and divid-  
9 ing that number by the total number of customers on the system.

10  
11 12 Q. How are CAIDI and SAIFI established for each EDU?

12 A. Ohio 4901:1-10-10(B)(2) states that an electric utility must file an applica-  
13 tion to establish company-specific minimum reliability performance  
14 standards. Ohio 4901:1-10-10(B) also provides guidance regarding the  
15 filing requirements. The application is to include supporting justification  
16 for the proposed methodology and each resulting performance standard.  
17 The performance standards should reflect historical system performance,  
18 system design, technological advancements, service area geography, cus-  
19 tomer perception surveys, and other relevant factors.

20  
21 The process concludes with a Commission order, thus establishing mini-  
22 mum reliability performance standards for the electric utility.

1 13. Q. What is Staff's role in the standard setting process?

2 A. Staff evaluates the application, submits data requests to the EDU as needed,  
3 and files comments. Staff also works with the EDU and other interested  
4 parties in an attempt to come to a consensus on what the performance  
5 standards should be, taking into consideration input from all parties  
6 involved.

7  
8 14. Q. When were the standards currently in place established?

9 A. On March 19, 2014, the current standards were established pursuant to the  
10 Commission's Opinion and Order in Case No. 12-1945-EL-ESS and  
11 became effective for the 2013 calendar year performance.

12  
13 15. Q. Please describe the data that was used to set the current standards for the  
14 Company.

15 A. The Company's application in Case No. 12-1945-EL-ESS proposed to  
16 calculate the Company's minimum reliability performance standards based  
17 on a five-year historical average plus a 10 percent adder to account for  
18 annual variation, and additional adjustments to account for the impacts of  
19 distribution automation and forestry. Other considerations included system  
20 design, historical system performance, technological advancements, and  
21 service area geography.

22

1 Ultimately, the standards were based on four-year historical averages, with  
2 a ten percent adder for SAIFI and an eight percent adder for CAIDI.

3  
4 16. Q. Has the Company met its approved reliability standards?

5 A. Yes. The Company has met its reliability standards each year since they  
6 became effective. Ohio 4901:10-10(C) requires each electric utility to file  
7 an annual report of reliability performance and supporting data. The table  
8 below details the Company's reliability performance since the standards  
9 were approved through 2016, which was the most recent performance data  
10 available as of the date this testimony was filed.<sup>1</sup>

11  
12 Performance Against Reliability Standards  
13 (Lower is Better)  
14

	<b>SAIFI</b>	<b>CAIDI</b>
STANDARD	1.20	150.00
2013 PERFORMANCE	1.03	140.97
2014 PERFORMANCE	1.13	146.61
2015 PERFORMANCE	1.13	139.03
2016 PERFORMANCE	1.08	143.45

15  
16  
17 17. Q. Please describe the means by which the Company evaluates its customers'  
18 reliability expectations.

19  

---

<sup>1</sup> Ohio Administrative Code 4901:1-10-10(C) requires electric utilities to file their reliability reports for the prior year on March 31.

1 A. Ohio Administrative Code 4901:1-10-10(B)(4)(b) requires each electric utility to  
2 periodically (no less than every three years) conduct a customer perception  
3 survey under Staff oversight. Staff oversight includes ensuring  
4 that certain questions are included and that the surveys are conducted over  
5 four quarters to avoid seasonal bias.  
6

7 18. Q. When did the Company last conduct a customer perception survey?

8 A. The Company's last customer perception survey was conducted in 2015;  
9 results were provided to Staff in February 2016.  
10

11 19. Q. What conclusions did Staff draw from the analysis of the survey results?

12 A. Upon review and analysis of the survey results, Staff concluded that resi-  
13 dential and commercial customers' average reliability expectations were  
14 exceeded by the Company's approved standards. That is, by meeting the  
15 approved CAIDI and SAIFI standards, the Company will have exceeded its  
16 customers' expectations.  
17

18 20. Q. Do you believe the Company has met the requirements of  
19 R.C. 4928.143(B)(2)(h)?

20 A. Yes. Based on the Company's successful performance against its reliability  
21 standards and the results of its reliability surveys, Staff believes that the  
22 Company has met the requirements of R.C. 4928.143(B)(2)(h).

1    21.    Q.    Does this conclude your testimony?

2            A.    Yes, it does. However, I reserve the right to submit supplemental testi-  
3                    mony as described herein, as new information subsequently becomes avail-  
4                    able or in response to positions taken by other parties.

## PROOF OF SERVICE

I hereby certify that a true copy of the foregoing Prefiled Testimony of Jacob J. Nicodemus was served via e-mail upon the following parties of record, this 14<sup>th</sup> day of September, 2017.

/s/Werner L. Margard III

**Werner L. Margard III**

Assistant Attorney General

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**This foregoing document was electronically filed with the Public Utilities**

**Commission of Ohio Docketing Information System on**

**9/14/2017 9:51:08 AM**

**in**

**Case No(s). 16-1852-EL-SSO, 16-1853-EL-AAM**

Summary: Motion for Leave to File Testimony Out of Time submitted by Assistant Attorney General Werner Margard on behalf of the Staff of the Public Utilities Commission of Ohio. electronically filed by Kimberly L Keeton on behalf of Public Utilities Commission of Ohio